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FRI 25 NOVEMBER 2022 09:45

Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar edged lower on Wednesday, testing the support level at 18.50; prices have struggled below this level and closed at 18.48. The stochastics continue to diverge on the downside, with %K/%D breaking out of the overbought level. The MACD diff, however, jumped after nearly converging on the downside, following today's move higher. Today's candle opened higher but is seen struggling above the 10 DMA resistance level at 18.76. If this level is broken above, it could trigger some gains to the 19.00 level before 19.50. Alternatively, if the near-term resistance hold, this could set the scene for prices down to 18.50 once again to then test 18.17. We expect the 10 DMA to cap today's price performance.

10 Day % K Stochastic	51.38	Falling	
10 Day % D Stochastic	65.44	Falling	
14 Day RSI	59.92	Rising	
Support	18.50	18.17	18.00
Resistance	18.76	19.00	19.50
Moving Averages (10,40,100)	18.76	17.84	18.00
Open Interest	874,309 (+1,598)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar edged higher yesterday, testing the resistance at 10 DMA once again to close at 530.60. The stochastics are edging lower but showing signs of a slowdown and convergence, suggesting that we could see recent marginal weakness stall. The MACD diff, however, converged on the downside, a strong sell signal. The indicators suggest further weakness in the near term before a possible change of momentum, and to confirm this, the futures need to edge lower to 520 before testing the 100 DMA level at 516.16. The next level of support stands at 40 DMA at 512.32. Alternatively, if the 10 DMA resistance at 533.05 is broken, we could see some upside to 540. Given the indicators and the 10 DMA resistance solidifying, we expect further weakness in the near term.

10 Day % K Stochastic	35.53	Falling		
10 Day % D Stochastic	46.36	Falling		
14 Day RSI	57.00	Falling		
Support	520		516.16	512.90
Resistance	533.05		540	550
Moving Averages (10,40,100)	533.05		512.32	516.16
Open Interest	85,379	(+300)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures opened above the previous day's lows on Wednesday, but resistance at 165.95 triggered a close lower to 162.75. The stochastics, however, continue to gain pace, diverging out of the oversold, and the MACD diff is positive and diverging, suggesting upside momentum is building in the near term. To confirm this, the resistance at 165.95 needs to be broken above first before attempting to test the 180 level. A break of the robust resistance at 10 DMA in recent days confirms the appetite for higher prices. Alternatively, if this level struggles to hold and the futures break lower, this could trigger support of 160 and then 150. We expect further upside in the near term, but the resistance at 165.95 needs to break first.

10 Day % K Stochastic	39.64	Rising		
10 Day % D Stochastic	29.59	Rising		
14 Day RSI	39.33	Falling		
Support	161.99	150	150	
Resistance	165.95	180	182.50	
Moving Averages (10,40,100)	161.99	182.20	203.65	
Open Interest	195,174	(+252)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures strengthened yesterday after testing the support level at 1800; this level held firm, and the futures closed at 1842. The stochastics continue to suggest further strength in price performance in the near term, with %K/%D diverging on the upside, and the MACD diff is positive and diverging, suggesting further upside in the near term. To confirm this, the futures first need to break above the near-term resistance at 1860 before 1872 and 1900, respectively. On the downside, the futures need to close back below the 10 DMA level at 1818 before 1790. The indicators point to higher prices in the near term.

10 Day % K Stochastic	60.43 Rising		
10 Day % D Stochastic	47.16 Rising		
14 Day RSI	42.05 Rising		
Support	1818	1800	1790
Resistance	1872	1900	1914
Moving Averages (10,40,100)	1818	1948	2061
Open Interest	104,335 (+921)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures opened lower on Wednesday, but support at 2420 held, urging the level to close at 2444. The stochastics, however, continue to edge lower, with %K/%D about to enter the oversold, while the MACD diff is negative and diverging, further highlighting the appetite for lower levels. To confirm this, the 2420 support level needs to be broken below first before the 40 DMA at 2390. Alternatively, the 100 DMA level at 2463 is capping the price performance on the upside, and if this level does not hold, alongside the 10 DMA level at 2483, then we could see some upside to 2500. We expect the futures to continue to edge marginally lower in the near term.

10 Day % K Stochastic	25.97	Falling	
10 Day % D Stochastic	39.79	Falling	
14 Day RSI	52.65	Falling	
Support	2420	2390	2350
Resistance	2463	2483	2500
Moving Averages (10,40,200)	2483	2390	2463
Open Interest	257,380 (+2,695)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures gained ground yesterday as protracted buying pressure prompted a test of the 1955 level o close on the front foot at 1959. The stochastics are converging on the upside, suggesting a strong buy signal in the near term, and the MACD diff is negative and converging. To confirm another bullish candle, futures need to break above the 1950 level completely and then target the recent highs at 2000. On the downside, the break below the 50 DMA at 1918 could set the scene for lower prices towards the support of 1900. However, the market struggled below that level in recent weeks, and the bullish engulfing pattern suggests a strong buy signal. Near-term support stands at 1940, and we expect this level to hold in the near term.

10 Day % K Stochastic	27.66 Rising		
10 Day % D Stochastic	32.66 Rising		
14 Day RSI	52.72 Rising		
Support	1950	1918	1900
Resistance	1970	2000	2030
Moving Averages (50,100,200)	1918	1859	1811
Open Interest	319,781 (+2,457)	Volumes	

Source: ICE

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