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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 24.30. This level held firm, and the future closed at 24.51. The indicators are pointing to a trend reversal, with stochastics seen converging on the upside in the oversold, while the RSI is rising. The MACD diff is negative and converging, highlighting waning selling pressures. To confirm the outlook for higher prices, a break above the shorter-term moving averages at 25.00 could set the scene for futures to take out the 25.80 level before targeting 26.00. On the downside, the market needs to take out the support of 24.09 and then 24.00. The indicators point to a change of momentum in the near term, but the 10 DMA just crossed below the 40 DMA, a death cross – a strong sell signal, and could create a robust resistance level in the near term. We, therefore, expect further gains to these levels but to struggle above them.

10 Day % K Stochastic	21.38 Rising		
10 Day % D Stochastic	23.84 Falling		
14 Day RSI	46.60 Rising		
Support	24.25	24.09	23.00
Resistance	25.00	25.80	26.00
Moving Averages (10,40,100)	24.96	25.01	22.04
Open Interest	994,122 (+17,482)	Volume	186,478

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged lower on Friday after futures broke below the 40 DMA at 682.99 to close at 678.50. The stochastics are falling towards the oversold, and the MACD diff is negative and diverging, suggesting lower prices in the near term. To confirm the bearish indicators and rejection of prices above 40 DMA, futures need to breach support at the 23.6% fib level at 662 and then target 650. On the upside, futures need to close back above 40 DMA in order to confirm the outlook of higher prices towards 10 DMA at 692.28. Long lower wick points to an appetite for lower prices; however, prices need to take out support at 675 to suggest the outlook for lower prices.

10 Day % K Stochastic	20.00	Falling	
10 Day % D Stochastic	29.22	Falling	
14 Day RSI	46.34	Falling	
Support	675	662.81	650
Resistance	682.99	692.28	700
Moving Averages (10,40,100)	692.28	682.99	609.08
Open Interest	85,220 (-434)	Volume	9,637

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures softened marginally on Friday as moderate selling pressures saw futures test appetite at 185. This level held firm, and the future closed at 177.70. The stochastics are about to converge on the upside, with %K/%D seen strengthening out of oversold. Likewise, the MACD diff is negative and converging on the upside, signalling growing buying pressures. To confirm the outlook for higher prices, futures need to break above the resistance at 10 DMA, which could set the scene for futures to take out the 40 DMA at 186.91. On the downside, the market needs to take out support at 100 DMA completely, which is now at 179. The 10 DMA level continues to support the futures from the upside, and with a longer upper wick on Friday, we could see the market test that level once again today.

10 Day % K Stochastic	24.32 Falling		
10 Day % D Stochastic	25.24 Rising		
14 Day RSI	41.90 Rising		
Support	175	171.85	165
Resistance	181.60	186.91	190
Moving Averages (10,40,100)	181.60	186.91	179.00
Open Interest	205,112 (-250)	Volumes	53,669

