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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures held their nerve yesterday as intraday trading saw futures test appetite at 10 DMA once again. This level held firm, and the future closed at 19.77. The stochastics are falling, with %K edging closer to the oversold, and the MACD diff is negative and diverging, signalling growing selling pressures. To confirm the outlook for lower prices, futures need to break below the robust support at 19.64, which could set the scene for futures to test 19.50. On the upside, the market needs to take out resistance of 10 DMA at 19.80, which is above the previous day's closing price, and then resistance at 20.00. The 10 DMA resistance helped create a small descending triangle formation, and with indicators pointing to further softness, we expect prices to weaken in the near term.

10 Day % K Stochastic	37.72	Falling	
10 Day % D Stochastic	44.97	Falling	
14 Day RSI	53.98	Falling	
Support	19.64	19.50	19.21
Resistance	19.80	20.00	20.48
Moving Averages (10,40,100)	19.80	19.15	18.48
Open Interest	940,133 (-29,319)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged lower yesterday as moderate selling pressure triggered a close at 549.90. The stochastics are falling, with the %K edging towards the oversold; the MACD diff is negative and diverging. A break of the 40 DMA at 542.87 could trigger losses through 540, with the tertiary level at 100 DMA at 526.44. On the upside, a break above previous sessions' highs at 553.20 could set the scene for a test of 10 DMA at 556.83, pointing to a change of trend for more bullish momentum. Yesterday's bearish spinning top formation points to market indecisiveness about the outlook for prices out of the current levels, and we need the futures to break support at 40 DMA to confirm the outlook.

10 Day % K Stochastic	26.19	Falling		
10 Day % D Stochastic	38.98	Falling		
14 Day RSI	49.79	Falling		
Support	542.87		540	525
Resistance	553.20		556.83	560
Moving Averages (10,40,100)	556.83		542.87	526.44
Open Interest	85,559	(-219)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee edged higher yesterday after finding support above 10 DMA and settling at 180.25. The stochastics paint a mixed picture, with %K/%D wavering in recent days, but converging on the upside in recent days, whereas the MACD diff is positive and converging. To suggest the outlook for higher prices, futures would need to break above 180 before targeting recent highs of 182. Alternatively, if 10 DMA support at 176.77 is broken below, this could trigger further losses below 100 DMA at 174.13 to 40 DMA at 166.76. The moving averages are now supporting the prices from the downside, and we expect futures to gain momentum in the near term.

10 Day % K Stochastic	63.74 Rising		
10 Day % D Stochastic	62.37 Rising		
14 Day RSI	60.16 Rising		
Support	176.77	174.13	166.76
Resistance	180	190	200
Moving Averages (10,40,100)	176.77	166.76	174.13
Open Interest	200,374 (-5,100)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures strengthened marginally yesterday as moderate buying pressure triggered a close above 10 DMA at 2072. The RSI is falling, while %K/%D converged on the upside, a strong buy signal. The MACD diff is negative and has been flat in recent days, suggesting waning downside pressures. On the upside, appetite above the 2082 level could trigger gains through 2100 towards 2131, the 61.8% fib level. On the downside, a break below the 10 DMA at the 2053 level could trigger losses back towards 2000. That level has been supporting futures prices, and a break below it would signal strong selling pressure. Longer upper wick signals that the buying pressure is growing, and the bullish outlook is on the horizon.

10 Day % K Stochastic	68.34 Rising		
10 Day % D Stochastic	68.10 Rising		
14 Day RSI	60.88 Falling		
Support	2053	2000	1953
Resistance	2082	2100	2131
Moving Averages (10,40,100)	2053	1948	1937
Open Interest	92,759 (-6,313)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures jumped higher yesterday as trading saw prices close above 2730 at 2747. The stochastics are seen diverging on the upside, with the %K/%D strengthening into overbought, and the MACD diff is positive and diverging. A break back below 2700 could trigger losses through 2671, with the tertiary level at 10 DMA at 2648. On the upside, a break above 2750 could set the scene for bullish momentum towards the high of 2800. The spinning top formation has been formed, which points to market indecisiveness, however, a jump above the resistance of 2730 points to an appetite for prices above that level.

10 Day % K Stochastic	70.43	Rising	
10 Day % D Stochastic	57.87	Rising	
14 Day RSI	70.60	Rising	
Support	2700	2671	2648
Resistance	2750	2775	2800
Moving Averages (10,40,200)	2648	2628	2454
Open Interest	291,559 (+7,670)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa edged higher yesterday as intraday trading caused futures to test appetite at 2117, and the market closed below at 2112. Stochastics are rising, and %K/%D is diverging on the upside further into the overbought territory. The MACD diff is positive and diverging, suggesting further buying pressure before a trend change. To maintain positive momentum, prices need to close above 2117 – recent highs - and then target 2125. On the downside, the rejection of prices above these levels could trigger losses back to 2100 and 2050, respectively. Buying pressure was weak yesterday, the indicators point to futures being overbought, and the doji candle confirms market uncertainty. A break back below 2100 would help confirm the change of trend.

10 Day % K Stochastic	82.27	Rising		
10 Day % D Stochastic	75.23	Rising		
14 Day RSI	74.36	Rising		
Support	2100		2050	2000
Resistance	2117		2125	2150
Moving Averages (50,100,200)	1986		1961	1873
Open Interest	290,228	(+9,731)	Volumes	

Source: ICE

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