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WED 07 JUNE 2023 10:00

Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures tested support at 24.09 yesterday but rejected that level, closing at 24.29. The RSI continues to fall, and %K/%D is diverging on the downside in the oversold. The MACD diff is negative and diverging, suggesting further selling pressure. The indicators point to lower prices in the near term, but that momentum is slowing, and to confirm the rejection of the support; prices need to take out 24.00. A break below this level towards 23 would confirm the subsequent bearish momentum. Conversely, appetite for prices back above the 10 DMA at 24.78 level could trigger a test of 40 DMA at 25.03. A doji candle after moderate downside momentum signals uncertainty about the outlook for lower prices, and the futures need to take out the 24.00 to confirm that.

10 Day % K Stochastic 14.64 Falling

10 Day % D Stochastic 19.23 Falling

14 Day RSI 42.34 Falling

Support	24.09	24.00	23.00
Resistance	24.78	25.00	25.80
Moving Averages (10,40,100)	24.78	25.03	22.09
Open Interest	1,102,516 (+1,892)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged lower yesterday, testing the support at 23.6% fib level at 662.81 to close at 665.80. The stochastics are falling further into 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 the moving averages, futures need to take out support at 660 and then target 650. On the upside, futures need to close above 10 and 40 DMAs at 685, which are currently providing a solid resistance on the upside and then target 700 in order to confirm the outlook of higher prices. Longer wicks point to a lack of appetite for lower prices; however, the indicators suggest we will see the 662 level tested once again. We expect futures to weaken in the near term.

10 Day % K Stochastic	12.33	Falling		
10 Day % D Stochastic	20.21	Falling		
14 Day RSI	40.46	Falling		
Support	662.80		650	619
Resistance	675		685	700
Moving Averages (10,40,100)	685.96		685.07	612
Open Interest	84,417	(-359)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures held their nerve yesterday as intraday trading saw prices close at 179.55. The RSI is falling, but %K/%D is rising, painting a mixed outlook picture. The MACD diff is negative and converging, suggesting waning selling pressure. To suggest the rejection of the support, prices need to take out the 180 completely. A break below this level towards recent lows of 175 and 172 would confirm the growing bearish momentum. Conversely, appetite for prices above 180 could trigger a test of resistance of 40 DMA at 186.85; tertiary resistance stands at 190, which has remained firm over the last couple of weeks. A positive doji candle after a bearish candle signals market uncertainty, and narrowing resistance DMAs are capping gains, a break out of which would set the scene for strong momentum. We anticipate prices to remain flat in the near term.

10 Day % K Stochastic	33.92 Rising		
10 Day % D Stochastic	29.03 Rising		
14 Day RSI	44.95 Falling		
Support	180	171.85	165
Resistance	186.85	190	195
Moving Averages (10,40,100)	179.96	186.85	179.63
Open Interest	205,160 (+664)	Volumes	45,464

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday as intraday trading saw prices test resistance at 2600. The market closed at 2583. The RSI is rising, and %K/%D is converging on the upside near the oversold territory. The MACD diff is negative and converging, suggesting growing buying pressure. The indicators point to higher prices in the near term, and to confirm the confirmation of support; prices need to take out 2600. A break above this level towards 2650 would confirm growing upside momentum. Conversely, appetite for prices below the 10 DMA level at 2547 could trigger a test of support at 2534. A doji candle signals uncertainty about the outlook for higher prices, and the futures need to take out 2600 to confirm the bullish sentiment.

10 Day % K Stochastic	38.67 Rising		
10 Day % D Stochastic	38.76 Rising		
14 Day RSI	61.00 Rising		
Support	2547	2534	2489
Resistance	2600	2650	2675
Moving Averages (10,40,100)	2547	2455	2226
Open Interest	117,199 (+723)	Volumes	22,259

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures opened above the previous day's close; however, prices struggled above 3090 and closed on the back foot at 3047; historically, prices are testing multi-year highs. The stochastics are falling, with %K/%D seen converging on the downside once again into the oversold. The MACD is negative and diverging, suggesting a sell signal in the near term. The rejection of higher prices may prompt a break back towards support at 10 DMA at 3028; a subsequent breach of this level could trigger losses towards 3000. On the upside, a break of yesterday's resistance at 3090 may prompt futures to test 3100. A subsequent breach of this level would prompt prices to regain upside momentum in the near term. Longer upper wick points to an appetite for higher prices; however, the future needs to break above recent highs to confirm the outlook.

10 Day % K Stochastic	53.57	Falling	
10 Day % D Stochastic	51.76	Falling	
14 Day RSI	60.50	Falling	
Support	3050	3028	3000
Resistance	3090	3100	3110
Moving Averages (10,40,200)	3028	2974	2628
Open Interest	342,678 (+4,106)	Volumes	136,389

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures failed above 2355 resistance once again yesterday as intraday trading caused futures to close at 2334. The stochastics are falling, with %K/%D diverging on the downside out of the overbought, and the MACD diff is diverging on the downside, suggesting further downside pressures. The rejection of prices at 2355 has formed a candle with a narrow body and a long wick on the upside, suggesting an appetite for higher prices; however, lacking the conviction to break above the near-term resistance. If prices were to break above this level, this could trigger a test of 2400. To confirm the shooting star formation, futures need to take out the trend line and then robust support at 2300. We expect prices to edge lower in the near term.

10 Day % K Stochastic	63.86	Falling	
10 Day % D Stochastic	66.66	Falling	
14 Day RSI	65.20	Falling	
Support	2330	2300	2286
Resistance	2355	2375	2400
Moving Averages (50,100,200)	2236	2146	2031
Open Interest	315,876 (+1,932)	Volumes	39,730

Source: ICE

Risk warning

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