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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures softened yesterday after piercing the support level of 10 DMA. The market closed higher at 16.93. The stochastics are falling, with %K/%D just diverging out of the overbought, and the MACD diff is negative and converging, suggesting waning buying pressures. The reaffirmation of support below the 10 DMA at 16.91 could set the scene for higher prices and a test of 17.50 once again. On the downside, futures need to break below the support of 16.50 in order to confirm the bearish trend. The 10 DMA support level has been robust, and the long lower wick suggests an appetite for prices below this level. The market needs to break below the 10 DMA in the immediate term to confirm the outlook.

10 Day % K Stochastic	60.99	Falling	
10 Day % D Stochastic	75.98	Falling	
14 Day RSI	58.44	Falling	
Support	16.50	16.08	16.00
Resistance	17.66	17.52	17.66
Moving Averages (10,40,100)	16.93	15.79	15.39
Open Interest	1,010,139	(-11,521)	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures sold off yesterday as lack of appetite for higher prices helped to confirm the rejection of higher prices on Tuesday, the market closed 450.30. Stochastics are topping out and are starting to fall out of the overbought territory, the RSI and MACD are also positive but is converging, suggesting lower prices in the near term. The sell-off yesterday and close near the highs suggest appetite below current support, but futures struggled to break through it. A break below 449.60 could set the scene for a test of support at the 40 DMA at 441.81, which is improving. The 100 DMA is at 433.37, and we expect robust support at this level. On the upside, support around 470 would help reaffirm the trend on the upside, however, with prices closing below the 10 DMA and bearish indicators, we expect prices to soften in the near term.

10 Day % K Stochastic	58.55	Falling		
10 Day % D Stochastic	76.75	Falling		
14 Day RSI	51.80	Falling		
Support	449.60		441.81	433.37
Resistance	470		476.20	478.80
Moving Averages (10,40,100)	457.34		441.81	433.37
Open Interest	81,785	(+354)		

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures sold off yesterday as lack of appetite for higher prices helped to break the 143.25 support, the market closed at 143. Stochastics are beginning to fall, with %K/%D just converging on the downside in the overbought, suggesting selling momentum in the near term. MACD diff is positive and converging, supporting the outlook for deteriorating prices. Yesterday's session formed a bearish engulfing pattern, a sign of an impending market downturn. The sell-off yesterday and a long body candle suggest further selling pressure below the current support level, and the above-mentioned indicators support lower prices. A break below the 142.45 level could set the scene for a test of support at 140. The 10 DMA is at 138.45, and we expect robust support at this level. On the upside, support around 146.95 would help reaffirm the bullish trend in the near term. We believe that the market lacks conviction, and prices should continue to fall.

10 Day % K Stochastic	85.95	Falling		
10 Day % D Stochastic	88.21	Falling		
14 Day RSI	66.49	Falling		
Support	142.45		140	138.45
Resistance	146.95		150	155
Moving Averages (10,40,100)	138.45		132.09	129.03
Open Interest	281,794	(+1,956)	Volumes	33,731

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures failed above 1479 once again yesterday as prices closed at 1452. The stochastics are converging, with %K/%D about to break on the downside in the overbought territory. The MACD is positive and converging, pointing to lower prices in the near term. The rejection of higher prices may prompt a break back towards support at 1440, a subsequent breach of this level could trigger losses towards 1420. To confirm the triple top, prices need to break below 1376. On the upside, a break of 1479 and 1480 may prompt futures to retest February highs at 1484. Long upper and short lower wicks point to an appetite for higher prices; however, the weakness during the day prevailed, confirming the double top formation. We expect prices to soften in the near term.

10 Day % K Stochastic	86.52	Falling		
10 Day % D Stochastic	86.56	Neutral		
14 Day RSI	64.14	Falling		
Support	1440	1421	1400	
Resistance	1479	1484	1500	
Moving Averages (10,40,100)	1421	1393	1376	
Open Interest	117,164	(-1,068)	Volumes	20,271

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures gained ground yesterday as buying pressure triggered a close on the front foot at 2499. The stochastics are rising, as the MACD diff is positive and diverging, signalling a buy trend in the near term. This suggests we could see higher prices in the near term towards 50% fib level at 2513, but the market needs to take out immediate resistance at 2500 beforehand, confirming the ascending triangle. On the downside, trend support around 2465 is robust, and if this level does not hold firm, we could see prices retreat back through 2434 before 38.2% fib level at 2414. Long upper wick points to the appetite for higher prices, however, futures need to take out 2500 in order to confirm the outlook on the upside.

10 Day % K Stochastic	68.27	Rising		
10 Day % D Stochastic	67.06	Rising		
14 Day RSI	56.37	Rising		
Support	2464		2450	2434
Resistance	2500		2513	2523
Moving Averages (10,40,200)	2464		2476	2480
Open Interest	195,854	(+411)	Volumes	33,575

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures gained ground yesterday as protracted buying pressure prompted a break above the 50% fib level at 2301 to close on the front foot at 2306. The stochastics are rising, yet the %K/%D is converging, suggesting a softer bullish momentum in the near term. The MACD, however, is seen diverging. To confirm another bullish candle, futures need to break above the 100 DMA at 2313 and then target 40 DMA at 2333. On the downside, the break below the 10 DMA at 2286 could set the scene for lower prices towards the trend support. However, the market struggled below that level in recent weeks, and long upper wick suggests there is an appetite for higher prices. Near term resistance stands at 100 DMA, and a breach of this level could confirm a further bullish outlook.

10 Day % K Stochastic	64.79	Falling	
10 Day % D Stochastic	62.54	Rising	
14 Day RSI	50.72	Falling	
Support	2286	2259	2250
Resistance	2313	2333	2355
Moving Averages (10,40,100)	2286	2333	2313
Open Interest	229,328 (+1,905)	Volumes	30,132

Source: ICE

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