

# Aluminium: Bullish; go long now and on dips

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Aluminium prices have been consolidating over the last few weeks. The Aluminium Futures Contract on the MCX is oscillating in a broad range of ₹230-₹245 for more than three weeks now. Within this, the contract is now poised near the upper end of the range at ₹242 per kg.

## COMMODITY CALL

The broad ₹230-₹245 range is still intact. However, the price action on the weekly chart leaves the bias positive.

It indicates that the contract is getting buying interest in the ₹235-₹230 region. Indeed, the contract

has been sustaining well above ₹235 itself since the beginning of this week.

All these factors keep the bias positive. It also leaves the chances high for the contract to break the range on the upside going forward. Such a break can take the MCX Aluminium contract up to ₹252-₹255 in the short-term.

The contract has to fall below ₹230 to become bearish. Only in that case, the contract will come under pressure for a fall to ₹223-₹220. But such a fall looks unlikely as seen from the charts.

Traders can go long now at ₹242. Accumulate on dips at ₹238. Keep a stop-loss at ₹232.

Trail the stop-loss up to ₹246 when the contract goes up to ₹249. Move the stop-loss further up to ₹250 when the price touches ₹252. Exit the long positions at ₹255