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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar prices gained ground yesterday as appetite for prices at 18.25 prompted a close on the front foot at 18.60. The stochastics are rising but remain neutral, the MACD diff is converging on the downside and this could trigger gains in the near term as sentiment improves. Futures need to break above near term trend resistance to confirm the pennant. This would set the scene for a break of 19 with the recent high at 19.22. On the downside, rejection of prices above 18.50 would set the scene for a reversal of yesterday's activity. Downside momentum will strengthen if futures breach support at 18.17 and the moving averages around 18-18.10.

10 Day % K Stochastic 55.92 Rising

10 Day % D Stochastic 49.58 Rising

14 Day RSI 54.58 Rising

Support 18.17 18.10 17.94

Resistance 18.70 19.00 19.25

Moving Averages (10,40,100) 18.43 18.10 17.94

Open Interest 894,207 (+1,162) Volume

Source: ICE

Ldn 2nd Month Sugar Futures



London sugar prices gained ground as prices were well supported at 520 and the market closed at 526.40. The stochastics lack conviction, but are starting to fall. The MACD diff is converging on the downside. The mixed outlook is indicative of the recent consolidation. To confirm the move on the downside, prices need to break 520, and then the support of 512-517. Volumes are low, and this reduces the conviction of the market. On the upside, near term trend resistance would set the scene for higher prices to 540 and then 552. The consolidation is set to continue today but a breakout is on the cards.

10 Day % K Stochastic	44.12	Falling	
10 Day % D Stochastic	46.94	Falling	
14 Day RSI	50.96	Neutral	
Support	520	517	512
Resistance	530	540	545
Moving Averages (10,40,100)	524.53	517.96	515.28
Open Interest	87,854 (-545)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee prices consolidated the previous days gains tested the 40 DMA at 168.65, the market closed at 167.90. The stochastics have given a buy signal, as the MACD diff is rising and diverges on the upside. However, the lower trend channel provides resistance and futures need to break above this level and test 61.8% fib level at 175 and trend resistance. A breach of the 50% fib level and 180 in high volume would set the scene for higher prices to 190. Conversely, rejection of prices at 168 may prompt a reversal back towards 162, and a break of 155 would confirm the head and shoulders chart pattern.

10 Day % K Stochastic	52.95 Rising		
10 Day % D Stochastic	41.91 Rising		
14 Day RSI	51.57 Rising		
Support	165	163.50	162
Resistance	168	172	180
Moving Averages (10,40,100)	163.47	168.10	197.21
Open Interest	199,477 (-2,530)	Volumes	31,688

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures consolidated yesterday after prices failed to breach resistance at 1882. The stochastics are overbought but the indicators have given a sell signal and could trigger losses back through trend support. The MACD diff is positive and converging, highlighting the trend of a correction to the downside. Confirming the ascending triangle could set the scene for higher prices back to 1907 and then 1992. On the downside, rejection of the ascending triangle would trigger losses back to 1800. We expect the market to decline in the near term.

10 Day % K Stochastic	80.75 Rising		
10 Day % D Stochastic	75.99 Falling		
14 Day RSI	52.14 Rising		
Support	1850	1820	1800
Resistance	1907	1920	1992
Moving Averages (10,40,100)	1850	1874	2050
Open Interest	97,457 (-1,496)	Volumes	21,573

Source: ICE

NY 2nd Month Cocoa Futures



Cocoa prices gained ground as buying pressure continues to dominate the market, prompting a close at 2541. The stochastics are hovering between 50 and 75 and lack conviction, the MACD diff lacks conviction. The trend in the near term is rising but trend resistance at 2567 and this could trigger losses back through trend support to 2450. The 40 DMA is about to break above the 200 DMA and this is traditionally bullish but prices need to break 2567 and 2600 in order to confirm the recent trend.

10 Day % K Stochastic	58.75	Falling		
10 Day % D Stochastic	60.02	Falling		
14 Day RSI	57.04	Falling		
Support	2520	2446	2420	
Resistance	2567	2600	2650	
Moving Averages (10,40,200)	2512	2446	2451	
Open Interest	262,292 (1,289)	Volumes	39,951	

Source: ICE

Ldn 2nd Month Cocoa Futures



Cocoa prices gained ground yesterday as appetite for prices prompted a test of 1950 and close at 1951. The stochastics are falling towards oversold and the MACD diff is diverging on the downside suggesting lower prices in the near term, the contract roll has prompted prices to open lower. The 100 DMA now acts as resistance as this could set the scene for lower prices towards 1850. On the upside, futures need to break above 100 DMA may set the scene for higher prices towards previous trend support.

10 Day % K Stochastic	47.69	Falling	
10 Day % D Stochastic	45.68	Falling	
14 Day RSI	54.68	Falling	
Support	1880	1850	1825
Resistance	1888	1900	1925
Moving Averages (50,100,200)	1942	1888	1825
Open Interest	278,128 (1,582)	Volumes	23,095

Source: ICE

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