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# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures weakened yesterday after breaking support of 10 DMA. The market closed at 2.83. The stochastics continue to soften out of the overbought, and the MACD diff is positive and converging, suggesting we could see lower prices in the near term through the support of 24.00. A break below this level would bring into play 22.60, which could set the scene for support at 100 DMA at 20.50 in the longer term. On the upside, futures need to gain back above 10 DMA at 25.28 in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 25.80; this could strengthen the trend in the long run on the upside. Longer upper wick, where most of the trading took place in the lower ranges, points to further selling pressures in the near term.

| | | | |
|---|---|---|---|
| 10 Day % K Stochastic | 62.38 Falling | | |
| 10 Day % D Stochastic | 75.52 Falling | | |
| 14 Day RSI | 60.29 Falling | | |
| Support | 24.09 | 24.00 | 22.60 |
| Resistance | 25.28 | 25.80 | 26.00 |
| Moving Averages (10,40,100) | 25.28 | 22.42 | 20.50 |
| Open Interest | 950,767 (+381) | Volume | 190,879 |

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures weakened during the day yesterday but struggled to break below the support of 10 DMA. The market closed at 681.00. The stochastics continue to soften after the %K broke below the %D, and the MACD diff is positive and converging, suggesting we could see lower prices in the near term through support at 10 DMA at 681.09. A break below this level would bring into play the 650 level, which could set the scene for support at 40 DMA at 623.22 in the longer term. On the upside, futures need to break back above 690.20 in order to confirm upside momentum. Appetite for prices above this level could trigger gains towards the level at 700. The longer upper wick suggests that we might see futures retest the 10 DMA once again today.

| 10 Day % K Stochastic | 65.49 Falling | | |
|---|---|---|---|
| 10 Day % D Stochastic | 71.07 Falling | | |
| 14 Day RSI | 60.56 Falling | | |
| Support | 681.09 | 650 | 641.42 |
| Resistance | 690.20 | 700 | 718.20 |
| Moving Averages (10,40,100) | 681.09 | 623.22 | 574.57 |
| Open Interest | 80,408 (-225) | Volume | 12,306 |

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee futures edged higher yesterday as intraday trading saw prices close at 186.75. The RSI is rising, and %K/%D just converged on the upside in the oversold, which could soon send a strong buy signal. The MACD diff, however, is negative and diverging. The stochastics point to a trend reversal in the near term, and appetite for prices above the resistance at 10 DMA at 190.54 could trigger a test of previous weeks' resistance at 200 and 204.90, respectively. On the downside, to confirm the rejection of the support, prices need to take out 40 DMA at 182.55. A break below this level towards 180 would confirm the strong bearish momentum. Conversely, a small candle body highlights uncertainty about the outlook for strong upside pressures, and the futures would first need to take out the 10 DMA to confirm the outlook for rising prices. In the meantime, we believe prices will remain supported above the 40 DMA.

| | | | |
|---|---|---|---|
| 10 Day % K Stochastic | 17.02 Neutral | | |
| 10 Day % D Stochastic | 26.55 Falling | | |
| 14 Day RSI | 50.18 Rising | | |
| Support | 182.55 | 180 | 174.96 |
| Resistance | 190.54 | 194.15 | 200 |
| Moving Averages (10,40,100) | 190.54 | 182.55 | 174.96 |
| Open Interest | 196,002 (-91) | Volumes | |

Source: ICE

# Ldn 2nd Month Coffee Futures



Ldn coffee futures held their nerve yesterday as moderate buying pressure prompted a close above the previous day's close at 2424. The stochastics are rising, and the %K/%D converged on the upside, highlighting growing buying pressures. The MACD diff, however, just converged on the downside, a strong sell signal. To confirm another bullish candle, futures need to close above recent highs of 2485 and then target 2500. On the downside, the break below the current support level of 10 DMA at 2404 could set the scene towards the 2355 level, confirming the trend reversal. However, the market struggled below the level in recent sessions, and a break below is needed to confirm the bearish outlook in the near term.

| | | | |
|---|---|---|---|
| 10 Day % K Stochastic | 58.68 Rising | | |
| 10 Day % D Stochastic | 65.83 Falling | | |
| 14 Day RSI | 68.51 Rising | | |
| Support | 2400 | 2355 | 2316 |
| Resistance | 2450 | 2485 | 2500 |
| Moving Averages (10,40,100) | 2404 | 2239 | 2075 |
| Open Interest | 109,337 (+103) | Volumes | |

