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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures failed to 20.48 on Friday as prices closed at 20.34. The stochastics are converging on the downside after breaking higher, earlier last week and the MACD diff is negative and diverging once again, pointing to an approaching sell signal. The rejection of higher prices may prompt a break back towards 10 DMA at 20.24; a subsequent breach of this level could trigger losses towards trend support 20.08, where the 40 DMA is currently, confirming an ascending triangle formation. On the upside, a break of 20.48 and 20.71 may prompt futures to retest the 21.00 level. A subsequent breach of this level would send prices to regain upside momentum. Indicators point to a more bearish outlook in the near term, and we expect futures to edge lower to test the trend support but still struggle below it.

10 Day % K Stochastic	52.65	Falling	
10 Day % D Stochastic	51.01	Falling	
14 Day RSI	54.15	Falling	
Support	20.24	20.00	19.64
Resistance	20.48	20.71	20.94
Moving Averages (10,40,100)	20.24	20.08	19.14
Open Interest	936,375 (+2,060)	Volume	112,760

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures opened below the previous day's close on Friday, but support at 580 held firm, causing a close at 583.20. The RSI is falling, and %K/%D is seen converging on the downside after the recent gains. The MACD diff is positive, but the momentum is slowing, suggesting waning buying pressure. The indicators point to lower prices in the near term as the trend changes. A break below 580 towards 10 DMA at 57.49 would confirm the strong bearish momentum. Conversely, appetite for prices above the recent high of 592 could trigger a test of 600 in the near term. A dragonfly candle formation signals a rejection of higher prices and could send futures lower in the near term. To confirm the indicators' outlook on the downside, a break below the key support at 580 in the near term is needed.

10 Day % K Stochastic	67.45	Rising	
10 Day % D Stochastic	63.49	Rising	
14 Day RSI	61.04	Falling	
Support	580	574.49	564.04
Resistance	590	592	600
Moving Averages (10,40,100)	574.49	564.04	543.28
Open Interest	90,881 (-571)	Volume	9,857

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures gained marginal ground on Friday as moderate buying pressure triggered a close on the front foot at 178.30. The RSI is rising, and %K/%D is diverging on the upside after converging on the upside. The MACD diff is negative and converging, suggesting growing buying pressure. The indicators point to higher prices in the near term. The support at 174 stands firm, but the moving averages are also capping any upside, and we expect the sideways trading to continue in the near term. On the upside, prices need to take out a robust moving average resistance at 178. A break above this level towards 195 would confirm the strong bullish momentum and a break out of the current ranges. Conversely, appetite for prices below 174 could trigger a test of support at 100 DMA at 169.73. Longer lower wick points to prices testing prices at the lower ranges, but the indicators point to a slowdown in the recent moderate downside trend in the near term.

10 Day % K Stochastic	49.02	Rising		
10 Day % D Stochastic	46.64	Rising		
14 Day RSI	50.48	Rising		
Support	174.35		169.73	160
Resistance	178		180	194.15
Moving Averages (10,40,100)	177.13		179.28	169.73
Open Interest	201,779	(+371)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures rallied on Friday as protracted buying pressure triggered a close on the front foot above 2131 at 2189. The RSI is rising, while %K/%D is diverging on the upside. The MACD diff is negative and converging, confirming rising buying pressures. On the downside, a break below the key support level of 2131 could trigger losses back towards the moving averages at 2105; a break below these levels would confirm the outlook of lower prices in the longer term. On the upside, a close above 2200 could trigger gains towards 2216, the highs not seen since September. A long candle body points to more certainty in the bullish momentum, and a close above 2000 would confirm the outlook for higher prices.

10 Day % K Stochastic	66.99 Rising		
10 Day % D Stochastic	50.06 Rising		
14 Day RSI	61.95 Rising		
Support	2131	2107	2100
Resistance	2200	2216	2250
Moving Averages (10,40,100)	2107	2104	1959
Open Interest	103,925 (+1,488)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa edged higher on Friday as intraday trading caused futures to close at 2834. Stochastics are rising, and %K/%D is overbought, but the upside momentum is waning, and %K and %D are now flat. The MACD is positive and continues to diverge on the upside. To maintain positive momentum, prices need to close above 2850 and then target 2856. On the downside, the rejection of prices above these levels could trigger losses back to the 2800 level to the moving averages. Buying pressure is weakening, and the indicators point to an end of the buying pressure – recent days' trading confirms a lack of further appetite on the upside, as 2856 resistance looms near.

10 Day % K Stochastic	87.12	Rising	
10 Day % D Stochastic	71.60	Rising	
14 Day RSI	63.96	Rising	
Support	2800	2735	2714
Resistance	2856	2900	2910
Moving Averages (10,40,200)	2735	2714	2486
Open Interest	351,791 (+10,102)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve on Friday after finding support above 2100 once again. The market closed at 2131. The stochastics continue to rise, now in the overbought, and the MACD diff just converged on the upside, a strong buy signal. On the upside, futures need to gain back above 2155, a robust resistance level, in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 2200; this could strengthen the trend in the long run on the upside. Alternatively, a break below the 2100 level before the 50-day moving average at 2063 would confirm growing downside impetus. The inside candle, however, points to a continued momentum sideways in the near term, as futures remain supported by the trendline.

10 Day % K Stochastic	79.71 Rising		
10 Day % D Stochastic	63.65 Rising		
14 Day RSI	58.87 Rising		
Support	2100	2063	2050
Resistance	2150	2175	2200
Moving Averages (50,100,200)	2063	2016	1917
Open Interest	288,096 (+3,754)	Volumes	

Source: ICE

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