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# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures rallied yesterday as protracted buying pressure triggered a close above the robust resistance of 24.00 at 24.74. The RSI is rising, while %K/%D are diverging on the upside, further into the overbought. The MACD diff is positive and diverging, confirming growing buying pressures. On the upside, finding support above the 24.00 level could trigger gains through 25.00 towards the 25.80 – March 2012 high. On the downside, a break below the key support level of 10 DMA at 23.65 could trigger losses back towards 23.00. The futures have been supported at 10 DMA, and a complete break above 24.00 could set the scene for higher prices in the near term. The bullish engulfing formation highlights that the buying pressures are robust, and the bullish outlook is on the horizon.

10 Day % K Stochastic	87.75 Rising		
10 Day % D Stochastic	85.87 Rising		
14 Day RSI	82.31 Rising		
Support	23.65	23.00	22.60
Resistance	25.00	25.50	25.80
Moving Averages (10,40,100)	23.65	21.34	19.94
Open Interest	963,209 (+2,707)	Volume	195,854

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures jumped higher yesterday as protracted buying pressure triggered a close on the front foot at 678.50. The RSI is rising, while %K/%D is converging on the upside, back into the overbought. Likewise, the MACD diff is positive and diverging once again, confirming growing buying pressures. On the upside, finding support above the 10 DMA at 665 could trigger gains through 710.55 – December 2011 highs. On the downside, a break below the 10 DMA level could trigger losses back towards 650. The 10 DMA has been supporting futures prices on the downside, and with prices finding support above this level in recent days, we expect to see further upside, back to 690.20 in the near term.

10 Day % K Stochastic	71.24 Rising		
10 Day % D Stochastic	72.63 Rising		
14 Day RSI	74.59 Rising		
Support	665	650	641
Resistance	675	690.20	700
Moving Averages (10,40,100)	665	600.14	563.14
Open Interest	77,551 (+936)	Volume	10,188

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee weakened yesterday as protracted selling pressure triggered a close on the back foot at 193.90. The stochastics are falling, with %K/%D converging on the downside, signalling a potential change of trend. The MACD diff is positive and converging. A full bearish candle with little shadow suggests growing selling pressures; this could set the scene for lower prices to break below 194.15 completely before targeting 10 DMA at 192.14. This would confirm the trend for falling prices, down to the 40 DMA at 181.61. On the upside, resistance at 205 has proven to be strong, and support above that level would strengthen the bullish momentum. This could also trigger gains towards the 210. The long bearish candle suggests growing selling pressures, and we expect prices to continue to fall in the near term.

10 Day % K Stochastic	79.35	Falling		
10 Day % D Stochastic	83.88	Falling		
14 Day RSI	59.24	Falling		
Support	194.15		192.14	181.61
Resistance	198.10		200	204.90
Moving Averages (10,40,100)	192.14		181.61	173.06
Open Interest	190,481	(+288)	Volumes	

Source: ICE

# Ldn 2nd Month Coffee Futures



Prices weakened yesterday as moderate selling pressure triggered a close below the 2400 resistance level once again; the market closed at 2374. The stochastics are falling, signalling a strong sell signal. The %K/%D just converged on the downside, and the MACD is positive and converging. The doji candle formation supports market indecisiveness about higher prices. At the same time, gains in the market have not been well bid in the last couple of sessions, and in order to confirm the change in trend, prices need to break below the current support of 2355 and then 10 DMA at 2342. Conversely, a break above the 2400 resistance line could set the scene for a test of 2415. We expect prices to weaken in the near term.

10 Day % K Stochastic	88.48	Falling	
10 Day % D Stochastic	88.41	Neutral	
14 Day RSI	68.40	Falling	
Support	2342	2300	2251
Resistance	2400	2415	2450
Moving Averages (10,40,100)	2342	2195	2035
Open Interest	112,182	(-7,084)	Volumes

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures edged lower yesterday as prices failed above the previous day's closing price and then closed below at 2956. The indicators favour the downside; the stochastics are falling, with %K/%D converging on the downside and edging close out of the overbought area, and the MACD diff is positive and converging on the downside, confirming further selling pressures. A break below 2930 would bring into play the support at 10 DMA at 2913. On the upside, prices need to find support above these levels before targeting 2988 and 3000 in the near term. Indicators point to a growing bearish momentum, and we expect prices to weaken in the near term.

10 Day % K Stochastic	81.87	Falling	
10 Day % D Stochastic	76.94	Neutral	
14 Day RSI	63.75	Falling	
Support	2930	2913	2856
Resistance	3000	3010	3015
Moving Averages (10,40,200)	2913	2815	2530
Open Interest	323,082 (-7,163)	Volumes	

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures edged lower yesterday as prices closed at 2263. The indicators begin to favour the downside, with %K/%D converging out of the overbought area, suggesting waning buying pressures. A break below the trend line at 2260 would bring into play the recent sessions' support level at 2200. Prices have been relatively well supported above 50 DMA at 2127, and in order to indicate an improvement of market sentiment on the upside, futures need to gain a footing above 2286 and then target the 2300 level in the near term. A gravestone doji candle shows rejection of higher prices and could point to an end of the moderate bullish sentiment we have seen in the last couple of weeks. We anticipate prices on the back foot in the near term.

10 Day % K Stochastic	89.68	Falling		
10 Day % D Stochastic	88.79	Falling		
14 Day RSI	70.00	Falling		
Support	2260	2250	2200	
Resistance	2286	2300	2310	
Moving Averages (50,100,200)	2127	2052	1955	
Open Interest	310,817 (+70)	Volumes		

Source: ICE

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