

Zinc futures: Sell at ₹325 with stop-loss at ₹332

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Base metals have been very volatile since the beginning of this year and zinc is no exception.

Zinc futures, currently trading at ₹320 per kg, rallied to mark a record high of ₹360.50 on January 29.

But the bulls were not able to hold the gains and the price dropped.

COMMODITY CALL.

While it is trading near the support at ₹315, whether the contract can rebound is uncertain.

Even if zinc futures bounce, it will face resistance at ₹325 and ₹340.

On the other hand, if the contract breaches the support at ₹315, it can extend the fall to ₹310, where there is trendline support. If ₹310



is broken, the outlook can turn bearish and zinc futures can drop to ₹300.

Overall, zinc futures are trading within some important levels and the prevailing price action does not hint at a definite trend at the moment.

TRADE STRATEGY

Stay out for now. But traders with high risk tolerance can consider going short on a rise.

Sell zinc futures at ₹325. Target and stop-loss can be ₹310 and ₹332, respectively.