

Authors

Daria Efanova
Head of Research

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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar jumped higher yesterday, breaching the 23.50 level to close at 23.68. The stochastics, however, point to the end of the positive trend, with %K/%D seen converging on the downside in the overbought territory, while the MACD diff is positive and converging. This suggests that we could see the end of the recent upward trend, but to confirm that futures would need to break back below 23.00 before 22.60 and 10 DMA at 22.15. Today's candle edged higher, testing the 24.10 level on the open, which is 2016 high. We expect futures to struggle above this level but remain elevated above 23.00 in the near term.

10 Day % K Stochastic	94.43	Neutral	
10 Day % D Stochastic	91.57	Rising	
14 Day RSI	82.57	Rising	
Support	23.00	22.60	22.15
Resistance	23.50	24.00	24.10
Moving Averages (10,40,100)	22.15	20.64	19.59
Open Interest	1,009,022 (-4,371)	Volume	399,688

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar gapped higher yesterday, after a long break, with protracted buying pressure triggering a close above 650 at 679.90. Yesterday's long candle with a longer upper wick suggests that prices tested the highs not seen since 2011 but rejected these levels to settle slightly lower. The stochastics are about to converge on the downside whilst overbought, and the MACD diff is positive and flat after strong upside pressures. The indicators point to softening upside pressures, and for that to materialise, the 690 resistance has to hold before we see some softness to 650 and 10 DMA at 627.04. Alternatively, if upside momentum prevails, this could trigger further gains to 700 and 710.55. we expect to see some softness today as resistance at 690 holds.

10 Day % K Stochastic	93.42	Falling	
10 Day % D Stochastic	92.22	Rising	
14 Day RSI	87.83	Rising	
Support	650	641.42	627.04
Resistance	690.20	700	710.55
Moving Averages (10,40,100)	627.04	580.21	553.62
Open Interest	90,284 (-1,827)	Volume	41,790

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures jumped higher yesterday, above 180, to close at 188.45. The stochastics are diverging on the upside, with the %K/%D now rising higher in the overbought territory, and the MACD diff is positive and diverging. A break of 190 could trigger gains through 194.15, with the tertiary level at 200. On the downside, a break below 40 DMA at 179.50 could set the scene for bearish momentum towards the 10 DMA at 175.97. The long candle with little shadow has been formed, which points to market decisiveness for higher prices, and a jump above the resistance of 190 would point to an appetite for prices above that level.

10 Day % K Stochastic	79.39	Rising	
10 Day % D Stochastic	63.50	Rising	
14 Day RSI	63.06	Rising	
Support	180	175.97	171.85
Resistance	185	194.15	200
Moving Averages (10,40,100)	175.97	179.50	170.52
Open Interest	193,520	(-3,845)	Volumes

