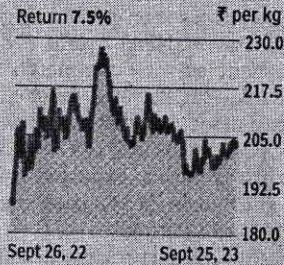


COMMODITY CALL.

Initiate short positions in aluminium

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On the Multi Commodity Exchange (MCX), Aluminium futures has been moving in a tight range of ₹200-204 for the past couple of weeks.

While this has been the narrow range for the contract, it has been held within a broader ₹196-204 range since July.

The contract is currently testing the resistance at ₹204. If aluminium futures falls below this level, it can decline to ₹200, where the 200-day moving average lies.

A breach of this level can drag the contract to the range bottom of ₹196.

If the support at ₹196 is breached, it can establish the next leg of downtrend which can drag the contract to ₹186 or even to ₹180. On the other hand, if the contract breaks out of ₹204, it can appreciate to ₹215.

TRADE STRATEGY

On September 18, we recommended initiating short positions at an average price of ₹203 with a stop-loss at ₹206. Retain this trade.

When the contract touches ₹198, adjust the stop-loss to ₹201. Book profits at ₹196.