

Zinc futures: Buy around ₹214, stop loss at ₹208

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In a decline over the past week, zinc futures on the Multi Commodity Exchange (MCX) have now found support at ₹212. A rising trend-line support coincides at this level, making it a strong one.

Immediately below ₹212 is another support at ₹210. Therefore, the price band of ₹210-212 is a good base, which the bulls can bank on to turn the tide in their favour.

COMMODITY CALL.

We expect zinc futures to bounce off this level in the upcoming sessions. Currently trading at around ₹214, the contract has its immediate notable resistance at ₹222. Subsequent resistance is at ₹230.

On the other hand, if the

Return -23.3%

₹ per kg



support at ₹210 fails to stop the bears and the price falls below ₹210, it can open the door for a decline to ₹200.

Nevertheless, at the current juncture, the probability of a rally is high. Hence, traders can consider fresh long positions.

TRADE STRATEGY

Buy zinc futures now at around ₹214 and add longs if the price moderates to ₹212. Keep stop-loss initially at ₹208.

When the contract touches ₹220, tighten the stop-loss to ₹216. Book profits at ₹222.