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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures opened higher on Friday, but the upside momentum did not hold, and the candle closed lower on the day at 20.04. The stochastics are falling out of overbought, and the MACD diff is positive and converging, suggesting weakening upside momentum. Today's candle open back below 20.00 could trigger further losses in the near term, down to 19.64 and 19.50, respectively. Alternatively, if futures break back above 20.00, we could see further gains to 20.48 and 20.50. The volumes remain historically higher, in line with September 2022 levels, but the spinning top formation indicates market uncertainty about the outlook for prices out of the current range.

10 Day % K Stochastic	57.77 Falling		
10 Day % D Stochastic	64.67 Falling		
14 Day RSI	60.22 Falling		
Support	19.64	19.50	19.21
Resistance	20.00	20.30	20.48
Moving Averages (10,40,100)	20.00	19.07	18.40
Open Interest	991,248 (+1,374)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar opened above the previous day's close on Friday but struggled to break above the recent highs of 574, closing at 566.90. The stochastics have converged on the downside again, and the MACD diff is positive and converging, suggesting waning upside pressures. Volumes are also weakening below the 15-day moving average, suggesting we could see a break lower in the near term. To confirm this, futures need to break below the support of 10 DMA at 563.02 before targeting 560. On the upside, if the 10 DMA support holds, we could see marginal gains up to 575.40 and 580, respectively. We expect futures to test the 10 DMA today once again, as downside momentum is building.

10 Day % K Stochastic	69.44	Falling	
10 Day % D Stochastic	69.34	Falling	
14 Day RSI	62.44	Falling	
Support	563.02	560	553.20
Resistance	575.40	580	600
Moving Averages (10,40,100)	563.02	541.57	524.42
Open Interest	92,016	(-1,179)	Volume

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures held their nerve on Friday, as intraday trading saw prices close at 174.66. The RSI is falling, and %K and %D are declining. The MACD diff is positive and converging marginally, suggesting some appetite for lower prices, but futures need to break below the robust level of 174.35 to trigger the momentum. Prices would also need to take out the 10 DMA at 175.69. A break below this level towards 160 would confirm the strong bearish momentum. Conversely, appetite for prices above the 100 DMA at 175.67 could trigger a test of resistance of 180. A gravestone doji candle shows rejection of higher prices and could point to a continued test of near-term support level in the near term. We anticipate prices on the back foot.

10 Day % K Stochastic	54.97	Falling		
10 Day % D Stochastic	65.33	Falling		
14 Day RSI	57.82	Falling		
Support	174.35		165.54	160
Resistance	175.67		180	190
Moving Averages (10,40,100)	175.69		165.54	175.67
Open Interest	218,278	(-1,774)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee edged higher on Friday, as intraday trading caused futures to test support at 2030 again; the market closed higher at 2039. Stochastics are falling, and %K/%D is seen diverging on the downside out of overbought. The MACD diff is positive and converging, highlighting further downside momentum. To maintain another bullish candle, prices must close above 10 DMA at 2044 and then target 2082. On the downside, the rejection of prices above current levels could trigger losses back to 2000 before targeting 1992. Buying pressure remains weak, and the indicators are pointing to further downside momentum. Additionally, an inside bullish candle could point to a continued bearish trend in the near term.

10 Day % K Stochastic	66.86	Falling		
10 Day % D Stochastic	75.62	Falling		
14 Day RSI	61.07	Rising		
Support	2010		2000	1953
Resistance	2044		2062	2082
Moving Averages (10,40,100)	2044		1925	1945
Open Interest	1030,474	(+411)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures continued to edge lower on Friday, and another candle with longer shadows formed, closing at 2606. The stochastics, however, point to an end of downside momentum, with %K/%D showing signs of convergence on the upside, and the MACD diff is negative and edges slightly lower. Futures struggled to break below the 2600 level, and we could see support form at these levels. This could then see futures to retest 40 DMA at 2608. Alternatively, if downside pressures prevail, we could see further weakness to 2575. We expect futures to remain supported above current levels in the near term.

10 Day % K Stochastic	30.42 Rising		
10 Day % D Stochastic	36.71 Falling		
14 Day RSI	47.81 Falling		
Support	2600	2575	2550
Resistance	2608	2625	2671
Moving Averages (10,40,200)	2625	2608	2451
Open Interest	283,143 (+1,580)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve on Friday, as moderate buying pressure prompted a close at 2009. The stochastics are falling, and the %K/%D is diverging on the downside, highlighting growing selling pressures. The MACD diff just converged on the downside, suggesting a strong sell signal. To confirm downside pressures, futures need to close below 2000 and then target 50 DMA at 1978. On the upside, the break above the current resistance level of 2015 could set the scene towards 2050. However, the market struggled below the 2000 level in recent sessions, and a break below is needed to confirm the bearish outlook in the near term.

10 Day % K Stochastic	52.65 Falling		
10 Day % D Stochastic	65.47 Falling		
14 Day RSI	53.86 Rising		
Support	2000	1978	1950
Resistance	2015	2030	2050
Moving Averages (50,100,200)	1978	1952	1868
Open Interest	269,121 (+905)	Volumes	

Source: ICE

Risk warning

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