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Daily 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 15.56. The stochastics have softened, with %K/%D about to converge on the downside, and the MACD diff is negative but lacked the conviction to suggest the outlook. The rejection of prices at 15.79 and a break below 40 and 10 DMA suggests an appetite for lower prices. If prices were to break back above Tuesday's highs, this could trigger a test of 16.00 and then 16.10. To confirm another bearish candle, futures need to take out 15.50 and then robust support at 15.29. A break below this level would confirm the outlook for lower prices.

10 Day % K Stochastic	30.59	Falling	
10 Day % D Stochastic	35.21	Falling	
14 Day RSI	44.90	Falling	
Support	15.50	15.29	15.20
Resistance	15.79	16.00	16.12
Moving Averages (10,40,100)	15.66	15.79	14.86
Open Interest	1,055,534 (+7,681)	Volume	67,868

Ldn 2nd Month Sugar Futures



Prices weakened yesterday as moderate selling pressure triggered a close at 442.50. The stochastics are falling; the %K/%D just converged on the downside and now edging towards the oversold, signalling a continuation of a bearish trend. The MACD diff is negative and remained flat in the last couple of sessions. Prices tested 442.20; however, a close above and a short wick support market indecisiveness below that level. On the upside, a break above 40 and 10 DMA at 445.92 and 449.60, respectively, could see the test of 449.60 level. Conversely, a break below the 440 support line could set the scene for a test of 438. We expect prices to soften today and remain on the back foot.

10 Day % K Stochastic	35.83	Falling	
10 Day % D Stochastic	42.09	Falling	
14 Day RSI	47.09	Falling	
Support	440	438	430
Resistance	446.22	449.60	452.80
Moving Averages (10,40,100)	444.37	446.22	422.36
Open Interest	87,379 (+417)	Volume	6,111

NY 2nd Month Coffee Futures



NY coffee futures sold off yesterday after investors rejected prices above 135, prompting a close below 131 at 129.95. The stochastics are falling, with RSIs in neutral territory; the %K/%D converged on the downside and edging towards the oversold territory, suggesting a short-term negative trend. The MACD diff is negative and diverging, indicating improving sentiment on the downside. To confirm another bearish candle and form the three black crows formation, prices need to break below the support level at 40 DMA at 129.68 before the 23.8% fib level at 129.51. On the upside, to regain upside conviction, futures need to close back above 10 DMA at 131.47 and then 135.45 in the near term. Near term momentum is on the downside; the close below the shorter-term DMA confirms this trend.

10 Day % K Stochastic	56.30	Falling	
10 Day % D Stochastic	54.57	Rising	
14 Day RSI	47.06	Falling	
Support	129.51	126.75	126
Resistance	135.45	136.25	138.65
Moving Averages (10,40,100)	131.47	129.68	123.64
Open Interest	281,591 (+2,041)	Volumes	38,016

Ldn 2nd Month Coffee Futures



Ldn coffee softened yesterday as protracted selling pressure prompted a close below the 10 DMA level of 1397 at 1386. The stochastics are rising, while the %K/%D is soon to converge on the downside, suggests further momentum on the downside. The MACD diff is negative but has lacked conviction; the DMI remains broadly negative. The red candle opening price being above the previous day's closing price suggests that the markets started on the front foot, but the bears have taken over the session; however, prices are struggling to break below the 40 and 100 DMAs at 1382 and 1372, respectively. If futures do break below these levels, this would confirm a strong bearish momentum. In order to confirm the outlook of higher prices, futures need to reaffirm support at 10 DMA at 1397 and then take out last week's highs in order to regain upside momentum. Near term momentum favours the downside, however, prices need to break below the DMA support levels to confirm the outlook.

10 Day % K Stochastic	62.91	Rising		
10 Day % D Stochastic	57.98	Rising		
14 Day RSI	49.45	Rising		
Support	1384		1376	1370
Resistance	1420		1423	1430
Moving Averages (10,40,100)	1398		1384	1372
Open Interest	118,815 (+1,441)		Volumes	8,298

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures edged higher yesterday as intraday trading saw prices tested resistance at 10 DMA at 2551 once again, the futures closed just above at 2552. The stochastics are rising, with %K/%D about to converge on the upside just outside the oversold area, and the MACD diff is negative and converging, suggesting we could see a change in momentum in the near term. On the downside, futures need to break below the support of 2523 and then 50% fib level at 2513.50 in order to confirm the outlook of lower prices. On the upside, the reaffirmation of support at 10 DMA could set the scene for higher prices back to 2578. The long upper wick and close just above the 10 DMA points to strong buying pressure in the near term.

10 Day % K Stochastic	26.59	Rising		
10 Day % D Stochastic	30.12	Falling		
14 Day RSI	52.03	Rising		
Support	2523		2513.50	2510
Resistance	2578		2600	2612
Moving Averages (10,40,200)	2551		2510	2453
Open Interest	116,174	(+489)	Volumes	26,271

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures gained ground yesterday as buying pressure prompted a close on the front foot at 2404. The stochastics are falling, but %K/%D is seen converging on the upside near the oversold territory, the MACD negative and diverging, painting a mixed outlook. Resistance at 10 DMA at 2429 has held firm in recent weeks, and this could trigger gains to 2450. On the downside, a break below 2373 may set the scene for a test of 40 DMA at 2367 and then a correction to the downside. A break of that support could pave the way for lower prices through 2350. Near term momentum is on the upside, and we expect to see futures trade higher.

10 Day % K Stochastic	25.86	Rising		
10 Day % D Stochastic	28.28	Falling		
14 Day RSI	49.47	Falling		
Support	2373		2355	2350
Resistance	2429		2434	2450
Moving Averages (10,40,100)	2429		2367	2307
Open Interest	225,283	(+2,386)	Volumes	19,870

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