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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures held their nerve yesterday as intraday trading saw futures held firmly above the 19.00 level, closing at 19.10. The stochastics are rising, with %K/%D diverging on the upside in the overbought, as the MACD diff is positive and diverging, signalling growing buying pressures. To confirm the outlook for higher prices, futures need to break above the resistance at 19.21, which could set the scene for futures to take out the resistance at 19.80. On the downside, the market needs to break back below the 19.00 level before coming back to recent lows. The candle found support above 19.00, 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, and indicators point to a continuation of this trend.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Diverging		
Support	19.00	18.63	18.10
Resistance	19.09	19.80	20.00
Moving Averages (10,40,100)	18.68	19.09	20.90
Open Interest	881,990 (-3,634)	Volume	235,230

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher yesterday, causing futures to close above 540.20 at 540.40. The %K/%D continues to diverge on the upside into the overbought area, suggesting a continuation of the recent trend in the near term. The MACD is positive and diverging. To maintain positive momentum, prices need to close above the 40 DMA at 540.96 and then target the 550 level. On the downside, the rejection of prices above current levels could trigger losses back to the 10 DMA level at 530 before targeting 512.60. Buying pressure has been weak, but the indicators point to a continuation of that momentum. The doji candle confirms market uncertainty. The break of resistance at 40 DMA could confirm the outlook for higher prices in the near term.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	540.20	530.01	512.60
Resistance	540.96	550	574
Moving Averages (10,40,100)	530.01	540.96	590.04
Open Interest	100,411 (+1,046)	Volume	11,794

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures edged marginally higher, but the bullish momentum was not strong enough to break above 235 and futures closed at 233.35. The stochastics are now falling, with %K/%D converging on the downside in the overbought, suggesting a possible trend changes in the near term. The MACD diff is positive and converging. The rejection of prices above 235 has formed a candle with a narrow body but a long wick on the upside, suggesting markets testing and rejecting prices above near-term resistance. If prices were to break above this level, this could trigger a test of 240 and the recent highs. To confirm the shooting star formation, futures need to take out the 10 DMA at 226.60 and then robust support at 220. A break below this level would confirm the outlook for lower prices.

10 Day % K Stochastic	Overbought Falling		
10 Day % D Stochastic	Overbought Falling		
MACD (12, 26)	Positive Converging		
Support	226.60	220	217.29
Resistance	235	240	245
Moving Averages (10,40,100)	226.60	217.29	199.70
Open Interest	248,595 (+2,773)	Volumes	58,479

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures failed above the previous day's highs yesterday as moderate selling pressure caused futures to close at 4294. The stochastics indicate a possible trend change, with %K/%D converging on the downside into the overbought, as the MACD is converging on the downside, suggesting lower prices in the near term. Indeed, the reaffirmation of resistance yesterday at recent highs of 4338 has formed a shooting star candle, suggesting a waning appetite for higher prices. If prices were to break back above this robust level, this could trigger a test of 4500. To confirm the double top formation, futures need to take out 10 DMA at 4126 and then robust support at 4000. The indicators are overbought and indicate that upside momentum is waning. To confirm this, futures need to break below the near-term support.

10 Day % K Stochastic	Overbought Falling		
10 Day % D Stochastic	Overbought Falling		
MACD (12, 26)	Positive Converging		
Support	4200	4126	4000
Resistance	4338	4400	4500
Moving Averages (10,40,100)	4126	3883	3507
Open Interest	96,069 (-317)	Volumes	23,327

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures edged higher yesterday, breaking above the 40 DMA resistance - the level it struggled to breach in recent sessions - and closing at 9084. The stochastics are rising, with %K/%D diverging on the upside in the overbought, and the MACD diff is positive and diverging, confirming the positive momentum. The reaffirmation of support at 40 DMA at 8849 could set the scene for higher prices back to test the 9500 level. On the downside, futures need to break below the current support to end the recent sessions' bull trend. Indeed, the 40 and 10 DMAs are providing robust support levels. The market needs to gain a footing completely above the 40 DMA in the immediate term to improve the outlook.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	8486	8000	7025
Resistance	9000	9500	10000
Moving Averages (10,40,200)	8486	8849	5665
Open Interest	155,918 (-274)	Volumes	26,830

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa strengthened yesterday, as moderate buying pressure triggered a close on the front foot above 7000 at 7232. The stochastics are rising, diverging on the upside in the overbought, and the MACD is growing, suggesting building upside pressures. A longer bullish candle body with little shadow suggests growing buying momentum; this could set the scene for higher prices to break above 7348. This would confirm the trend for rising prices, up to the 40 DMA at 7472. On the downside, a breach of support at the 10 DMA at 6843 would strengthen the bearish momentum. This could also trigger losses below 6000. Indicators point to higher prices. However, futures need to break above 7348 to confirm the outlook.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	7000	6843	6500
Resistance	7350	7472	8000
Moving Averages (10,40,100)	6843	7472	4687
Open Interest	241,694 (+501)	Volumes	13,945

Source: ICE

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