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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar prices gained ground yesterday as increased appetite for higher prices triggered a break above 16.00, and closing at 16.31. The stochastics favour the upside; however are overbought, with the %K stochastic entering the overbought territory. The MACD diff is positive and diverging, pointing to an improved outlook. The RSI is rising, and yesterday's candle suggests we could see prices challenge 16.50 in the near term. In the medium term, futures need to hold above that level to maintain the bullish outlook. On the downside, a break below the 40 DMA support level at 15.68 could trigger losses back to 10 and 100 DMA at 15.32 and 15.08, respectively. Three white soldiers formation confirms the outlook or higher prices, however, the recent rally might be hard to sustain, and we might see a retraction today.

10 Day % K Stochastic	86.48	Rising	
10 Day % D Stochastic	74.32	Rising	
14 Day RSI	67.14	Falling	
Support	15.67	15.47	15.29
Resistance	16.50	17.05	17.52
Moving Averages (10,40,100)	15.47	15.67	15.10
Open Interest	1,052,771 (+3,086)	Volume	252,597

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 456.40. The RSI is rising, while %K/%D is diverging in the overbought. The MACD diff is positive and diverging, confirming growing buying pressures. On the upside, finding support above the 452.80 could trigger gains through 460 towards 469.60 – the February high. On the downside, a break below the support level of 40 DMA at 440.90 could trigger losses back towards the trend support and 10 DMA at 430.75. The futures' losses have been capped at 10 DMA, and a break below that level could set the scene for lower prices in the near term. Strong bullish candles highlight a strong appetite on the upside, but prices need to break above the 460 level to confirm continued bullish sentiment.

10 Day % K Stochastic	77.71	Falling	
10 Day % D Stochastic	67.36	Rising	
14 Day RSI	57.41	Falling	
Support	440.99	433.77	427.60
Resistance	460	465.40	469.60
Moving Averages (10,40,100)	433.77	440.99	427.85
Open Interest	76,006 (-923)	Volume	9,854

Source: ICE

NY 2nd Month Coffee Futures



NY coffee strengthened marginally yesterday, as buying pressure triggered a close on the front foot at 134.70. The stochastics are rising, with %K/%D is diverging on the upside in the overbought. The MACD diff is positive and diverging. Narrow bullish candle body with long lower wick suggests growing buying pressures; this could set the scene for higher prices to break above the resistance at 135, but prices struggled above that level. This would confirm the trend for rising prices, up to 140.45, the February highs. On the downside, a breach of support at 131 would strengthen the bearish momentum. This could also trigger losses towards the 10 DMA at 129.46. Indicators point to higher prices, but with prices struggling in the past above 135, futures are capped on the upside.

10 Day % K Stochastic	87.09	Rising	
10 Day % D Stochastic	74.77	Rising	
14 Day RSI	61.76	Rising	
Support	131.20	131	129.46
Resistance	135	140	140.45
Moving Averages (10,40,100)	129.46	131.20	127.15
Open Interest	280,445 (+746)	Volumes	63,525

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged lower yesterday as prices closed at 1389. The indicators continue to favour the upside, with %K/%D diverging in the overbought area, suggesting growing buying pressures. A break below 1376 would bring into play the recent sessions' support level at 10 DMA at 1367; this would help create the hanging man formation. Prices have been relatively well supported above 1350, and in order to indicate an improvement of market sentiment on the upside, futures need to gain a footing above 40 DMA at 1397 and then target 1420 in the near term, a firm resistance level. The break above that resistance level, however, would confirm the ascending triangle formation.

10 Day % K Stochastic	61.42	Rising	
10 Day % D Stochastic	43.08	Rising	
14 Day RSI	52.58	Falling	
Support	1367	1350	1332.72
Resistance	1397	1400	1420
Moving Averages (10,40,100)	1367	1397	1373
Open Interest	123,604	(-727)	Volumes 13,506

Source: ICE

NY 2nd Month Cocoa Futures



NY futures gained ground yesterday as protracted buying pressure prompted a test of 2485 resistance level to close on the front foot at 2463. The stochastics are rising, and the %K/%D is converging on the downside, suggesting waning buying pressures in the near term. The MACD diff, however, is seen diverging on the upside. To confirm the bullish candle, futures need to break above the 100 and 40 DMA at 2464 and 2498, respectively. On the downside, the break below 2434 could set the scene for lower prices towards the support of 10 DMA at 2415. However, the market was well supported above that level in recent sessions, and the long upper wick confirms that the buying pressure is subsiding.

10 Day % K Stochastic	68.22	Rising	
10 Day % D Stochastic	49.34	Rising	
14 Day RSI	51.09	Rising	
Support	2434	2415	2414
Resistance	2464	2498	2513.50
Moving Averages (10,40,200)	2415	2498	2464
Open Interest	195,158	(-2,098)	Volumes 36,964

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve yesterday as intraday trading saw prices close at 2247. The stochastics are falling, and %K/%D is converging on the downside in the oversold. The MACD diff, however, is negative and converging, suggesting waning selling pressure. The indicators paint a mixed picture as the prices struggled to break above the 10 DMA in recent sessions; if prices break through that level, it could trigger a test of resistance of 50% fib level at 2301; secondary resistance stands at 100 DMA at 2329, back to last week's levels. On the downside, prices need to take out the 38.2% fib level at 2211. A break below this level towards 2200 would confirm the strong bearish momentum. Another positive doji candle signals market uncertainty and falling resistance DMAs are capping the futures gains, a break out of which would set the scene for strong momentum. We anticipate prices on the back foot in the near term.

10 Day % K Stochastic	35.81	Rising	
10 Day % D Stochastic	5.75	Rising	
14 Day RSI	37.44	Falling	
Support	2211	2200	2190
Resistance	2263	2301	2332
Moving Averages (10,40,100)	2263	2368	2329
Open Interest	211,915 (+1,740)	Volumes	30,844

Source: ICE

Risk warning

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