

Authors

Daria Efanova
Head of Research

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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures jumped higher yesterday, but a lack of momentum above 40 DMA drove prices to close at 18.62. The stochastics are now converging on the downside, as MACD diff is positive and continues to strengthen, painting a mixed picture. The moving averages have created a tight trading range in recent days, and today's break above the 40 DMA at 18.60 suggests that prices might find support at current levels. The 10 DMA moving average is closing in towards the 40 DMA level, which is a traditionally bullish indicator. Prices continue to follow the longer-term trend on the upside, and if the momentum is to continue, prices need to first gain footing into 19.00 before 19.21. Alternatively, today's weaker momentum could edge slightly lower to test the 40 DMA and 10 DMA at 18.49, respectively. If the downside momentum grows again in the near term, the next level of robust support is at 18.40. We expect to see prices edge higher in the longer term as prices fluctuate around the moving averages in the near term.

10 Day % K Stochastic	61.52	Falling	
10 Day % D Stochastic	57.34	Rising	
14 Day RSI	52.01	Falling	
Support	18.50	18.40	18.17
Resistance	19.00	19.21	19.50
Moving Averages (10,40,100)	18.49	18.60	18.13
Open Interest	910,295	(+7,681)	Volume

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar edged higher yesterday, supported by the recent trend on the upside, closing higher at 535.40. The stochastics, however, underscores a change in trend in the near term: the stochastics have converged on the downside, and the MACD is positive and converging. Today's candle weakening at the start of the day confirms this. If the downside momentum is to accelerate in the near term, futures would be seen lower below the 10 DMA at 532.71 and then the 40 DMA support at 529.29. The longer-term support remains at 100 DMA at 520.29. Still, we expect the weakness to be temporary and for futures to continue edging higher in the longer term. This could set the scene for a test of resistance at 540 before 552.40. The moving averages should also provide robust support levels in the meantime.

10 Day % K Stochastic	63.88	Falling		
10 Day % D Stochastic	63.05	Falling		
14 Day RSI	53.80	Falling		
Support	532.71		529.97	520.29
Resistance	540		548.58	552.40
Moving Averages (10,40,100)	532.71		529.97	520.29
Open Interest	90,918	(+1,859)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee edged higher for the eighth consecutive day, testing the resistance level of 160 and closing higher at 160.30. Whilst the upside momentum has been marginal, the growth in recent sessions indicated a cautious appetite for the upside as confirmed to thin volumes. The stochastics are positive and diverging into overbought, and the MACD is positive and diverging. The next level of resistance stands at 40 DMA at 162.44 before 170; prices need to break above the 174.35 level to confirm the longer-term bullish outlook. Conversely, a break back below 1555 could trigger losses to 10 DMA at 153.72. We expect to see continued strength in the near term, but momentum is waning.

10 Day % K Stochastic	73.63 Rising		
10 Day % D Stochastic	55.32 Rising		
14 Day RSI	50.58 Rising		
Support	154.55	153.72	143
Resistance	160	162.44	174.35
Moving Averages (10,40,100)	153.72	162.44	182.24
Open Interest	230,215 (+1,403)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures held their nerve yesterday after struggling above the 1953 level once again, closing at 1943. The stochastics are overbought, but the upside momentum is seen slowing, and %K/%D could soon converge on the downside; the MACD diff is positive and converging. Yesterday's resistance highlights a lack of appetite above current levels, and to confirm the indicators' outlook for lower prices in the near term, futures need to break back below 1914 before the 10 DMA at 1905. On the upside, the next level of resistance is at 100 DMA at 1972. A gravestone doji candle shows rejection of higher prices and could point to an end of the moderate bullish sentiment we have seen in the last couple of weeks. We expect futures to soften in the near term.

10 Day % K Stochastic	91.82 Rising		
10 Day % D Stochastic	87.46 Rising		
14 Day RSI	61.78 Rising		
Support	1914	1905	1868
Resistance	1953	1972	2000
Moving Averages (10,40,100)	1905	1868	1972
Open Interest	96,404 (+1,628)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures held their never yesterday, as futures struggled to break above the 10 DMA, closing below at 2630. The stochastics, however, are seen converging on the upside, and the MACD diff is negative and diverging once again. The outlook in the near term is uncertain, as futures have found support/resistance levels at the trend line and 10 DMA at 2630, respectively. The longer-term trend on the upside is set to continue, and we could see futures testing the 2671 level before 2700. Alternatively, if the upside momentum stall and prices fall below the trend support at 2600, futures could see lower prices at 40 DMA at 2567. We expect futures to remain above 2600 today.

10 Day % K Stochastic	47.03 Rising		
10 Day % D Stochastic	49.67 Falling		
14 Day RSI	53.18 Rising		
Support	2600	2567	2500
Resistance	2630	2671	2700
Moving Averages (10,40,200)	2630	2567	2449
Open Interest	291,096 (-3,362)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa opened in the higher ranges and tested the trend resistance level, but futures lacked appetite above that level and closed lower at 1976. The stochastics have converged on the upside, and the MACD diff is negative and converging, underscoring the near-term upside momentum. At the same time, the volumes are diminishing, suggesting a lack of appetite in the market. If the longer-term trend on the upside is to prevail, futures need to break above the trend level at 1980 before testing 2000 and 2012, respectively. Alternatively, a break below the support of 50 DMA at 1966 could set the scene for lower prices to 1950 and 100 DMA at 1932. The indicators suggest a strong bullish momentum is on the horizon, but for that to take place, futures must break above the near-term resistance level.

10 Day % K Stochastic	45.00 Rising		
10 Day % D Stochastic	46.75 Falling		
14 Day RSI	50.14 Rising		
Support	1966	1950	1932
Resistance	1980	2000	2012
Moving Averages (50,100,200)	1966	1932	1853
Open Interest	280,051 (-2,295)	Volumes	

Source: ICE

Risk warning

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