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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures opened higher yesterday, but the lack of appetite above 21.50 prompted futures to settle lower on the day at 21.19. This is being highlighted by the stochastics, with the %K/%D near the overbought area, but upward momentum is stalling, as %K is flattening out. Likewise, the MACD diff is positive but tailing off, suggesting that the gains we have seen in recent days might be abating. To suggest a complete trend change, futures have to break below the 10 DMA support at 20.83, the level that has been supporting prices in recent days. This could trigger further weakness to 20.50 before attempting to retest recent lows at 20.00. Alternatively, the resistance at 21.50 is now forming, with prices struggling to break above this level in recent days, and further gains above are needed to suggest the recent uptrend. The near-term support at 21.00 is holding firm, and we expect prices to trade rangebound in the coming days.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Flat		
Support	21.00	20.83	20.00
Resistance	21.50	22.00	22.87
Moving Averages (10,40,100)	20.83	22.87	24.74
Open Interest	811,758 (-7,380)	Volume	105,523

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar opened higher yesterday, but bears took over the session later on in the day, causing the prices to test below 110. This level held firm, and futures settled at 610.20. The hanging man formation points to the end of the recent uptrend, and the stochastics are underscoring this momentum, with %K/%D flattening out near the overbought level. The MACD diff is now positive and flat. To suggest lower prices in the near term, futures need to break below the near-term support of 610 before targeting 600 and the 10 DMA at 597.72. Alternatively, yesterday could indicate a pause in the trend on the upside we have seen in recent days. To confirm this, futures need to gain footing above 610 in the near term. The indicators are pointing to a potential change of trend in the near term, but the support at 600 is key before confirming this shift.

10 Day % K Stochastic	Overbought Flat		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Flat		
Support	600	597.72	580.70
Resistance	610	628.10	638.23
Moving Averages (10,40,100)	597.72	651.48	691.31
Open Interest	76,651 (+16)	Volume	11,073

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures opened higher yesterday, struggling below the 40 DMA and jumping back above it. However, the upside momentum has been marginal, prompting futures to settle at 182.05. The gravestone doji candle confirms it, as a small candle body with a longer upper wick suggests a lack of impetus to reverse the trend completely. Still, the indicators suggest that selling pressures are waning, with %K/%D converging on the upside in the oversold and the MACD diff negative and converging. Volumes have remained lacklustre since the start of the year, and to confirm the change of trend, futures must break above the robust resistance of 10 DMA at 186.73 before testing 188.50. We expect to see marginal gains in the coming days.

10 Day % K Stochastic	Oversold Rising		
10 Day % D Stochastic	Oversold Falling		
MACD (12, 26)	Negative Converging		
Support	181.18	180	175
Resistance	186.73	188.50	190
Moving Averages (10,40,100)	186.73	181.18	165.91
Open Interest	223,299 (+354)	Volumes	29,052

