

# Copper futures probing resistance at ₹816

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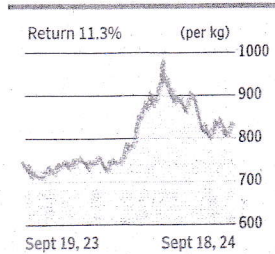
Copper futures on the Multi Commodity Exchange (MCX) have been charting a sideways trend over the past two months. The contract has been oscillating between ₹775 and ₹816. Within this range, the September futures

## COMMODITY CALL.

bounced off the support at ₹780 last week to close at ₹808.95 on Wednesday.

Notably, the price is now above both 20- and 50-day moving averages, a bullish sign. However, the copper futures is yet to break out of the resistance at ₹816. The 38.2 per cent fibonacci retracement of the prior downswing coincides at this barrier, making it a strong one.

In case the contract



breaches ₹816, it can see a quick rally to ₹850, a potential resistance. A move past this can take copper futures to ₹875. On the other hand, if the contract falls off the resistance at ₹816, it can find support at ₹800. A break below this level can drag the contract to ₹780.

### TRADE STRATEGY

Stay on the fence for now and initiate fresh longs when copper futures break out of ₹816. Keep stop-loss at ₹795. When the contract rallies to ₹840, revise the stop-loss to ₹825. Book profits at ₹850.