Source: ICE

Ldn 2nd Month Coffee Futures

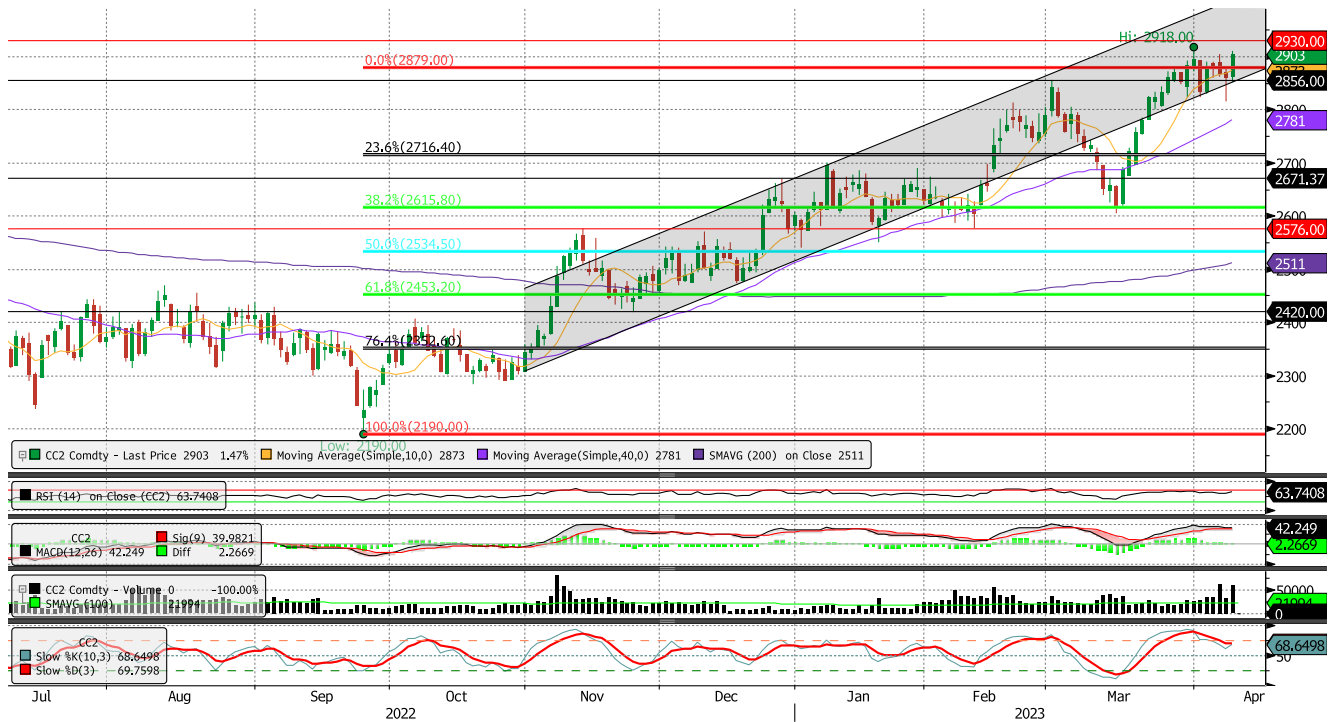


Ldn coffee futures strengthened yesterday as protracted buying pressure prompted a test of the 2300 level to close at 2323. The stochastics continue to rise as %K/%D enter the overbought territory, highlighting growing buying pressures. The MACD diff is positive and diverging. To confirm another bullish candle, futures need to close above 2300 completely and then target 2355, the August 2022 high. On the downside, the break below 2300 could set the scene for lower prices towards the support of 10 DMA at 2210. However, the market struggled below that level in recent sessions, and the bullish engulfing pattern suggests a strong buy signal. We believe that prices will strengthen in the near term.

10 Day % K Stochastic	88.28	Rising		
10 Day % D Stochastic	80.16	Rising		
14 Day RSI	69.89	Rising		
Support	2250		2210	2145
Resistance	2350		2355	2400
Moving Averages (10,40,100)	2210		2145	1996
Open Interest	116,862	(+963)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures

