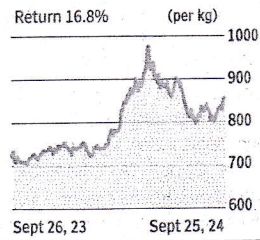


# Hold on to long positions in copper

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Copper futures on the Multi Commodity Exchange (MCX) broke out of a resistance early this week, turning the near-term outlook positive.

The September contract broke out of the resistance at ₹816 on Tuesday and has extended the rally. On Wednesday, it had closed at ₹832.

The breakout has confirmed a double-bottom chart pattern in daily time-frame. As per this set up, copper September futures is likely to touch ₹850 soon before expiry.

But if the contract declines from the current level, it can find support between ₹816 and ₹820. A break below ₹816 before expiry is less likely.

Note that the September futures of copper will expire on September 30.

## TRADING STRATEGY

Last week, we recommended buying copper futures (September) when it surpasses ₹816. Traders who initiated this trade can retain it.

However, revise the stop-loss from ₹795 to ₹825. Book profits at ₹850. In case neither the target nor the updated stop-loss is triggered till September 30 (expiry day), consider exiting them in the second half of the session.