

**COMMODITY CALL**

## MCX-aluminium rally will continue



**AKHIL NALLAMUTHU**

BL Research Bureau

The price of futures contract of aluminium on the Multi Commodity Exchange (MCX) has been moving sideways largely between ₹160 and ₹170 since December last year.

However, since the beginning of February, the price has been rising steadily. The March futures contract began its rally from about ₹160 and last week, it broke out of the resistance at ₹170.

Extending the rally, the contract marked a fresh high of ₹176.5 on Thursday, indicating that the upward movement is set to continue. The rally is accompanied by a healthy volume, making the case stronger for the bulls.

Moreover, the global price trend is inclined to upward i.e., the three-month rolling forward contract of the metal on the London Metal Exchange (LME) broke out of the crucial resistance of \$2,070 last week, opening the door for further strengthening.

Traders can be positive and initiate fresh long positions in MCX-Aluminium futures with stop-loss at ₹170.

On the upside, it can rise to ₹182 in the short run. Above that level, it can touch ₹185.