



# 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	1,159.5		
S2	R2			
S3	R3			

### Synopsis - Intraday

- Price is above the EMA support band (Black EMA's)
- RSI is at 50 (50)
- Stochastic is below 50
- Price is below daily pivot level RMB 1,167
- Technical outlook previously: Buyside pressure increasing.
- Having held trend support and moved higher previously, price was above the intraday 200-period MA at RMB 1,128, indicating buyside pressure was increasing. However, above RMB 1,195 the futures would be divergent with the RSI, warning we could see a momentum slowdown. We also highlight trend resistance at RMB 1,213, this was a major level on the chart, as for the last 29 weeks we have been forming a bullish flag. If we closed and held outside of the flag (this would need to be on the daily timeframe at the very least), it would signal that higher timeframe buyside pressure was increasing. Conversely, if we failed to test trend resistance, or rejected it, the futures would remain in the longer term consolidation phase.
- The futures traded to a high of RMB 1,204.5 before selling lower on the divergence highlighted last week. Price is above the EMA support band with the RSI above 50, intraday price and momentum are aligned to the sell side.
- A close on the 4-hour candle above RMB 1,167 with the RSI at or above 58 will mean price and momentum are aligned to the buyside.. Downside moves that hold at or above RMB 1,123 will support a near-term bull argument, if broken, price would re-enter bearish territory.
- Technical outlook previously: Momentum weakness
- The futures remain above the trend support line at RMB 1,150, from a technical perspective, while above the support line resistance is still considered as vulnerable. However, price is selling lower on a negative divergence with the RSI, while the RSI is struggled to hold above the 60 level, this is a warning of momentum weakness. We also note that the RSI has broken its trend support, implying momentum is starting to weaken. RMB 1,150 is the level to watch out for, the futures will need a close and hold below this level; if we do, it will confirm the momentum weakness that we are seeing.

Chart source Bloomberg

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