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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar strengthened yesterday, as protracted buying pressure triggered a close on the front foot at 20.85. The stochastics are rising, with %K/%D is diverging on the upside in the overbought. The MACD diff is positive and diverging. A narrow bullish candle body with a long lower wick suggests growing buying pressures; this could set the scene for higher prices to break above the resistance at 21.00. This would confirm the trend for rising prices, up to the 21.50 and 22.00 – the April high. On the downside, a breach of support at 100 DMA would strengthen the bearish momentum. This could also trigger losses towards 20.00. While indicators are overbought, recent upside pressures indicate that prices are likely to remain supported above the 100 DMA in the near term.

10 Day % K Stochastic Overbought Rising

10 Day % D Stochastic Overbought Rising

MACD (12, 26) Positive Diverging

Support	20.36	20.00	19.78
Resistance	21.00	21.50	22.00
Moving Averages (10,40,100)	19.78	19.09	20.36
Open Interest	722,293 (-485)	Volume	103,948

Source: ICE

Ldn 2nd Month Sugar Futures

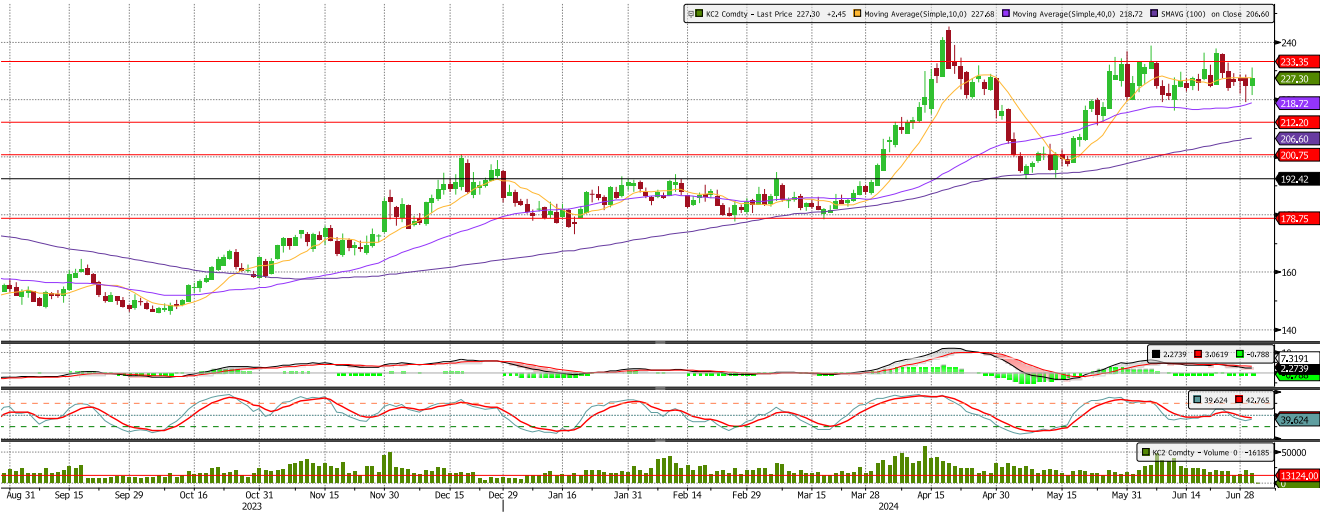


Ldn sugar futures edged higher yesterday, testing the resistance at 100 DMA and closing at 576.30. The stochastics are rising, with %K/%D diverging further into the overbought, as the MACD diff is positive and diverging, suggesting further buying pressures on the near term. The reaffirmation of support at 100 DMA at 573.04 could set the scene for higher prices to test the 580 and 600, respectively. On the downside, futures need to break below the support of 10 DMA at 555.37 in order to end the recent sessions' bull trend. Indeed, the 10, 40 DMAs are providing robust support levels. Markets are hesitating above the 100 DMA in the meantime, and if this level is breached, it could trigger strong upside pressures over the longer term.

