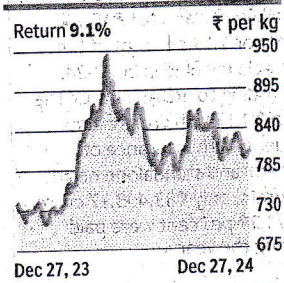


Buy copper now and accumulate on dips

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Copper futures, which witnessed a sharp fall in price two weeks ago, have found support and steadied. In the past few sessions, they have recovered a bit and show signs of a rally.

The January expiry copper futures found support in the price band of ₹796-₹800 last week. They have now recovered to ₹810.

Although there is a resistance ahead at ₹815, we expect the contract to surpass this level and touch ₹836 in the near term.

A breakout of ₹836 can turn the medium-term outlook bullish. Resistance above ₹836 is at ₹860.

On the other hand, if copper futures decline from the current level, they can find support between ₹796 and ₹800.

A breach of ₹796 can lead to another leg of downtrend. Notable support levels below ₹796 are at ₹780 and ₹770.

TRADE STRATEGY

As it stands, the probability of a rally is high. So, traders can buy copper futures now at ₹810 and accumulate if they dip to ₹800. Place stop-loss at ₹785 initially.

When the contract rises to ₹820, revise the stop-loss to ₹800. On a rally to ₹830, tighten the stop-loss to ₹820. Book profits at ₹836.