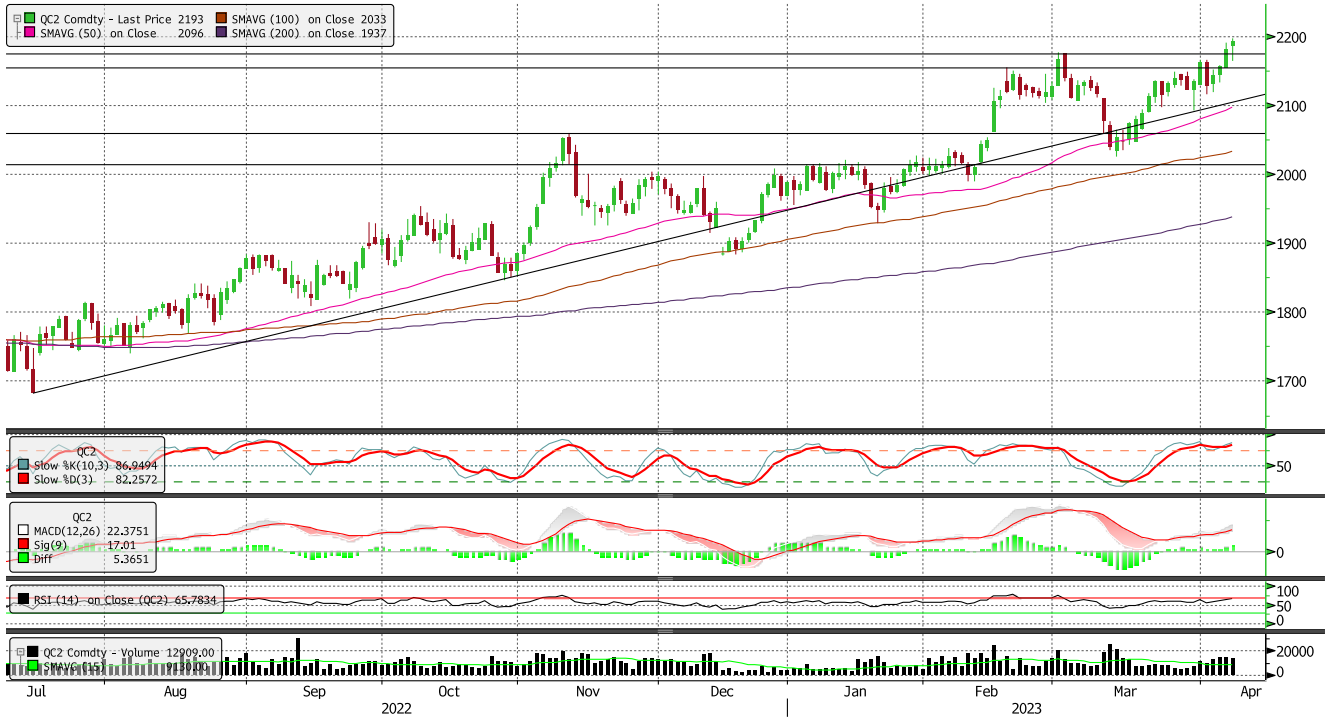


NY cocoa edged higher yesterday as intraday trading caused futures to test appetite for prices above 2900, and the market closed above at 2903. Stochastics are rising, with %K about to converge on the upside, back into the overbought, confirming positive momentum. The MACD diff is positive and diverging once again, suggesting growing buying pressure. To maintain positive momentum, prices need to close above 2900 completely and then target 2930. On the downside, the rejection of prices above 2900 could trigger losses back to the 10 DMA at 2873 before targeting 2856. Buying pressure has been lacklustre, but prices have found support above 2800, and indicators point to additional gains. The reaffirmation of support above this level could strengthen the outlook of higher prices.

10 Day % K Stochastic	68.64 Rising		
10 Day % D Stochastic	69.75 Falling		
14 Day RSI	63.74 Rising		
Support	2873	2856	2800
Resistance	2900	2930	2950
Moving Averages (10,40,200)	2873	2781	2511
Open Interest	368,092 (-13,180)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures edged higher yesterday as prices closed at 2193. The indicators continue to favour the upside, with %K/%D diverging further into the overbought and MACD diff is positive and diverging, suggesting growing buying pressures. A break below the 2175 level would bring into play the recent support level at 2100. In order to indicate an improvement of market sentiment on the upside, futures need to gain a footing above 2200 and then target the highs of 2215 in the near term. The hanging man candle formation suggests waning buying pressure, and we saw futures struggle above 2200 yesterday. The fall today would confirm the change of trend in the near term.

10 Day % K Stochastic	86.94 Rising		
10 Day % D Stochastic	82.25 Rising		
14 Day RSI	65.78 Rising		
Support	2175	2150	2100
Resistance	2200	2215	2250
Moving Averages (50,100,200)	2096	2033	1937
Open Interest	301,280 (+4,373)	Volumes	

Source: ICE

Risk warning

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