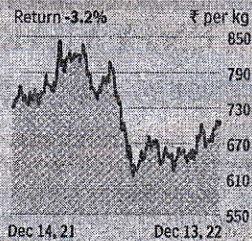


COMMODITY CALL.

MCX copper: Stay on the sidelines

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Towards the end of November, copper prices gathered positive momentum, resulting in a good rally.

December futures of the metal bounced-off the support at ₹660 and is currently trading at around ₹710.

While the price action continues to appear bullish on the chart, copper futures face a barrier at ₹720.

A breach of this level can trigger a sharp upward momentum. Above ₹720, the notable resistance levels are at ₹760 and ₹800.

However, as long as the resistance at ₹720 holds, the bears will have a chance to gain traction and drag the contract down.

In such a case, the contract will find support at ₹690 and ₹675.

But as it stands there are no signs of a bearish reversal.

Taking the above factors into account, it may not be ideal and worth the risk to initiate fresh long or short positions at the current levels.

TRADE STRATEGY

Stay on the sidelines for now and go long if it decisively breaks above the ₹720-levels and place the stop-loss at ₹690.

When the contract touches ₹750, tighten the stop-loss to ₹730. Exit the shorts at ₹760.