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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar weakened on Friday, with the prices falling to the test at the 17.62 level once again; this level held firm, and the futures closed at 17.64. The indicators suggest that the downside momentum is growing: the %K/%D is seen converging on the downside, and the MACD diff is positive and converging, highlighting waning buying pressures. On the downside, the robust support level at 17.62 has to be broken below first before it can target 17.48 and 17.00, respectively. Alternatively, if the futures can gain momentum above the 10 and 40 DMA at 17.77 and 17.95, respectively, then we can see them retest the 18.17 level. The futures have been slowly edging lower in the last couple of weeks, and with the indicators suggesting growing downside momentum, we could see futures keep testing 17.62 as the sentiment weakens.

10 Day % K Stochastic 56.57 Rising

10 Day % D Stochastic 51.10 Rising

14 Day RSI 48.86 Rising

Support 17.62 17.62 17.00

Resistance 17.78 17.95 18.00

Moving Averages (10,40,100) 17.78 17.95 18.55

Open Interest 741,555 (-2,749) Volume

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures held the nerve on Friday, as the support level at 495.80 held firm once again; the futures still closed lower day-on-day at 497.30. The stochastics are diverging on the downside further into the oversold, and the MACD diff is negative, but the downside momentum is seen as slowing as the indicator remains flat. This suggests that the bearish appetite we have seen in recent weeks has now waned and might reverse back in the near term. To confirm this, the futures would have to break above the 505.40 level before targeting the 10 DMA at 516.61 and 40 DMA at 519.54. On the downside, support at 495.50 has been robust in the last couple of days, and if this level is breached, we could see futures weaken to 487.60. The futures have been trading range-bound, and the indicators confirm the lack of momentum; we expect this to continue in the near term.

10 Day % K Stochastic	14.17	Falling		
10 Day % D Stochastic	23.28	Falling		
14 Day RSI	39.32	Rising		
Support	495.80	487.60	450	
Resistance	505.40	512.90	516.78	
Moving Averages (10,40,100)	516.78	519.58	526.44	
Open Interest	79,424 (+746)	Volume		

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures softened on Friday after finding resistance at 10 DMA. The market closed at 214.10. The stochastics continue to soften, with %K in the oversold territory, and the MACD diff is negative and diverging, suggesting we could see lower prices in the near term through the support of 212.60. A break below this level would bring into play the 209.65 level, which could set the scene for support at 200 in the longer term. On the upside, futures need to gain back above the 10 DMA at 217.29 in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 40 DMA at 220.98; this could strengthen the trend in the long run on the upside. Longer lower wick, where most of the trading took place in the upper ranges, points to traders testing the lower ranges, suggesting there is an appetite for lower level; however, prices need to break below the current support level to confirm the outlook.

10 Day % K Stochastic	24.06	Falling		
10 Day % D Stochastic	28.65	Falling		
14 Day RSI	42.10	Falling		
Support	212.60		209.65	200
Resistance	217.29		220.97	230
Moving Averages (10,40,100)	217.29		220.97	220.64
Open Interest	189,701	(-687)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures opened higher day-on-day but struggled to break above the resistance at 10 DMA and closed at 2232. The stochastics are diverging on the downside, but the appetite for higher prices is not strong, and the %K/%D is seen slowing on the upside. Likewise, the MACD diff is negative and converging marginally. Prices then need to take out the 2215 level to confirm the bearish momentum to 40 DMA at 2203. Conversely, appetite for prices above 10 DMA at 2231 could trigger a test of resistance of 2281. A dragonfly doji candle shows rejection of higher prices above 10 DMA and could point to a start of bearish sentiment in the near term. To confirm this, the support at 2215 has to be broken below first.

10 Day % K Stochastic	45.62	Neutral		
10 Day % D Stochastic	43.09	Rising		
14 Day RSI	49.64	Falling		
Support	2215	2202	2150	
Resistance	2230	2281	2300	
Moving Averages (10,40,100)	2230	2202	2107	
Open Interest	94,123 (+212)	Volumes		

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures sold off on Friday as a lack of appetite for higher prices helped to confirm the rejection of the robust support level at 2314; the market closed at 2244. Stochastics are negative and diverging on the downside close to the oversold, and the MACD diff is negative and diverging strongly, highlighting the recent sell-off in prices. The close near the lows suggests the strong selling pressure in the near term, and the indicators point to a growing negative trend. A break below the 2236 level could set the scene for a test of the support level at 2200. Conversely, support around 2236 holds; this could help reaffirm the trend on the upside. If the futures break back above the 2314 level, the prices could test the resistance at 10 DMA at 2339 in the medium term. The downside risks prevail, and a break below the key support highlights the strong bearish momentum.

10 Day % K Stochastic	20.76	Falling		
10 Day % D Stochastic	31.17	Falling		
14 Day RSI	32.98	Falling		
Support	2236	2200	2190	
Resistance	2314	2322	2371	
Moving Averages (10,40,200)	2322	2371	2502	
Open Interest	301,694 (+2,668)	Volumes		

Source: ICE

Ldn 2nd Month Cocoa Futures



London cocoa futures held the nerve on Friday as the futures struggled below the 50 MA support and closed at 1839. The stochastics have converged on the downside and now falling, and the MACD diff is negative and diverging. A break of the 50 MA support at 1816 could trigger losses through 1800, with the tertiary level at 100 MA at 1785. On the upside, a break above 1850 could set the scene for bullish momentum towards the month high of 1884. The spinning top formation has been formed, which points to market indecisiveness, however, the indicators point to a growing downside momentum in the near term.

10 Day % K Stochastic	51.65	Falling	
10 Day % D Stochastic	54.01	Falling	
14 Day RSI	50.88	Falling	
Support	1837	1816	1800
Resistance	1850	1870	1910
Moving Averages (50,100,200)	1816	1785	1771
Open Interest	256,197 (+2,621)	Volumes	

Source: ICE

Risk warning

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