

Authors

Daria Efanova
Head of Research

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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures held their nerve yesterday as intraday trading saw prices close at 26.88. The stochastics are continuing to rise, and %K/%D is positive and diverging, continuing in the overbought territory. The MACD diff is positive and diverging, suggesting growing buying pressure. The indicators point to higher prices in the near term, and to confirm the rejection of the resistance, prices need to be taken out at 27.21. A break above this level towards 28.00 would confirm the continued bullish momentum. Conversely, appetite for prices below 26.37 could trigger a test of support of 10 DMA at 26.13; tertiary support stands at 25.40, back to last week's levels. A positive candle after a similar bearish candle signals market uncertainty about prices below the current support, and narrowing moving average support is creating a tighter trading range, a break out of which would set the scene for strong momentum on the upside. We anticipate prices to remain elevated in the near term.

10 Day % K Stochastic	89.35	Rising	
10 Day % D Stochastic	85.33	Rising	
14 Day RSI	70.24	Rising	
Support	26.37	26.13	26.00
Resistance	27.21	28.00	28.15
Moving Averages (10,40,100)	26.13	24.75	24.80
Open Interest	951,460	(-5,826)	Volume
			165,760

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures held their nerve yesterday, causing the market to close at 720.70. The stochastics are rising, with %K/%D diverging on the upside once again, and the MACD diff is positive and diverging, suggesting higher prices in the near term. To confirm the outlook of higher prices, futures need to close back above 730 and then target 737.50, the recent high. The 10 DMA is closing in and supporting prices on the downside. However, a break below that level could set the scene for 700 and then 40 DMA at 686.36. The narrow candle body with long upper and lower wicks points to market uncertainty about the direction of the move, and the futures need to break out of current resistance/support to confirm the near-term outlook.

10 Day % K Stochastic	78.95 Rising		
10 Day % D Stochastic	77.86 Rising		
14 Day RSI	63.36 Rising		
Support	711.60	700	686.36
Resistance	730	750	762.60
Moving Averages (10,40,100)	714.88	686.36	681.40
Open Interest	99,196 (-275)	Volume	14,689

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures softened yesterday after finding support above 150. The market closed at 149.80. The stochastics are falling out of the overbought territory and continue to weaken, and the MACD diff is positive and converging, suggesting we could see lower prices in the near term through the support of 150 completely. A break below this level would bring into play the 148 level, which could set the scene for support at 143. On the upside, futures need to gain back above the 10 DMA at 153.21 in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the 40 DMA level at 156.93; this could strengthen the trend in the long run on the upside. The long candle body and short wicks point to an increased appetite on the downside, and we could see the price edge lower in the near term.

10 Day % K Stochastic	50.83	Falling	
10 Day % D Stochastic	41.72	Falling	
14 Day RSI	38.25	Falling	
Support	150	145	143
Resistance	153.21	155.80	156.92
Moving Averages (10,40,100)	153.21	156.92	170.64
Open Interest	198,000 (+1,444)	Volumes	23,191

Source: ICE

Ldn 2nd Month Coffee Futures



Prices weakened yesterday as moderate selling pressure triggered a close at 2407. The stochastics are falling; the %K/%D just converged on the downside and are now edging towards the oversold, signalling a continuation of the bearish trend. The MACD diff is positive and converging. Prices tested 2400; however, a close above and a short wick support market appetite below that level. On the upside, a break above 10 and 40 DMA at 2455 and 2487, respectively, could see the test of trend resistance at 2518. Conversely, a break below the 2400 support line could set the scene for a test of 2370. We expect prices to soften today and remain on the back foot.

10 Day % K Stochastic	56.98 Falling		
10 Day % D Stochastic	47.99 Falling		
14 Day RSI	41.00 Falling		
Support	2400	2380	2350
Resistance	2455	2487	2518
Moving Averages (10,40,100)	2455	2487	2526
Open Interest	113,024 (-4,464)	Volumes	11,964

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures edged lower yesterday as intraday trading caused futures to close at 3612. The stochastics are converging on the downside, with %K/%D still in the overbought territory, but the MACD is positive and converging, pointing to a waning buying pressure. The rejection of prices above 3650 has formed a candle with a longer wick on the downside, suggesting an appetite for lower prices; however, it lacks the conviction to break above the near-term support. If prices were to break below 3600, this could trigger a test of 10 DMA at 3576 and then 40 DMA at 3472. On the upside, futures need to take out 3650 and then robust resistance at 3676. Indicators point to further selling pressure today, but the futures need to take out 10 DMA in the near term to confirm this momentum.

10 Day % K Stochastic	79.56	Falling	
10 Day % D Stochastic	79.75	Falling	
14 Day RSI	63.45	Falling	
Support	3600	3576	3483
Resistance	3630	3700	3750
Moving Averages (10,40,200)	3576	3472	2955
Open Interest		Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures opened lower but managed to close higher day-on-day at 2977. The stochastics are in the overbought territory, with %K%D continuing to rise. The MACD diff is positive and converging. On the upside, futures need to break above the resistance levels of 3000 to trigger the momentum. Prices would then need to take out the trend resistance levels level to confirm the longer-term outlook. Conversely, appetite for prices below 2900 could trigger a test of support of 2800. A dragonfly doji candle shows rejection of higher prices and the indicators that point to a slowing upside trend we have seen in the last couple of days.

10 Day % K Stochastic	89.99 Rising		
10 Day % D Stochastic	88.18 Rising		
14 Day RSI	76.79 Rising		
Support	2900	2800	2700
Resistance	3000	3015	3030
Moving Averages (50,100,200)	2687	2512	2276
Open Interest	Volumes		

Source: ICE

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