

Zinc futures: Price stuck in a range

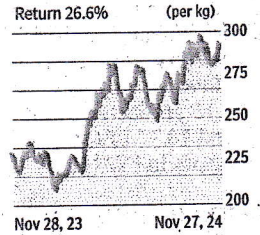
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Zinc futures have been appreciating over the past couple of weeks. However, they now seem to be staring at a resistance. At a broader level, the chart shows that the price of zinc futures has been oscillating in a sideways range.

COMMODITY CALL.

The December expiry zinc futures on the MCX has largely been fluctuating between ₹270 and ₹292 for nearly two months. At ₹270, a trendline coincides, making it a strong base.

So, for the recent rally to become a sustainable one, the bulls should lift zinc futures above the resistance at



₹292. If this occurs, the contract can rise to ₹315, a potential resistance. The nearest barrier above this is at ₹340. On the other hand, if zinc futures declines and breaches the support at ₹270, it can fall further. The downswing can extend up to the nearest support below ₹270, which is at ₹252.

Stay on the fence and buy zinc futures if it breaks out of ₹292. Target and stop-loss can be ₹315 and ₹280 respectively.