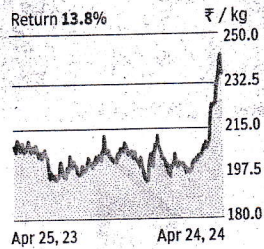


COMMODITY CALL.

Hold the longs in aluminium



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Aluminium futures on the Multi Commodity Exchange (MCX) remained steady over the past week. As the April futures are nearing expiry, we consider the May contract for analysis and trade recommendation.

The May aluminium futures hit a high of ₹244 early this week. But then the contract moderated and it closed at ₹236.8 on Wednesday.

The broader trend remains up. From the current level, the nearest support is at ₹228, where the 20-day moving average lies. Below this, aluminium futures can find support at ₹224. Subsequent support is the 50-day moving average at ₹215.

On the other hand, the nearest resistance from the current level is at ₹250. Resistance above ₹250 is at ₹258.

TRADE STRATEGY

Last week, we recommended a buy in April aluminium futures at ₹237. Traders can consider rolling over to the May contract. That is, exit longs in April now and simultaneously buy May aluminium futures.

Add longs in May contract if the price dips to ₹228. Place stop-loss at ₹222. When the contract surpasses ₹245, tighten the stop-loss to ₹238. Book profits at ₹250.