

Copper: Go long now, accumulate on dips

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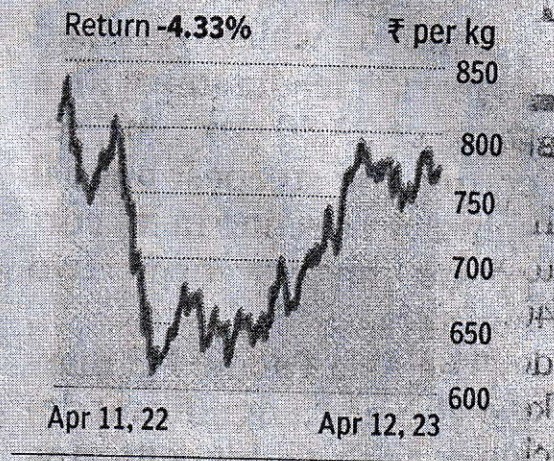
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Copper price is showing a sigh of relief recently. The copper futures contract on the Multi Commodity Exchange (MCX) made a low of ₹758.70 per kg last week and bounced back from there. It is currently trading at ₹773 per kg.

COMMODITY CALL.

The bias on the chart is positive. Immediate support is at ₹759. Below that ₹745 is the next important and strong support. In case a fall below ₹759 is seen, then the downside could be capped at ₹745. However, looking at the weekly candles, the chances for a fall below ₹759 are less.

Resistance is at ₹800. This can be tested in a week or two. A strong break above ₹800 will boost the bullish momentum. Such a break



can take the contract up to ₹860-870 in a month or two. Such a rise will also be very bullish from a long-term perspective.

The outlook will turn bearish only if the contract breaks below ₹745. In that case, a fall to ₹730-720 is possible.

TRADE STRATEGY

Traders can go long at current levels. Accumulate on dips at ₹763. Keep the stop-loss at ₹754. Trail the stop-loss up to ₹778 as soon as the contract moves up to ₹783. Move the stop-loss further up to ₹785 when the contract touches ₹791 on the upside. Book profits at ₹798.