

## Authors

Daria Efanova  
Head of Research

WED 06 SEPTEMBER 2023 09:30

# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures jumped higher once again yesterday, breaching resistance of 26.00 to settle at 26.90. The resistance at 27.21 held firm, which is also a December 2011 high, and futures opened below this level today. The stochastics continue to edge higher into the overbought as the MACD diff is positive and diverging, suggesting that the upside momentum still has more room. To confirm this, futures need to break above the 27.21 level before targeting resistance at 28.00. The next robust level of resistance is now at 29.00, marking 2009 highs. Alternatively, if prices break below 26.00, it could trigger losses back to the 10 DMA level at 25.66 before 25.40. We expect futures to remain elevated in the near term.

10 Day % K Stochastic 89.19 Rising

10 Day % D Stochastic 83.11 Rising

14 Day RSI 72.67 Rising

Support 26.37 25.66 25.40

Resistance 27.21 28.00 28.15

Moving Averages (10,40,100) 25.66 24.62 24.73

Open Interest 951,460 (-5,826)

Volume 165,760

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures rallied yesterday, breaching resistance at 711.60 to close at 732.30 – September 2011 high. The indicators continue to edge higher, further into the overbought, and the MACD diff is positive and diverging, but the upside momentum is stalling, suggesting we could see softer gains in the near term. The next robust levels of resistance are now at 750 and 762.60, respectively. These mark 2011 highs, and given growing trading volumes yesterday, we could see further gains on the upside, although the strength of the move is likely to moderate. Alternatively, a break back below 711.60 could trigger losses to the 10 DMA at 700.93 before the 40 DMA at 682.41.

10 Day % K Stochastic	84.40 Rising		
10 Day % D Stochastic	76.39 Rising		
14 Day RSI	70.16 Rising		
Support	711.60	700.93	682.41
Resistance	740	750	762.60
Moving Averages (10,40,100)	700.93	682.41	679.70
Open Interest	99,196 (-275)	Volume	14,689

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee futures held their nerve yesterday after piercing the support level of 150. The market closed above it at 153.45. The stochastics are falling, with %K/%D just converging on the downside, and the MACD diff is positive and flat. The appetite back above 10 DMA at 153.24 could set the scene for higher prices back to test the 40 DMA at 157.20, confirming the hammer formation. On the downside, futures need to break below the support of 150 completely in order to confirm the bearish trend. Indeed, the 10 DMA support level has been robust in the last couple of weeks, but a recent break below this level could suggest growing conviction on the downside in the near term.

10 Day % K Stochastic	54.50 Falling		
10 Day % D Stochastic	55.25 Falling		
14 Day RSI	44.87 Falling		
Support	150	145	143
Resistance	153.24	155.80	157.20
Moving Averages (10,40,100)	153.24	157.20	171.46
Open Interest	194,716 (+656)	Volumes	38,649

