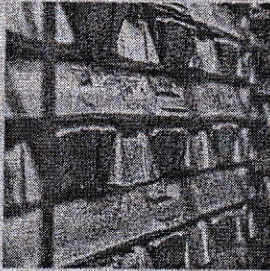


COMMODITY CALL.

Aluminium: Go long on dips

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The aluminium futures contract on the Multi Commodity Exchange (MCX) is hovering above a key support. After closing at ₹214.45 per kg on Friday, the contract opened the week with a gap-down at ₹212.70 on Monday. It made a low of ₹210.40 before managing to stay afloat. The contract bounced to a high of ₹214.20 on Tuesday. It is currently trading at ₹212 per kg.

OUTLOOK

A strong and significant support is at ₹210. Both the 21-day moving average (MA) and trendline support are poised around ₹210. Chances are high for the contract to sustain above this support and see a fresh rise in the coming days.

Resistance is at ₹214. A break above it can take the contract up to ₹216 and ₹218 initially. It will also keep doors open to test ₹220-221 in the coming weeks.

The MCX aluminium contract will come under more pressure only if it breaks below ₹210. This can drag it to ₹205.

TRADING STRATEGY

Traders with a high-risk appetite can go long on dips at ₹211. Keep the stop-loss at ₹211. Trail the stop-loss up to ₹212 as soon as the contract moves up to ₹213.50. Move the stop-loss further up to ₹214 when the contract touches ₹215.50. Book profits at ₹217.