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Softs Technical Charts

NY 2nd Month Sugar Futures



Futures on Friday consolidated on Friday as intraday trading saw prices test resistance around 18.70, this prompted a close at 18.46. The stochastics are pushing higher but remain around neutral territory, while the MACD diff is diverging on the downside. The upside tails suggests lack of appetite for higher prices, but futures need to break below the 10 DMA at 18.43. A break of the 10 DMA would trigger losses back to 18.17, secondary support stands at 18.05 which is the 40 DMA. Conversely on the upside, prices need to hold above 18.70. A close above this level would trigger gains to 19.

10 Day % K Stochastic 47.18 Rising

10 Day % D Stochastic 44.07 Rising

14 Day RSI 51.79 Rising

Support 18.17 18.07 17.93

Resistance 18.50 19.00 19.30

Moving Averages (10,40,100) 18.43 18.07 17.93

Open Interest Volume

Source: ICE

Ldn 2nd Month Sugar Futures



Sugar prices posted an inside day on Friday, there was moderate selling pressure and the market closed at 527. The volumes remain low suggests little conviction, the stochastics are edging higher and are pushing above 50. The MACD diff is neutral and this could set the scene higher prices. The 10 DMA is supportive at the moment, but prices fail to hold above 535. In order to confirm the flag pennant, prices need to close above 530 and then test 540. Conversely, rejection of near term trend resistance could set the scene for lower prices towards 520 and then the 40 DMA at 516.90. The outlook suggests further consolidation as the indicators and price action lack conviction.

10 Day % K Stochastic	53.12 Rising		
10 Day % D Stochastic	50.01 Rising		
14 Day RSI	50.74 Rising		
Support	523	520	516
Resistance	530	540	550
Moving Averages (10,40,100)	523.84	516.56	514.51
Open Interest		Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee prices sold off on Friday as the long term selling pressure continued causing a close at 158.15. The stochastics are falling and the gap between the stochastics is widening suggesting strong downside pressure. This confirms the trend on the downside, the reaffirmation of resistance has strengthened the trend. A break below the 76.4% fib level would confirm the downside trend and the descending triangle. This could trigger losses back to 147, if the stochastics reach a new low as prices post a new low this would help confirm the trend. Conversely, a break above 165.95 and then the lower trend channel and 40 DMA would strengthen the trend on the upside, and set the scene for higher prices towards 175. This would need to be accompanied by higher volumes.

Ldn 2nd Month Coffee Futures



Ldn coffee failed to break above resistance at 1881 on Friday, and this triggered a close at 1864. The stochastics are rising and are overbought as the MACD diff is positive and is now consolidating suggesting lower prices waning upside momentum. A break above 1880 would confirm the ascending triangle and prompt a test of trend resistance. The volumes on Friday were strong but there was a surge in volumes into the close when prices dipped below 1860 suggesting appetite for prices at near term trend support. A break below trend support would set the scene for lower prices towards 1800 and 1769 would indicate a rejection of the ascending triangle. We expect another test of resistance at 1880 today but repeated failures would strengthen the outlook for lower prices.

10 Day % K Stochastic	74.41 Rising		
10 Day % D Stochastic	75.73 Rising		
14 Day RSI	48.78 Rising		
Support	1860	1840	1800
Resistance	1882	1907	1920
Moving Averages (10,40,100)	1866	1859	2048
Open Interest	97,963 (-57)	Volumes	23,347

Source: ICE

NY 2nd Month Cocoa Futures

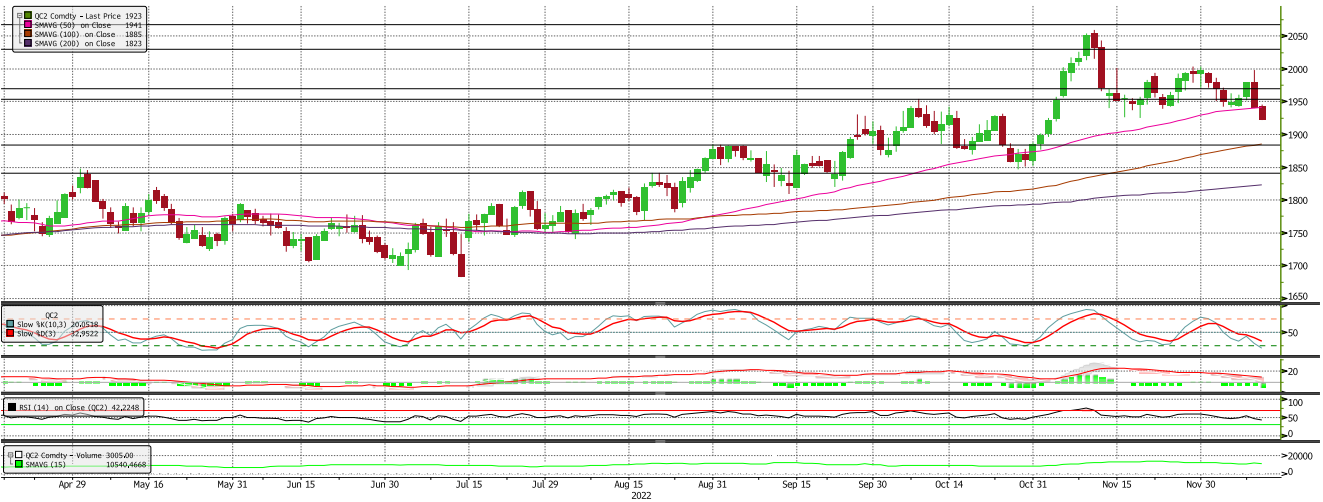


Cocoa prices reversed the previous day's action yesterday as intraday trading saw prices test resistance at 2570, failure at this level prompted a close at 2504. The stochastics are falling and a sell signal would confirm the rejection of resistance at 2570. A breach of support at 2500 and this could trigger losses back to 2451. The stochastics are falling and failed to create a new high, suggesting lower prices in the near term, this would also confirm a double top. Support between 2450-2500 could set the scene for higher prices towards 2600. Near term trend support could prompt higher prices but 2600 needs to be breached.

10 Day % K Stochastic	50.69	Falling	
10 Day % D Stochastic	59.23	Falling	
14 Day RSI	52.62	Falling	
Support	2480	2450	2420
Resistance	2500	2550	2685
Moving Averages (10,40,200)	2503	2435	2450
Open Interest	257,135 (+370)	Volumes	31,522

Source: ICE

Ldn 2nd Month Cocoa Futures



Cocoa prices sold off on Friday as robust selling pressure prompted a close at 1942. The stochastics are falling towards oversold and the MACD diff continues to fall suggesting lower prices in the near term. The break below the 50 DMA may trigger strong selling pressure back towards to 1900. The rejection of resistance at 2000 and break below support confirms the descending triangle. On the upside, appetite for prices below the 50 DMA could trigger gains back to the 40 DMA. We expect selling pressure to continue in the near term.

10 Day % K Stochastic	47.69	Falling	
10 Day % D Stochastic	45.68	Falling	
14 Day RSI	54.68	Falling	
Support	1920	1900	1885
Resistance	1941	1970	2000
Moving Averages (50,100,200)	1941	1885	1823
Open Interest	274,607 (-1,062)	Volumes	16,666

Source: ICE

Source: ICE

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