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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures consolidated yesterday, breaking above the resistance of 10 DMA and closing at 17.58. The stochastics are edging towards the overbought territory after having converged on the upside, and the MACD diff is negative and about to converge on the upside, suggesting the futures still more room to go. On the upside, futures need to break completely above 10 DMA at 17.45 in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 18.00; this could strengthen the trend in the long run on the upside. A break back below the current support of 17.00 would bring into play 16.50, which could set the scene for support at 16.00. We see prices edging higher in the near term.

10 Day % K Stochastic	54.70 Rising		
10 Day % D Stochastic	48.20 Rising		
14 Day RSI	47.47 Rising		
Support	17.45	17.00	16.50
Resistance	17.62	17.82	18.00
Moving Averages (10,40,100)	17.45	17.82	18.41
Open Interest	683,132 (-3,886)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures rallied yesterday as protracted buying pressure triggered a close on the front foot above 505.40 at 507. The RSI is rising, while %K/%D is diverging on the upside, edging towards the overbought. The MACD diff just converged on the upside, confirming rising buying pressures. On the downside, a break below the key support level of 10 DMA at 496.03 could trigger losses back towards 487.60, break below 480 would confirm the outlook of lower prices in the longer term. On the upside, a complete break above 505.40 could trigger gains through 512.90 towards 40 DMA at 517.03. The long candle body points to more certainty in the bullish momentum, and a break above 10 DMA confirms the outlook for higher prices.

10 Day % K Stochastic	67.57	Rising		
10 Day % D Stochastic	44.04	Rising		
14 Day RSI	49.16	Rising		
Support	496.03		487.60	450
Resistance	512.90		517.03	524.70
Moving Averages (10,40,100)	496.03		517.03	524.70
Open Interest	82,557	(-58)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee slumped yesterday as protracted selling pressure triggered a close on the back foot at 2047.65. The stochastics are diverging into the oversold once again, and the MACD diff is negative but has lacked conviction in the last couple of days. The indicators suggest the futures are struggling to find momentum in either direction. However, if the support at 206.50 is broken below, this could set the scene for lower prices to 202.30 before 200. A break below these levels could confirm that the momentum on the downside is growing. Alternatively, a break back above the 10 DMA at 213.62 could test the resistance at 220 and 40 and 100 DMA levels at these levels. The two-line strike formation points to a continuation of an uptrend, but the indicators suggest another decline today. We expect the DMA resistance levels to hold firm today.

10 Day % K Stochastic	21.80	Falling		
10 Day % D Stochastic	25.94	Falling		
14 Day RSI	40.51	Falling		
Support	206.50		202.30	200
Resistance	213.62		220.65	230
Moving Averages (10,40,100)	213.62		221.61	220.65
Open Interest	185,413	(+715)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Prices weakened yesterday as moderate selling pressure triggered a close at 2139. The stochastics are falling moderately, and %K/%D is diverging on the downside deeper into the oversold. The MACD is negative, however, lacks conviction, and the candle with long upper and lower wicks supports market indecisiveness. Prices have been capped by 10 DMA but struggled to break below the 2140 level, and in order to confirm the change of momentum, prices need to break above the current resistance at 10 DMA at 2167 and then 2200. Conversely, a break below 40 DMA at 2116 could set the scene for a test of 2100. We expect prices to remain on the back foot in the near term.

10 Day % K Stochastic	13.61 Falling		
10 Day % D Stochastic	17.80 Falling		
14 Day RSI	40.20 Rising		
Support	2140	2116	2100
Resistance	2159	2167	2200
Moving Averages (10,40,100)	2167	2226	2116
Open Interest	91,912 (+958)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures opened higher yesterday, but the resistance of 2400 caused futures to close lower on the day at 2363. The stochastics are seen diverging on the upside, but with %K entering the overbought, it is seen flattening out. The MACD diff is positive and diverging, suggesting further upside before we see the change of trend. A break of the 40 MDA at 2360 could trigger losses through 10 DMA at 2310, with the tertiary level at 2300. On the upside, a break above 2400 could set the scene for bullish momentum towards 2420. The break above the long-term trend line suggests there is an appetite for higher prices, but the bearish candle on the day and the indicators are overbought, and we could see the futures return to the lower ranges in the near term.

10 Day % K Stochastic	79.36 Neutral		
10 Day % D Stochastic	68.95 Rising		
14 Day RSI	53.11 Rising		
Support	2360	2314	2310
Resistance	2400	2420	2450
Moving Averages (10,40,200)	2310	2360	2495
Open Interest	311,676 (-3,737)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures jumped higher, above the previous day's closing price, but the bullish momentum was not strong enough, and futures closed at 1911. The stochastics continue to rise, about to be seen in the overbought, and the MACD diff is positive and diverging. The rejection of prices above 1930 has formed a candle with a narrow body but a long wick on the upside, suggesting an appetite for higher prices, however, lacking the conviction to break above the near-term resistance. If prices were to break above this level, this could trigger a test of 1950. To confirm the shooting start formation, futures need to take out the support level at 1900 and then robust support at 1850. A break below this level would confirm the outlook for lower prices.

10 Day % K Stochastic	71.81 Rising		
10 Day % D Stochastic	68.83 Rising		
14 Day RSI	62.97 Rising		
Support	1900	1870	1850
Resistance	1930	1950	1960
Moving Averages (50,100,200)	1835	1794	1778
Open Interest	257,104 (+6,134)	Volumes	

Source: ICE

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