Source: ICE

# Ldn 2nd Month Coffee Futures

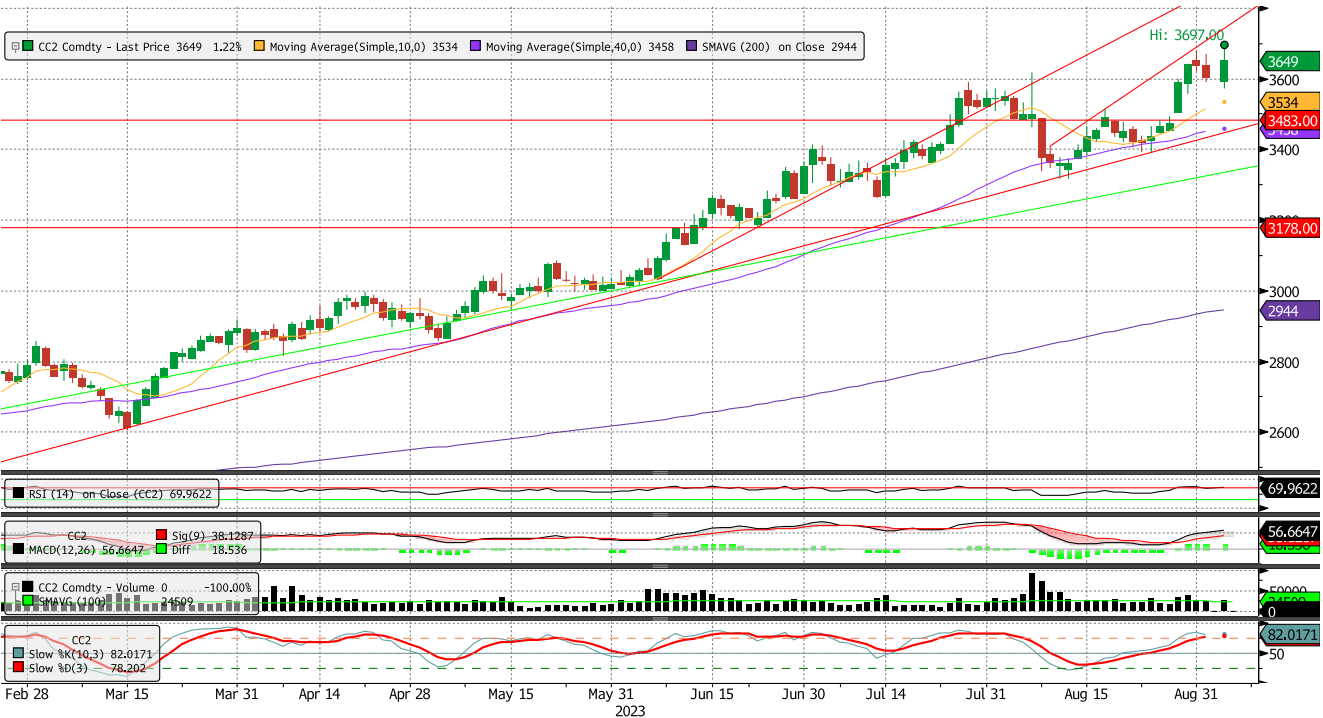


Ldn coffee futures softened yesterday after testing the support level at 10 DMA. The market closed above at 2453. The RSI is falling, %K/%D is about to converge on the downside, and the MACD diff is positive and converging. On the downside, futures need to break below the support of 10 DMA at 2447 in order to confirm growing downside conviction to 2400. Alternatively, the appetite back above the 40 DMA at 2493 could set the scene for higher prices back to test 2518, confirming the hammer formation. The indicators point to growing selling pressures in the near term; however, to confirm this, the support at 10 DMA must be broken below first.

10 Day % K Stochastic	64.52	Falling		
10 Day % D Stochastic	61.79	Falling		
14 Day RSI	47.27	Falling		
Support	2447	2400	2380	
Resistance	2493	2500	2518	
Moving Averages (10,40,100)	2447	2493	2524	
Open Interest	119,379 (-389)	Volumes	17,342	

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday as intraday trading saw futures test appetite at 3700. This level held firm, and futures closed at 3649. The stochastics are falling, about to converge on the downside, and the MACD diff is positive and flat, signalling waning buying pressures. To suggest the outlook for higher prices, futures need to break above the trend resistance at 3750, which could set the scene for futures to take out the 3800 level. On the downside, the market needs to take out support at 10 DMA at 3534 and then support at 40 DMA at 3458. The 10 DMA level crossed above 40 DMA recently, providing solid support for futures in the meantime. However, a longer upper wick on Tuesday suggests a lack of appetite for strong gains. We expect to see moderate gains on the upside in the near term.

10 Day % K Stochastic	82.01 Rising		
10 Day % D Stochastic	78.20 Rising		
14 Day RSI	69.96 Rising		
Support	3600	3534	3483
Resistance	3700	3715	3750
Moving Averages (10,40,200)	3534	3458	2944
Open Interest	Volumes		

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve yesterday as intraday trading caused the market to close at 2960. The stochastics are rising once again, edging higher into the overbought, and the MACD diff is positive and flat, suggesting a lack of appetite in either direction. The RSI is also rising; to confirm the outlook of higher prices, futures need to close above the trendline at 2970 and then target 3000. The moving averages continue to close in, but they are yet too far from futures to provide solid support levels in the near term. Hence, the next level of support stands firm at 2900; a break below which could trigger losses to 2800. A longer candle body with growing wicks in both directions points to a lack of appetite in either direction; however, volatility during the day is seen rising. This is highlighted by growing trading volumes.

10 Day % K Stochastic	87.21 Rising		
10 Day % D Stochastic	86.32 Rising		
14 Day RSI	76.36 Rising		
Support	2900	2800	2700
Resistance	2980	3000	3030
Moving Averages (50,100,200)	2671	2496	2266
Open Interest	Volumes		

Source: ICE

---

### **Risk warning**

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers ([www.sucdenfinancial.com/en/risk-warning-and-disclaimers](http://www.sucdenfinancial.com/en/risk-warning-and-disclaimers)).