

# Zinc: Go long now

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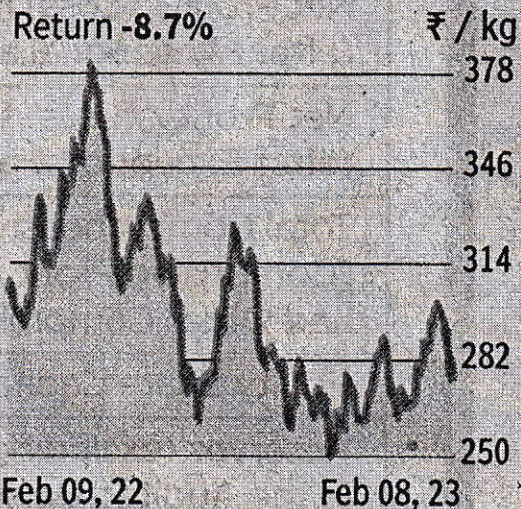
The zinc future on the Multi Commodity Exchange (MCX) is on a downtrend for the past couple of weeks.

It fell off the resistance at ₹300 and is now trading around ₹278.

## COMMODITY CALL.

For the contract, ₹272 is a good support as a rising trendline coincides with this at this level. So, there is a good chance for the contract to see a bounce. It could retest the resistance at ₹300 again in the near-term.

On the other hand, if the contract falls below the support at ₹272, the out-



look will turn bearish. In that case, we can see its price declining to ₹258, the nearest support.

Nevertheless, as the contract has a support, traders can risk going long.

## TRADING STRATEGY

Buy zinc futures at the current level of ₹278 and place stop-loss at ₹270. When the contract rallies above ₹286, shift the stop-loss up to ₹275.

Book profits when the contract touches ₹300.