

## Buy aluminium futures if price softens to ₹341



**Akhil Nallamuthu**

bl. research bureau

Aluminium futures, which faced a moderation in price over the last two sessions, are now trading at ₹343 a kg.

The broader trend is up and even though the contract softened recently, the uptrend is intact.

The immediate outlook for aluminium futures is positive as the support at ₹340 stays valid.

Going ahead, we will most likely see a rally to ₹350, a resistance. If this level is breached, the contract will be able to go higher, probably to ₹375.

On the other hand, if the contract breaches the support at ₹340, it will open the door for a decline to ₹333, a potential support. The nearest base below ₹333 is at ₹325.

Here is our expectation given the above factors. Aluminium futures are likely to slip to ₹340 and then see a rally to ₹350.

Therefore, traders could consider buying. That said, the movement after the contract touches ₹350 is uncertain at the moment.

### TRADE STRATEGY

Buy aluminium futures if the price softens to ₹341. Place stop-loss at ₹338.

When the contract rises to ₹346, tighten the stop-loss to ₹341. Book profits at ₹350.