

## COMMODITY CALL

# Go long on copper

**Akhil Nallamuthu**

bl. research bureau

Return -3.9% ₹ per kg



Copper price has been gradually moving up since July last year. As a result, continuous futures contract of copper on the Multi Commodity Exchange (MCX) started appreciating by taking support at ₹600. It is currently hovering around ₹788.

Since the nearest expiry i.e., March series is expiring on March 28, we are considering the April contract for analysis and trade ideas.

The April series is currently trading at a discount of ₹776. The equivalent of the resistance at ₹800 for the March series is ₹790 with respect to April contract. So, a rally past ₹790 can induce more bullish momentum wherein the contract can appreciate to ₹850.

On the other hand, if the contract falls, it can find support at ₹760 and ₹740.

### TRADE STRATEGY

Although the recent bias has been bullish, the copper futures is facing a resistance nearby. Traders can go long on April futures of copper when it breaks out of the hurdle at ₹790. Place stop-loss at ₹770 at first.

When the contract rallies past ₹830, modify the stop-loss to ₹810. Book profits at ₹850 as there can be a decline off this price level.