Source: ICE

Ldn 2nd Month Coffee Futures

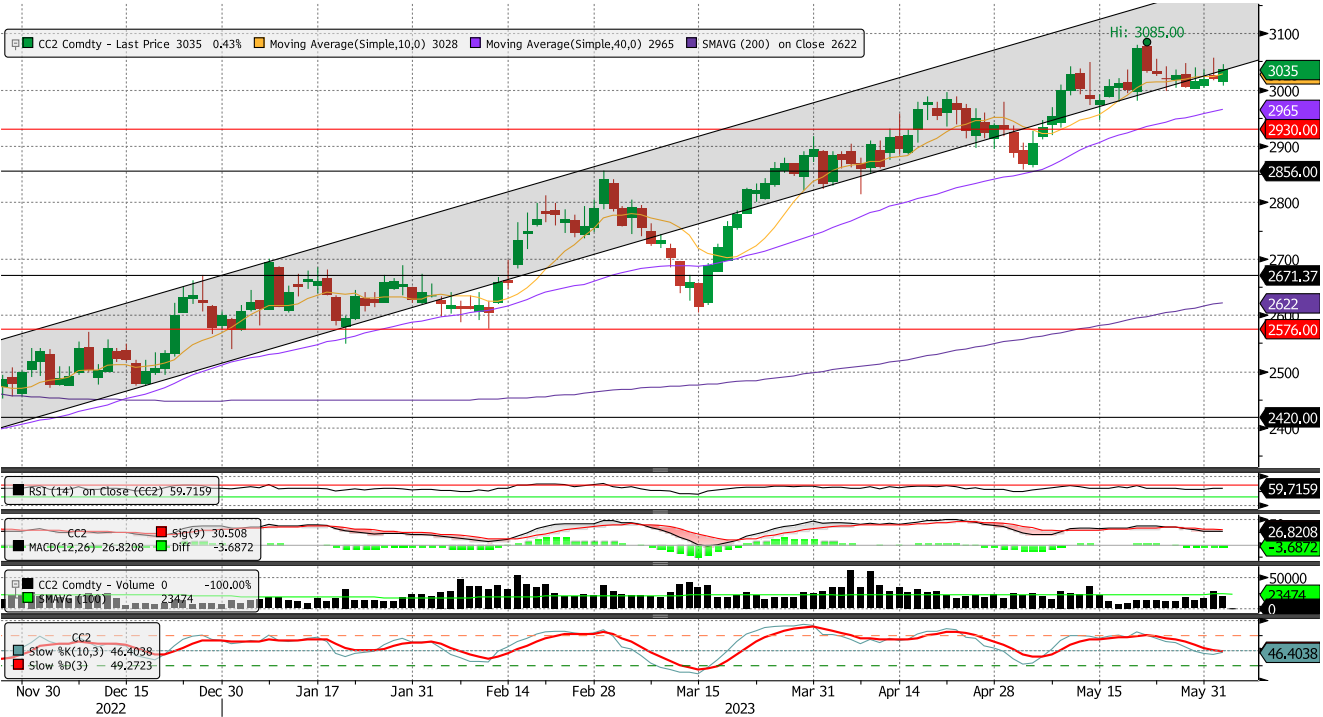


Prices weakened on Friday as marginal selling pressure triggered a close at 2542. The MACD diff is negative but remained flat in recent days, whereas the MACD diff is negative and continues to fall towards the oversold territory. The RSI is also falling, but the inside day yesterday suggests a continuation of the recent trend on the upside. Dips in the market have not been well-bid, and volume in recent sessions continued to grow, suggesting increased market appetite. The recent support at 2489 seems robust, and if this level holds, prices could break above 10 DMA completely at 2553 and then target 260. Conversely, a fall below the recent support could trigger losses to 40 DMA at 2436. The indicators point to further downside momentum, but candles need to break below the near-term support to confirm this.

10 Day % K Stochastic	31.09	Falling		
10 Day % D Stochastic	40.90	Falling		
14 Day RSI	57.12	Falling		
Support	2534	2500	2489	
Resistance	2600	2650	2675	
Moving Averages (10,40,100)	2553	2436	2211	
Open Interest	116,868 (+683)	Volumes	22,259	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa strengthened on Friday as protracted buying pressure triggered a close on the front foot at 3035. The stochastics are starting to point to a change of trend, with %K/%D about to converge on the upside. The MACD diff is also negative and converging. A longer bullish candle body with shorter wicks suggests growing buying pressures; this could set the scene for higher prices to break above the 10 DMA resistance at 3028 completely. This would confirm the trend for rising prices, up above the trend resistance at 3040. On the downside, a breach of support at 3000 would strengthen the bearish momentum. This could also trigger losses towards the 40 DMA at 2965. Indicators point to higher prices in the near term; however, futures need to break above 10 DMA completely to confirm the outlook.

10 Day % K Stochastic	46.40 Rising		
10 Day % D Stochastic	49.27 Falling		
14 Day RSI	59.71 Rising		
Support	3000	2965	2930
Resistance	3030	3050	3100
Moving Averages (10,40,200)	3028	2965	2622
Open Interest	337,588 (-1,466)	Volumes	53,491

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve on Friday to close at 2317. The stochastics are falling, with %K/%D edging out of the overbought, which could suggest an acceleration of downside momentum in the near term. The MACD diff is negative and diverging as downside momentum continues. On the upside, futures need to break above the robust resistance levels of 2340 and 2350, respectively, to trigger the momentum. Prices would then need to take out 2355, the recent highs, to confirm the trend reversal. Conversely, appetite for prices below 2300 could trigger a test of support of 2286. A dragonfly doji candle shows rejection of lower prices and could point to a slowdown of the bearish sentiment we have seen in the last couple of days.

10 Day % K Stochastic	59.35	Falling		
10 Day % D Stochastic	68.92	Falling		
14 Day RSI	62.75	Falling		
Support	2300	2286	2226	
Resistance	2355	2375	2400	
Moving Averages (50,100,200)	2226	2139	2026	
Open Interest	313,650 (+424)	Volumes	34,728	

Source: ICE

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