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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures held their nerve on Friday as intraday trading saw futures test appetite at 25.80 once again. This level held firm, and the future closed below at 25.49. The stochastics are falling, and the MACD diff is negative and diverging, signalling further selling pressures. To confirm the outlook for higher prices, a break above the resistance at 25.80 could set the scene for futures to take out the 26.00 level before targeting 27.00. On the downside, the market needs to take out the support of 25.50 and then 40 DMA at 24.29. Futures have been trading range-bound in recent days, and a doji candle signals uncertainty about the outlook for higher prices, and futures need to take out the 25.50 level to confirm the indicators' move on the downside.

| | | | |
|-----------------------------|------------------|---------|---------|
| 10 Day % K Stochastic | 37.89 | Falling | |
| 10 Day % D Stochastic | 47.02 | Falling | |
| 14 Day RSI | 57.76 | Rising | |
| Support | 25.50 | 24.29 | 24.09 |
| Resistance | 25.74 | 26.00 | 27.21 |
| Moving Averages (10,40,100) | 25.74 | 24.29 | 21.45 |
| Open Interest | 964,997 (+1,650) | Volume | 120,221 |

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures held their nerve on Friday as intraday trading saw futures test appetite at 700 once again. This level held firm, and the future closed at 697.90. The stochastics are falling, and the MACD diff is diverging on the downside, signalling growing selling pressures. To suggest the outlook for higher prices, futures need to break above the resistance at 700, which could set the scene for futures to take out the 711.60 level. On the downside, the market needs to take out support at 670 and then support at 650. The 10 DMA level is capping the upside, and the indicators suggest growing downside momentum. We expect futures to soften in the near term.

| | | |
|-----------------------------|---------------|--------------------|
| 10 Day % K Stochastic | 48.65 | Falling |
| 10 Day % D Stochastic | 58.48 | Falling |
| 14 Day RSI | 59.37 | Rising |
| Support | 675 | 664.47 650 |
| Resistance | 701.48 | 711.60 718.20 |
| Moving Averages (10,40,100) | 701.48 | 664.47 596.25 |
| Open Interest | 82,932 (+648) | Volume 6,465 |

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures jumped higher on Friday as prices closed at 189.30. The indicators favour the upside, as %K/%D is rising and diverging out of the oversold. MACD diff just converged on the upside, a strong buy signal. A break above 190 would bring into play the resistance level at 194.15 and 200. On the downside, futures need to break below the shorter-term moving averages at 186 and then target 180 in the near term. The jump yesterday suggests further upside momentum, and the indicators point to a continuation of this trend. At the same time, DMAs have created a tight support level, and prices need to break above 190 to confirm the outlook on the upside.

| | | | |
|-----------------------------|---------|--------|----------------|
| 10 Day % K Stochastic | 55.61 | Rising | |
| 10 Day % D Stochastic | 48.49 | Rising | |
| 14 Day RSI | 54.27 | Rising | |
| Support | 185 | 180 | 177.55 |
| Resistance | 190 | 194.15 | 198.10 |
| Moving Averages (10,40,100) | 186.04 | 185.33 | 177.55 |
| Open Interest | 194,435 | (+218) | Volumes 47,275 |

