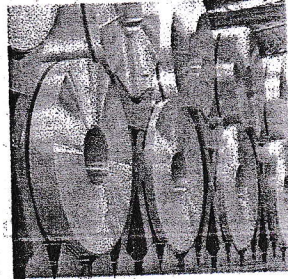


Buy aluminium at the current level of ₹237



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Aluminium futures on the Multi Commodity Exchange (MCX) have been on a rally since early March. It rebounded on the back of the support at ₹200.

Last week, the contract broke out of the resistance at ₹226. Early this week, aluminium futures hit a record high of ₹238.15 and the price action indicates that further rally is possible.

The nearest notable support from the current level is the price band between ₹250 and ₹255. A breakout of ₹255 can lift aluminium futures to ₹275.

On the other hand, if the contract falls from here, it can find support at ₹230. A break below this can turn the outlook weak for the near-term, possibly leading to a fall to ₹220, where the 20-day moving average currently lies.

TRADING STRATEGY

Buy aluminium futures at the current level of ₹237 and add longs if the price dips to ₹232. Place initial stop-loss at ₹228.

When the contract touches ₹245, tighten the stop-loss to ₹238. Book profits at ₹250.