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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures gained ground on Friday after the 10 DMA support held firm once again; the prices closed at 25.86. Futures momentum has been range-bound in recent days, fluctuating between 10 DMA and 26.40, respectively. The stochastics are confirming the uncertainty for prices out of the levels, with %K/%D wavering between gains and losses, and the MACD diff is negative and flat. Volumes continue to diminish slightly day on day. To confirm the outlook for lower prices, futures need to break below 10 DMA at 25.55 before targeting 25.00. Alternatively, if prices were to break above 26.40, this could trigger gains to 27.00 and 27.21, respectively. We believe that futures will remain supported above the shorter-term moving average in the near term.

10 Day % K Stochastic	64.18 Rising		
10 Day % D Stochastic	61.07 Rising		
14 Day RSI	62.50 Rising		
Support	25.55	25.00	24.09
Resistance	26.00	26.20	27.21
Moving Averages (10,40,100)	25.55	23.49	21.07
Open Interest	961,425 (-459)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures held their nerve on Friday as intraday trading tested appetite at 700. This level held firm, and the future closed at 704.80. The stochastics are rising slightly, and the MACD diff is negative and flat, signalling a lack of momentum in either direction. To suggest the outlook for lower prices, futures need to break below the support of 10 DMA at 696.96 could set the scene for futures to take out the 23.6% fib level at 662.81. On the upside, the market needs to take out the resistance of 710 and then support at 718.20. A short candle body with short wicks suggests a lack of appetite for prices out of the current ranges, and we expect futures to remain unchanged in the near term.

10 Day % K Stochastic	65.01	Rising	
10 Day % D Stochastic	63.73	Rising	
14 Day RSI	63.14	Rising	
Support	696.96	690.20	650
Resistance	718.20	750	755
Moving Averages (10,40,100)	696.96	644.86	586.54
Open Interest	80,556 (+768)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures held their nerve on Friday as intraday trading saw prices close at 182.85. The RSI is falling, and %K/%D have converged on the downside, a strong sell signal. Likewise, the MACD diff is negative but flat, suggesting some appetite for lower prices, but futures need to break below the 180 level to trigger the momentum. A break below this level towards 100 DMA at 176.58 would confirm the growing bearish trend. Conversely, appetite for prices above the 40 and 10 DMAs at 184.01 and 185.11, respectively, could trigger a test of resistance of 190. A long-legged doji candle shows indecision about either direction as it traded between 180 and moving averages; the length of the wicks also points to increased volatility during the day. The indicators struggle to suggest a change of momentum on the upside, but futures are likely to hold above 180 in the meantime.

10 Day % K Stochastic	28.37 Falling		
10 Day % D Stochastic	28.99 Falling		
14 Day RSI	45.90 Falling		
Support	180	176.58	171.85
Resistance	184.01	185.11	190
Moving Averages (10,40,100)	185.11	184.01	176.58
Open Interest	192,889 (-733)	Volumes	

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures opened below 10 DMA but found strength during the day to close higher at 2432. The RSI is rising, while %K/%D continues to decline. The MACD diff is negative and diverging, 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 2400. A break below this level towards 2355 would suggest a strong bearish momentum. Conversely, appetite for prices above the 10 DMA at the 2431 level could trigger a test of 2485. A smaller candle body after a strong bearish candle signals uncertainty about the outlook for lower prices, and only a break below the key support of 2400 would confirm that there is more appetite for downside potential.

10 Day % K Stochastic	51.71 Falling		
10 Day % D Stochastic	59.39 Falling		
14 Day RSI	59.40 Rising		
Support	2400	2355	2300
Resistance	2431	2485	2500
Moving Averages (10,40,100)	2431	2290	2115
Open Interest	106,378 (-2,583)	Volumes	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures struggled to break below the trend support on Friday, and intraday trading saw prices close at 2986. The RSI is falling, and %K and %D are converging the downside near the overbought. The MACD diff is positive and converging marginally, suggesting a further appetite for lower prices, but futures need to break support of 2980 to trigger the momentum. A break below this level towards 10 DMA at 2950 would confirm the stronger negative momentum. Conversely, appetite for prices above Friday's highs of 3049 triggers a test of trend resistance of 3100. A gravestone doji candle shows rejection of lower prices but still closed near the lows. The indicators suggest further momentum below these levels in the near term.

10 Day % K Stochastic	73.15 Falling		
10 Day % D Stochastic	67.54 Rising		
14 Day RSI	58.82 Falling		
Support	2980	2950	2930
Resistance	3000	3030	3049
Moving Averages (10,40,200)	2950	2900	2578
Open Interest	334,080 (+1,814)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa gained ground on Friday as buying pressure triggered a close on the front foot at 2268. The traders pushed futures to test the highs of 2300, but this level was rejected, and prices settled marginally unchanged day-on-day. Still, the stochastics are rising towards the overbought, as the MACD diff is negative and converging, signalling a potential buy trend in the near term. This suggests we could see higher prices towards the trend resistance once again, but the market needs to take out immediate trend resistance at 2300 beforehand. On the downside, if the support around 2200 is taken out, we could see prices retreat back through to 50 DMA at 2168. Longer upper wick on Friday points to the appetite for higher prices; however, futures need to take out 2300 in order to confirm the outlook on the upside.

10 Day % K Stochastic	69.02 Rising		
10 Day % D Stochastic	55.77 Rising		
14 Day RSI	63.47 Rising		
Support	2250	2200	2168
Resistance	2286	2300	2315
Moving Averages (50,100,200)	2168	2090	1989
Open Interest	310,613 (+5,692)	Volumes	

Source: ICE

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