



Coking Coal Onshore Intraday Technical

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DCE Coking Coal Active Contract (May 26) Intraday 4-hour



Support		Resistance		Current Price	Bull	Bear
S1	1,103	R1	1,138	1,119.5	RSI above 50	
S2	1,092	R2	1,158			
S3	1,077	R3	1,192.5			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the EMA resistance band (Black EMA's)
- RSI is above 50 (52)
- Stochastic is below 50
- Price is above daily pivot level RMB 1,105
- Technically bearish with a neutral bias on the last report, the strength of the upside move meant that the probability of price trading to a new low had started to decrease. However, the move to a new high meant that we had a minor negative divergence in play, alongside a lower timeframe 5-wave pattern. This warned that price was becoming vulnerable to an intraday pullback, making RMB 1,055 the key support to follow. Corrective moves that held at or above this level would warn that there could be a larger, bullish Elliott wave cycle coming into play; conversely, if broken, the futures would be back in bearish territory, leaving the RMB 1,009.5 fractal low vulnerable. Due to the lower timeframe wave cycle (highlighted) and the negative divergence, we are cautious on intraday upside moves in the near-term.
- The futures traded to a high of RMB 1,153.5 before selling to a low of RMB 1,073, meaning we held above key support. We are above all key moving averages supported by the RSI above 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle below RMB 1,105 with the RSI at or below 49.5 will mean price and momentum are aligned to the sell side. Likewise, a close above this level with the RSI at or above 54 will mean it is aligned to the buyside. Downside moves that hold at or above RMB 1,058 will support a bull argument, below this level the technical will be back in bearish territory.
- Technically bearish with a neutral bias, the MA on the RSI implies that we have very light momentum weakness; However, the corrective move lower has held above the RMB 1,058 support, warning there could be a larger, bullish Elliott wave cycle coming into play, making this the key support to follow. If broken, then the technical will be back in bearish territory. With downside support holding, we are currently cautious on corrective moves lower whilst above the RMB 1,058 level.