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# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures strengthened yesterday as protracted buying pressure triggered a close on the front foot at 18.33. The RSI is rising, while %K/%D converged on the upside in the oversold, a strong buy signal. Likewise, the MACD diff is negative and converging, confirming waning selling pressures. On the upside, finding support above the 100 DMA at 18.07 could trigger gains through the 10 DMA level at 18.48 towards the 40 DMA at 18.66. On the downside, a break below the 18.00 level could trigger losses back towards 17.62. That level has been supporting futures prices, and a break below it would signal strong selling pressure. Longer wicks suggest growing uncertainty for prices to trade out of the current range that is being capped by short- and long-term moving averages. We expect the upside momentum to prevail today, but for that, the 10 DMA resistance has to be broken above first.

10 Day % K Stochastic	15.02 Rising		
10 Day % D Stochastic	16.62 Falling		
14 Day RSI	45.38 Rising		
Support	18.00	17.62	17.48
Resistance	18.48	18.66	19.00
Moving Averages (10,40,100)	18.48	18.66	18.07
Open Interest	919,515 (-5,518)	Volume	

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures opened above the previous day's close; however, prices struggled above 10 DMA and closed at 526.30. The stochastics are rising, with %K/%D seen rising after having converged on the upside and about to leave the oversold territory. The MACD is negative and converging, suggesting waning selling momentum. On the upside, a break of 10 DMA resistance at 528.58 may prompt futures to test 40 DMA at 530.14. The rejection of higher prices at 10 DMA, however, may prompt a break back towards support at 100 DMA at 519, a subsequent breach of this level could trigger losses towards 505.40. Longer upper and lower wicks point to a lack of appetite out of the current trading range; however, the future needs to break above the 10 DMA resistance to confirm the outlook on the upside.

10 Day % K Stochastic	18.95 Rising		
10 Day % D Stochastic	21.16 Falling		
14 Day RSI	48.60 Rising		
Support	512.90	505.40	500
Resistance	528.58	530.14	540
Moving Averages (10,40,100)	528.59	530.14	519.01
Open Interest	85,793 (-299)	Volume	

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee futures weakened yesterday, falling below the robust 154.55 level. The market closed at 151.60, July 2021 low. The stochastics are falling further into the oversold, and the MACD diff is also negative and diverging, pointing to a near-term decline in prices. Yesterday's protracted bearish candle suggests lower prices. Prices need to break below support at 150 completely before targeting the lower levels. This would confirm the descending triangle pattern. Conversely, if support at current levels can hold firm, this could trigger gains towards the resistance at 160. A breach of this level would confirm the outlook for higher prices, with gains seen towards the moving averages. A break below the longer-term support, as well as the 10 DMA crossing below the 40 DMA level, suggests growing momentum on the downside in the near term.

10 Day % K Stochastic	13.35	Falling		
10 Day % D Stochastic	24.04	Falling		
14 Day RSI	32.80	Falling		
Support	150	140	135	
Resistance	160	163.34	170	
Moving Averages (10,40,100)	163.34	164.11	189.01	
Open Interest	204,948 (+3,953)	Volumes		

Source: ICE

# Ldn 2nd Month Coffee Futures



Ldn coffee futures softened yesterday after finding support above the trend line. The market closed at 1840. The stochastics continue to fluctuate, and the MACD diff remains marginally negative and flat day-on-day, struggling to point out an outlook. A break below the moving averages at 1845 completely would bring into play the 1800 level, confirming the descending triangle formation. On the upside, futures need to gain back above 1882, a robust resistance level, in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 1900; this could strengthen the trend in the long run on the upside. The inside candle, however, points to a continued momentum sideways in the near term before further softness, given the strong trend line resistance.

10 Day % K Stochastic	52.94 Rising		
10 Day % D Stochastic	52.56 Falling		
14 Day RSI	46.96 Falling		
Support	1800	1769	1750
Resistance	1850	1882	1900
Moving Averages (10,40,100)	1844	1846	2008
Open Interest	89,314 (+736)	Volumes	

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures sold off yesterday after investors rejected the previous day's prices above 2700, prompting a close below at 2615. The stochastics are falling once again, with RSIs in neutral territory; the %K/%D converging and declining, suggesting a negative trend. The MACD diff is positive and about to converge on the downside, indicating improving sentiment on the downside. To confirm another bearish candle, prices need to break below the support level at 10 DMA at 2615 before 2600. Conversely, to regain upside conviction, futures need to close back above the previous day's highs of 2700 and then 2720 in the near term. Near-term momentum is on the downside; the close below the shorter-term DMA would confirm this trend.

10 Day % K Stochastic	65.58	Falling		
10 Day % D Stochastic	67.25	Falling		
14 Day RSI	56.11	Falling		
Support	2617	2600	2532	
Resistance	2671	2700	2715	
Moving Averages (10,40,200)	2617	2532	2449	
Open Interest	297,004 (+2,109)	Volumes		

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures weakened yesterday as they failed into the resistance at 2000 and closed at 1778. The stochastics are now falling as they emerge from overbought, a strong sell signal. The MACD diff is positive and converging, pointing to growing selling pressure. A break below 50 DMA 1962 would confirm the outlook for lower prices. This may pave the way for lower prices to 100 DMA at 1916 with the tertiary level at 1900. Conversely, the reaffirmation of support above current levels would suggest higher prices and a close above 2000, setting the scene for higher prices towards 2100. Yesterday's candle body suggests an appetite for lower prices, and the indicators are pointing to a further decline in prices in the near term.

10 Day % K Stochastic	69.48 Falling		
10 Day % D Stochastic	76.68 Falling		
14 Day RSI	52.29 Falling		
Support	1962	1950	1916
Resistance	2000	2010	2050
Moving Averages (50,100,200)	1962	1916	1842
Open Interest	296,656 (+1,042)	Volumes	

Source: ICE

## Risk warning

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