

+ Sell copper futures at ₹1,300 with stop-loss at ₹1,350

Akhil Nallamuthu
bl. research bureau

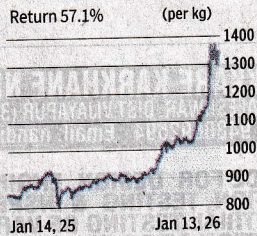
Copper futures are currently trading at ₹1,322 per kg. After witnessing a sharp rally in December, it now seems to have lost traction. The chart shows that the resistance at ₹1,350 has been blocking the bulls.

COMMODITY CALL.

That said, the bears have not been able to capitalise on the barrier at ₹1,350 so far. If they gain traction, copper futures could see a drop. Notable support levels can be spotted at ₹1,250 and ₹1,160.

But if the contract regains upward momentum and breaks out of ₹1,350, copper futures could move up to ₹1,450. A breach of this could take it further higher to ₹1,500.

Overall, the trend has



been flat. But given the recent sharp rally and that there is considerable resistance ahead, there is a chance for a corrective decline, if not a bearish trend reversal.

Also, short positions have better risk-reward ratio at the current market price.

TRADE STRATEGY

We had recommended selling copper futures (January) at ₹1,300. Retain this trade and maintain stop-loss at ₹1,350. When the contract slips to ₹1,200, trail the stop-loss to ₹1,250. Book profits at ₹1,160.