

MCX aluminium: Go long, accumulate on dips to ₹209

COMMODITY CALL.

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The aluminium futures contract on the MCX surged 5 per cent on Friday and closed on a strong note for the week. It is currently trading at ₹211 per kg. On the daily chart, the rally on Friday indicates a bullish breakout above the key resistance level of ₹208.7. This leaves the short-term bias bullish.

However, key resistances are ahead at ₹212.8 — the 100-week moving average

and then at ₹216-₹217. The bullish case will strengthen only if the contract breaks decisively above ₹217.

The break above ₹217 is possible if the MCX aluminium futures contract manages to sustain above ₹208.7. Such a break can take the contract up to ₹220-₹221 in the short term. The contract will come under pressure again if it declines below ₹208.7.

Traders with a short-term perspective can go long at current levels. Accumulate on dips to ₹209. Keep the stop-loss at ₹206. Trail the stop-loss up to ₹213 as soon as the contract moves up to ₹216.