

## Authors

Daria Efanova  
Head of Research

FRI 28 APRIL 2023 09:45

# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures jumped higher once again yesterday as prices breached the highs of 26.00 to settle at 26.35, confirming a continuation of a robust bull trend seen in recent weeks. The indicators have fluctuated while overbought, suggesting a lack of momentum on the upside; however, prices still managed to break higher. The MACD is also positive and flat, and we could see the upside appetite weaken slightly. A break above 27.00 would bring into play the resistance level at 27.21, which was a solid resistance level last seen in December 2011. On the downside, futures need to break below 26.00 and then target a 10 DMA at 25.04 in the near term. We see further upside momentum in the near term, although the indicators suggest that the upside appetite might be waning, being deeply overbought.

10 Day % K Stochastic	86.08	Neutral	
10 Day % D Stochastic	85.76	Neutral	
14 Day RSI	81.39	Neutral	
Support	25.80	25.05	24.00
Resistance	26.50	26.60	27.00
Moving Averages (10,40,100)	25.05	22.19	20.37
Open Interest	957,887 (-736)	Volume	190,879

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures strengthened yesterday as protracted buying pressure triggered a close on the front foot above 700 at 706.60. The RSI is rising, while %K/%D is diverging back towards the overbought. Likewise, the MACD diff is positive and diverging, confirming growing buying pressures. On the upside, finding support above 700 could trigger gains through yesterday's highs at 718.20 towards 720. On the downside, a break below the 700 level could trigger losses back towards the 10 DMA at 675.07. That level has been supporting futures prices, and a break below it would signal strong selling pressure. Longer upper wick signals that futures jumped higher but lacked the conviction to break above the 710 level. We expect to see an inside candle today as the market assesses the comfort at current levels.

10 Day % K Stochastic	76.22 Rising		
10 Day % D Stochastic	72.76 Rising		
14 Day RSI	73.17 Rising		
Support	690.20	675.07	650
Resistance	718.20	720	750
Moving Averages (10,40,100)	675.07	616.70	571.21
Open Interest	81,031 (+193)	Volume	12,306

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee futures edged lower yesterday as prices continued to weaken marginally and then closed at 188.20. The indicators favour the downside; the stochastics are falling, with %K/%D converging on the downside and edging close to the oversold area, and the MACD diff has just converged on the downside, a strong selling pressure. A close below the 40 DMA level at 182.10 would bring into play the support at 180. On the upside, prices need to find support back above 10 DMA at 194.07 and the previous week's high at 198.10. Indicators point to further bearish momentum; however, downside momentum has been marginal, and with the 10 DMA standing firm, we expect further softness to be capped by this level.

10 Day % K Stochastic	28.50	Falling	
10 Day % D Stochastic	46.96	Falling	
14 Day RSI	51.59	Falling	
Support	188	182.10	174.26
Resistance	194.07	198.10	200
Moving Averages (10,40,100)	194.07	182.10	174.26
Open Interest	194,522 (+1,595)	Volumes	

