

Coking Coal Nov 25 (Rolling Front Month)



Support	Resistance	last Price	Bull	Bear
S1	R1	200	RSI above 50	
S2	R2			
S3	R3			

Synopsis - Intraday

Source Bloomberg

- Price is above the 34 - 55 period EMA's
- RSI is above 50 (65)
- ADX is at 24
- Technically bullish on the last report, having held above the 200-period MA the futures had traded above the USD 189 fractal resistance, resulting in price testing the USD 193.5 level. We noted that a close above this level would warn that the USD 199 fractal high could be tested and broken. The RSI was replicating the move in price, meaning it was also making new highs, suggesting downside moves should in theory be countertrend. Market buyers would need to be cautious on a close below the USD 186 fractal low, as it would warn that sell side pressure is increasing.
- The futures have traded above the USD 199 fractal high. We are above all key moving averages supported by the RSI above 50.
- Downside moves that hold at or above USD 189 will support a bull argument, below this level the technical will have a neutral bias.
- Technically bullish, the new high means that the futures are in divergence with the RSI, not a sell signal, it is a warning that we could see a momentum slowdown, which needs to be monitored. We have a 5-wave pattern higher (Elliott wave) with Fibonacci projection levels suggesting our upside target for this phase of the cycle looks to be around the USD 201 level, means that we are looking overextended to the upside in the near-term. corrective moves that hold at or above USD 189 will support a bull argument, warning we could have one more test to the upside within the current cycle. Conversely, below this level the probability of the futures trading to a new high will start to decrease. Key longer-term support is at USD 180, throwbacks that hold above this level will indicate that there could be a larger, bullish, Elliott wave cycle coming into play. Due to this being a Elliott wave 5 with price nearing its upside target, whilst in divergence, we are now cautious on higher moves at these levels.