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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures weakened on Friday, breaking below the 18.50 support to close at 18.36. Indeed, the indicators continue to weaken, with the %K/%D falling further, close to the oversold, and the MACD diff is negative and diverging on the downside rapidly, highlighting the strength of the selling pressure on Friday. If the futures completely break below the 18.50 level completely, the next level of support stands at 18.17 and then 100 DMA at 18.00. Alternatively, if the futures break back above 18.50 and 10 DMA at 18.70, this could set the scene for prices back above 19.00. Friday's long candle body with little shadow points out protracted selling pressure on the day, and we expect the futures to weaken further in the near term.

10 Day % K Stochastic	29.28	Falling		
10 Day % D Stochastic	50.92	Falling		
14 Day RSI	52.72	Falling		
Support	18.17	18.00	17.85	
Resistance	18.50	18.70	19.00	
Moving Averages (10,40,100)	18.70	17.85	18.00	
Open Interest	874,306	(+1,595)	Volume	103,749

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures sold off on Friday, but support at 520 held firm, and the prices settled at 521.60. Today, this level is being tested once again. The stochastics have dipped into the oversold, and the MACD diff is negative and diverging, suggesting further selling pressure in the meantime before a possible change of trend. The next level of support stands at 100 DMA at 515.91 before 40 DMA at 512.90, and if these levels are breached, this could trigger longer-term weakness to 500. Alternatively, if the futures previous losses are reversed, and the resistance at 10 DMA at 530.22 is broken above, we could see further upside to 540. Friday's protracted weakness is to be confirmed if the 520 level is breached in the near term.

10 Day % K Stochastic	18.55	Falling	
10 Day % D Stochastic	34.92	Falling	
14 Day RSI	49.47	Falling	
Support	520	515.91	512.90
Resistance	530.22	540	550
Moving Averages (10,40,100)	530.22	512.90	515.91
Open Interest	85,865 (+486)	Volume	5,468

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures opened higher day-on-day on Friday but struggled to break above the resistance at 165.95 and closed at 165.05. The stochastics are diverging on the upside, and the %K/%D is seen accelerating on the upside. Likewise, the MACD diff is positive and diverging. Prices then need to take out the 165.95 level to confirm the bullish momentum to 40 DMA at 180.91. Conversely, appetite for prices below 10 DMA at 161.05 could trigger a test of support of 155. A dragonfly doji candle shows rejection of higher prices above the near-term resistance and could point to a start of a bearish sentiment in the near term. To confirm this, the support at 10 DMA has to be broken below first.

10 Day % K Stochastic	47.50	Rising	
10 Day % D Stochastic	35.56	Rising	
14 Day RSI	42.34	Rising	
Support	161.73	160	150
Resistance	165.95	180	182.50
Moving Averages (10,40,100)	161.73	182.91	203.11
Open Interest	195,155 (+233)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher on Friday as intraday trading saw prices test resistance at 10 DMA once again. The market closed at 1821. The RSI is falling, and %K/%D is rising but shows signs of convergence, as the %K is seen falling while %D continues to rise. The MACD diff is positive and converging, pointing to a change of trend in the near term. The indicators point to waning bullish momentum and to confirm the rejection of the support; prices need to take out 1800. A break below this level towards the support of 1790 would confirm the growing downside momentum. Conversely, appetite for prices above 1827 could trigger a test of 1872. The short candle body suggests uncertainty about higher prices. However, candles seem to be range-bound by 1800 and 1850 from both sides, so to confirm the indicators, the futures would need to break below the 1800 support level.

10 Day % K Stochastic	57.82 Falling		
10 Day % D Stochastic	53.51 Rising		
14 Day RSI	38.22 Falling		
Support	1800	1790	1750
Resistance	1827	1872	1900
Moving Averages (10,40,100)	1816	1932	2058
Open Interest	104,436 (+138)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa jumped higher on Friday, breaking above the resistance levels of 100 and 10 DMA to close at 2484. The stochastics are seen converging on the upside near the oversold, and the MACD diff is negative and converging, suggesting recent downside pressures were waning. To confirm another bullish candle, the futures need to break above the 2500 level before targeting the 2543 level. On the downside, support at 2420 is firm and a break below this level could trigger some weakness to 2400 and 40 DMA at 2394, respectively. Friday's strongly bullish candle and a close above two moving averages highlight the appetite for higher prices and could trigger further upside in the near term.

10 Day % K Stochastic	31.03 Falling		
10 Day % D Stochastic	36.87 Falling		
14 Day RSI	58.80 Rising		
Support	2420	2394	2350
Resistance	2500	2543	2577
Moving Averages (10,40,200)	2476	2394	2461
Open Interest	257,407 (+2,722)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa jumped higher on Friday, but resistance at 1990 held firm, and the futures closed below at 1985. The stochastics have converged on the upside and the MACD diff is negative and converging, suggesting we could see further upside in the near term. However, the near-term resistance is robust, and prices above that level have been rejected before, forming a double-top formation. If this level holds once again, it could trigger downside momentum back to 1950. If, on the other hand, the resistance level is broken above, we could see a bullish trend build to 2000 and 2050, respectively. The indicators point to strong bullish momentum building, but the near-term resistance has to be broken above first to confirm this.

10 Day % K Stochastic	44.76 Rising		
10 Day % D Stochastic	36.69 Rising		
14 Day RSI	57.53 Rising		
Support	1950	1920	1900
Resistance	2000	2030	2050
Moving Averages (50,100,200)	1920	1861	1812
Open Interest	316,355 (-3,426)	Volumes	

Source: ICE

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