

Aluminium: Go long at ₹206; stop loss at ₹200

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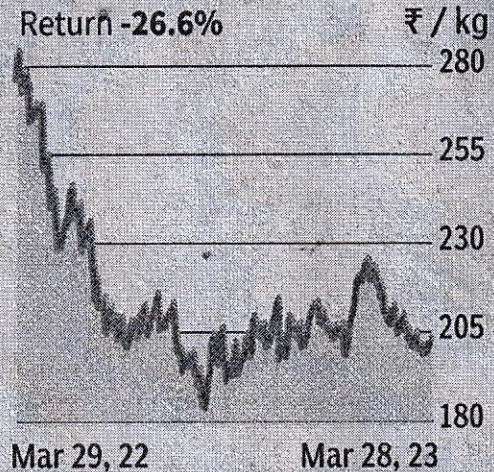
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After a fall in prices, aluminium futures (continuous contract) has become range-bound.

COMMODITY CALL.

The contract on the MCX has largely been oscillating between ₹202 and ₹205 for the last couple of weeks. However, the contract has seen a bounce-off around the ₹200-202 support levels and is currently trading at around ₹207.

Although the contract might face a minor resistance at ₹215, it is likely to go up towards ₹225-230.



On the other hand, if the contract declines from the current levels and slips below the support at ₹200, the chances are high for aluminium futures to see another leg of a decline. Support below ₹200 are at ₹192 and ₹186. A couple of weeks ago, we suggested going long at ₹206 with stop-loss at ₹200. Hold this trade.

When the contract touches ₹215, modify the stop-loss to ₹210. Book profits at ₹228.