

Buy aluminium with stop-loss at ₹250

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Aluminium futures have been on an uptrend since August last year.

The contract hit a high of ₹262.20, the highest since April 25, 2022.

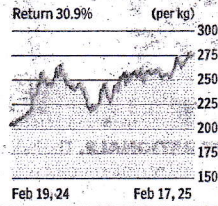
But since marking the high, the contract moderated and is now consolidating in a narrow range of ₹256-258.50.

COMMODITY CALL.

Nevertheless, the broader bull trend remains intact and aluminium futures can resume the uptrend anytime. That said, there might be a price correction to ₹254 before the next rally begins.

If aluminium futures start moving up as expected, they can rally to ₹270 in the short-term. A breakout of ₹270 can lift it to ₹275.

On the other hand, if the contract slips below ₹254, there is an immediate sup-



Aluminium futures can resume the uptrend anytime and rally to ₹270 in the near-term

port at ₹250. The subsequent one is at ₹246.

TRADE STRATEGY

We suggested buying aluminium futures (February) at ₹256 last week.

Traders who initiated this trade can retain this with the stop-loss at ₹250. When the contract rises to ₹265, revise the stop-loss to ₹260. Book profits at ₹270.