

# Aluminium futures: Go short; stop-loss at ₹240

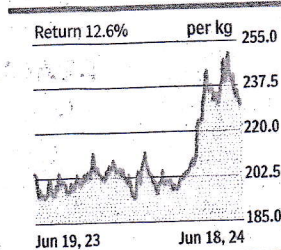
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Aluminium futures on the MCX, over the past three weeks, has been on a decline. It started falling on the back of the barrier at ₹250.

## COMMODITY CALL.

In the last three weeks, aluminium futures has slipped below key support points. The contract is now below both the 20- and 50-day moving average, and early this week it dropped below a key support at ₹232. These factors point to a possible downward movement from the current level. But there could be a minor rally from here, which can be capped at ₹235.

As per the chart, the nearest support for aluminium futures from the current level is at ₹225. But



given the momentum, the contract will most likely fall below this and touch ₹210 in the short-term.

Aluminium futures can turn the trend bullish only if it can recover above ₹240, which at the moment appears unlikely. So, traders can consider short positions.

Short aluminium futures now at ₹230 and add shorts if the price rises to ₹235. Place stop-loss at ₹240. When the contract drops below ₹225, revise the stop-loss to ₹232. Bring the stop-loss further down to ₹222 when the price touches ₹215. Book profits at ₹210.