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# Daily Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures edged higher yesterday as intraday trading saw prices tested support at 17.00. The market closed at 16.88. The RSI is rising, and %K/%D is converging on the downside in the overbought territory. The MACD diff is positive and converging, suggesting waning buying pressure. The indicators point to lower prices in the near term, and to confirm the rejection of the support; prices need to take out 16.55, the previous day's lows. A break below this level towards 10 DMA at 16.17 would confirm the strong bearish momentum. Conversely, appetite for prices above the 17.00 level could trigger a test of resistance at 17.52. A doji candle as part of the three white soldiers formation signals uncertainty about the outlook for higher prices, and the futures need to take out the 17.00 to confirm the bullish sentiment.

10 Day % K Stochastic	91.31 Neutral		
10 Day % D Stochastic	88.43 Rising		
14 Day RSI	70.11 Neutral		
Support	16.85	16.50	15.32
Resistance	17.00	17.05	17.52
Moving Averages (10,40,100)	16.32	15.63	15.23
Open Interest	1,009,699 (-4,926)	Volume	115,753

Source: ICE

# Ldn 2nd Month Sugar Futures



Ldn sugar futures consolidated yesterday as protracted buying pressure prompted a close at 457.80. The stochastics are rising, yet seen converging in the overbought, and the MACD diff is positive but lacks conviction. The bullish candle could set the scene for higher prices, a break of resistance at 460 could trigger gains towards 469.50, February highs. The stochastics are in the overbought, and a new high would help confirm the trend and outlook for higher prices. However, prices have failed above 460 before, and this could set the scene for lower prices to 452.80 and then 449.60. A break of 10 DMA at 446.32 would help confirm the rejection of the double top at 460, a break here would set the scene for lower prices towards 40 DMA level. We expect prices to consolidate recent gains today and remain on the front foot.

10 Day % K Stochastic	88.95	Rising		
10 Day % D Stochastic	82.97	Rising		
14 Day RSI	62.88	Falling		
Support	452.80		449.60	446.32
Resistance	460		465.40	469.60
Moving Averages (10,40,100)	446.32		440.49	430.12
Open Interest	81,069	(+1,153)	Volume	4,337

Source: ICE

# NY 2nd Month Coffee Futures



NY coffee strengthened yesterday, as protracted buying pressure triggered a close on the front foot at 136.15. 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 136.15. This would confirm the trend for rising prices, up to the 140 level before 140.45, February highs. On the downside, a breach of support at 10 DMA 132.77 would help confirm the bearish momentum. This could also trigger losses towards the 131. Indicators point to higher prices, but if prices struggle above current resistance today, futures can be seen lower in the near term.

10 Day % K Stochastic	86.76 Rising		
10 Day % D Stochastic	81.84 Rising		
14 Day RSI	61.98 Rising		
Support	132.77	131.17	131
Resistance	136.15	140	140.45
Moving Averages (10,40,100)	132.77	131.17	127.91
Open Interest	270,389 (-3,513)	Volumes	26,603

Source: ICE

# Ldn 2nd Month Coffee Futures



Ldn coffee futures edged lower yesterday as prices tested 40 DMA before closing at 1408. The indicators continue to favour the upside, yet %K/%D is seen converging in the overbought area, suggesting softer buying pressures. A break below the 40 DMA at 1396 would bring into play the recent sessions' trend support level at 1385; this would help create the hanging man formation. Prices have been relatively well supported above 10 DMA at 1386, and in order to indicate an improvement of market sentiment on the upside, futures need to gain a footing above the previous day's highs at 1414 and then target 1420 in the near term, a firm resistance level. The break above that resistance level would confirm the outlook for higher prices.

10 Day % K Stochastic	84.67	Rising	
10 Day % D Stochastic	74.84	Rising	
14 Day RSI	57.43	Falling	
Support	1396	1386	1385
Resistance	1414	1420	1425
Moving Averages (10,40,100)	1386	1396	1373
Open Interest	124,894 (+310)	Volumes	24,270

Source: ICE

# NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday as intraday trading caused the market to close at 2442. The stochastics are falling, and the MACD diff is positive and converging, suggesting lower prices in the near term. The RSI is also falling; to confirm the outlook of lower prices, futures need to close back below 2434 and then target a 38.2% fib level at 2414. The 40 DMA is starting to close in and resisting prices on the upside. However, a break above that level could set the scene for a 50% fib level at 2513. Two narrow-bodied candles with long wicks 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	60.65	Falling		
10 Day % D Stochastic	63.15	Falling		
14 Day RSI	48.13	Rising		
Support	2434		2414	2400
Resistance	2450		2471	2495
Moving Averages (10,40,200)	2441		2495	2471
Open Interest	195,088	(-1,093)	Volumes	24,436

Source: ICE

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures failed above 2300 once again yesterday as prices closed at 2279. The stochastics are rising, with %K/%D edging towards the overbought territory. The MACD is positive and diverging, pointing to higher prices in the near term. The rejection of higher prices may prompt a break back towards trend support at 2255, a subsequent breach of this level could trigger losses towards 38.2% fib level at 2211. On the upside, a break of 2300 and 50% fib level at 2301 may prompt futures to retest last sessions' highs at 2323. A subsequent breach of this level would prompt prices to regain upside momentum in the near term. Long upper and short lower wicks point to an appetite for higher prices; however, the majority of trading took place at prices below. The future needs to break above 2300 to confirm the outlook on the upside.

10 Day % K Stochastic	57.91	Rising	
10 Day % D Stochastic	47.97	Rising	
14 Day RSI	47.51	Rising	
Support	2259	2250	2211
Resistance	2301	2319	2355
Moving Averages (10,40,100)	2259	2358	2319
Open Interest	218,595 (+1,025)	Volumes	22,154

Source: ICE

## Risk warning

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