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# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar opened on the front foot yesterday but struggled to break above the 100 DMA, closing below 22.00. The stochastics are falling, with %K/%D seen diverging on the downside. The MACD diff is positive and converging, pointing to waning buying momentum. A bearish candle with a longer upper wick suggests growing selling pressures; this could set the scene for higher prices to break below 40 and 10 DMA at 21.90. This would confirm the trend for falling prices, down to 21.50. Likewise, if these moving averages hold firmly, this could prompt a break above 22.50 before retesting the 100 DMA at 22.56. If this level is broken above, then we would be looking for a continuation of a strong uptrend. However, in the meantime, the indicators are pointing to further price softness in the near term, and we expect futures to test the 10 DMA in the near term.

10 Day % K Stochastic	Overbought Falling		
10 Day % D Stochastic	Overbought Falling		
MACD (12, 26)	Positive Converging		
Support	21.88	21.50	21.04
Resistance	22.56	23.00	23.42
Moving Averages (10,40,100)	21.88	21.97	22.56
Open Interest	844,033 (-865)	Volume	144,892

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures opened on the front foot yesterday, but resistance at 100 DMA caused futures to close lower on the day at 623. The stochastics have just crossed on the downside and are now falling, suggesting a strong sell signal, and the MACD diff is positive and converging. On the downside, a break of the shorter-term DMAs at 615 could trigger losses through 600, with the tertiary level at 580. On the upside, a break above the 100 DMA at 637.74 could set the scene for bullish momentum towards 650. The candle closing lower on the day could be a sign that futures found robust resistance at 100 DMA. However, with 10 DMA crossing above the 40 DMA level – a golden cross formation – we expect futures to struggle below these levels in the near term.

10 Day % K Stochastic	Overbought Falling		
10 Day % D Stochastic	Overbought Falling		
MACD (12, 26)	Positive Converging		
Support	617.50	614	600
Resistance	637.74	650	659.40
Moving Averages (10,40,100)	617.49	614.73	637.74
Open Interest	82,448 (+1,216)	Volume	28,346

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee futures rallied yesterday as buying pressure triggered a close on the front foot at 197.10. The stochastics are rising in the overbought, as the MACD diff is positive and diverging, signalling continued yet softer buying pressures. This suggests we could see higher prices in the near term towards a robust resistance of 200. On the downside, support levels at moving averages are also robust, and if these levels do not hold, we could see prices retreat back through 185 before 180. The long candle body points to an increased upside appetite; however, prices need to take out the current resistance at 200 to confirm the outlook for higher prices.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Diverging		
Support	188.50	185	180
Resistance	200	200.75	204.90
Moving Averages (10,40,100)	187.01	185.67	183.25
Open Interest	242,587 (+1,453)	Volumes	97,614

Source: ICE

# Ldn 2nd Month Coffee Futures



Ldn coffee futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 3580. The %K/%D is diverging on the upside in the overbought. The MACD diff is positive and diverging, outlining recent market growth. On the downside, a break back below the support level of 10 DMA at 3390 could trigger losses back towards 3238; a break below this level would confirm the outlook of lower prices in the longer term. On the upside, a complete break above 3500 could trigger gains through 3600, confirming a break out of the ascending triangle formation. A long candle body with a close near the highs confirms the strength of the bull sentiment. We could see prices trend even higher today, but support at 3500 needs to hold firm for this to be the case.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Diverging		
Support	3390	3238	3225
Resistance	3600	3650	3660
Moving Averages (10,40,100)	3390	3225	2963
Open Interest	101,154 (-481)	Volumes	33,403

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday as intraday trading saw prices close at 9466. The %K/%D just converged on the downside in the overbought, which suggests a strong sell signal. The MACD diff is positive and converging, suggesting growing selling pressure. The indicators point to softer prices in the near term, and to confirm this, futures need to take out the 9000 level. A break below this level towards the 10 DMA at 8746 would confirm the growing bearish momentum. Conversely, appetite for prices above a robust resistance at 10000 could trigger further gains. Yesterday's candle signals market uncertainty, and narrowing support and resistance levels are creating a tight trading range, a break out of which would set the scene for strong momentum. We anticipate prices on the front foot in the near term; however, futures need to break above 10000 to confirm the momentum.

10 Day % K Stochastic	Overbought Falling		
10 Day % D Stochastic	Overbought Falling		
MACD (12, 26)	Positive Converging		
Support	9000	8746	8000
Resistance	9806	10000	10100
Moving Averages (10,40,200)	8746	6788	4392
Open Interest	188,483 (-622)	Volumes	43,287

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures opened higher yesterday, but resistance of 8000 caused futures to close below at 7892. The stochastics are seen diverging on the upside once again, with the %K/%D now rising higher in the overbought; the MACD diff is positive and converging. A break of the 9000 level could trigger further gains. On the downside, a break below the 10 DMA at 7024 could set the scene for bearish momentum towards 6000. A narrow candle body with little shadow has been formed, which points to a lack of appetite for higher prices in the near term.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Flat		
MACD (12, 26)	Positive Converging		
Support	7500	7024	7000
Resistance	8000	8050	8100
Moving Averages (10,40,100)	7024	5551	3589
Open Interest	254,798 (-2,436)	Volumes	26,717

Source: ICE

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