

Go long if zinc dips to ₹319, stop-loss at ₹315

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Zinc futures are currently trading at ₹322. They lack momentum and have been trading in a range for over a month, i.e., between ₹317 and ₹332.

COMMODITY CALL.

Therefore, until either of these levels is breached, we cannot be certain about the path of the next leg of trend.

That said, the broader trend has been bullish and zinc futures have trendline support around ₹320. Therefore, the price band of ₹317-320 is a good support.

A rebound from this region could lift the contract to ₹328 and ₹332. A breakout of the latter could open the door for another rally, possibly to ₹340.

On the other hand, if zinc



futures breach the support at ₹317, the near-term outlook could turn weak, potentially leading to a fall to ₹310. The downswing might even extend to ₹300.

Overall, there is no clarity with respect to the outlook at the moment. But since the broader trend remains positive and there is support ahead, traders could consider buying at lower prices from the current level.

TRADE STRATEGY

Stay out for now. Buy zinc if it dips to ₹319. Target and stop-loss can be ₹330 and ₹315, respectively.