



PATHFINDER

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Ali Set for New Rally!

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Aluminium Fundamental Update

- Aluminium prices climbed to 3-month highs as buying interest increased with improving demand prospects from China
- Production in Yunnan, remained constrained due to production curbs during the annual dry season. However, production is expected to resume as power supply conditions improve.
- China's aluminium output in February saw a notable increase of 7.81% YoY, signaling resilience in production despite challenges.
- China imported 720,000 tons of unwrought aluminium and products in the January-February this year, up 93.6% from the same period last year.
- Surge in imports coincided with a notable increase in aluminium stocks on SHFE warehouses, up by approximately 80% in February.
- Japanese aluminium buyer agreed to a substantial premium of \$145 per MT over the benchmark price for shipments from April to June, marking a notable increase of 61% from current quarter.
- Money is coming into metals and we can see that evidence of earlier it being copper and now getting into aluminium. We could see the momentum continue for another 5% + upside.

MCX Aluminium Technical Update



- MCX Aluminium prices have picked up momentum since last three weeks. Prices have **breached above the upper bound** of Symmetrical Triangle pattern on weekly chart, and are likely to head towards **₹ 240 level** according to the pattern formation.
- The 14-period RSI on weekly chart is crossing above 60 mark which signals strength in momentum for the medium term. Prices have also formed a base near 20-weeks moving average which is **observed at ₹ 202 level**.
- We recommend to buy MCX Aluminium **above ₹ 213** and add on correction towards **₹ 210** for **the targets of ₹ 230 and ₹ 240 levels**. Our view will be invalidated if prices trade below **₹ 202** on sustainable basis.

LME Aluminium Technical Update



- LME Aluminium prices are gaining momentum on the higher side since last three weeks. Prices have breached above the upper bound of Symmetrical Triangle pattern on weekly chart. We expect prices to **reach \$2650 level** according to the pattern formation.
- The 14-period RSI on weekly chart is crossing above 60 mark which signals strength in momentum for the medium term. Prices have also **breached above the 100 EMA** (Exponential Moving Average) on weekly chart which is likely to help the counter to move higher with robust momentum.
- We recommend to create long positions in the counter **above \$2380** and add on correction towards **\$2340** for the **targets of \$2570 and \$2650**. Our view will be invalidated if prices trade **below \$2250** on sustainable basis.



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