



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	R1	1,115.5	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the EMA resistance band (Black EMA's)
- RSI is above 50 (51)
- Stochastic is below 50
- Price is above daily pivot level RMB 1,105
- Technical outlook previously: bearish—upside moves considered as countertrend
- The downside move to a low of RMB 1,081.5 had momentum confirmation, suggesting upside moves had the potential to be countertrend, our intraday Elliott wave analysis supports this, making RMB 1,179 the key resistance to follow. Above this level the probability of price trading to a new low would begin to decrease. In the near-term, we had a note of caution on lower moves, as the daily 200-period MA was at RMB 1,070. We noted that this was a benchmark average on the higher timeframe, suggesting market sellers should be cautious around this level, as it was likely to attract buying support.
- The futures traded to a low of RMB 1,063.5 but failed to close below the daily 200-period MA at RMB 1,074. Bid support means that we are between the 8-21 period EMA's while the RSI is near neutral at 51, intraday price and momentum are aligned to the buyside.
- A close on the 4-hour candle below RMB 1,100 with the RSI at or below 40 will mean price and momentum are aligned to the sell side. Upside moves that fail at or below RMB 1,179 will leave the futures vulnerable to further tests to the downside, above this level the technical will have a neutral bias.
- Technical outlook: Momentum support
- Having held the daily 200-period MA the futures have moved higher on a positive divergence with the RSI, indicating caution on downside moves from here. Upside moves above RMB 1,133 will confirm that the corrective phase has completed, warning the RMB 1,173 resistance could be tested and broken. This is a key level on the technical, if rejected it will warn that there could be a larger bearish cycle coming into play. Based on recent price action, the divergence, alongside the RSI breaking resistance, we are now cautious on downside moves.

Chart source Bloomberg

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