

KEDIA ADVISORY

ALUMINIUM

25 February 2025

Kedia Stocks & Commodities Research Pvt. Ltd.

Research Advisory | White Labelling | Digital Marketing

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| Commodity | Price | Period (% Change) | | | | | |
|---------------|---------|-------------------|---------|---------|---------|--------|------|
| | | 1 Week | 1 Month | 3 Month | 6 Month | 1 Year | Ytd |
| MCX Aluminium | 257.55 | -1.68 | 1.90 | 6.54 | 13.31 | 29.52 | 6.47 |
| LME Aluminium | 2636.70 | -0.42 | 0.06 | 2.20 | 7.73 | 20.41 | 4.13 |



| Strengths | Weaknesses |
|--|--|
| <ul style="list-style-type: none"> ● EU envoys agreed to ban Russian primary aluminium imports in their 16th sanctions package. ● China's central bank pledges financial support for private economy ● Total aluminium stocks in LME-registered warehouses slid to 547,950 tons, their lowest since May ● The on-warrant stocks fell to 227,775 tons, tightening the amount of metal available to the market. ● The U.S. aluminium premium over the global benchmark on LME has shot up by a quarter since February 7 to 35 cents per pound. | <ul style="list-style-type: none"> ● Aluminium futures fell to \$2,670 per tonne from the nine-month high of \$2,730 on February 20th. ● Prices dropped on bets that the US government may relax some sanctions on Russia eased growing concerns of supply. ● China produced 44 million tons of aluminum in 2024, the most on record ● Global aluminium output rises 2.7% year on year in January – IAI ● Official data from China showed that activity in its largest manufacturers unexpectedly declined in January ● UK Manufacturing PMI fell to 46.4 in February 2025 from 48.3 in January, missing market expectations of 48.4 |
| Opportunities | Threats |
| <ul style="list-style-type: none"> ● Aluminium futures fell to \$2,670 per tonne from the nine-month high of \$2,730 on February 20th. ● Prices dropped on bets that US government may relax some sanctions on Russia eased growing concerns of low supply. ● China produced 44 million tons of aluminum in 2024, the most on record. ● Global aluminium output rises 2.7% year on year in January – IAI ● Official data from China showed that activity in its largest manufacturers unexpectedly declined in January. ● UK Manufacturing PMI fell to 46.4 in February 2025 from 48.3 in January, missing market expectations of 48.4 | <ul style="list-style-type: none"> ● Goldman Sachs says China's aluminium production set to peak in 2026. ● Economic downturn in China leads to decreased global demand, impacting overall market. ● Potential U.S. tariffs under President-elect Trump add uncertainty to global trade dynamics. ● Weakening global manufacturing activity undermines demand. ● Growth in the US likely to slow on the back of tariffs and China already struggling to revive its economy. |

| ALUMINIUM PRICE MOVEMENT SINCE 2015 | | | | | | | | | | | | | |
|-------------------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|---------|
| Year | JAN | FEB | MAR | APR | MAY | JUN | JUL | AUG | SEP | OCT | NOV | DEC | Growth |
| 2015 | 113.45 | 112.40 | 111.95 | 121.40 | 108.75 | 104.95 | 102.00 | 107.15 | 102.60 | 94.40 | 96.35 | 100.15 | -15.85 |
| | -2.20 | -0.93 | -0.40 | 8.44 | -10.42 | -3.49 | -2.81 | 5.05 | -4.25 | -7.99 | 2.07 | 3.94 | -13.66 |
| 2016 | 103.80 | 111.25 | 98.90 | 111.25 | 104.00 | 110.55 | 108.30 | 107.20 | 110.55 | 115.95 | 118.00 | 117.20 | 17.05 |
| | 3.64 | 7.18 | -11.10 | 12.49 | -6.52 | 6.30 | -2.04 | -1.02 | 3.12 | 4.88 | 1.77 | -0.68 | 17.02 |
| 2017 | 123.40 | 126.45 | 126.20 | 123.90 | 123.90 | 123.55 | 121.95 | 135.30 | 137.90 | 138.60 | 131.00 | 143.30 | 26.10 |
| | 5.29 | 2.47 | -0.20 | -1.82 | 0.00 | -0.28 | -1.30 | 10.95 | 1.92 | 0.51 | -5.48 | 9.39 | 22.27 |
| 2018 | 141.65 | 140.50 | 130.65 | 148.50 | 154.15 | 149.70 | 141.40 | 150.10 | 145.90 | 143.95 | 137.20 | 128.15 | -15.15 |
| | -1.15 | -0.81 | -7.01 | 13.66 | 3.80 | -2.89 | -5.54 | 6.15 | -2.80 | -1.34 | -4.69 | -6.60 | -10.57 |
| 2019 | 136.00 | 151.10 | 149.15 | 146.20 | 145.35 | 143.20 | 140.35 | 138.70 | 134.60 | 132.00 | 133.55 | 137.25 | 9.10 |
| | 6.13 | 11.10 | -1.29 | -1.98 | -0.58 | -1.48 | -1.99 | -1.18 | -2.96 | -1.93 | 1.17 | 2.77 | 7.10 |
| 2020 | 139.10 | 136.70 | 134.45 | 131.00 | 131.70 | 137.95 | 140.90 | 146.15 | 143.80 | 152.95 | 167.05 | 160.95 | 23.70 |
| | 1.35 | -1.73 | -1.65 | -2.57 | 0.53 | 4.75 | 2.14 | 3.73 | -1.61 | 6.36 | 9.22 | -3.65 | 17.27 |
| 2021 | 162.25 | 173.50 | 176.65 | 193.70 | 196.65 | 198.75 | 206.75 | 212.85 | 227.15 | 221.30 | 211.20 | 225.25 | 64.30 |
| | 0.81 | 6.93 | 1.82 | 9.65 | 1.52 | 1.07 | 4.03 | 2.95 | 6.72 | -2.58 | -4.56 | 6.65 | 39.95 |
| 2022 | 241.55 | 273.45 | 281.95 | 252.90 | 235.30 | 208.80 | 214.85 | 206.25 | 191.10 | 197.60 | 211.40 | 208.50 | -16.75 |
| | 7.24 | 13.21 | 3.11 | -10.30 | -6.96 | -11.26 | 2.90 | -4.00 | -7.35 | 3.40 | 6.98 | -1.37 | -7.44 |
| 2023 | 225.90 | 208.95 | 210.10 | 210.00 | 207.65 | 195.85 | 204.35 | 201.60 | 211.95 | 206.50 | 201.20 | 211.95 | 3.45 |
| | 8.35 | -7.50 | 0.55 | -0.05 | -1.12 | -5.68 | 4.34 | -1.35 | 5.13 | -2.57 | -2.57 | 5.34 | 1.65 |
| 2024 | 204.90 | 200.30 | 208.70 | 236.40 | 240.90 | 230.40 | 214.55 | 225.35 | 237.60 | 239.25 | 242.35 | 241.90 | 29.95 |
| | -3.33 | -2.24 | 4.19 | 13.27 | 1.90 | -4.36 | -6.88 | 5.03 | 5.44 | 0.69 | 1.30 | -0.19 | 14.13 |
| 2025 | 250.70 | 257.55 | | | | | | | | | | | 15.65 |
| | 3.64 | 2.73 | | | | | | | | | | | 6.47 |
| Average | 2.71 | 2.76 | -1.20 | 4.08 | -1.78 | -1.73 | -0.72 | 2.63 | 0.34 | -0.06 | 0.52 | 1.56 | Average |