Source: ICE

# Ldn 2nd Month Coffee Futures

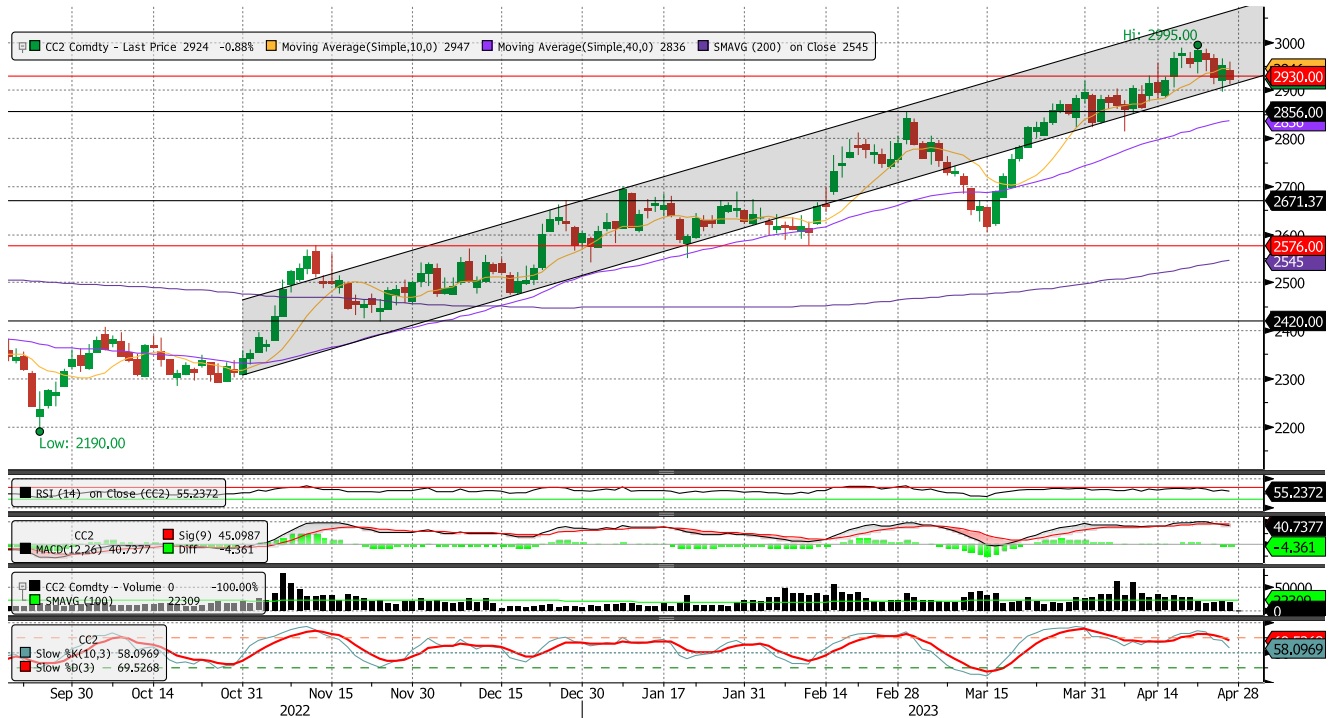


Ldn coffee futures opened lower, testing the support level at 2400 before settling slightly higher at 2405 as futures rejected lower prices. The RSI is falling, and %K/%D is also weakening. The MACD diff is positive and converging and about to break into a negative territory suggesting growing selling pressures. The indicators point to lower prices in the near term, and to confirm the rejection of the support, prices need to take out 10 DMA at 2391. A break below this level towards 2355 would confirm the strong bearish momentum. Conversely, appetite for prices above the 2400 level could trigger a test of 2450. A dragonfly candle formation signals uncertainty about the outlook for lower prices, and to confirm the indicators' outlook on the downside, a break below the key support in the near term is needed.

10 Day % K Stochastic	63.59 Falling		
10 Day % D Stochastic	74.69 Falling		
14 Day RSI	66.52 Falling		
Support	2391	2355	2316
Resistance	2410	2450	2485
Moving Averages (10,40,100)	2391	2227	2064
Open Interest	108,031 (+882)	Volumes	

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures lost marginal ground yesterday after prices tested the 10 DMA resistance level, prompting a close at 2924. The stochastics are falling out of the overbought, with %K/%D now seen breaking lower, and the MACD diff is now negative and converging as futures failed to confirm the outlook for higher prices. On the downside, the short-bodied candle suggests a low appetite for softer prices in the near term. Prices need to close below the trend support at 2920 before targeting 2900. A bearish inside candle suggests uncertainty surrounding the outlook for lower prices, and until the futures break below the 2900 level, we are likely to see lacklustre momentum.

10 Day % K Stochastic	58.09	Falling	
10 Day % D Stochastic	69.52	Falling	
14 Day RSI	55.23	Falling	
Support	2910	2900	2856
Resistance	2947	2950	3000
Moving Averages (10,40,200)	2947	2836	2545
Open Interest	321,456 (+807)	Volumes	

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa held the nerve yesterday as intraday trading caused futures to close at 2222. RSI is rising marginally, and %K/%D is falling and diverging, confirming the continuation of a negative trend. The MACD diff also converged on the downside, a strong sell signal. To confirm a full bearish candle, prices need to close below 2200 and then target 50 DMA at 2149. On the upside, the rejection of prices below 2200 could trigger gains back to 2250 and 2286, respectively. Buying pressure yesterday was weak. The doji candle confirms market uncertainty, but indicators point to growing selling pressures. The break of support at 50 DMA could confirm the outlook for lower prices in the near term.

10 Day % K Stochastic	52.07	Falling	
10 Day % D Stochastic	67.56	Falling	
14 Day RSI	56.37	Falling	
Support	2200	2149	2100
Resistance	2250	2286	2300
Moving Averages (50,100,200)	2149	2065	1968
Open Interest	322,952	(-430)	Volumes

Source: ICE

---

### **Risk warning**

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers ([www.sucdenfinancial.com/en/risk-warning-and-disclaimers](http://www.sucdenfinancial.com/en/risk-warning-and-disclaimers)).