Coking Coal Onshore Intraday Technical

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DCE Coking Coal Active Contract (Jan 27) Daily



Support		Resistance		Current Price	Bull	Bear
S1	1,619	R1	1,710	1,681	ROC above 50	
S2	1,546	R2	1,763			
S3	1,487	R3	1,845			

Synopsis - Intraday

Chart source Bloomberg

- Price is above the 50-period SMA
- 21– period ROC is above 0 (28)
- Price is on below the weekly pivot RMB 1,686
- Technical outlook previously: Downside moves considered as countertrend.
- Th futures were testing the RMB 1,614 resistance previously, we noted that this was the 100% Fibonacci projection of the A-B = C-D pattern highlighted. The resistance has the potential to attract some profit taking; however, a close and hold above RMB 1,614 would support a buyers argument, warning the RMB 1,733 resistance could be tested. Conversely, throwbacks below RMB 1,546, supported by the 21-period ROC breaking trend support, would indicate that sell side pressure was increasing. While trading on D (RMB 1,614) we did have a cautious approach to higher moves.
- The futures consolidated for 5 days below the RMB 1,614 resistance before trading at a high of RMB 1,763. price is in a corrective phase but seeing light bid support, we are above the 5 and 50 period SMA with the ROC above 0.
- Upside moves that fail at or below the RMB 1,710 level will leave price vulnerable to further tests to the downside, above this level the technical will re-enter bullish territory.
- Technical outlook: Neutral
- The throwback has breached the RMB 1,619 support, the depth of the pullback indicates the wave cycle is currently neutral. Upside moves above RMB 1,710 will signal an increase in buyside pressure, leaving resistance levels vulnerable. We have a breach in key support while the 21-period ROC has broken trend support, suggesting caution on higher moves while below RMB 1,710.

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