

was noticed in the overall were lower by ₹2-3. The bet-

Aluminium: Hold the longs, book profits at ₹225

Akhil Nallamuthu
bl. research bureau

Aluminium futures (August series) on the Multi Commodity Exchange (MCX) has been on a recovery over the past week.

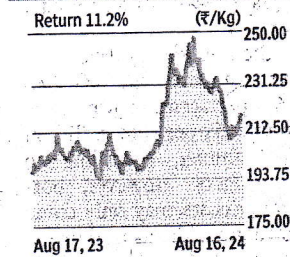
It closed above the resistance at ₹215 last week, turning the short-term outlook positive.

From the current level of ₹220, the nearest hurdle can be spotted at ₹225.

A breakout of this can lift aluminium futures to ₹232. Post a rally to ₹232, the contract might see a decline.

COMMODITY CALL.

On the other hand, from the current level, if the price drops below the resistance-turned-support of ₹215, it can find support at ₹210. Note that the price band of



the ₹206-210 is a support band. A breach of ₹206 can result in aluminium futures establishing a fresh leg of downswing. However, as it stands, the likelihood of the price going up is high and so, traders can remain on the long side.

TRADE STRATEGY

We recommended buying aluminium futures at ₹212 a couple of weeks ago. Retain this trade. But revise the stop-loss from ₹204 to the entry price of ₹212 so that the risk is neutralised. Book profits at ₹225.