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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures edged higher yesterday as intraday trading saw prices supported above 40 DMA. The market closed at 24.83. The RSI is rising, and %K/%D is positive and diverging. The MACD diff is rising, suggesting growing buying pressure. The indicators point to higher prices in the near term, and to confirm the current support, prices need to take out 25.80. A break above this level towards 26.00 would confirm the stronger bullish momentum. Conversely, appetite for prices below the 10 and 40 DMAs at 25.28 and 24.83, respectively, could trigger a test of 24.09. A positive doji candle points to growing positive sentiment, and futures need to take out near-term resistance to set the scene for further bullish momentum.

10 Day % K Stochastic 67.00 Rising

10 Day % D Stochastic 53.27 Rising

14 Day RSI 58.82 Rising

Support 25.28 24.83 24.09

Resistance 25.80 26.00 27.50

Moving Averages (10,40,100) 24.83 25.28 22.55

Open Interest 998,610 (-3,027) Volume

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher yesterday as intraday trading saw prices close at 685.90. The stochastics are diverging on the upside, and the MACD diff is negative and converging. A break of the 10 DMA at 676.10 could trigger losses through 661.10, with the tertiary level at 650. On the upside, a break back above 40 DMA at 687.56 and then a test of recent highs at 711.60 could set the scene for bullish momentum. After breaking below 10 DMA support, the prices struggled to maintain the downside conviction, outlined by yesterday's spinning top formation; however, if futures break below 650, we could see stronger bearish momentum.

10 Day % K Stochastic	55.82 Rising		
10 Day % D Stochastic	41.41 Rising		
14 Day RSI	52.85 Falling		
Support	676.10	661.10	650
Resistance	687.56	700	711.60
Moving Averages (10,40,100)	676.10	687.56	622.29
Open Interest	86,319 (+499)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee edged higher yesterday as intraday trading caused futures to test appetite at moving averages; the market closed at 182.95. Stochastics are beginning to rise, and %K/%D are converging on the upside, confirming a change of trend in the near term. The MACD diff is positive and diverging, suggesting growing buying pressure. To maintain positive momentum, prices need to close above 40 DMA at 184.77 and then target 190. On the downside, the rejection of prices above 10 DMA at 181.94 could trigger losses back to 180. Buying pressure remains weak, but the indicators point to a growing bullish momentum. A break below 190 would help confirm the change of trend. However, for now, the market continues to remain range bound.

10 Day % K Stochastic	40.88 Rising		
10 Day % D Stochastic	45.21 Falling		
14 Day RSI	50.11 Rising		
Support	180	171.85	170
Resistance	184.77	190	194.15
Moving Averages (10,40,100)	181.94	184.77	181.65
Open Interest	185,590 (-210)	Volumes	39,753

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures jumped higher yesterday, and protracted bullish appetite trading saw prices close just below the recent highs of 2790 at 2757. The stochastics are seen diverging on the upside, with the %K/%D edging back in the oversold, and the MACD diff is positive and diverging, suggesting further upside pressures. A break of the 2790 level could trigger gains through 2800, all-time highs, with the tertiary level at 2815. On the downside, a break below 2675 could set the scene for bearish momentum towards the 10 DMA at 2658. The long candle body with a longer wick point to increased appetite on the upside, but resistance at 2790 needs to be broken first to confirm the conviction of the momentum.

10 Day % K Stochastic	73.23 Rising		
10 Day % D Stochastic	67.33 Rising		
14 Day RSI	70.87 Rising		
Support	2675	2658	2600
Resistance	2790	2800	2810
Moving Averages (10,40,100)	2658	2520	2282
Open Interest	127,685 (+258)	Volumes	25,888

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures rallied strongly in the last couple of days, with the most recent candle breaching resistance of 3200, the highs not seen since March 2016. The prices closed higher at 3262. Stochastics continue to diverge on the upside in the overbought, and the MACD diff is positive and diverging, which could suggest further upside momentum. To confirm this, the futures must solidify support at 3200 before testing the 3348 level. In the longer term, the resistance at 2300 would have to be breached to confirm the bull run. Alternatively, if the rally exhausts itself, the prices should soften back to 3200 before 10 DMA at 3132. The three white soldiers' formation, alongside the size of yesterday's candle body, suggests strong conviction on the upside, and we expect another day of positive gains today.

10 Day % K Stochastic	87.13 Rising		
10 Day % D Stochastic	80.32 Rising		
14 Day RSI	75.90 Rising		
Support	3200	3132	3100
Resistance	3271	3300	3315
Moving Averages (10,40,200)	3132	3018	2656
Open Interest	333,042 (-5,476)	Volumes	104,411

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures jumped higher, breaking above the robust resistance of 2450 to close at 2491. The candle tested the 2496 level, the high not seen since September 2016. The stochastics are rising and are now overbought, and the MACD diff is positive and diverging, highlighting the recent buying pressures. On the upside, finding support above 2400 could trigger gains through 2500 towards the 2518 – 2016 high. On the downside, a break below the 2431 level could trigger losses back towards 2400. The 40 and 100 DMAs have been supporting futures prices on the downside over the longer term, at 2276 and 2176, respectively. A complete break above 2500 and sustained price performance above this level today could suggest further upside in the near term.

10 Day % K Stochastic	89.65 Rising		
10 Day % D Stochastic	84.82 Rising		
14 Day RSI	79.46 Rising		
Support	2431	2400	2355
Resistance	2500	2518	2520
Moving Averages (50,100,200)	2276	2176	2052
Open Interest	341,110 (+6)	Volumes	39,214

Source: ICE

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