

Buy copper futures at ₹860 and ₹855

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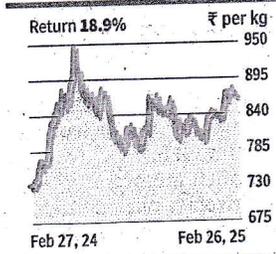
Copper futures, over the past couple of weeks, have been flat. The March futures contract on the domestic market have been consolidating between ₹860 and ₹875.

COMMODITY CALL.

Nevertheless, the broader bull trend is valid. The sideways movement is more of a correction and there are no signs of a bearish trend reversal. Going ahead, we expect the contract to break out of ₹875 soon.

In case the correction drags copper futures down, the decline is unlikely to go below ₹850, where there is a trendline support.

Either way, copper futures will eventually surpass the



barrier at ₹875 and will rise towards ₹900, a resistance.

If the price slips below the support at ₹850, the near-term outlook could turn weak wherein copper futures could drop to ₹840 and ₹820, potential support levels.

TRADE STRATEGY

Buy copper futures at ₹860 and ₹855. Place stop-loss at ₹840. When the contract breaks out of ₹875, raise the stop-loss to ₹860. Tighten the stop-loss to ₹880 when the contract touches ₹890. Book profits at ₹900.