OPEN INTEREST ANALYSIS

| Date | Open | High | Low | Close | % Change | Cumulative OI | % OI Change | OI Status |
|--------|--------|--------|--------|--------|----------|---------------|-------------|------------------|
| Feb-25 | 251.55 | 266.75 | 247.10 | 257.55 | 2.73 | 3959 | -7.09 | Short Covering |
| Jan-25 | 241.75 | 257.00 | 237.00 | 250.70 | 3.64 | 4261 | 7.96 | Fresh Buying |
| Dec-24 | 242.50 | 247.60 | 239.20 | 241.90 | -0.19 | 3947 | 11.81 | Fresh Selling |
| Nov-24 | 240.65 | 249.20 | 232.60 | 242.35 | 1.30 | 3530 | -19.04 | Short Covering |
| Oct-24 | 238.10 | 244.75 | 230.20 | 239.25 | 0.69 | 4360 | 25.43 | Fresh Buying |
| Sep-24 | 224.00 | 242.00 | 217.15 | 237.60 | 5.44 | 3476 | -4.69 | Short Covering |
| Aug-24 | 214.90 | 238.00 | 208.55 | 225.35 | 5.03 | 3647 | -24.29 | Short Covering |
| Jul-24 | 230.45 | 235.75 | 206.55 | 214.55 | -6.88 | 4817 | 8.83 | Fresh Selling |
| Jun-24 | 238.65 | 243.15 | 227.60 | 230.40 | -4.36 | 4426 | 27.00 | Fresh Selling |
| May-24 | 236.50 | 252.10 | 228.30 | 240.90 | 1.90 | 3485 | -28.11 | Short Covering |
| Apr-24 | 208.65 | 244.20 | 208.55 | 236.40 | 13.27 | 4848 | 31.49 | Fresh Buying |
| Mar-24 | 202.50 | 209.50 | 202.25 | 208.70 | 2.86 | 3687 | -25.90 | Short Covering |
| Feb-24 | 204.15 | 204.25 | 195.30 | 202.90 | -0.98 | 4976 | 24.84 | Fresh Selling |
| Jan-24 | 211.30 | 213.45 | 195.70 | 204.90 | -3.33 | 3986 | -25.65 | Long Liquidation |

ALUMINIUM11, 1D, MCX O257.90 H257.90 L257.10 C257.75 -0.35 (-0.14%) Vol201 -0.35 (-0.14%)

ALUMINIUM





The Relative Strength Index (RSI) for Aluminium is currently at 53.55, indicating that the uptrend may continue. This suggests that the price is gaining strength, and traders should avoid short positions. A bullish outlook at this level is more favorable as momentum appears to be shifting upwards.

Aluminium is trading at 258, which is above both the 50-day simple moving average (SMA) of 250.66 and the 200-day SMA of 237.26. These moving averages act as strong support levels, and as long as the price remains above them, a bullish trend is expected. Bullish investors can consider exiting short positions and initiating new buy positions.

However, the Moving Average Convergence Divergence (MACD) indicator is currently above the baseline but trending downward, signaling that the bullish momentum may not sustain for long. A bearish crossover has occurred, with the MACD line crossing below the signal line, which suggests a possible trend reversal. If prices fall further and cross below the baseline, a stronger bearish move can be expected. Traders should look for selling opportunities rather than long positions.

The Choppiness Index is at 53.4, indicating that the price is moving out of a range-bound phase and entering a more volatile zone. This suggests that Aluminium may experience larger price swings in the coming sessions.

A short position can be considered around the 260 level, with target set at 248. A stop-loss should be placed above 268 to manage risk effectively.

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KEDIA ADVISORY

KEDIA STOCKS & COMMODITIES RESEARCH PVT LTD.

Mumbai, INDIA.

For more details, please contact Mobile: +91 9619551022

Email: info@kediaadvisory.com

SEBI REGISTRATION NUMBER - INH000006156

For more information or to subscribe for monthly updates

Visit www.kediaadvisory.com

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