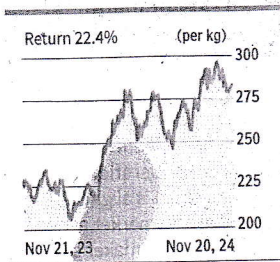


Buy zinc at ₹275 with stop-loss at ₹268



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Zinc futures broke out of a key resistance at ₹275 towards the end of September.

However, post the breakout, the price did not rise much. It did not fall either. The price was largely moving in a range and the contract is yet to set a direction.

The November futures of zinc have been oscillating within ₹275 and ₹290 for nearly two months. Going ahead, the direction of the break of this price band can tell us the path of the next swing in price.

That said, by looking at the chart one can say that the broader uptrend stays valid. This will remain so until the support at ₹275 holds good.

If zinc futures rebound from the current level of ₹280, they can retest the resistance at ₹290.

A breakout of this can lead to a fresh rally, which can potentially lift the contract to ₹315 or even to ₹340.

However, if the support at ₹275 is breached, expect the price to drop to ₹260. The downtrend can extend to ₹250.

TRADE STRATEGY

Since the broader trend is bullish and zinc futures is hovering near a support, traders can buy at ₹275 with a stop-loss at ₹268. Book profits at ₹290.