Source: ICE

# NY 2nd Month Cocoa Futures
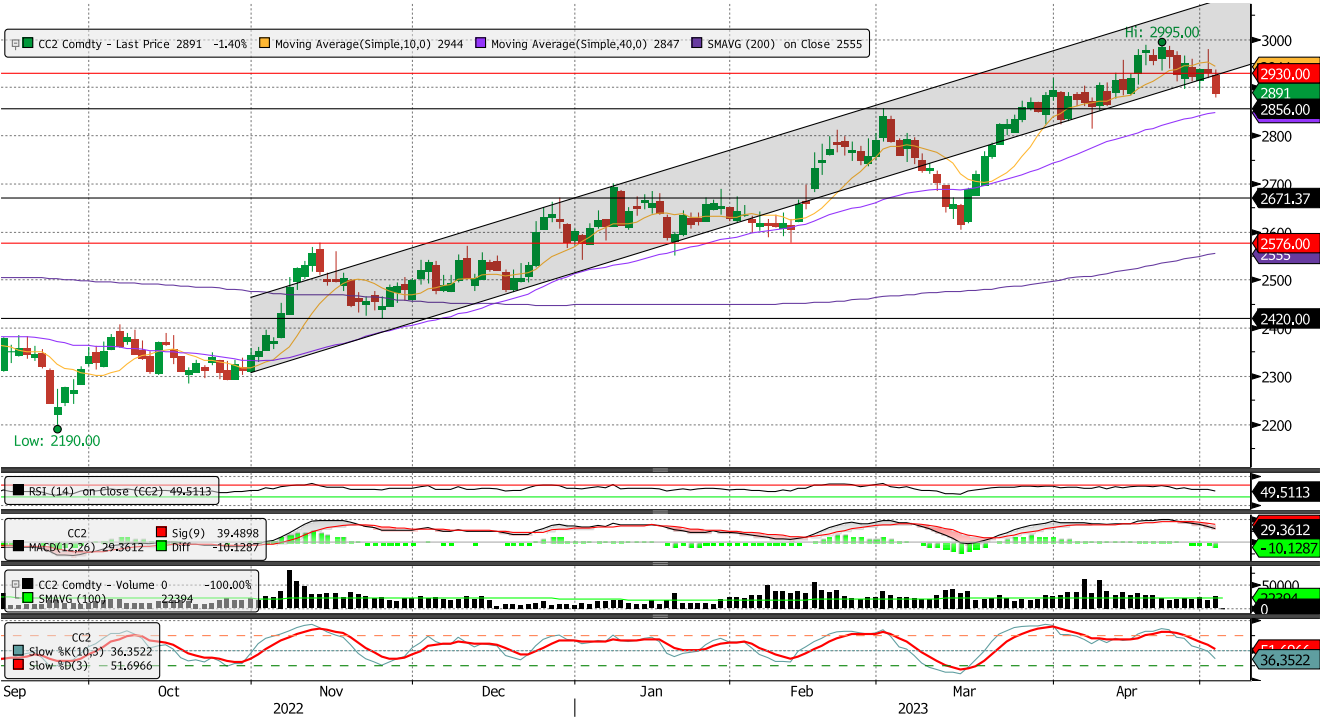


NY cocoa futures sold off sharply yesterday as protracted selling pressure triggered a close on the back foot at 2891. The stochastics are falling, and %K/%D is diverging; the RSI is also falling. The MACD diff is negative and diverging; this could set the scene for lower prices below the 40 DMA level at 2847. A break below this level would confirm the outlook for lower prices and the end of the bull run. On the upside, a break back above 10 DM at 2944 could trigger price gains to 3000. We expect prices to weaken in the near term, breaking down to test the 40 DMA level.

| 10 Day % K Stochastic | 36.35 Falling | | |
|---|---|---|---|
| 10 Day % D Stochastic | 51.69 Falling | | |
| 14 Day RSI | 49.51 Falling | | |
| Support | 2856 | 2847 | 2800 |
| Resistance | 2930 | 2944 | 3000 |
| Moving Averages (10,40,200) | 2944 | 2847 | 2555 |
| Open Interest | 324,524 (+2,128) | Volumes | |

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures softened marginally yesterday as moderate selling pressures saw futures test appetite at 2200. This level held firm, and the future closed at 2202. The stochastics continued to diverge on the downside, with %K/%D falling towards the oversold. Likewise, the MACD diff is negative and diverging on the downside, signalling growing selling pressures. To suggest the outlook for higher prices, futures need to break above the resistance at 2250, which could set the scene for futures to take out 2286, the recent high. On the downside, the market needs to take out support at 2200 and then support at 50 DMA at 2153. The 50 DMA level continues to support the futures from the downside, however, seen flattening, and with a longer upper wick on Tuesday, we could see the bears' strength grow in the near term.

| | | | |
|---|---|---|---|
| 10 Day % K Stochastic | 28.69 Falling | | |
| 10 Day % D Stochastic | 48.70 Falling | | |
| 14 Day RSI | 51.70 Falling | | |
| Support | 2200 | 2153 | 2100 |
| Resistance | 2250 | 2286 | 2300 |
| Moving Averages (50,100,200) | 2153 | 2070 | 1973 |
| Open Interest | 313,958 (-8,859) | Volumes | |

Source: ICE