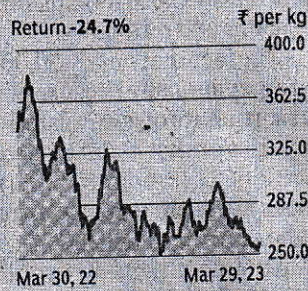


COMMODITY CALL.

Retain long positions in zinc



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The price of zinc has been declining for the last two months. The continuous futures contract of zinc on the MCX started to fall after facing the resistance at ₹300. The contract is currently hovering around ₹258.

Despite a bearish trend, there contract has a strong base around ₹250. The bulls are likely to capitalise on the support at ₹250 and push the prices upward in the coming weeks. The contract might appreciate to ₹278 in the near-term. A breakout of this level can lift the price to ₹300.

On the other hand, if the zinc futures break below the support at ₹250, the trend will turn bearish where we might see a decline to ₹242, a notable support. Subsequent support is at ₹225.

Three weeks ago, we had recommended traders to go long at ₹260 with an initial stop-loss at ₹245. Retain this trade. When the contract recovers from the current level and rises above the minor hurdle at ₹278, revise the stop-loss up to ₹270. Further tighten the stop-loss to ₹278, when the price rises above ₹286. Book profits at ₹295.