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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 17.80. The RSI is rising, while %K/%D has converged on the upside near the oversold and now rising. The MACD diff is negative and converging, suggesting higher prices in the near term. On the upside, a break above the key resistance level of 10 DMA level at 17.79 could trigger gains back towards 18.00, a break above the 18.17 level would confirm the outlook of lower prices in the longer term. On the downside, a break below 17.48 could trigger losses through 17.10 towards 17.00 – June 2021 lows. Indicators point to further buying pressures in the near term, however, prices need to break above 10 DMA completely to confirm the bullish outlook.

10 Day % K Stochastic	38.61	Rising	
10 Day % D Stochastic	35.38	Rising	
14 Day RSI	47.43	Rising	
Support	17.48	17.00	16.90
Resistance	17.79	17.93	18.00
Moving Averages (10,40,100)	17.79	17.93	18.60
Open Interest	751,030 (+10,165)	Volume	145,216

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures opened lower yesterday but consolidated during the day, testing resistance- and closing at 500. The RSI is falling, and %K/%D is negative and diverging, soon to enter the oversold territory. The MACD diff is negative and diverging, suggesting growing selling pressure. The indicators point to lower prices in the near term, and to confirm the rejection of the support, prices need to take out 487.60. A break below this level towards 480 would confirm the strong bearish momentum. Conversely, appetite for prices back above the 512.90 level could trigger a test of resistance at 40 DMA at 518.87; tertiary resistance stands at 100 DMA at 527.12. A narrow candle body signals uncertainty about the outlook for higher prices following the recent selloff, and if the futures continue to struggle above 500, we could see prices edge lower in the near term.

10 Day % K Stochastic	30.97 Falling		
10 Day % D Stochastic	49.45 Falling		
14 Day RSI	37.27 Rising		
Support	487.60	480	471.80
Resistance	500	512.90	518.87
Moving Averages (10,40,100)	530.82	518.87	527.12
Open Interest	79,901 (-936)	Volume	9,176

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures edged higher yesterday, breaking above all the DMA resistance levels. The market closed at 218.75. The RSI is rising, and %K/%D is rising out of the oversold. The MACD diff is negative and converging, suggesting waning selling pressure. The indicators point to higher prices in the near term, and to confirm the rejection of the resistance, prices need to take out 230. A break above this level towards the 240 level would confirm the strong bullish momentum. Conversely, appetite for prices back below the DMAs at 220 could trigger a test of 212.60. The moving averages have concentrated in one point, and with the indicators pointing to higher prices, we expect the futures to edge higher in the near term.

10 Day % K Stochastic	41.59 Rising		
10 Day % D Stochastic	29.32 Rising		
14 Day RSI	52.44 Rising		
Support	221.20	212.60	200
Resistance	227	230	240
Moving Averages (10,40,100)	221.20	220.81	220.78
Open Interest	194,110 (-1,686)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures strengthened marginally yesterday, but resistance at 10 DMA triggered a close below at 2236. The RSI is rising, while %K/%D has converged on the upside. Likewise, the MACD diff is negative and is starting to show signs of convergence, which could send a buy signal in the near term. On the upside, finding support above the 10 DMA at 2243 could trigger gains through 2281, the recent highs, towards 2300. On the downside, a break below the 2215 level could trigger losses back towards 2200. That level has been supporting futures prices, and a break below it would signal strong selling pressure. Longer wicks signal that there is a lack of appetite around the current levels, but if the resistance at 10 DMA is broken, this would confirm the strong buy signal we have seen from the indicators.

10 Day % K Stochastic	38.10 Rising		
10 Day % D Stochastic	37.01 Rising		
14 Day RSI	53.71 Rising		
Support	2215	2179	2150
Resistance	2243	2281	2300
Moving Averages (10,40,100)	2243	2179	2102
Open Interest	95,393 (-2,710)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday, causing the market to close at 2346. The stochastics are rising marginally, with %K/%D diverging out of the oversold, and the MACD diff is negative but has been flat in the last couple of days, suggesting a lack of direction momentum. To confirm the outlook of higher prices, futures need to close above 40 DMA at 2382 and then target 2400. On the downside, a break below the 2314 level would signal a strong sell signal, given the robust nature of the support level. A bearish candle with a narrow body after a similar bullish candle points to uncertainty about the outlook, and the futures need to break out of current resistance to confirm the near-term outlook on the upside.

10 Day % K Stochastic	44.53 Rising		
10 Day % D Stochastic	40.51 Rising		
14 Day RSI	46.69 Rising		
Support	2352	2314	2300
Resistance	2382	2400	2420
Moving Averages (10,40,200)	2352	2382	2506
Open Interest	299,818 (+104)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Prices weakened yesterday as moderate selling pressure triggered a close at 1853. The stochastics are rising slowly, signalling a continuation of a moderate bullish trend. The MACD is negative and diverging but is struggling to gain momentum, and the doji candle formation supports market indecisiveness. Gains in the market have been well bid in the last couple of sessions, but in order to confirm the change in trend, prices need to break below the trend support of 1811 and then 1800. Conversely, a break above the 1884 resistance could set the scene for a test of 1900. We expect prices to remain supported above the current levels in the near term.

10 Day % K Stochastic	55.79	Rising	
10 Day % D Stochastic	53.57	Rising	
14 Day RSI	52.27	Rising	
Support	1850	1837	1800
Resistance	1860	1900	1910
Moving Averages (50,100,200)	1806	1783	1768
Open Interest	252,039 (+735)	Volumes	

Source: ICE

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