

Buy zinc if it declines to ₹274

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The price of zinc futures has been moderating over the past week.

The December expiry contract, after facing resistance at ₹293, has started to decline.

COMMODITY CALL.

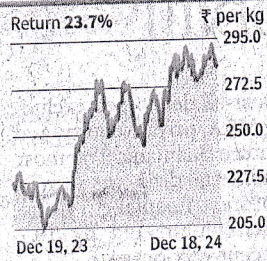
However, the downtrend might come to an end soon. Zinc futures have support ahead at ₹276, where a rising trendline support coincides.

Just below ₹276 is another support at ₹270.

Therefore, the price region of ₹270-₹276 can act as a support band.

A potential rebound from this price region can lift the contract back to ₹293.

A breakout of this level can intensify the rally and take the contract to ₹315 quickly.



On the other hand, if the contract slips below ₹270, the trend will turn bearish. In such a case, zinc futures can decline to ₹256, a support.

Subsequent support is at ₹250.

TRADE STRATEGY

Buy zinc futures if the price declines to ₹274. Place stop-loss at ₹265.

When the contract rises to ₹282 after the trade is initiated, revise the stop-loss to ₹275.

Tighten the stop-loss further to ₹282 when the price hits ₹288. Exit at ₹293.