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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar strengthened yesterday as buying pressure triggered a close on the front foot at 19.44. The stochastics are rising, with %K/%D diverging on the upside further into the overbought. The MACD diff is also positive and diverging. A longer bullish candle body with wick suggests growing buying pressures; this could set the scene for higher prices to break above the resistance at 19.50, but prices struggled above that level. This would confirm the trend for rising prices, up to 16.69. On the downside, a breach of support at 19.00 would strengthen the bearish momentum on the downside to 10 DMA at 18.89. This could also trigger losses towards 18.50. Indicators point to higher prices, and with prices seeing continued strength in recent days, we expect this trend to continue higher.

10 Day % K Stochastic	83.05 Rising		
10 Day % D Stochastic	74.08 Rising		
14 Day RSI	69.02 Rising		
Support	19.30	19.00	18.89
Resistance	19.50	19.70	20.00
Moving Averages (10,40,100)	18.89	18.38	18.03
Open Interest	929,406 (+7,217)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures consolidated yesterday as protracted buying pressure triggered a close on the front foot at 548.30. The RSI is rising, and %K/%D is diverging on the upside into the overbought. The MACD diff is positive and diverging on the upside, suggesting growing buying pressure. The indicators point to higher prices in the near term, and to confirm the momentum; prices need to take out 550. A break above this level towards 570 would confirm the strong bullish momentum. Conversely, appetite for prices below 540 could trigger a test of support at 10 DMA at 534.35. Longer upper wick points to increased appetite on the upside, and a break above 550 would confirm the outlook for higher prices.

10 Day % K Stochastic 82.95 Rising

10 Day % D Stochastic 72.39 Rising

14 Day RSI 65.97 Rising

Support 540 534.35 525.14

Resistance 550 552.40 560

Moving Averages (10,40,100) 534.35 525.14 518.05

Open Interest 88,196 (+19) Volume

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures held their nerve yesterday to close at 168.75. The stochastics are rising, with %K/%D is seen gaining into the overbought, which could suggest further momentum on the upside in the near term. The MACD diff is positive and flat as upside momentum slowed. On the upside, futures need to break above the robust resistance levels of 170 and 174.35, respectively, to trigger the momentum. Conversely, appetite for prices below the moving averages at 166 could trigger a test of support of 160. A dragonfly doji candle shows rejection of lower prices below the moving averages, but a break above the near-term resistance has failed to materialise in recent weeks, and we expect this to hold in the near term.

10 Day % K Stochastic	68.42 Rising		
10 Day % D Stochastic	62.71 Rising		
14 Day RSI	52.08 Falling		
Support	166.71	160	155
Resistance	170	174.35	180
Moving Averages (10,40,100)	166.71	165.64	194.57
Open Interest	187,096 (-739)	Volumes	28,951

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures softened yesterday as moderate selling pressure saw futures test appetite at 1880 once again to close below at 1878. The stochastics have just converged on the downside and now weakening, a clear bearish signal. The MACD diff is positive and converging, confirming the outlook for lower prices in the near term. To confirm that trend, futures need to break below near-term support at 10 DMA once again at 1872, which could set the scene for prices to take out 40 DMA at 1846. On the upside, a break above the robust resistance of 1900 would strengthen the bullish momentum into the 23.6% fib level at 1907. A bearish candle with a longer lower wick points to an appetite for lower prices, and the indicators confirm a change of momentum down back the moving averages.

10 Day % K Stochastic	60.49 Rising		
10 Day % D Stochastic	60.23 Rising		
14 Day RSI	52.58 Falling		
Support	1872	1846	1800
Resistance	1880	1900	1907
Moving Averages (10,40,100)	1872	1846	2037
Open Interest	89,051 (-11,061)	Volumes	20,953

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 2600. The RSI is rising, while %K/%D is converging on the upside. The MACD diff is positive and diverging, confirming growing buying pressures. On the upside, finding support above the resistance at 2580 could trigger gains through 2600 towards 2615 – the April high. This will also confirm the outbreak of the ascending triangle. On the downside, a break back below the 2580 level could trigger losses back towards the support at 10 DMA at 2521. The futures' gains have been capped at robust resistance, and a break above that level sets the scene for higher prices in the near term. Strong bullish candles also highlight a strong appetite for the upside in the near term.

10 Day % K Stochastic	57.40 Rising		
10 Day % D Stochastic	48.12 Rising		
14 Day RSI	65.92 Rising		
Support	2521	2500	2477
Resistance	2550	2580	2600
Moving Averages (10,40,200)	2521	2477	2448
Open Interest	268,025 (-687)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 1971. The RSI is rising, while %K/%D are diverging on the upside out of the oversold. The MACD diff is negative and converging, outlining recent market growth. On the downside, a break back below the support level of 50 DMA at 1942 could trigger losses back towards 1900, a break below which would confirm the outlook of lower prices in the longer term. On the upside, a break above trend resistance could trigger gains through 2000 to 2055 – November highs. The market rally has been strong, with three white soldiers' formation confirming the strength of bull sentiment. We could see prices trend even higher today, but support at 50 DMA needs to hold firm for this to be the case.

10 Day % K Stochastic	44.81	Rising		
10 Day % D Stochastic	30.72	Rising		
14 Day RSI	56.04	Rising		
Support	1942	1900	1893	
Resistance	1970	2000	2010	
Moving Averages (50,100,200)	1942	1896	1831	
Open Interest	279,962	(+2,176)	Volumes	

Source: ICE

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