

Authors

Daria Efanova
Head of Research

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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures strengthened yesterday as moderate buying pressure triggered a close on the front foot at 17.48. The RSI is rising, while %K/%D is diverging towards the overbought. Likewise, the MACD diff is positive and diverging, a continued buy signal. On the upside, finding support above the 40 DMA at 17.55 could trigger gains through 17.62, the recent highs, towards the 100 DMA at 17.98. On the downside, a break below the 10 DMA at the 17.16 level could trigger losses back towards 17.00. That level has been supporting futures prices, and a break below it would signal strong selling pressure. Longer lower wick signals that the buying pressure is growing, as the prices closed higher and the bullish outlook is on the horizon.

10 Day % K Stochastic 71.64 Rising

10 Day % D Stochastic 49.57 Rising

14 Day RSI 53.76 Rising

Support 17.48

17.16

17.00

Resistance 17.62

17.98

18.00

Moving Averages (10,40,100) 17.16

17.55

17.98

Open Interest 736,277 (-1,559)

Volume

85,343

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher yesterday as prices closed at 506.40. The indicators continue to favour the upside, with %K/%D diverging into the overbought and MACD diff is positive and diverging, suggesting growing buying pressures. A break back below the 40 DMA level at 505.37 would bring into play the recent support level at 10 DMA at 496.22. In order to indicate an improvement of market sentiment on the upside, futures need to gain a footing above 512.90 and then target the recent highs of 100 DMA at 516.15 in the near term. The hanging man candle formation suggests that prices struggled above the 40-day moving average; however, today's break above it confirms further upside momentum in the near term.

10 Day % K Stochastic	77.37 Rising		
10 Day % D Stochastic	55.25 Rising		
14 Day RSI	56.36 Rising		
Support	505.40	500	496.22
Resistance	512.90	516.15	520
Moving Averages (10,40,100)	496.22	505.37	516.15
Open Interest	83,956 (-426)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures softened yesterday as moderate selling pressures trading caused futures to test appetite at the 165.95 level once again and then close at 168.38. The stochastics are once again converging on the downside in the oversold, as futures struggle to break above the current levels; the MACD diff, however, is negative and converging. To suggest an outlook on the upside, futures need to close back above 10 DMA at 176.48 and then target 182.50. On the downside, if prices fail above 170, this could trigger losses towards 160 in the medium term. With the 10 DMA resistance level firmly in place, the upside for the near term is being capped, and to suggest a break higher, the futures need to break above this level.

10 Day % K Stochastic	2045 Falling		
10 Day % D Stochastic	17.48 Rising		
14 Day RSI	29.41 Falling		
Support	165.95	160	155
Resistance	176.48	180	182.50
Moving Averages (10,40,100)	176.48	201.74	212.61
Open Interest	216,274 (-1,126)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Prices weakened yesterday as moderate selling pressure triggered a close at 1848. The stochastics are rising moderately, and %K/%D is diverging on the upside in the oversold, signalling a potential change in trend in the near term. The MACD is negative and converging slowly, and yesterday's doji candle formation supports market indecisiveness for higher prices. Prices have been capped by trend resistance in recent sessions, and in order to confirm the change of momentum, prices need to break above the current resistance at 10 DMA at 1876 and then 1900. Conversely, a break below the 1827 support level could set the scene for a test of 1800. We expect prices to consolidate recent gains today and remain on the front foot.

10 Day % K Stochastic	13.71 Rising		
10 Day % D Stochastic	12.44 Rising		
14 Day RSI	27.30 Rising		
Support	1827	1800	1750
Resistance	1872	1876	1900
Moving Averages (10,40,100)	1876	2088	2093
Open Interest	91,035 (+2,348)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures edged higher yesterday as trading saw prices close at 2372. The stochastics continue to edge closer to the oversold, and the MACD diff is positive and diverging, suggesting a continuation of upside momentum. To confirm this, a break above 2400 could set the scene for bullish momentum towards 2420. Conversely, a break of the trend line at 2370 could trigger losses through 10 and 40 DMA support levels at 2334. After the last session’s market indecisiveness – the spinning top formation – as prices struggle above the previous day’s highs, we could see the futures retesting this level in the near term.

10 Day % K Stochastic	73.08 Rising		
10 Day % D Stochastic	59.51 Rising		
14 Day RSI	55.64 Falling		
Support	2370	2334	2300
Resistance	2400	2420	2472
Moving Averages (10,40,200)	2334	2334	2472
Open Interest	318,485 (+3,210)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 1952. The RSI is rising, while %K/%D are diverging on the upside. The MACD diff just converged on the upside, a strong buy signal. On the upside, a break above 1950 could trigger gains through the resistance of 1970– November 2019 highs. On the downside, a break back below the support level of 1900 could trigger losses back towards 50 DMA at 1880; this would confirm the outlook of lower prices in the longer term. The market rally has been strong, with three white soldiers' formation confirming the strength of bull sentiment. We could see prices trend even higher today, but support at 1950 needs to hold firm for this to be the case.

10 Day % K Stochastic 69.91 Rising

10 Day % D Stochastic 51.13 Rising

14 Day RSI 52.78 Rising

Support 1900 1880 1850

Resistance 1950 1970 1985

Moving Averages (50,100,200) 1880 1822 1795

Open Interest 282,957 (+1,808) Volumes

Source: ICE

Risk warning

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