



Coking Coal Onshore Intraday Technical

info@freightinvestor.com | freightinvestorservices.com | (+44) 207 090 1120

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



Support	Resistance	Current Price	Bull	Bear
S1	R1	1,133.5	Stochastic oversold	RSI below 50
S2	R2			
S3	R3			

Synopsis - Intraday

- Price is below the EMA support band (Black EMA's)
- RSI is below 50 (36)
- Stochastic is oversold
- Price is on above pivot level RMB 1,128
- Technical outlook previously: Buyside pressure increasing
- The upside move had resulted in the futures closing above the long - term channel resistance at RMB 1,207, the resistance had been in play since August 25. We noted that if we held above the resistance line it would further support a buyer's argument, warning the RMB 1,356 resistance could come under pressure. Elliott wave analysis did suggest that downside move should be considered as countertrend, providing we hold above the RMB 1,195 level. If broken, then the probability of the futures trading to a new high would begin to decrease.
- The futures failed to hold above the RMB 1,195 support, resulting in price selling below the RMB 1,145 fractal, meaning the technical is bearish. We are below all key moving averages supported by the RSI below 50, intraday price and momentum are conflicting.
- A close on the 4-hour candle above RMB 1,128 with the RSI at or above 40.5 will mean price and momentum are aligned to the buyside; likewise, a close below this level will mean it is aligned to the sell side. Upside moves that fail at or below RMB 1,230 will leave the futures vulnerable to further tests to the downside, above the level the technical will have a neutral bias.
- Technical outlook: Failed breakout—support vulnerable
- The failure of the upside breakouts has resulted in price selling below fractal support with the RSI breaching the 30 level, the momentum weakness warns that the RMB 1,110.5 fractal low could be tested and broken in the near-term. A downside breakout will warn that we could trade as low as RMB 1,043; however, a new low could potentially create a positive divergence with the RSI, warning sell side momentum could slow, this will need to be monitored.

Chart source Bloomberg

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