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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures edged higher yesterday, but prices failed above 27.21 once again and then closed slightly above it at 27.22. The indicators continue to favour the upside; the stochastics are rising, with %K/%D diverging on the upside after converging on the upside in the overbought area, and the MACD diff is positive and diverging, confirming further buying pressures. On the downside, a break below the 10 DMA level at 26.61 would bring into play the support at 26.37. On the upside, prices broke above 27.21 today, suggesting we could see further price gains up to 28.00. Indicators point to further bullish momentum, and today's break out of these levels sets the scene for a trend continuation on the upside.

10 Day % K Stochastic	79.97 Rising		
10 Day % D Stochastic	79.70 Rising		
14 Day RSI	67.59 Rising		
Support	26.61	26.37	26.00
Resistance	27.21	28.00	28.15
Moving Averages (10,40,100)	26.61	25.01	24.90
Open Interest	1,003,599 (+7,855)	Volume	189,219

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures struggled above 735.50 once again yesterday, closing at 733.60. The stochastics continue to strengthen after %K broke above %D, and the MACD diff is positive and diverging, suggesting we could see higher prices in the near term through resistance at 735.50 completely. A break above this level would bring into play the 750 level, which could set the scene for further bullish appetite. On the downside, futures need to break back below the 10 DMA at 721.95 in order to confirm downside momentum. Appetite for prices below this level could trigger losses towards the level at 711.60. Continued test of the near-term resistance level in recent days suggests continued appetite for higher prices, and the futures need to take out this level to confirm the sentiment for higher prices over the longer term.

10 Day % K Stochastic	74.86 Rising		
10 Day % D Stochastic	72.07 Rising		
14 Day RSI	63.81 Rising		
Support	721.95	711.60	700
Resistance	735.50	750	762.60
Moving Averages (10,40,100)	721.95	691.92	683.72
Open Interest	94,592 (-552)	Volume	16,843

Source: ICE

NY 2nd Month Coffee Futures



NY coffee strengthened yesterday after testing the 150 level, triggering a close on the front foot at 154. The stochastics point to a strong buy signal, with %K/%D seen converging on the upside. The MACD diff is positive and diverging. A bullish candle with a longer lower wick suggests growing buying pressures; this could set the scene for higher prices to break above the resistance at 155.80. This would confirm the trend for rising prices, but the 40 DMA resistance needs to be breached first. On the downside, a breach of support at 150 would strengthen the bearish momentum, but prices have struggled below this level in recent weeks. We expect futures to gain positive momentum in the near term.

10 Day % K Stochastic	49.70 Rising		
10 Day % D Stochastic	44.31 Rising		
14 Day RSI	49.62 Rising		
Support	150	147.20	143
Resistance	155.80	156.26	160
Moving Averages (10,40,100)	152.29	156.26	168.36
Open Interest	202,856 (+1,840)	Volumes	38,477

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday, breaking above resistance at 10 DMA and closing at 2495. The stochastics are rising, with %K/%D just converging on the upside, and the MACD diff is positive and diverging, sending a buy signal. The reaffirmation of support at 40 DMA at 2474 could set the scene for higher prices back to test the 100 DMA level at 2529. On the downside, futures need to break below the support of 10 DMA at 2453 in order to end the recent sessions' bull trend. Indeed, the 10, 40 and 100 DMAs are providing robust support/resistance levels. Longer candle bodies in recent sessions confirm the outlook for higher prices, and a break above 100 DMA would highlight the appetite for higher prices. The market needs to gain a footing above the 40 DMA completely in the immediate term to improve the outlook.

10 Day % K Stochastic	57.36 Rising		
10 Day % D Stochastic	47.01 Rising		
14 Day RSI	55.44 Rising		
Support	2453	2400	2380
Resistance	2500	2518	2529
Moving Averages (10,40,100)	2453	2474	2529
Open Interest	109,348 (+2,381)	Volumes	16,410

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa held the nerve yesterday, as intraday trading caused futures to close at 3730. RSI is rising marginally, and %K/%D is diverging on the upside in the overbought. The MACD diff is positive but lacks the conviction to point out an outlook. To maintain positive momentum, prices need to close above 3750 and then target 3800. On the downside, the rejection of prices above these levels could trigger losses back to the 10 DMA at 3657 and then 3600, a firm support level. Buying pressure has been weak but continuous, and the indicators point to a continuation of that momentum. The narrow candle body and short wicks confirm market indecisiveness about higher prices. Still, we expect futures to edge marginally higher in the near term.

10 Day % K Stochastic	86.38 Rising		
10 Day % D Stochastic	83.32 Rising		
14 Day RSI	72.34 Rising		
Support	3678	3657	3600
Resistance	3750	3800	3815
Moving Averages (10,40,200)	3657	3513	2986
Open Interest		Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures strengthened marginally yesterday, but resistance at 3110 triggered a close below at 3107. The RSI is falling, while %K/%D is converging out of the overbought territory. Likewise, the MACD diff is positive and converging, which could send a sell signal in the near term. On the upside, finding support above the trend resistance at 3150 could trigger gains to 3200. On the downside, a break below the trendline of 3100 today suggests that upside appetite is waning. A break below 3000 would signal a strong selling pressure. Both the indicators and today's performance suggest that upside pressures might be waning; however, to confirm the change of trend, prices need to break below the 3000 support level.

10 Day % K Stochastic	94.63	Falling		
10 Day % D Stochastic	92.34	Falling		
14 Day RSI	81.86	Falling		
Support	3000	2920	2900	
Resistance	3030	3050	3100	
Moving Averages (50,100,200)	2732	2552	2303	
Open Interest		Volumes		

Source: ICE

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