10 Day % K Stochastic	Overbought Rising		
10 Day % D Stochastic	Overbought Rising		
MACD (12, 26)	Positive Diverging		
Support	570	555.37	550
Resistance	573.04	580	600
Moving Averages (10,40,100)	555.37	537.57	573.04
Open Interest	98,739 (-793)	Volume	23,978

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures opened higher; however, prices struggled above 10 DMA and closed below at 227.30. The stochastics are rising, with %K/%D seen converging on the upside. The MACD is negative and converging, suggesting waning selling pressures in the near term. However, the rejection of higher prices above 10 DMA may prompt a break back towards support at 220 and then 40 DMA at 218.72, a subsequent breach of this level could trigger losses towards 212.20. On the upside, a break of 10 DMA resistance may prompt futures to test 240. A subsequent breach of this level would prompt prices to regain upside momentum in the near term. Longer upper and lower wicks point to a lack of appetite out of the current trading range; however, the future needs to break above 10 DMA support to confirm the indicators' outlook on the upside.

10 Day % K Stochastic	Neutral Rising		
10 Day % D Stochastic	Neutral Falling		
MACD (12, 26)	Negative Diverging		
Support	220	218.72	212.20
Resistance	227.68	233.35	240
Moving Averages (10,40,100)	227.68	218.72	206.60
Open Interest	210,132 (-974)	Volumes	27,262

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures failed above the 10 DMA yesterday as intraday trading caused them to close at 4092. The stochastics are rising, with %K/%D about to converge on the upside, which could send a strong buy signal. The MACD diff is negative and converging. The rejection of prices at 10 DMA at 4099 once again has formed a candle with a short body and a longer lower wick, confirming a lack of appetite for higher prices. If prices were to break back above these levels, this could trigger a test of 4200. To suggest a bearish candle, futures need to take out 4000 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 Falling		
MACD (12, 26)	Negative Converging		
Support	4000	3907	3769
Resistance	4099	4200	4338
Moving Averages (10,40,100)	4099	3907	3664
Open Interest	84,472 (-764)	Volumes	12,452

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday as prices struggled below 7025, causing the market to close at 7788. The stochastics are rising, with %K/%D about to converge on the upside out of the oversold. The MACD diff is negative and converging, suggesting waning selling pressures in the near term. To confirm the outlook for higher prices, futures need to close back above 8000 and then target 10 DMA at 8099. The 40 DMA is starting to close in and resisting prices on the upside. Recent days' narrow trading range in the last couple of sessions point to market uncertainty, and the futures need to break out of current resistance/support to confirm the longer-term outlook.

10 Day % K Stochastic	Oversold Rising		
10 Day % D Stochastic	Oversold Flat		
MACD (12, 26)	Negative Converging		
Support	7025	7000	6058
Resistance	8000	8307	8476
Moving Averages (10,40,200)	8476	8307	6058
Open Interest	135,488 (+297)	Volumes	22,468

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures edged higher yesterday as intraday trading saw prices supported above 6000. The market closed at 6476. The %K/%D is about to converge on the upside. The MACD diff is negative and converging, suggesting waning selling pressure. The indicators point to higher prices in the near term and to confirm the support at 6000, prices need to take out 10 and 40 DMAs at 6749 and 6877, respectively. A break above these levels towards 7348 would confirm the strong bullish momentum. Conversely, appetite for prices below 6000 could trigger a test of 5359; tertiary support stands at 5068. Two opposite doji candles point to market uncertainty around price movement, and futures need to take out near-term resistance to set the scene for further bullish momentum.

10 Day % K Stochastic	Oversold Rising		
10 Day % D Stochastic	Neutral Flat		
MACD (12, 26)	Negative Converging		
Support	6000	6500	6068
Resistance	6749	6877	7000
Moving Averages (10,40,100)	6749	6877	5068
Open Interest	227,949 (-12,715)	Volumes	26,476

Source: ICE

Risk warning

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