

Authors

Daria Efanova
Head of Research

MON 11 NOVEMBER 2024 09:50

Softs Technical Charts

NY 2nd Month Sugar Futures



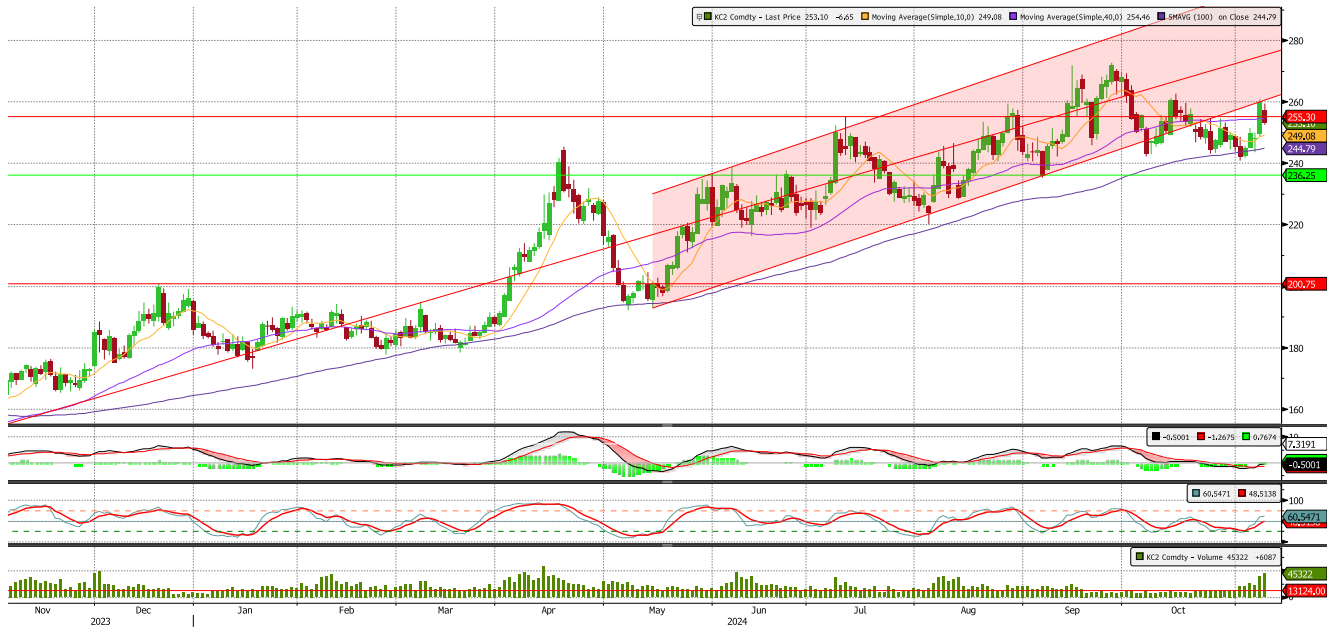
NY sugar futures struggled above the robust resistance of 20.76 on Friday, prompting a close on the back foot at 20.39. The stochastics are falling, with %K/%D seen diverging on the downside. The MACD converged on the downside, suggesting a lack of upside appetite. The rejection of higher prices may prompt a break back towards support at 20.08; a subsequent breach of this level could trigger losses towards the 100 DMA at 19.98. On the upside, a break of the robust resistance at 20.76 may prompt futures to test 21.00. A subsequent breach of this level would prompt prices to regain upside momentum above the 40 DMA at 21.07. Recent weeks' trading points to a lack of appetite out of the current trading range; however, the future needs to break below 20.00 support to confirm the indicators' outlook on the downside.

