

Copper: Short at ₹852, stop-loss at ₹865

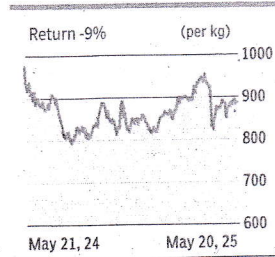
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Copper futures remained largely flat last week. On Monday, they closed at ₹855.35/kg. Therefore, the contract is still stuck between ₹835 and ₹862.

COMMODITY CALL.

That said, the weekly chart shows that copper futures have been facing a bit of a selling pressure between ₹855 and ₹862. So, a prolonged consolidation near these levels might lead to the bears gaining strength.

If there is a decline from the current level, copper could find support at ₹835 and ₹820. A trendline coincides at the latter, making it a strong base. If this level is breached, the contract could fall to ₹790 and ₹770, potential support levels. However, if copper futures rally from



the current level and surpass ₹862, there is another resistance at ₹872. Only a decisive breakout of ₹872 could turn the trend bullish. In such a scenario, the futures could rise to ₹910 and ₹930, potential resistance points.

The recent candlesticks on the weekly chart give a minor bearish inclination to copper.

TRADING STRATEGY

Traders with higher risk appetite can go short in copper futures at ₹852 with a stop-loss at ₹865. When the contract dips to ₹835, revise the stop-loss to ₹845. Book profits at ₹825.