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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures started the day on the front foot but struggled above the resistance at 40 DMA. The market closed at 17.78. The stochastics are gaining ground into the overbought territory, and the MACD diff is positive and diverging, suggesting we could see higher prices in the near term through near-term resistance. On the upside, futures need to gain back above 40 DMA at 17.78 in order to confirm upside momentum. The appetite above that level could trigger gains towards the 18.00 level; this could strengthen the trend in the long run on the upside. Alternatively, a break below the 10 DMA level at 17.52 would bring into play 17.00. The hanging man formation, where the investors traded mostly in the higher ranges, points to an end of the uptrend, however, the short candle body points to market uncertainty about the change of trend.

10 Day % K Stochastic	77.47 Rising		
10 Day % D Stochastic	63.88 Rising		
14 Day RSI	52.40 Rising		
Support	17.62	17.48	17.00
Resistance	17.78	18.00	18.17
Moving Averages (10,40,100)	17.52	17.78	18.36
Open Interest	682,630 (-1,321)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher yesterday after finding resistance at 512.90. The market closed at 511.90. The stochastics are gaining ground in the overbought territory, and the MACD diff is positive and diverging, suggesting we could see higher prices in the near term through near-term resistance of 512.90. A break above this level would bring into play the 40 DMA level at 516.13, which could set the scene for 520. On the downside, futures need to break below 505.40 in order to confirm downside momentum. The appetite below that level could trigger losses towards the 10 DMA level at 499.47; this could strengthen the trend in the long run on the downside. The hanging man formation to an end of the uptrend, and if the resistance level at 512.90 holds, this will confirm the slowdown of the momentum.

10 Day % K Stochastic	80.71 Rising		
10 Day % D Stochastic	63.15 Rising		
14 Day RSI	52.54 Rising		
Support	505.40	499.47	495.80
Resistance	512.90	516.36	520
Moving Averages (10,40,100)	499.47	516.13	524.16
Open Interest	85,992 (+2,274)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures edged higher yesterday as intraday trading saw prices close at 207.95. The stochastics remain oversold but are seen converging on the upside, and the MACD diff is negative and converging. A break of the 206.50 level could trigger losses through 202.30, with the tertiary level at 200. On the upside, a break back above 10 DMA at 211.31 and then a test of highs at 212.60 could set the scene for bullish momentum. After being capped by 10 DMA in the last couple of weeks, the futures have been testing support at the 206.50 level, and the downside momentum has stalled, outlined by the spinning top formation, however, if futures break below 206.50, we could see stronger bearish momentum.

10 Day % K Stochastic	20.09 Rising		
10 Day % D Stochastic	21.84 Falling		
14 Day RSI	41.08 Rising		
Support	206.50	202.30	200
Resistance	211.31	212.60	220
Moving Averages (10,40,100)	211.31	220.62	220.19
Open Interest	188,607 (-522)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday as trading saw prices close at 2161. The stochastics are edging out of the oversold with the %K about to leave the area, and the MACD diff is negative and converging. A break of the 100 DMA at 2117 could trigger losses through 2100 to 2050. On the upside, a break above the 10 DMA at 2161 could set the scene for bullish momentum towards 2200. After the last session's market indecisiveness – the spinning top formation – as prices struggle above the 10 DMA, we need to confirm the break of resistance before suggesting the upside momentum.

10 Day % K Stochastic	25.35 Rising		
10 Day % D Stochastic	21.02 Rising		
14 Day RSI	43.80 Rising		
Support	2120	2117	2100
Resistance	2161	2200	2215
Moving Averages (10,40,100)	2161	2222	2117
Open Interest	95,791 (+2,685)	Volumes	

NY 2nd Month Cocoa Futures



NY cocoa futures edged lower yesterday after prices tested the 10 DMA at 2341, prompting a close at 2338. The stochastics are falling, with %K/%D converging on the downside, and the MACD diff is positive and converging. To confirm the bearish indicators and rejection of prices above 10 DMA, futures need to take out support at 2320 and then target 2300. On the upside, futures need to close above 40 DMA at 2356 and then test 2400 in order to confirm the outlook of higher prices towards 2420. We expect futures to weaken in the near term.

10 Day % K Stochastic	70.62	Falling	
10 Day % D Stochastic	73.19	Falling	
14 Day RSI	49.08	Falling	
Support	2341	2314	2310
Resistance	2400	2420	2450
Moving Averages (10,40,200)	2341	2356	2493
Open Interest	303,835	(-4,774)	Volumes

Source: ICE

Ldn 2nd Month Cocoa Futures



Prices weakened yesterday as selling pressure triggered a close below the previous day's closing price at 1913. The MACD diff is positive and converging, and the stochastics are converging out of the overbought. The RSI is falling, confirming the continuation of the downside trend in the near term. The recent month's gains have been well bid, and in order to confirm the change of trend in the longer term, prices need to break 1900 and then 1870. Conversely, the market needs to break back above 1950 to suggest further upside. The indicators suggest growing downside momentum.

10 Day % K Stochastic	69.25	Falling	
10 Day % D Stochastic	72.35	Falling	
14 Day RSI	59.52	Falling	
Support	1900	1870	1850
Resistance	1930	1950	1960
Moving Averages (50,100,200)	1845	1798	1772
Open Interest	281,930 (+1,252)	Volumes	

Source: ICE

Risk warning

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