

# Copper: Go short if the contract dips below ₹987

**Gurumurthy K**

bl. research bureau

Copper prices have been oscillating in a range for more than three weeks now.

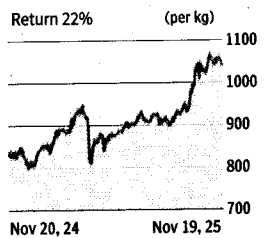
The copper futures contract on the Multi Commodity Exchange has been fluctuating between ₹990 and ₹1,025 per kg for about a month now.

Within this range, the contract is currently trading at ₹998.

## COMMODITY CALL.

The immediate outlook is unclear. A crucial support is at ₹987, which could be tested in the coming days.

If the contract manages to sustain above this support and bounces back, then it could get some relief. In that case, it could rise back to ₹1,000-1,025 in the short term and ₹987-1,025 will become the trading range thereafter. But if the con-



tract breaks below ₹987, it could come under selling pressure. Such a break could drag the contract down to ₹970 or ₹960. As such, the price action around ₹987 will need a very close watch.

## TRADE STRATEGY

Traders can stay out of the market now. However, fresh short positions can be taken once the contract declines below ₹987. Keep the stop-loss at ₹992.

Trail the stop-loss down to ₹984 as soon as the contract falls to ₹981. Revise the stop-loss down to ₹982 and ₹978 when the contract touches ₹979 and ₹975 respectively. Exit the shorts at ₹973.