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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures opened below a key support level of 19.00, but support at 18.00 caused a close at 18.46. The RSI is rising, and %K/%D is seen converging on the upside. The MACD diff is negative and converging, suggesting growing buying pressures. The indicators point to a change of trend to higher prices in the near term, and to confirm the confirmation of the support, prices need to take out the resistance at 10 DMA at 18.67. A break above this level towards 19.00 would confirm the strong bullish momentum. Conversely, appetite for prices below the 100 DMA level at 17.99 could trigger a test of 40 DMA at 17.89. A dragonfly candle formation signals prices tested the resistance at 10 DMA and rejected it to close lower. The indicators, however, suggest building upside momentum, and to confirm this, the 10 DMA resistance needs to be broken first.

| | | | |
|-----------------------------|------------------|--------|-------|
| 10 Day % K Stochastic | 34.15 Rising | | |
| 10 Day % D Stochastic | 46.41 Falling | | |
| 14 Day RSI | 55.61 Rising | | |
| Support | 18.17 | 18.00 | 17.89 |
| Resistance | 18.67 | 19.00 | 19.15 |
| Moving Averages (10,40,100) | 18.67 | 17.89 | 17.99 |
| Open Interest | 877,318 (+3,009) | Volume | |

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher yesterday as volatile trading saw prices come back to open level and close at 522.90. The stochastics are near oversold but are seen converging on the upside, and the MACD diff is negative and diverging. A break of the 100 DMA level at 515.72 could trigger losses through 512.90, with the tertiary level at 505.40. On the upside, a break back above 10 DMA at 527.46 and then a test of previous highs at 540 could set the scene for bullish momentum. After testing the 100 DMA support, the prices struggled to maintain the downside conviction, outlined by the spinning top formation, however, if futures break below this level, we could see stronger bearish momentum.

| | | | |
|-----------------------------|---------------|--------|--------|
| 10 Day % K Stochastic | 23.99 Rising | | |
| 10 Day % D Stochastic | 31.84 Falling | | |
| 14 Day RSI | 51.42 Rising | | |
| Support | 515.72 | 512.90 | 505.40 |
| Resistance | 527.46 | 540 | 550 |
| Moving Averages (10,40,100) | 527.46 | 513.61 | 515.72 |
| Open Interest | 85,578 (-287) | Volume | |

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 168.90. The RSI is rising, while %K/%D are diverging on the upside. The MACD diff is positive and diverging, outlining recent market growth. On the downside, a break back below the support level of 10 DMA at 161.40 could trigger losses back towards 150, a break below this level would confirm the outlook of lower prices in the longer term. On the upside, a break above 170 could trigger gains through the resistance of 40 DMA at 178.71 towards 180 – October highs. The market rally yesterday was strong, with a long candle body confirming the strength of bull sentiment. We could see prices trend even higher today, but support at 10 DMA needs to hold firm for this to be the case.

| | | | |
|-----------------------------|----------------|---------|--------|
| 10 Day % K Stochastic | 66.77 Rising | | |
| 10 Day % D Stochastic | 49.67 Rising | | |
| 14 Day RSI | 47.79 Rising | | |
| Support | 161.40 | 160 | 150 |
| Resistance | 170 | 170 | 178.71 |
| Moving Averages (10,40,100) | 161.40 | 178.71 | 202.04 |
| Open Interest | 195,846 (+672) | Volumes | |

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday as intraday trading saw prices break above the 1827 resistance. The market closed at 1833. The RSI is rising, and %K/%D is diverging on the upside closer to the overbought. The MACD diff is positive and diverging, suggesting growing buying pressure. The indicators point to higher prices in the near term, and to confirm the rejection of the resistance, prices need to take out 1850. A break above this level towards 1872 would confirm the growing upside momentum. Conversely, appetite for prices back below the 10 DMA level at 1820 could trigger a test of 1800. A narrow candle body signals uncertainty about the outlook for higher prices, and the futures need to take out 1850 to confirm the outlook for falling prices.

| | | | |
|-----------------------------|----------------|---------|------|
| 10 Day % K Stochastic | 64.76 Rising | | |
| 10 Day % D Stochastic | 58.01 Rising | | |
| 14 Day RSI | 41.70 Rising | | |
| Support | 1820 | 1800 | 1750 |
| Resistance | 1850 | 1872 | 1900 |
| Moving Averages (10,40,100) | 1820 | 1924 | 2057 |
| Open Interest | 103,699 (-737) | Volumes | |

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures opened higher yesterday, but the resistance of 2500 caused futures to close lower on the day at 2480. The stochastics are seen growing on the upside, with the %K/%D about to converge on the upside, a strong buy signal, and the MACD diff is negative and converging. A break of the 100 DMA at 2458 could trigger losses through 2420, with the tertiary level at 2400. On the upside, a break above 2500 could set the scene for bullish momentum towards 2543. Yesterday's candle once again suggested that prices struggled above the 2500 level; however, the indicators suggest further upside in the near term. We expect 2500 to be tested once again today.

| | | | |
|-----------------------------|----------------|---------|------|
| 10 Day % K Stochastic | 38.97 Rising | | |
| 10 Day % D Stochastic | 37.49 Rising | | |
| 14 Day RSI | 57.86 Falling | | |
| Support | 2470 | 2458 | 2420 |
| Resistance | 2500 | 2543 | 2577 |
| Moving Averages (10,40,200) | 2470 | 2402 | 2458 |
| Open Interest | 257,650 (+270) | Volumes | |

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures opened higher day-on-day but struggled to break above the resistance at 2000 and closed at 1994. The stochastics are diverging on the downside, with %K/%D edging close to the overbought. Likewise, the MACD diff is negative and converging marginally. Prices then need to take out the 1970 level to confirm the bearish momentum to 1950 and the moving averages. Conversely, appetite for prices above 2000 could trigger a test of resistance of 2030. A recent bullish momentum and yesterday's prices struggling above the near-term resistance could suggest that momentum on the upside is slowing, and we might see a change of trend in the near term. To confirm this, today's candle should open lower, below the previous day's close.

| | | | |
|------------------------------|------------------|---------|------|
| 10 Day % K Stochastic | 68.97 Rising | | |
| 10 Day % D Stochastic | 42.46 Rising | | |
| 14 Day RSI | 59.10 Rising | | |
| Support | 1970 | 1950 | 1900 |
| Resistance | 2000 | 2030 | 2050 |
| Moving Averages (50,100,200) | 1926 | 1866 | 1813 |
| Open Interest | 319,600 (+3,245) | Volumes | |

Source: ICE

Risk warning

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