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WED 15 MAY 2024 10:00

Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures opened lower yesterday, but support at 18.63 prompted futures to edge slightly higher and close at 18.88. The stochastics continue to fall, with %K/%D diverging on the downside, and the MACD diff is positive and converging, about to flip into a negative category. However, the indicators' downside momentum is stalling, and yesterday's hammer formation might point to a potential trend change in the near term. To confirm this, futures need to break above the near-term resistance of 19.00 before the 10 DMA at 19.29 in order to confirm the upside trend. Indeed, the 10 DMA support level has been robust in the last couple of sessions, capping any strong upside gains. Alternatively, further weakness could test the 18.00 level before new lows. We expect futures to remain at the lower end of recent trading ranges.

10 Day % K Stochastic	Neutral Falling		
10 Day % D Stochastic	Neutral Falling		
MACD (12, 26)	Negative Diverging		
Support	525	515	500
Resistance	540	542.76	550
Moving Averages (10,40,100)	542.76	577.52	601.40
Open Interest	90,767 (-482)	Volume	19,781

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures opened lower following the recent sell-off; however, the momentum is seen slowing as the prices found support at 525 and closed at 528.90. The stochastics continue to edge lower close to the oversold, and the MACD diff just converged on the downside, although the pace of the decline is seen stalling. The candle formed a longer lower wick, a hammer formation, and could be a sign of a trend reversal in the near term. If this materialises, the levels could break back above 540 before 10 DMA at 542.76. On the downside, if the current support level at 525 is broken below, the next level of support stands at 500. We expect the recent downside momentum to slow in the near term and find support at current levels.

10 Day % K Stochastic	Neutral Falling	
10 Day % D Stochastic	Neutral Falling	
MACD (12, 26)	Positive Converging	
Support	550	540.20
Resistance	574	580
Moving Averages (10,40,100)	549.06	603.66
Open Interest	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures strengthened yesterday as futures rejected prices below the 100 DMA level at 194.32 and closed on the front foot at 200.85. The indicators point to a potential trend change in the near term, with %K/%D converging out of the oversold area as the MACD diff is negative and converging, signalling growing buying pressures. On the upside, finding support above the 200 completely could trigger gains through 40 DMA at 207.59 to 212.20. On the downside, a break below the 100 DMA level could trigger losses back towards 190. That level has been supporting futures prices, and a break below it would signal strong selling pressure. Indicators suggest that buying pressures are growing, and the bullish outlook is on the horizon.

10 Day % K Stochastic	Oversold Rising		
10 Day % D Stochastic	Oversold Rising		
MACD (12, 26)	Negative Converging		
Support	194.32	192.42	190
Resistance	200.75	207.59	212.20
Moving Averages (10,40,100)	201.18	207.59	194.32
Open Interest	222,329 (-2,507)	Volumes	37,768

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures held their nerve yesterday as moderate buying pressure prompted a close at 3433. The stochastics are now rising, with the %K/%D now converging on the upside, highlighting waning selling pressures. The MACD diff is negative and converging. To confirm another bullish candle, futures need to close above the robust resistance at 3460 and then target 10 DMA at 3516. On the downside, the break below the current support level of 100 DMA could set the scene towards 3240. However, the market struggled below the level in recent sessions, and a break below is needed to confirm the bearish outlook in the near term.

10 Day % K Stochastic	Oversold Rising		
10 Day % D Stochastic	Oversold Rising		
MACD (12, 26)	Negative Converging		
Support	3337	3238	3200
Resistance	3460	3500	3516
Moving Averages (10,40,100)	3516	3707	3337
Open Interest	79,385 (+687)	Volumes	14,963

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday after the support of 7025 held firmly, prompting futures to close at 7322. The stochastics are falling once again, with %K/%D just converging on the downside into the oversold territory, reflecting the sell-off that took place on Monday. The MACD diff is negative and converging. The reaffirmation of support at 7025 today could set the scene for higher prices back to test the 10 DMA level at 8090, confirming an inverse hammer formation. On the downside, futures need to break below the support of 7025 in order to confirm the bearish trend. Indeed, the near-term support level has been robust in the last couple of sessions; a break below this level would suggest strong conviction on the downside. The longer upper wick with a narrow body confirms the support is still intact.

10 Day % K Stochastic	Oversold Falling		
10 Day % D Stochastic	Neutral Falling		
MACD (12, 26)	Negative Converging		
Support	7300	7000	6500
Resistance	8000	8090	8500
Moving Averages (10,40,200)	8090	9253	5304
Open Interest	145,932 (-255)	Volumes	46,532

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve yesterday after testing the support level at 6000. The market closed higher day-on-day at 6149. The stochastics are falling, with %K/%D just converging on the downside in the oversold, and the MACD diff is negative and diverging, suggesting further downside momentum. This could prompt some weakness to 5873 before 5000. Alternatively, the reaffirmation of support at these levels could set the scene for higher prices back to retest 10 DMA at 7078, confirming an inverse hammer formation.

10 Day % K Stochastic	Oversold Falling		
10 Day % D Stochastic	Oversold Falling		
MACD (12, 26)	Negative Converging		
Support	6000	5873	5500
Resistance	7000	7078	7348
Moving Averages (10,40,100)	7078	7729	4383
Open Interest	226,699 (+1,112)	Volumes	52,885

Source: ICE

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