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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures held their nerve yesterday as intraday trading caused the market to close at 21.78. The stochastics are starting to fall, and the MACD diff is positive and flat, suggesting waning buying pressures in the near term. To confirm the outlook for lower prices, futures need to close back below 21.50 and then target 21.00. The 40 DMA is starting to close in and resist prices on the upside. However, a break above that level could set the scene for 22.50. Narrow-bodied candles in recent days point to market uncertainty; low volumes also confirm that. We expect futures to remain rangebound in the near term, edging slightly lower in the near term.

10 Day % K Stochastic	Neutral Falling		
10 Day % D Stochastic	Neutral Flat		
MACD (12, 26)	Positive Flat		
Support	21.50	21.00	20.50
Resistance	22.00	22.13	22.50
Moving Averages (10,40,100)	21.63	22.13	22.84
Open Interest	834,490 (+2,405)	Volume	110,753

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher yesterday and managed to close above the 615 resistance level at 615.80. However, the indicators suggest we could see the price trend reverse in the near term. The stochastics are converging on the downside. The MACD diff is positive, but upside conviction is fading. On the upside, a break above the 40 DMA at 617.73 could then test the 630. On the downside, if futures fail into 10 DMA at 605.90, then we could see futures break back below 600. The narrowing DMA resistance caps price potential, and confirmation of resistance at that level could pave the way for trend reversal in the near term.

10 Day % K Stochastic	Overbought Flat		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Converging		
Support	615	605.90	600
Resistance	617.73	628	643.78
Moving Averages (10,40,100)	605.90	617.73	643.78
Open Interest	82,679 (-747)	Volume	19,637

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures held their nerve yesterday as intraday trading saw futures test appetite at 40 DMA once again. This level held firm, and futures closed at 184.65. The stochastics are rising, with %K/%D just converging on the upside out of the oversold. The MACD diff is negative but is also converging on the upside, signalling waning selling pressures. To confirm the outlook for higher prices, futures need to break above the 40 DMA level at 185.62, which could set the scene for futures to take out the resistance at 190. On the downside, the market needs to take out the support of 100 DMA at 181.50 and then 180. The candle found support above this level, and a longer upper wick signals an appetite for higher prices. If the futures break above the current resistance, we could see prices edge higher in the near term.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Negative Converging		
Support	181.50	178.75	171.85
Resistance	185.62	188.50	190
Moving Averages (10,40,100)	183.51	185.62	181.50
Open Interest	218,596 (+1,467)	Volumes	37,471

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday as intraday trading saw prices supported above the 10 DMA level. The market closed at 3385. The %K/%D is rising into the overbought territory, highlighting further gains in the near term. The MACD diff is positive but converging. The indicators paint a mixed picture, struggling to point out an outlook. On the downside, prices need to take out 10 DMA at 3321. A break below this level towards 3238 would confirm the strong bearish momentum down to 40 DMA at 3191. Conversely, appetite for prices above 3400 could trigger a test of 3460 – the most recent high. Candles continue to be supported by the 10 DMA, and with the indicators pointing to continued upside pressures, we expect prices to edge higher in the near term, testing the 3400 level.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Converging		
Support	3321	3238	3191
Resistance	3400	3450	3460
Moving Averages (10,40,100)	3321	3191	2910
Open Interest	101,881 (-824)	Volumes	12,806

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures strengthened yesterday as protracted buying pressure triggered a close on the front foot at 8067. Futures continue to breach new highs, and robust candles point to a strong conviction on the upside. The indicators confirm this, with %K/%D diverging on the upside further into the overbought. Likewise, the MACD diff is positive and diverging, indicating further upside in the near term. On the upside, finding support above 8000 could trigger gains through 8100, yesterday's highs, towards 8200. On the downside, a break below the 10 DMA level at 7185 could trigger losses back towards 7000. That level has been supporting futures prices, and a break below it would signal strong selling pressure. Longer lower wick signals that the buying pressure is growing, and a further bullish outlook is on the horizon.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Rising		
Support	7500	7185	7000
Resistance	8000	8067	8100
Moving Averages (10,40,200)	7185	6007	4180
Open Interest	207,168 (-1,043)	Volumes	57,876

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures strengthened yesterday as protracted buying pressure triggered a close on the front foot at 6534. The %K/%D is diverging on the upside. Likewise, the MACD diff is positive and diverging. On the upside, finding appetite above the 6500 level could trigger gains through 7000. On the downside, a break below the 6000 level could trigger losses back towards the robust support of 5861. A break below it would signal strong selling pressure in the longer term. Longer candle body signals that the buying pressure is growing, and we expect further gains in the near term.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	6000	5861	5500
Resistance	6500	6534	6700
Moving Averages (10,40,100)	5861	4993	3437
Open Interest	239,108 (-933)	Volumes	36,850

Source: ICE

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