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Softs Technical Charts

NY 2nd Month Sugar Futures



Sugar prices sold off on Friday after future failed to gain a footing above the 10 DMA, prompting a close at 18.33. The stochastics are falling back towards oversold and the MACD diff is negative and starting to diverge. This suggests that downside will decline in the near term, with support at 18.17 the next key level. The market 40 DMA is crossing above the 100DMA and that suggests longer term momentum will remain on the upside, and if support at 18.17 is reaffirmed this could keep the short term trend intact and form a bullish flag pennant. Conversely, a break through 18.17 and then the 100 DMA at 17.97 could trigger losses back towards 17.50.

10 Day % K Stochastic	44.02 Rising		
10 Day % D Stochastic	41.46 Rising		
14 Day RSI	56.25 Rising		
Support	18.56	18.17	17.98
Resistance	18.70	19.00	19.15
Moving Averages (10,40,100)	18.56	17.96	17.98
Open Interest		Volume	

Source: ICE

LDN 2nd Month Sugar Futures



London sugar prices declined on Friday as the 10 DMA held firm and prices closed at 521.80. The stochastics are rising but the MACD diff is positive but is falling. The 50% fib level is at 521.94, and the close below this level could trigger losses back towards 515.10 where the market has been well supported in recent sessions. A break of this level and would confirm the descending triangle prompting losses back towards 505. Conversely, prices have been supported between 515 and 521 in recent week and this could trigger gains towards 540. We expect prices to weaken in the near term as sentiment softens.

10 Day % K Stochastic	37.30 Rising		
10 Day % D Stochastic	33.64 Rising		
14 Day RSI	53.94 Rising		
Support	520	514.87	512.90
Resistance	530	540	550
Moving Averages (10,40,100)	525.25	515.58	514.89
Open Interest		Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee prices weakened on Friday as selling pressure continues after the rejection of prices at 61.8% fib level at 175.35. The stochastics have converged, with the MACD diff converging on the upside as well. The rejection of the 61.8% fib level and the the lower trend channel suggests we could see prices decline in the near term back towards 160 and the low at 155.25 at 76.4%. A sell signal from the stochastics could trigger losses back through the recent low. On the upside, futures need to break above the 61.% fib level and the 40DMA at 175.34 could trigger gains to 182.50. However, we expect prices to decline in the near term.

10 Day % K Stochastic	53.98 Falling		
10 Day % D Stochastic	59.21 Falling		
14 Day RSI	41.38 Neutral		
Support	162.35	160	155
Resistance	165.95	174.20	182.50
Moving Averages (10,40,100)	164.51	174.20	200.43
Open Interest	198,565 (+2,115)	Volumes	27,907

Source: ICE

Source: ICE

LDN 2nd Month Coffee Futures



London coffee prices consolidated on Friday as traders looked to test support and resistance. The market closed at 1846 and this could trigger losses back through the 10 DMA. The stochastics are rising and the MACD diff is positive and diverging, but prices need to remain supported above the 10 DMA in order to indicate higher prices in the near term. A break of resistance at 1882 could set the scene for a test of 1907. However, the 40 DMA has closed in and this should provide resistance to the market and trigger losses back through the 10 DMA to 1800. The dragonfly doji on Friday suggests lack of appetite for prices but the trend is firmly on the downside.

10 Day % K Stochastic	67.18 Rising		
10 Day % D Stochastic	67.21 Falling		
14 Day RSI	48.80 Rising		
Support	1836	1820	1769
Resistance	1882	1893	1950
Moving Averages (10,40,100)	1836	1893	2053
Open Interest	98,200 (-1,928)	Volumes	15,059

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa prices have been well bid in recent sessions and Friday was the same. Prices closed at 2536 after finding support below 2500. The stochastics are rising and the gap between the %K and %D suggests upside momentum is strong and this could trigger gains in the coming sessions. The MACD diff is positive but lacks conviction, futures need to break above 2543 and then 2577 in order to confirm the outlook of higher prices. The downside tail and appetite below 2500 shows the strength of buying pressure.

10 Day % K Stochastic	73.51 Rising		
10 Day % D Stochastic	57.46 Rising		
14 Day RSI	65.99 Rising		
Support	2500	2481	2455
Resistance	2543	2577	2600
Moving Averages (10,40,200)	2481	2413	2455
Open Interest	255,559 (+2,370)	Volumes	31,018

Source: ICE

Ldn 2nd Month Cocoa Futures



London cocoa futures softened on Friday after testing 1950, support at this level triggered a close at 1971. The stochastics are falling and this could a sell signal, prompting another test of support at 1950 and the 50 DMA. The MACD diff is flat and there is little conviction. Friday's candle could trigger losses in the near term as prices failed to close on the front foot. A break below 1950 could set the scene for lower prices towards the 50 DMA.

10 Day % K Stochastic	66.63 Falling		
10 Day % D Stochastic	65.84 Falling		
14 Day RSI	52.62 Falling		
Support	1950	1934	1900
Resistance	1980	2000	2025
Moving Averages (50,100,200)	1934	1873	1816
Open Interest	281,654 (-8,788)	Volumes	27,333

Source: ICE

Risk warning

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