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# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures failed above the previous day's highs yesterday as intraday trading caused futures to close at 19.49. The stochastics are rising, with %K/%D diverging towards the overbought; the MACD diff is positive and diverging, suggesting growing upside pressures. The rejection of prices at 19.80 once again has formed a candle with a short body but a longer lower wick, confirming a lack of appetite for higher prices. If prices were to break back above this level, this could trigger a test of 20.00 and then 20.50. To confirm another bearish candle, futures need to take out 10 DMA at 19.32 and then support at 40 DMA. A break below this level would confirm the outlook for lower prices.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Diverging		
Support	19.32	19.00	18.97
Resistance	19.80	20.00	20.50
Moving Averages (10,40,100)	19.32	18.97	20.46
Open Interest	833,627 (+1,035)	Volume	215,632

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures softened yesterday as moderate selling pressure saw futures struggle above 550 to close below at 547.20. The stochastics are converging on the downside, a clear bearish signal. The MACD diff is positive and converging, confirming the outlook for lower prices in the near term. To confirm that trend, futures need to break below the near-term support at 10 DMA at 542.93, which could set the scene for prices to take out 40 DMA at 535.05. On the upside, a break back above 550 would strengthen the bullish momentum into 575. A bearish candle with a longer lower wick points to appetite for lower prices, but near-term support caps the downside losses. We expect futures to weaken today.

10 Day % K Stochastic	Neutral Falling		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Positive Converging		
Support	542.93	535.05	512.00
Resistance	550	560	574
Moving Averages (10,40,100)	542.93	535.05	575.90
Open Interest	96,128 (+685)	Volume	16,492

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee futures opened higher yesterday, but resistance at 233.35 caused futures to close lower on the day at 229.30. The stochastics are converging on the downside, and the MACD diff fluctuated around the zero level, suggesting marginal downside impetus in the near term. On the downside, a break of 10 DMA at 227.14 could trigger losses through 220, with the tertiary level at 40 DMA at 1217.15. On the upside, a break above 233.35 could set the scene for bullish momentum towards 240. The candle closing lower on the day could be a sign that futures found a robust resistance at 233.35, and the indicators point to accelerating downside momentum. To confirm this, the robust support level has to be taken out first.

10 Day % K Stochastic	Neutral Falling		
10 Day % D Stochastic	Neutral Rising		
MACD (12, 26)	Negative Diverging		
Support	227.14	220	217.15
Resistance	233.35	240	245
Moving Averages (10,40,100)	227.14	217.15	204.70
Open Interest	209,068 (+1,997)	Volumes	30,509

Source: ICE

# Ldn 2nd Month Coffee Futures



Ldn coffee futures opened higher day on the day, but resistance at 4200 caused the futures to close at 4117. The stochastics and the MACD diff are both flat following recent weakness, suggesting that the trend support level is robust for prices to breach in the meantime. A break below the 10 DMA level could trigger losses through the trend support, with the tertiary level at 4000. On the upside, a break above the near-term resistance at 4200 could set the scene for bullish momentum towards 4300. This would confirm the ascending triangle formation pattern. We expect futures to remain supported above the longer-term trend support in the near term.

10 Day % K Stochastic	Neutral Flat		
10 Day % D Stochastic	Neutral Flat		
MACD (12, 26)	Negative Flat		
Support	4099	4000	3900
Resistance	4206	4338	4400
Moving Averages (10,40,100)	4099	3884	3627
Open Interest	87,400 (-1,179)	Volumes	11,476

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday after piercing the support level at 7700. The market closed at 7848. The stochastics are falling, with %K/%D about to enter the oversold. The MACD diff is negative and diverging. The reaffirmation of support at 7700 could set the scene for higher prices back to test the 40 DMA level at 8400, 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 7025 support level has been robust in the last couple of months; 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.

<b>10 Day % K Stochastic</b>	Neutral Falling		
<b>10 Day % D Stochastic</b>	Neutral Falling		
<b>MACD (12, 26)</b>	Negative Converging		
<b>Support</b>	7700	7025	7000
<b>Resistance</b>	8000	8400	9119
<b>Moving Averages (10,40,200)</b>	9119	8400	5999
<b>Open Interest</b>	135,249 (-1,578)	Volumes	37,379

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures opened lower but managed to close higher day-on-day at 6638. The stochastics are falling closer to the oversold, but the downside momentum is stalling. The MACD diff is negative and diverging. On the upside, futures need to break back above the resistance levels of 40 DMA at 6990 and 8000 to trigger the momentum. Conversely, appetite for prices below 6000 could trigger a test of support of 5359. A dragonfly doji candle shows rejection of lower prices and confirms the indicators' momentum of stalling downside pressures.

<b>10 Day % K Stochastic</b>	Neutral Falling		
<b>10 Day % D Stochastic</b>	Neutral Falling		
<b>MACD (12, 26)</b>	Negative Diverging		
<b>Support</b>	6500	6000	5359
<b>Resistance</b>	6990	7000	7516
<b>Moving Averages (10,40,100)</b>	7516	6990	4986
<b>Open Interest</b>	242,450 (+1,577)	Volumes	38,317

Source: ICE

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