

Daria Efanova
Head of Research

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures softened yesterday as moderate selling pressure saw futures test appetite at 10 DMA once again to close higher at 678.19. The stochastics are falling out of the overbought after converging on the downside, a clear bearish signal. The MACD diff is positive and converging, confirming the outlook for lower prices in the near term. To confirm that trend, futures need to break below the near-term support at 10 DMA, which could set the scene for prices to take out 40 DMA at 668.15. On the upside, a break below the robust resistance of 700 would strengthen the bullish momentum into 711.60. A bearish candle, with a longer lower wick, points to a lack of appetite for prices below the near-term support. We expect futures to retest this level today.

10 Day % K Stochastic	65.23	Falling		
10 Day % D Stochastic	71.51	Falling		
14 Day RSI	53.70	Falling		
Support	678.19	668.15	661.10	
Resistance	700	711.60	715	
Moving Averages (10,40,100)	678.19	668.15	655.85	
Open Interest	89,155 (+643)	Volume	8,080	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures softened yesterday after prices failed above 164.05 once again, prompting a close on the back foot at 161.70. The stochastics are rising but converging, and the MACD diff is also converging on the downside, outlining the growing weakness in the market. Futures struggled to break below the 10 DMA at 159.87, and a break below this level could set the scene for lower prices at 155.80. Alternatively, if prices can gain a footing back above 164.05, the bulls could then target 40 DMA at 168.15 in order to regain upside conviction. We anticipate the price gains to stall and the trend to become more bearish in the near term.

10 Day % K Stochastic	69.04	Falling	
10 Day % D Stochastic	60.37	Rising	
14 Day RSI	46.18	Falling	
Support	159.87	155.80	150
Resistance	164.05	168.15	171.85
Moving Averages (10,40,100)	159.87	168.15	177.18
Open Interest	198,399 (+582)	Volumes	32,024

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday after future prices gapped lower on Wednesday, causing futures to test appetite at 2518 and then close at 2499. The stochastics continue to deteriorate, and the MACD diff just converged on the downside, highlighting the recent jump lower. In order to see another bullish candle, futures need to close back above 2500 and then target the 10 DMA at 2562. The 100 DMA supports the price from the downside, and if futures fail above 2500, this could trigger losses back towards that level in the medium term. We believe that the market will continue to edge higher in the near term as it tries to cover the gap made in recent days. However, gains have been marginal, and therefore our outlook on the upside is likely to be extended into the medium term.

10 Day % K Stochastic	42.95 Falling		
10 Day % D Stochastic	50.40 Falling		
14 Day RSI	43.45 Rising		
Support	2444	2400	2375
Resistance	2518	2563	2600
Moving Averages (10,40,100)	2562	2616	2444
Open Interest	125,306 (+1,261)	Volumes	21,241

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures opened higher yesterday, but the resistance of 3600 caused futures to close lower on the day at 3524. The stochastics are seen converging on the downside, with the %K/%D now stalling in the overbought, while the MACD diff is positive and diverging. We expect the upside momentum to stall in the near term; however, futures continue to follow the longer-term trend on the upside, and this momentum might continue. On the upside, a break above 2600 could set the scene for bullish momentum towards 2650. Alternatively, a break of the trendline could trigger losses through 10 DMA at 3426, with the tertiary level at 3400. Yesterday's candle rejected the highs of 3600 after three white crows' formation; however, we expect this level to be retested again today.

10 Day % K Stochastic	85.40 Neutral		
10 Day % D Stochastic	82.79 Rising		
14 Day RSI	69.40 Rising		
Support	3520	3426	3400
Resistance	3600	3610	3615
Moving Averages (10,40,200)	3426	3271	2795
Open Interest	333,042 (-5,476)	Volumes	104,411

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures edged marginally higher yesterday, but the bullish momentum was not strong enough to break above 2680 and futures closed at 2677. The RSI is rising, and the MACD diff is positive and diverging. The rejection of prices at 2680 has formed a candle with a narrow body but a long wick on the upside, suggesting markets testing and rejecting prices above near resistance. If prices were to break above this level, this could trigger a test of 2700, the new high. To confirm the shooting star formation, futures need to take out 2650 and then robust support at 2600. A break below this level would confirm the outlook for lower prices.

10 Day % K Stochastic	83.63 Rising		
10 Day % D Stochastic	70.45 Rising		
14 Day RSI	67.16 Rising		
Support	2650	2600	2550
Resistance	2680	2700	2710
Moving Averages (50,100,200)	2479	2327	2155
Open Interest	341,110 (+6)	Volumes	39,214

Source: ICE

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