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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar strengthened yesterday as protracted buying pressure triggered a close on the front foot at 20.58. The indicators still point to softening upside momentum, with stochastics now converging on the downside out of overbought, and the MACD diff is positive and converging. A long bullish candle body with long lower and upper wicks suggests robust upside pressure yesterday, but the indicators suggest that this trend is now weakening, and the bearish sentiment is on the horizon. If futures were to break below the support of 10 DMA at 20.23, this would confirm the trend for falling prices down to the 20.00 level. On the upside, a breach of yesterday's resistance at 20.71 would help confirm the bullish momentum to the August 2021 highs of 20.94. Indicators point to lower prices, but we expect prices to struggle below the 10 DMA support in the near term.

10 Day % K Stochastic	75.84 Falling		
10 Day % D Stochastic	70.69 Rising		
14 Day RSI	57.16 Falling		
Support	20.23	20.00	19.64
Resistance	20.48	20.50	20.91
Moving Averages (10,40,100)	20.23	19.67	18.84
Open Interest	929,179 (+2,873)	Volume	

Ldn 2nd Month Sugar Futures



Ldn sugar prices gained ground yesterday appetite for prices above 575.40 triggered a close at 578.60. The stochastics begin to favour the downside, with the %K stochastic now falling, leaving overbought, suggesting we could see prices fall in the near term. The MACD diff is positive and converging, pointing to a growing outlook on the downside. The RSI is declining, and yesterday's candle suggests we could see prices challenge 580 in the near term. In the medium term, futures need to hold above this level before suggesting further gains. On the downside, a break below the 10 DMA support level at 566.81 could trigger losses back to 560 and 40 DMA at 554.74, respectively. The indicators suggest that futures are overbought, and some softness is on the horizon in the near term.

10 Day % K Stochastic	83.81	Neutral		
10 Day % D Stochastic	79.20	Rising		
14 Day RSI	59.46	Falling		
Support	566.81	560	554.74	
Resistance	575.40	580	585	
Moving Averages (10,40,100)	566.81	554.74	535.20	
Open Interest	89,464 (+932)	Volume		

Source: ICE

NY 2nd Month Coffee Futures



Prices weakened yesterday as moderate selling pressure triggered a close below 180; the market closed at 175.05. The stochastics are falling moderately, and %K/%D are diverging on the downside further into oversold. The MACD is negative and diverging, and yesterday's protracted candle formation supports market impetus for lower levels. In order to confirm the change of momentum on the upside, prices need to break back above the current resistance at 10 DMA at 181.93 and then 185. Conversely, a break below the 174.35 support level could set the scene for a test of moving averages at 173. We expect prices to edge slightly lower today and to remain on the back foot in the near term.

10 Day % K Stochastic	18.77	Falling	
10 Day % D Stochastic	30.20	Falling	
14 Day RSI	45.23	Falling	
Support	174.35	173.45	170.47
Resistance	180	181.93	190
Moving Averages (10,40,100)	181.93	173.45	170.47
Open Interest	197,446 (+92)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures strengthened marginally yesterday as moderate buying pressure triggered a close below at 2168. The RSI is falling, while %K/%D is diverging on the downside. Likewise, the MACD diff is negative and diverging, confirming growing selling pressures. For this to materialise, futures need to break below the support level of 10 DMA at 2158 before targeting 2131. That level has been supporting futures prices, and a break below it would signal strong selling pressure. On the upside, appetite above the current levels could trigger gains through 2200 towards 2216, the September high. Longer upper wick signals that the buying pressure is waning, given the market rejected higher levels and closed below, and we believe that the moderately bearish outlook is on the horizon.

10 Day % K Stochastic	59.79	Falling		
10 Day % D Stochastic	61.02	Falling		
14 Day RSI	61.24	Falling		
Support	2158		2131	2082
Resistance	2170		2200	2250
Moving Averages (10,40,100)	2158		2063	1941
Open Interest	94,655	(+633)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday as intraday trading saw futures test appetite at below the trend support. This level was broken below, and futures closed at 2732. The stochastics are falling, with %K now oversold, and the MACD diff is negative and diverging, signalling growing selling pressures. To confirm the outlook for lower prices, the market needs to take out support at 2700 and then 40 DMA support at 2687. On the upside, a break above the trendline at 2750 could set the scene for futures to take out the 10 DMA at the 2769 level before targeting 2800. A doji candle after two black crows formation signals uncertainty about the outlook for lower prices, and the futures need to take out 2700 to confirm the outlook for falling prices.

10 Day % K Stochastic	22.46 Falling		
10 Day % D Stochastic	39.03 Falling		
14 Day RSI	51.68 Neutral		
Support	2700	2671	2650
Resistance	2769	2800	2856
Moving Averages (10,40,200)	2769	2687	2473
Open Interest	345,258 (+2,031)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures edged lower yesterday after prices failed to break above the 2150 level, prompting a close at 2117. The stochastics are falling, with %K/%D edging towards oversold, and the MACD diff is negative and diverging, suggesting the outlook for lower prices. To confirm the bearish indicators and rejection of prices above 2150, futures need to take out support at 2110 and then target 2100. On the upside, futures need to close above 2150 and then test the 2175 level in order to confirm the outlook of higher prices towards 2200. We expect futures to weaken marginally in the near term.

10 Day % K Stochastic	32.65	Falling	
10 Day % D Stochastic	43.82	Falling	
14 Day RSI	56.76	Falling	
Support	2100	2075	2030
Resistance	2155	2175	2200
Moving Averages (50,100,200)	2043	1994	1899
Open Interest	296,181 (+401)	Volumes	

Source: ICE

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