

# Stay out of aluminium futures for now

**Gurumurthy K**

bl. research bureau

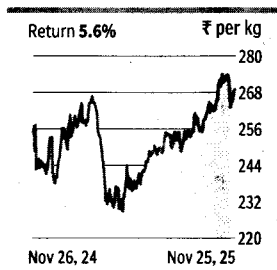
Aluminium prices have risen back well in the last couple of days after getting beaten down for two consecutive weeks. This has eased the downside pressure and has also reduced the danger of more fall.

## COMMODITY CALL.

The aluminium futures contract traded on the Multi Commodity Exchange fell to a low of ₹262.30 per kg, and then has reversed higher from there.

It is currently trading at ₹269. The immediate resistance is at ₹271, which could be tested now.

A break above it can take the contract further up to ₹273 — the next resistance. Ideally, the contract has to breach ₹273 to turn the out-



look bullish. Only then the upside will open up to see ₹277-280 levels.

A failure to rise above ₹271 from here could trigger a fall back to ₹265 — an important support. It will also keep the contract vulnerable to break this support. Such a break could trigger a fresh fall to ₹260 and even lower, going forward.

### TRADE STRATEGY

Considering the resistance that is coming up and the danger of seeing a fall back, we suggest traders to stay out of the market for now.