

Zinc: Go long at ₹250 with stop-loss at ₹245

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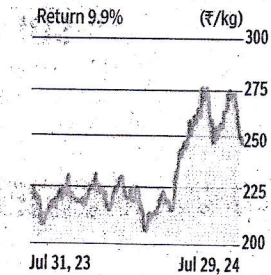
Zinc futures on the MCX have been falling for nearly two weeks and is now around ₹250.

The chart for July expiry futures shows that the price band of ₹247-250 is a support band.

If the bears can drag the contract below ₹247, it can extend the downswing to ₹230. Subsequent support is at ₹220.

COMMODITY CALL

But if zinc futures rebound from the current level, it can face resistance at ₹260. A breakout of this hurdle can lift the contract to ₹273. As it stands, the trend is bearish.



TRADE STRATEGY

On the back of the support region of ₹247-250, traders can risk going long at ₹250, with a tight stop-loss at ₹245. Book profits at ₹260.

If the stop-loss of the above long position is hit, it is likely that the support at ₹247 is breached and further decline can happen.

In this case, you can initiate fresh shorts with a stop-loss at ₹255. Exit the shorts at ₹230.

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