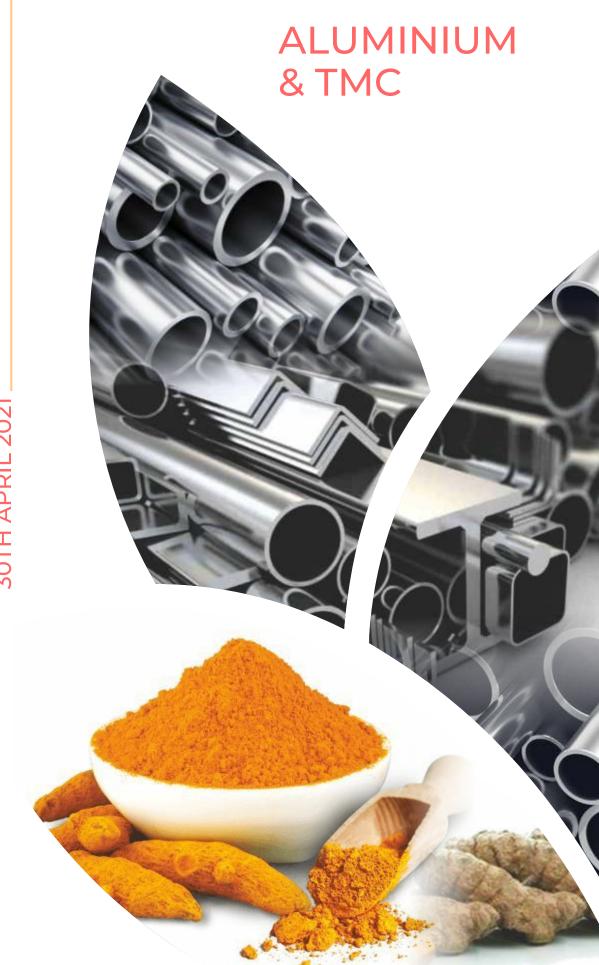
# \* Choice



# ALUMINIUM



## **News & Development**

MCX Aluminium futures traded bullish during the month of April, owing to hopes of revival of global economy with recovering industrial activities in the Asian markets, higher imports from China with covid-19 worries continue to loom in India that had added uncertainties regarding the health of the global economy. But then, refinery activates in China has showcased improvement that is actually covering 50% of the world demand. MCX Alumini futures has also witnessed a bullish trend and price has closed at Rs.193.35/kg by 29th April, higher by 9.45% compared to Rs.176.65/kg as on 31st March.

Looking forward for the coming month, we expect International Aluminium Futures to trade bullish as the covid vaccination process has picked up face. Currently, the Chinese and United States economic data has shown a significant incline over the months and expected to be higher for the month of April, which is expected to support Aluminium prices along with other base metals. But then, extreme bullishness is likely to capped as US Dollar Index and Bond Yield find some strength. Conversely, global silver prices has showcased a surge amid the strong industrial demand along with other base metals. As per International Aluminium Institute, global Aluminium production for the month of Mar'21 has been reported to be around 5.725 Million tonnes, higher compared to previous month's production of 5.187 million tonnes. China has witnessed higher global production for the last month. China's Aluminium production for the above month has been estimated around 3.310 million tonnes, lower compared to 3.001 million tonnes reported during the previous month. Elsewhere, production in Asia (excluding China), North America, Western and Eastern Europe have also reported higher production for the Feb'21 compared to the proceeding month. Overall, we expect a bullish trend in MCX Alumini Futures for the month ahead.



On the daily chart, Aluminium (May) future has been rising continuously with **Higher High & Higher Lows** formation from the couple of weeks after taking a support of 21 **Exponential Moving Averages**, which indicates a bullish reversal in the counter for the long term. In addition, the trend indicator **Parabolic SAR** also indicates bullish momentum in near future. However, the price has been hovering near to the Upper Bollinger Band formation, which indicates immediate resistance zone for the counter after a long way. Moreover, an oscillator Stochastic has indicated negative crossover, which points-out some correction in the counter for the near term. **Hence based on the above mixed technical structure, we are recommending buy on dip strategy in Aluminium (May) future. One can initiate a long position around 191 or fall in the prices till 189 can be used as buying opportunity for the upside target of <b>205**. However, the bullish view will be negated if MCX Aluminium (May) closes below the support of **184**.

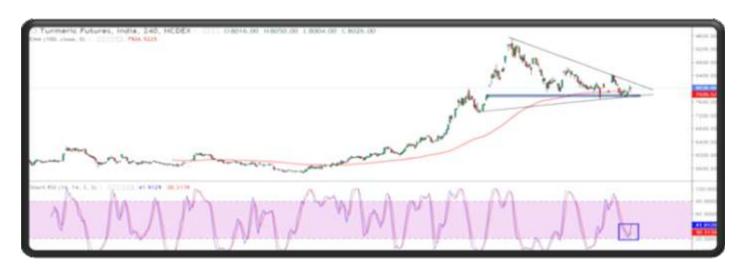




## **News & Development**

NCDEX Turmeric Future price has mainly traded sideways to bearish during the April month closing at Rs.8184/quintal on 29th April, lower by 5.19% compared to Rs. 8632/quintal as on 31st March. Reduced buying in the domestic market with increasing curfew and higher arrivals at higher levels brought pressure in prices. However, future prices have continuously sustained the levels of Rs.7800-8000 which indicates that the traders have bought the lower levels amid the ongoing pandemic with higher pharmacy demand. After the mini-super cycle in the agriculture commodities in the March month, turmeric prices have shown decline along with other agriculture commodities.

Fundamentally for the month ahead, we are estimating NCDEX Turmeric futures to trade bullish, with the people of India giving more importance to health and safety amid the on-going pandemic. Expected lower production current year supported the prices in the spot market from lower levels. For the year 2021-22 marketing period, we are expecting 62000 MT (Metric tonnes) ending stocks (with increasing exports and domestic consumption), which is lower than 98000 MT from last year. Although the domestic APMC markets are closed until 3rd May, however, vaccination process is picking up pace which is expected reopen the APMC markets by 15th May. Exports from India is expected to further rise with higher pharmacy demand and expectancy of greater demand in the middle east, European Union and United States. Unlocking process in the European Union with resuming restaurants and retail activities is expected to support NCDEX turmeric futures in the coming month.



On a Four hourly timeframe, NCDEX Turmeric (Jun) future consolidated with a **Symmetrical Triangle** pattern after a bullish trend. In addition, the price has been moving above the 100 **Exponential Moving Averages**, which supports the bullish trend for the long term. Moreover, the momentum indicator Stochastic RSI also supportive for long position with positive crossover. Turmeric has strong support of 7200. **Hence, based on the above technical structure, one can initiate a long position in NCDEX Turmeric (Jun) future around 7850 or a fall in the prices till 7800 levels can be used as a buying opportunity for the upside target of Rs.9000. However, the bullish view will be negated if NCDEX Turmeric (Jun) closes below the support of 7200.** 



Commodity	LTP	Wow (%)	MoM (%)	Open Interest (weekly change)
LME Aluminium (\$/tonne)	2429	3.95	9.17	1205
SHFE Aluminium (\$/tonne)	18740	3.72	9.56	26.890K
MCX Aluminium (Rs./kg)	194.45	3.87	9.45	3450
NCDEX Turmeric Futures (Rs./quintal)	8000	-1.43	-5.19	-2800

#### **Seasonality Chart**

Commodity	Country	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Turmeric	India												
	Sowing												
	Growth												
	Harvesting/Arrival												

#### **Research Team**

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