Source: ICE

Ldn 2nd Month Coffee Futures

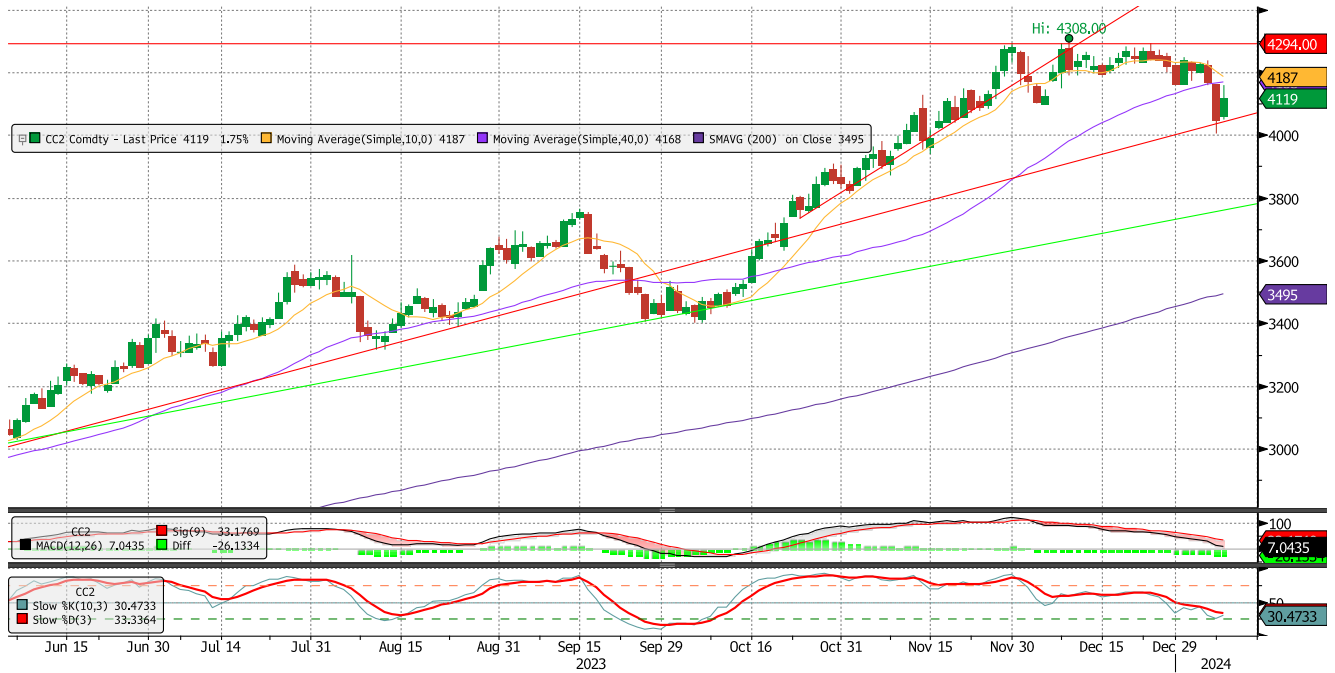


Ldn coffee jumped higher once again yesterday, prompting futures to settle near the all-time high of 2970 at 2932. Yesterday's appetite has been robust, and indicators point to further gains in the near term. The %K/%D just converged on the upside, selling a strong buy signal, while the MACD diff is negative and converging. The resistance at 2970 is robust, and a break above it could set the scene for 3000. Alternatively, the support at 10 DMA has been formed, and a break below it could send prices to 2800 and 2780, respectively. We expect prices to remain elevated in the near term.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Negative Converging		
Support	2844	2800	2790
Resistance	2970	3000	3015
Moving Averages (10,40,100)	2844	2661	2504
Open Interest	101,103 (+210)	Volumes	13,772

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa prices opened slightly above the previous day's close to settle at 4119. Yesterday's trading has formed an inside candle, traditionally suggesting a continuation of the bear trend. However, in this case, we believe that prices will struggle below the near-term trend support at 4050 and the 4000 level, respectively. The indicators confirm this, with %K/%D converging on the upside, about to send a buy signal. The MACD diff is negative. To help solidify the trend support, futures have to break above the shorter-term moving averages of 40 and 10 DMA at 4168 and 4187, respectively. We expect futures to hold above the trend support level today.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Falling		
MACD (12, 26)	Negative Flat		
Support	4050	4000	3900
Resistance	4168	4187	4200
Moving Averages (10,40,200)	4187	4168	3495
Open Interest	321,220 (+1,025)	Volumes	53,961

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa held its nerve as futures struggled to pierce the support of 3273 in recent sessions. Futures settled at 3341 as a result. The indicators point to waning selling pressures, with %K/%D about to converge on the upside and the MACD diff being negative and flat following the recent weakness. Volumes have increased following the strong move on the downside in recent sessions. However, the indicators suggest that this weakness is not sustainable, and we could see prices return to elevated levels. To confirm that, the resistance at 10 DMA at 3395 is standing firm, and a break above it could set the scene for 40 DMA at 3454. Alternatively, if support at 3273 does not hold, the next robust level of support is at 3200. We expect futures to remain elevated in the near term.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Negative Converging		
Support	3473	3216	3200
Resistance	3395	3400	3454
Moving Averages (10,40,100)	3395	3454	2808
Open Interest	365,610 (-5,867)	Volumes	52,630

Source: ICE

Risk warning

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