

# Retain longs in copper

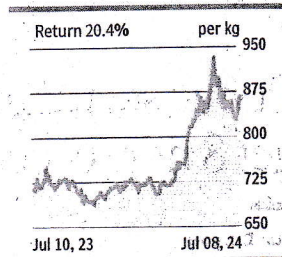
**Akhil Nallamuthu**  
bl. research bureau

Copper futures (July contract) on the Multi Commodity Exchange (MCX) have been on a decline for nearly three weeks. However, last week, the contract rebounded on the back of the support band of ₹835-845.

## COMMODITY CALL.

The contract is currently hovering around its 50-day moving average at ₹875. This is a potential resistance. However, given the current momentum, chances are high for copper futures to advance to ₹915 in the near-term.

The trend will turn bearish only if the contract breaks below the support at ₹835. Until then, the bulls are expected to have an upper hand.



## TRADING STRATEGY

Last week, we suggested buying copper futures at ₹840 with a stop-loss at ₹828. Retain this trade. Going ahead, when the contract rises past ₹875, alter the stop-loss to ₹855. On a rally to ₹900, tighten the stop-loss to ₹885. Book profits at ₹915.

Participants looking for fresh entries can wait for the breakout of ₹875 and then go long for a target of ₹915. Consider the stop-loss adjustments mentioned above.