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MON 22 JANUARY 2024 10:00

# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar strengthened on Friday as protracted buying pressure triggered a close on the front foot above the 40 DMA at 22.77. The %K/%D is tailing off on the downside in the overbought. The MACD diff is positive and diverging, but the momentum is stalling. The indicators suggest that the upside pressures are waning, and we expect the candle to struggle above 23.00 today. If futures continue to struggle above this level in the near term, this could set the scene for a trend reversal and lower prices to break back below the 40 DMA. On the upside, a breach of resistance at 23.00 would strengthen the bullish momentum to 23.42. This could also trigger gains towards 24.00. Indicators point to marginal strength in the near term before a possible trend reversal, and if the resistance at 23.00 holds, we could see prices edge lower.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	22.15	22.00	21.71
Resistance	23.00	23.42	24.00
Moving Averages (10,40,100)	21.71	22.15	24.56
Open Interest	808,622 (-24)	Volume	179,535

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures jumped higher on Friday and managed to close above the 40-day moving average resistance at 650. The indicators suggest we could see higher prices in the near term. The stochastics are diverging on the upside, and the MACD diff is positive and diverging, confirming the continued trend on the upside. We expect futures to edge higher in the near term towards 675. However, the futures first need to take out the robust level on the upside at 650. On the downside, if futures fail above this level, then we could see prices break back below the 40 DMA at 633.23 before the long-term support of 10 DMA. We expect futures to firm in the near term, and if the futures break above the DMAs completely, this could provide a strong signal on the upside.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	633.23	620.46	614
Resistance	650	675	687.41
Moving Averages (10,40,100)	620.46	633.23	687.41
Open Interest	80,176 (+861)	Volume	16,455

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee futures held their nerve on Friday as intraday trading saw futures test appetite at 180. This level held firm, and the future closed at 181.85. The stochastics are rising, and the MACD diff is negative and converging, signalling waning selling pressures. To confirm the outlook for higher prices, futures must break above the resistance at the 40 DMA level at 182.56, which could set the scene for futures to take out the 188.50 level before targeting 190. On the downside, the market needs to take out support of 180 and then support at 171.85. This would confirm the descending triangle formation and a trend for lower prices. However, in the meantime, we expect futures to hold their ground above 171.85.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Negative Converging		
Support	180	171.85	170
Resistance	185	188.50	190
Moving Averages (10,40,100)	179.70	182.56	167.84
Open Interest	216,490 (-2,782)	Volumes	38,104

Source: ICE

# Ldn 2nd Month Coffee Futures

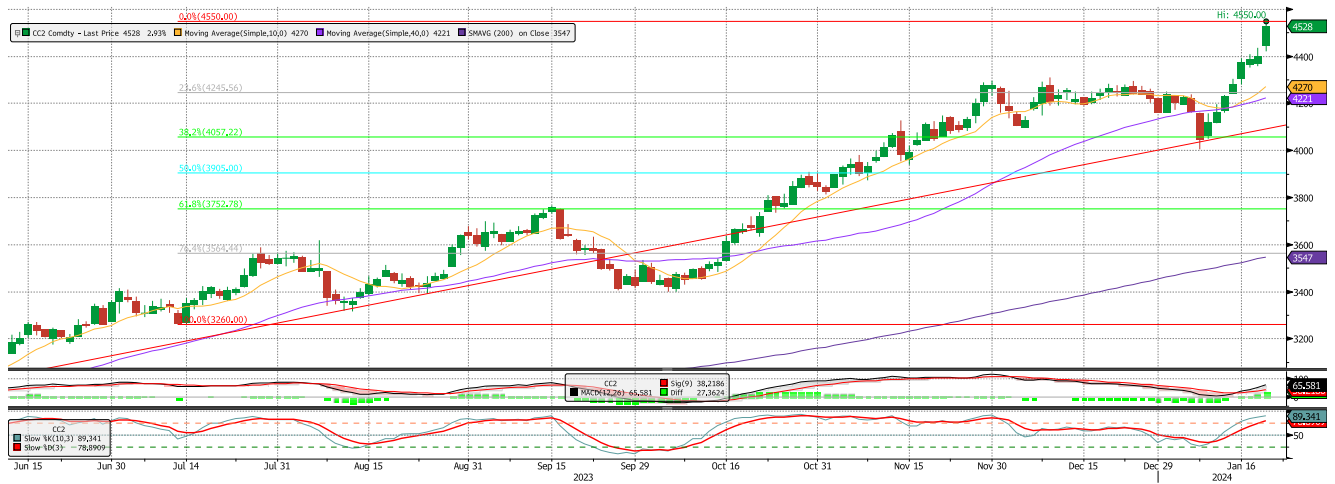


Ldn coffee futures held their nerve on Friday as futures struggled to break above the previous day's highs, settling at 3128. The stochastics are falling, with %K/%D about to converge on the downside and send a sell signal. The MACD diff is positive and converging, signalling growing selling pressures. To confirm the outlook for lower prices, futures need to break below the trend support at 3020, which could set the scene for futures to take out the 10 DMA level at 3015. On the upside, the market needs to take out resistance of 3150 and then 3190 – a recent high. An inside candle suggests that the market paused the recent downside trend, but with the indicators pointing to growing selling pressures, we could see a marginal downside in the near term.

10 Day % K Stochastic	Overbought Falling		
10 Day % D Stochastic	Overbought Neutral		
MACD (12, 26)	Positive Converging		
Support	3020	3015	2970
Resistance	3150	3190	3200
Moving Averages (10,40,100)	3015	2769	2556
Open Interest	115,910 (+1,299)	Volumes	16,681

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures jumped higher on Friday as protracted buying pressure triggered a close on the front foot above 4400 and 4500 at 4528. The stochastics are showing signs of convergence on the downside, with the %K/%D remaining overbought. Likewise, the MACD diff is positive and diverging. The indicators suggest that prices could remain elevated in the near term, and if the resistance at 4550 is taken out, this could set the scene for higher prices to 4600 – a new high. On the downside, a break below the support level at 4400 and an appetite for lower prices could set the scene for the shorter-term moving averages. A robust candle with a long body suggests a strong appetite for higher prices. However, we expect the upside to pause in the near term as markets test the 4550 level.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	4500	4400	4270
Resistance	4550	4575	4600
Moving Averages (10,40,200)	4270	4221	3547
Open Interest	319,890 (+3,270)	Volumes	76,888

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa gapped higher on Friday, with protracted buying pressure triggering a close above 3600 at 3656. Friday's short candle with a longer lower wick points to a strong upward momentum, which prompted futures to test new highs. The next robust resistance level now stands at 3700. The stochastics are diverging on the upside whilst overbought, and the MACD diff is positive and diverging. The indicators point to continued upside pressures, and for that to materialise, the 3700 resistance has to be taken out before we can see further gains. Alternatively, if upside momentum stalls, this could prompt some softness to 3600 and 3500. We expect futures to hold above the 3600 level today.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	3600	3570	3482
Resistance	3650	3700	3715
Moving Averages (10,40,100)	3482	3466	2864
Open Interest	329,210 (-587)	Volumes	43,908

Source: ICE

## Risk warning

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