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Daily Softs Technical Charts

NY Sugar 2nd Month Futures



NY sugar futures edged higher yesterday as intraday trading prompted prices to close at 13.96. The market rejected prices above 14 and the market closed above the 40 DMA. The stochastics are falling towards oversold, as the MACD diff is negative and has diverged in recent sessions, suggesting improving downside pressure. Repeated rejection of prices above 14 has increased downside impetus, however prices hold above key support. Futures need to break below this level in order to confirm the rejection of 14.10. To suggest a change in trend, prices need to breach 13. On the upside, reaffirmation of support at 13.79 could strengthen the outlook of higher prices in the near term but the market needs to take out 14.17 to regain upside conviction. We anticipate prices to edge higher in the near term, as dips remain bought but prices need to hold above 14.17.

10 Day % K Stochastic	29.44	Falling	
10 Day % D Stochastic	42.01	Falling	
14 Day RSI	49.20	Falling	
Support	13.79	13.39	13
Resistance	14.17	14.30	14.56
Moving Averages (10,40,100)	14.17	13.92	13.39
Open Interest	1,077,372	(-2,770)	

Source: ICE

Ldn Sugar 2nd Month Futures



Ldn sugar futures held their nerve yesterday after prices failed at the 40 DMA and closed at 393.80. The stochastics are falling with the %K stochastic falling into oversold territory. The MACD diff is negative and diverges on the downside. The rejection of prices at the 40 DMA could trigger losses back towards 383.43 before prices test the 100 DMA at 378.25. A break of the 100 DMA would confirm a change in trend to the downside. On the upside, in order to confirm the outlook of higher prices, futures need to break above the 40 DMA at 397.15. To regain upside conviction, prices need to hold above 403 and then target 410. Buying pressure has started to improve but futures remain below key resistance and upside momentum has not been confirmed.

10 Day % K Stochastic	23.93	Falling	
10 Day % D Stochastic	29.10	Falling	
14 Day RSI	46.15	Falling	
Support	389.70	383.43	378.82
Resistance	397.56	403	410
Moving Averages (10,40,100)	398.27	397.56	378.82
Open Interest	87,753	(-351)	

Source: ICE

Ldn Coffee 2nd Month Futures



Ldn coffee futures buckled yesterday as futures closed at 1388, below support at the 76.4% fib level. The stochastics are neutral, as is the MACD diff is negative and starting to diverge. The DMI is falling but is positive and this suggests waning upside momentum. We could see selling pressure prompt a challenge of trend support at 1370. A break of this level could trigger a breach of 1357, with the tertiary level at 1331. A breach of 1331 would bring into question the recent rally. Reaffirmation of trend support could set the scene for higher prices. Futures need to take out the recent high and then 1450 to regain upside momentum. The tertiary level is 1479. We anticipate prices to soften in the near term back to trend support.

10 Day % K Stochastic	47.59	Rising	
10 Day % D Stochastic	48.58	Rising	
14 Day RSI	51.83	Rising	
Support	1370	1331	1300
Resistance	1400	1426	1450
Moving Averages (10,40,100)	1388	1346	1357
Open Interest	107,252 (+776)	Volumes	12,673

Source: ICE

NY Cocoa 2nd Month Futures



NY cocoa futures sold off yesterday as protracted selling pressure prompted a test of support below 2694. Support for prices below this level triggered a close at 2691. The stochastics are starting to edge lower and we have seen a sell signal from the stochastics. The RSI and MACD diff are falling and we expect prices to weaken in the near term. Support for futures below 2694 could trigger gains back towards 2800 but selling pressure suggests lower prices back to 2600. A subsequent breach here could trigger losses back to the 50% fib level at 2513. We expect futures to weaken in the near term.

10 Day % K Stochastic	67.23	Falling		
10 Day % D Stochastic	78.55	Falling		
14 Day RSI	57.64	Falling		
Support	2600	2500	2417	
Resistance	2694	2800	2935	
Moving Averages (10,40,200)	2706	2468	2417	
Open Interest	201,105	(+2,049)	Volumes	42,854

Source: ICE

Ldn Cocoa 2nd Month Futures



Ldn cocoa futures buckled yesterday after prices failed above 2500, this caused a close at 2444.94. The market has gapped lower this morning. The stochastics are weaker, and have given a sell signal. The MACD diff is also positive and converges on the upside suggesting lower prices in the near term. The break through support at 2400 has increased downside impetus. We expect the market to soften in the near term as selling pressure increases with 2300 a downside target.

10 Day % K Stochastic	68.56	Falling	
10 Day % D Stochastic	82.31	Falling	
14 Day RSI	57.56	Falling	
Support	2350	2300	2225
Resistance	2432	2450	2500
Moving Averages (10,40,100)	2441	2225	2220
Open Interest	201,105	(-12,374)	Volumes 30,843

Source: ICE

Risk warning

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