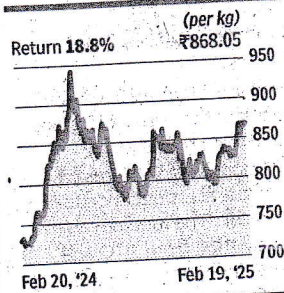


Buy copper on dips to ₹855

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Copper futures, which began their recent rally in early January, are moving in a sideways range in recent sessions.

The February contract bounced off the support at ₹790-₹800 region in January. It rallied to mark a seven-month high of ₹880.65 on February 14.

Ever since it hit a high, it started to chart a narrow sideways trend between ₹860 and ₹872.

Nevertheless, this is only a corrective phase and copper futures can resume the rally anytime.

The contract can start moving up either from the current level of ₹870 or after seeing a moderation in price to ₹855.

The potential upswing can lift the contract to ₹900 in the short-term.

On the other hand, if copper futures slip below ₹850, a support, there is another support at ₹840. A breach of this can turn the near-term outlook bearish. In such a case, the price can fall to ₹820.

TRADING STRATEGY

Buy copper futures if the price dips to ₹855. Target and stop-loss can be ₹900 and ₹830, respectively.

After the trade is initiated, trail the stop-loss to ₹865 when the contract touches ₹885.