

Buy aluminium futures if the price dips to ₹331

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Aluminium futures are now trading at ₹333 per kg. Over the last week, it saw a sharp rally to hit a high of ₹350.90 before moderating to the current price.

The price action shows that the support at ₹328 is stopping the decline. That said whether aluminium futures will see another round of a swift upswing is uncertain. Nevertheless, the price is likely to retest the ₹345-350 band.

COMMODITY CALL.

If the bulls gather enough strength to break out of the barrier at ₹350, the contract could rally to ₹375.

If the support at ₹328 is breached, aluminium futures



could drop to the ₹320-318 support region. Notably, the 21- and 50-day moving average coincides at ₹318, making it a strong base. Thus, there could be a rebound on the back of this.

In case the support at ₹318 is breached, the contract could extend the decline to ₹307.

TRADE STRATEGY

Traders could consider short-term buys if the price softens to ₹331. Target and stop-loss can be ₹345 and ₹323, respectively.