

DCE Coking Coal Active Contract (Sep 26) Daily



	Support	Resistance	Current Price	Bull	Bear
S1	1,224	R1	1,289		
S2	1,189	R2	1,325		ROC below 0
S3	1,153	R3	1,356		

Synopsis - Intraday

Chart source Bloomberg

- Price is below the 50-period SMA
- 21-period ROC is below 0 (-8)
- Price is above weekly pivot RMB 1,253
- Technical outlook previously: neutral
- We noted last week that lower timeframe Elliott wave analysis suggested that upside moves should be considered as countertrend, providing the RMB 1,401 resistance was not breached. However, RMB 1,225—RMB 1,125 was the most heavily traded area in the previous 12 months, suggesting if tested it could attract buyside support. Based on the support, the futures are not considered a technical sell at this point; conversely, upside moves could struggle to hold, hence the neutrality.
- The futures traded to a low of RMB 1,225.5 before moving higher off the market profile support zone (highlighted in red). Price is below the 50-period MA at RMB 1,289 while the 21-period ROC is below 0.
- Upside moves that fail at or below RMB 1,397 will leave the futures vulnerable to further tests to the downside, above this level the technical will re-enter bullish territory.
- Technical outlook: Neutral
- Unchanged on the technical this week, the futures are respecting the RMB 1,225—RMB 1,125, while the depth of the pullback indicates that upside moves should be considered as countertrend, providing we remain below the RMB 1,397 resistance. Like last week, based on the support, the futures are not considered a technical sell at this point; conversely, upside moves could struggle to hold, hence the neutrality.