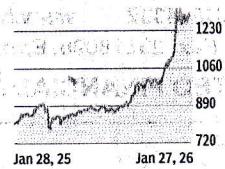


Buy copper futures if the contract breaks out of ₹1,365

Akhil Nallamuthu

bl. research bureau

Return 58.1% per kg 1400



Copper futures have been consolidating over the last month. The January contract, now at ₹1,275 (per kg), has been largely moving within ₹1,230 and ₹1,242.

COMMODITY CALL.

The February contract, currently at ₹1,324, has been oscillating between ₹1,270 and ₹1,365. Since the January futures is expiring on Friday (January 30), we shall consider the February futures for analysis.

Although the February copper futures is charting a sideways trend now, it retains the overall bull trend. So long as the support levels at ₹1,270 and ₹1,250 hold true, the trend will not turn

bearish. That said, for a fresh leg of uptrend, the resistance at ₹1,365 ought to be breached.

In such a case, the contract could rise to ₹1,450 quickly. On the other hand, if the February futures slip below the support at ₹1,250, it could extend the downswing to ₹1,200.

TRADE STRATEGY

Buy copper futures (February) if they break out of ₹1,365. Target and stop-loss can be ₹1,450 and ₹1,320, respectively.