Source: ICE

Ldn 2nd Month Coffee Futures

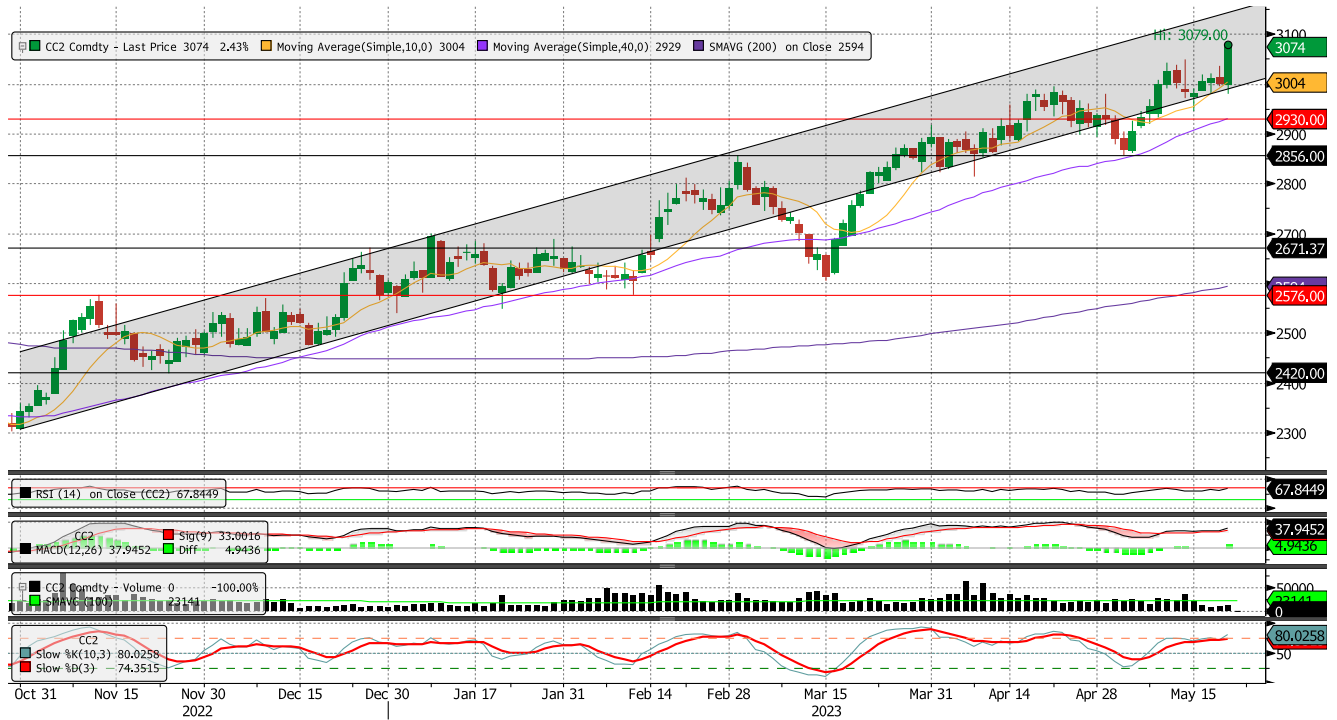


Ldn coffee strengthened on Friday as protracted buying pressure triggered a close on the front foot at 2588. The stochastics are rising, but %K/%D is now overbought and now seen tailing off slightly on the downside. The MACD diff is positive, but the upside momentum is slowing. A long bullish candle body with a longer upper wick suggests growing buying pressures; this could set the scene for higher prices to break above the resistance at 2600, but prices struggled above that level. This would confirm the trend for rising prices, up to 2650. On the downside, a breach of support at 2534 would strengthen the bearish momentum. This could also trigger losses towards the 10 DMA at 2506. Indicators point to a slowdown in upside momentum, and with prices failing above the resistance, futures are capped on the upside.

| | | | | |
|-----------------------------|---------|--------|---------|--------|
| 10 Day % K Stochastic | 84.34 | Rising | | |
| 10 Day % D Stochastic | 78.45 | Rising | | |
| 14 Day RSI | 67.85 | Rising | | |
| Support | 2534 | 2489 | 2400 | |
| Resistance | 2600 | 2620 | 2650 | |
| Moving Averages (10,40,100) | 2506 | 2359 | 2156 | |
| Open Interest | 107,453 | (-632) | Volumes | 21,196 |

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures skyrocketed in recent sessions, and on Friday, the protracted buying pressure triggered a close on the front foot at 3074, the highest level since September 2016. The RSI is rising, while %K/%D are diverging on the upside; both are now overbought. The MACD diff is positive and diverging, outlining the recent market rally. On the downside, a break back below the support level of 10 DMA at 3004 could trigger losses back towards 3000; a break below the 40 DMA at 2929 would confirm the outlook for a trend reversal. On the upside, a break above 3100 could trigger gains through the resistance towards 3150. The market rally was strong, with three white soldiers' formation confirming the strength of bull sentiment. We could see prices trend even higher today but watch out for the next robust resistance at 3100.

| | | | |
|-----------------------------|----------------|---------|--------|
| 10 Day % K Stochastic | 80.02 Rising | | |
| 10 Day % D Stochastic | 74.35 Rising | | |
| 14 Day RSI | 67.84 Rising | | |
| Support | 3004 | 3000 | 2930 |
| Resistance | 3100 | 3115 | 3150 |
| Moving Averages (10,40,200) | 3004 | 2929 | 2594 |
| Open Interest | 333,199 (+456) | Volumes | 40,366 |

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures rallied on Friday as buying pressure triggered a close on the front foot at 2341. The stochastics are rising in the overbought, as the MACD diff is positive and diverging, signalling continued buying pressures. This suggests we could see higher prices in the near term towards the robust resistance of 2355, but the market needs to take out immediate resistance at 2350 beforehand. On the downside, support around 2300 is robust, and if this level does not hold firm, we could see prices retreat back through the 2200 to 50 DMA at 2183. Long candle body points to an appetite for higher prices; the indicators confirm this. Prices need to take out current resistance to confirm the outlook for higher prices.

| | | | |
|------------------------------|------------------|---------|--------|
| 10 Day % K Stochastic | 84.77 Rising | | |
| 10 Day % D Stochastic | 75.41 Rising | | |
| 14 Day RSI | 73.13 Rising | | |
| Support | 2300 | 2286 | 2200 |
| Resistance | 2355 | 2375 | 2400 |
| Moving Averages (50,100,200) | 2183 | 2109 | 2002 |
| Open Interest | 313,937 (+1,427) | Volumes | 23,401 |

Source: ICE

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