Ldn 2nd Month Sugar Futures



Ldn sugar futures opened higher day on day on Friday but struggled above the trend resistance once again, keeping prices within the recent weeks' trading range and closing at 569.20. The stochastics are falling, with the %K/%D edging lower towards the oversold, as the MACD diff is negative and diverging. This suggests we could see further downside momentum in the near term. To confirm this, prices need to edge below Friday's close. However, we expect the trend support, currently at 560, to hold in the near term. On the upside, a break above 575 and 580 could signal further upside potential. The bearish candle body, after modest gains on Thursday, points to resistance at the trend line standing firm, and we could see prices edge lower today as they struggle above this level.

NY 2nd Month Coffee Futures



Prices weakened on Friday as moderate selling pressure triggered a close at 253.10. The MACD diff is positive and diverging. The stochastics, however, are once again showing signs of convergence on the downside, as %K/%D are starting to tail off. The inside day on Friday suggests a continuation of the recent trend on the upside. To confirm this, futures must first break above the 260 level before targeting the longer-term upside trend. Conversely, a fall below the 10 DMA support at 249.08 could trigger losses to 100 DMA at 244.79. The indicators paint a mixed picture, and we expect the futures to remain trading sideways in the near term.

Ldn 2nd Month Coffee Futures



Ldn coffee futures weakened marginally on Friday after struggling above the 4500 level, prompting a close at 4376. The MACD diff is positive and flat. The stochastics are tailing off on the upside, pointing to a stalling upside trend. However, the inside day candle suggests a continuation of the recent trend of sideways pressures. Dips in the market have not been well bid, and the current support at 4338 could point to a lack of appetite for downside momentum. Conversely, a break above 4500 could trigger gains to 100 DMA at 4576. The indicators point to weakening upside momentum, but candles need to break below the near-term support to confirm this.

NY 2nd Month Cocoa Futures



NY cocoa futures opened higher on Friday, but the upside momentum struggled to break above recent highs of 7300 and closed below this level at 6987. The stochastics are falling, with %K now leaving the overbought, providing a strong sell signal. The MACD diff is positive. To confirm the %K/%D sell signal, futures would need to break below support of 6950 before targeting the 10 DMA at 6888. On the upside, a break above 7336 could trigger gains to 100 DMA at 7474. The volumes have been increasing in recent days, which could lead to a higher appetite that is out of the current range in the near term. We expect futures to remain at elevated levels in the near term, and a break out of current levels would suggest the building momentum.

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures edged marginally higher on Friday, but the bullish momentum was not strong enough to break above 5700 and futures closed at 5616. The %K/%D is rising further into the overbought, and the MACD diff is positive and diverging. The rejection of prices above 5700 has formed a candle with a narrow body but a long upper wick, suggesting that markets are testing prices above near resistance. If prices were to break above this level, this could trigger a test of the 100 DMA at 5981. To confirm the shooting star formation, futures need to take out 5359 and then robust support at 5000. A break below this level would confirm the outlook for lower prices.

Risk warning

This is a marketing communication. The information in this report is provided solely for informational purposes and should not be regarded as a recommendation to buy, sell or otherwise deal in any particular investment. Please be aware that, where any views have been expressed in this report, the author of this report may have had many, varied views over the past 12 months, including contrary views.

A large number of views are being generated at all times and these may change quickly. Any valuations or underlying assumptions made are solely based upon the author's market knowledge and experience.

Please contact the author should you require a copy of any previous reports for comparative purposes. Furthermore, the information in this report has not been prepared in accordance with legal requirements designed to promote the independence of investment research. All information in this report is obtained from sources believed to be reliable and we make no representation as to its completeness or accuracy.

This report is not subject to any prohibition on dealing ahead of the dissemination of investment research. Accordingly, the information may have been acted upon by us for our own purposes and has not been procured for the exclusive benefit of customers. Sucden Financial believes that the information contained within this report is already in the public domain. Private customers should not invest in these products unless they are satisfied that the products are suitable for them and they have sought professional advice. Please read our full risk warnings and disclaimers (www.sucdenfinancial.com/en/risk-warning-and-disclaimers).