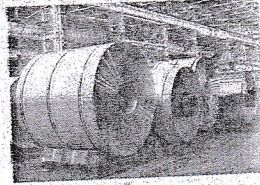


**COMMODITY  
CALL****Short aluminium  
futures at ₹204****Akhil Nallamuthu**

bl. research bureau

Aluminium futures on the Multi Commodity Exchange (MCX) saw a sharp recovery in price last Tuesday. However, there has been no follow-through rally and the price action indicates a potential fall in price.

The February expiry aluminium futures marked a two-week high of ₹205.95 last Wednesday. But then, the contract moderated and closed at ₹203.05 last week.

There is a strong barrier at ₹206, around which both the 20- and 50-day moving averages coincide.

Besides, a bearish pin bar formed on the daily chart last Wednesday hints at a potential resumption in the bear trend, which has been in place since the beginning of January.

A fall from the current level can drag aluminium futures to ₹198, its nearest support. Subsequent support is at ₹193.

However, if aluminium futures break out of ₹206, the short-term outlook will turn positive. This can lead to a swift rally to ₹215.

**TRADE STRATEGY**

Short aluminium futures now at ₹204. Place stop-loss at ₹207. When the price falls to ₹200, tighten the stop-loss to ₹203. Book profits at ₹198.

In case aluminium futures breach the hurdle at ₹206 and hits stop-loss of the long position at ₹207, consider going long with stop-loss at ₹203. Exit this trade at ₹215.