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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures softened yesterday after finding support just above 18.00. The market closed at 18.18. The stochastics are falling into the oversold territory, and the MACD diff is positive and converging, suggesting we could see lower prices in the near term to the support of 18.00. A break below this level would bring into play new lows to 17.50. On the upside, futures need to gain back above the 10 DMA at 18.36 in order to confirm upside momentum. The reaffirmation of support there could trigger gains towards the level at 40 DMA at 19.35; this could strengthen the trend in the long run on the upside. A short candle body suggests a waning appetite for significantly lower prices, and we expect futures to test the 18.00 level today.

10 Day % K Stochastic	Neutral Falling		
10 Day % D Stochastic	Neutral Falling		
MACD (12, 26)	Negative Converging		
Support	18.00	17.80	17.50
Resistance	18.36	18.63	19.35
Moving Averages (10,40,100)	18.36	19.35	21.01
Open Interest	874,712 (-305)	Volume	96,689

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures softened yesterday after piercing the support level at 10 DMA. The market closed below it at 517.40. The stochastics are falling, as %K/%D is just converging on the downside, and the MACD diff is positive and converging, suggesting continued pressures on the downside. The reaffirmation of support at 512 could set the scene for higher prices back to test the 10 DMA level at 521.37 before targeting 540. On the downside, futures need to break below the current support level in order to confirm the bearish trend. Indeed, the 512 support level has been tested in recent weeks, suggesting an appetite for prices below this level. The market needs to break below this level in the immediate term to confirm the outlook.

10 Day % K Stochastic	Neutral Falling		
10 Day % D Stochastic	Neutral Falling		
MACD (12, 26)	Positive Converging		
Support	512.60	510	500
Resistance	521.37	540.20	550.70
Moving Averages (10,40,100)	521.37	550.70	593.65
Open Interest	95,727 (+31)	Volume	7,571

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures strengthened once again yesterday, breaking above 230 to close higher at 231.95. The stochastics continue to strengthen the overbought territory, and consecutive bullish candles confirm this sentiment. The MACD diff is positive and diverging. To suggest further gains on the upside, futures must breach recent highs of 240 before attempting to test the 245 level. Alternatively, losses back to 220 could suggest growing downside momentum to 200. The indicators point to further gains, but with them being overbought, we expect to see a slowdown in upside pressures in the near term.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	230	220.37	215.64
Resistance	235	240	245
Moving Averages (10,40,100)	220.37	215.64	197.79
Open Interest	239,761 (+5,922)	Volumes	43,224

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee strengthened yesterday as protracted buying pressure triggered a close on the front foot at 4131. The stochastics are rising, with %K/%D diverging on the upside in the overbought. The MACD diff is positive and diverging. A long bullish candle body with a longer wick suggests growing buying pressures; this could set the scene for higher prices to break above the 4200 resistance level. This would confirm the trend for rising prices, up to the recent high of 4338. On the downside, a breach of support at 4000 would strengthen the bearish momentum. This could also trigger losses towards the 10 DMA at 3874. The 10 DMA level just crossed above the 40 DMA level, creating solid support for prices at these levels. Indicators point to higher prices; however, futures need to break above 4200 to confirm the outlook.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	4100	4000	3900
Resistance	4200	4250	4300
Moving Averages (10,40,100)	3874	3819	3445
Open Interest	96,346 (+933)	Volumes	20,629

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday as prices struggled above the 40 DMA level, closing at 8542. The %K/%D continues to strengthen and is about to enter the overbought territory. The MACD diff is positive and diverging, suggesting a growing appetite for higher prices. To confirm this momentum, futures need to break above the 40 DMA level at 8928 to trigger the momentum. A break above this level, towards 9000 and 10000, would confirm the growing bullish momentum. Conversely, appetite for prices below the 8000 could trigger a test of support at 10 DMA. A long-legged doji candle shows indecision about either direction as it traded within Wednesday’s range. The indicators point to growing buying momentum, but futures need to close above the current resistance to confirm this.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Diverging		
Support	8000	7565	7025
Resistance	8928	9000	10000
Moving Averages (10,40,200)	7565	8928	5531
Open Interest	154,980 (+2,061)	Volumes	20,708

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures opened higher yesterday, but resistance of 7000 caused futures to close lower on the day at 6896. The stochastics are diverging on the upside, with the %K/%D now rising higher about to enter the overbought territory, and the MACD diff is positive and diverging. A break of the 7000 level could trigger gains through 40 DMA at 7544, with the tertiary level at 8000. On the downside, a break below the 10 DMA at 6208 could set the scene for bearish momentum towards 6000. A thin candle body has been formed, which points to market indecisiveness about higher prices; however, the indicators point to further upside momentum in the near term.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Diverging		
Support	6208	6000	5500
Resistance	7000	7348	7544
Moving Averages (10,40,100)	6208	7544	4579
Open Interest	240,842 (-2,234)	Volumes	15,640

Source: ICE

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