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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures sold off on Friday once again after protracted selling pressure prevailed, prompting a close below 100 DMA at 18.07 at 17.91. The stochastics are falling, with RSIs in neutral territory; the %K/%D, however, are showing signs of convergence while oversold, suggesting waning downside momentum. The MACD diff is negative and diverging, but the downside sentiment is seen slowing. To confirm another bearish candle, prices need to break below the support level at 17.95 before the 17.62 level. Tertiary support stands at 17.50, a break below which would confirm the three black crows' formation. On the upside, to regain upside conviction, futures need to close back above 18.00, the level that was breached earlier this morning, and then the moving averages in the near term. Near-term momentum is on the downside, and this is highlighted by the 10 DMA crossing below the 40 DMA level, the death cross.

10 Day % K Stochastic	6.85	Falling
10 Day % D Stochastic	16.72	Falling
14 Day RSI	36.25	Falling
Support	17.95	17.62 17.48
Resistance	18.07	18.17 19.00
Moving Averages (10,40,100)	18.58	18.66 18.07
Open Interest	939,904 (-5,642)	Volume

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures buckled on Friday as protracted selling pressure triggered a close on the back foot at 513.80. The stochastics are falling, and %K/%D continue to edge lower further into the oversold; the RSI is also falling. The MACD diff is negative and diverging, confirming growing selling pressure; this could set the scene for lower prices towards the 505.40 level. A break below this level would confirm the outlook of lower prices. On the upside, a break back above the 100 DMA resistance level at 518.96 and reaffirmation of support above 520 could strengthen the trend on the upside in the long run. Futures need to take out the DMAs in order to confirm the outlook of higher prices. However, in line with the NY sugar, the 10 DMA crossed below the 40 DMA level, confirming the upside resistance in the near term.

10 Day % K Stochastic	9.47	Falling		
10 Day % D Stochastic	21.44	Falling		
14 Day RSI	39.14	Falling		
Support	512.90		505.40	500
Resistance	518.96		530.48	540
Moving Averages (10,40,100)	530.48		530.17	518.96
Open Interest	88,874	(-408)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee edged lower on Friday as moderate downside appetite caused futures to close at 158.50. %K/%D is edging into the oversold, and the MACD is diverging on the downside marginally, confirming a lack of conviction for lower price levels; this is confirmed by Friday's support at 160. To suggest a change of momentum, prices need to close above the trend resistance, a robust level, and then target 40 DMA at 164.41. On the downside, the rejection of prices above 160 could trigger losses back to the 164.55 level, the long-term support level. Selling pressure has been weak, and the indicators point to a continuation of lacklustre momentum. The futures have been range-bound for the last couple of months, and we expect this to continue in the meantime.

10 Day % K Stochastic	20.17	Falling	
10 Day % D Stochastic	35.76	Falling	
14 Day RSI	39.40	Falling	
Support	154.55	150	140
Resistance	160	166.37	174.35
Moving Averages (10,40,100)	166.37	164.61	190.22
Open Interest	187,676 (+2,785)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures held their nerve on Friday after piercing the support level of 1825. The market closed lower at 1825. The stochastics continue to fluctuate, with %K/%D flipping between upside and downside momentum. The MACD diff is negative and has remained flat. The reaffirmation of support at 1820 could set the scene for higher prices back to test the 10 DMA level at 1846, confirming an inverse hammer formation. This could also set the scene for 1900 if the appetite picks up. On the downside, futures need to break below the support of 1800 in order to confirm the bearish trend. Indeed, this support level has been robust in the last couple of months, a break below this level would suggest strong conviction on the downside. The longer upper wick with a narrow body confirms the support is still intact.

10 Day % K Stochastic	46.97	Rising		
10 Day % D Stochastic	48.39	Falling		
14 Day RSI	44.67	Rising		
Support	1800	1769	1750	
Resistance	1832	1882	1900	
Moving Averages (10,40,100)	1846	1846	2012	
Open Interest	90,856	(+1,739)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures softened on Friday after finding resistance at 2620. The market closed at 2612. The stochastics are wavering, struggling to point out an outlook, while the MACD diff is positive and converging slowly, suggesting we could see marginally lower prices in the near term. On the upside, a break above 2620 would bring into play the 2670 level. On the downside, futures need to break below 10 DMA at 2609 in order to confirm downside momentum. The appetite below that level could trigger losses towards 2600; this could strengthen the trend in the long run on the downside. A candle with a longer lower wick after a similar bullish candle highlights the uncertainty for futures to move in either direction.

10 Day % K Stochastic	64.27 Falling		
10 Day % D Stochastic	64.67 Falling		
14 Day RSI	59.99 Falling		
Support	2609	2600	2526
Resistance	2650	2675	2700
Moving Averages (10,40,200)	2609	2526	2449
Open Interest	280,306 (+3,490)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures lost ground on Friday after prices tested the 2015 resistance level, prompting a close at 1993. The stochastics are overbought, with %K/%D now seen converging on the downside, and the MACD diff is positive and converging as futures failed to confirm the outlook for higher prices. On the downside, the short-bodied candle suggests low appetite and lower prices in the near term. Prices need to close below 1950 before targeting 100 DMA at 1912. A bearish inside candle suggests uncertainty surrounding the outlook for lower prices, and until the futures break below 1950, we are likely to see lacklustre momentum.

10 Day % K Stochastic	82.09 Falling		
10 Day % D Stochastic	77.73 Rising		
14 Day RSI	56.46 Falling		
Support	1956	1950	1940
Resistance	2000	2010	2050
Moving Averages (50,100,200)	1956	1912	1840
Open Interest	288,863 (+884)	Volumes	

Source: ICE

Risk warning

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