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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures failed above 10 DMA on Friday as prices closed at 17.06. The stochastics are falling, and the gap between the %K and %D indicate strong selling pressure. The MACD just converged on the downside, pointing to lower prices in the near term. The rejection of higher prices may prompt a break back towards trend support at 16.85, a subsequent breach of this level could trigger losses towards 16.46. On the upside, a break of 10 DMA at 17.42 and then trend resistance 17.62 may prompt futures to retest last week's highs at 18.23. 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 bears have taken over the session, closing on the back foot. This, in combination with bearish indicators, suggest we could see prices edge lower in the near term.

10 Day % K Stochastic	44.18	Falling	
10 Day % D Stochastic	59.19	Falling	
14 Day RSI	53.05	Neutral	
Support	17.00	16.85	16.46
Resistance	17.46	17.66	18.00
Moving Averages (10,40,100)	17.46	16.27	15.79
Open Interest	1,022,680	(-13,198)	Volume
			95,565

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures softened on Friday after finding support and closing at 454. The stochastics are falling out of the overbought territory, with the %K/%D favouring on the downside, and the MACD diff is negative and diverging, suggesting lower prices in the near term through the support of 452.80. A break below this level would bring into play the 449.60. On the upside, futures need to gain back above 455.60 – the Friday’s high - in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 478.80; this could strengthen the trend in the long run on the upside. The long upper wick points to an increased appetite on the downside, and we could see price edge lower in the near term.

10 Day % K Stochastic	48.13	Falling		
10 Day % D Stochastic	59.77	Falling		
14 Day RSI	49.09	Falling		
Support	452.80		449.60	446.37
Resistance	463.44		470	478.80
Moving Averages (10,40,100)	463.44		446.37	440.39
Open Interest	82,217	(-441)	Volume	3,095

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures edged lower on Friday as prices closed at 145.00. The indicators favour the downside, with %K/%D diverging on the downside, suggesting further selling pressures. A break below 145 would bring into play the recent sessions' support level at 143.85. Prices have been relatively well supported below the trendline, and in order to indicate an improvement of market sentiment on the upside, futures need to gain a footing above 10 DMA at 147.37 and then target the 150 level in the near term. Another short-bodied candle after Friday's doji candle point to market uncertainty, as prices struggle to break below 145. The break below that level, however, would confirm further selling pressures.

10 Day % K Stochastic	48.44	Falling	
10 Day % D Stochastic	59.89	Falling	
14 Day RSI	55.42	Falling	
Support	145.00	141.06	140
Resistance	147.37	150	154.34
Moving Averages (10,40,100)	147.37	136.29	131.73
Open Interest	286,787 (-846)	Volumes	37,151

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures buckled on Friday as protracted selling pressure triggered a close on the back foot below 1479 at 1460. The stochastics are falling, and RSI is also falling. The MACD diff converged on the downside, confirming growing selling pressure; this could set the scene for lower prices towards the 23.6% fib level at 1451. A break below this level would confirm the outlook of lower prices, and a three black crows pattern formation. On the upside, a break above 10 DMA at 1507 resistance level and reaffirmation of support above 1520 could strengthen the trend on the upside in the long run. The long body and a longer downside wick point to an increased appetite for lower prices, and the indicators confirm the outlook for more downside momentum in the near term.

10 Day % K Stochastic	49.74	Falling		
10 Day % D Stochastic	68.11	Falling		
14 Day RSI	50.38	Falling		
Support	1451	1420	1415	
Resistance	1507	1536	1550	
Moving Averages (10,40,100)	1507	1420	1390	
Open Interest	118,030 (+1,352)	Volumes	15,850	

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures gained pace, breaking above 2523 on Friday; however, prices struggled above 2550 and closed on the back foot at 2514. The stochastics are rising, with %K/%D seen converging on the downside in the overbought. The MACD is positive and diverging, painting a mixed picture. The rejection of higher prices may prompt a break back towards support at 200 DMA at 2492, a subsequent breach of this level could trigger losses towards 2485, helping to confirm the double top. On the upside, a break of 2550 may prompt futures to test 2677. A subsequent breach of this level would prompt prices to regain upside momentum in the near term. Long upper and lower wicks point to an appetite in the current trading range, and 10 DMA is crossing above 40 DMA could give futures another leg up; however, the future needs to break above 2550 to confirm the outlook.

10 Day % K Stochastic	77.89	Rising		
10 Day % D Stochastic	68.25	Rising		
14 Day RSI	56.53	Rising		
Support	2500		2492	2484
Resistance	2550		2555	2567
Moving Averages (10,40,200)	2448		2444	2492
Open Interest	198,391	(+807)	Volumes	36,618

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa softened on Friday as protracted selling pressure prompted a close below 2400 at 2399. The stochastics are rising with the %K/%D seen converging on the downside in the overbought, the gap between them suggests further momentum on the upside in the near term. The MACD diff is positive and is converging, suggesting growing selling pressure. The red candle body being above the previous day's green suggests that the bears have taken over the sessions; however, futures remained elevated, confirming the appetite for higher prices. In order to confirm the bullish outlook, futures need to reaffirm support at 2450 and then take out last March's highs at 2511 in order to regain upside momentum in the long term. To confirm the outlook for falling prices, the market needs to break below 2373, which could set the scene for a test of 2355. Near term momentum favours the upside, and we expect this to remain the case in the near term.

10 Day % K Stochastic	85.76	Rising	
10 Day % D Stochastic	78.21	Rising	
14 Day RSI	63.29	Neutral	
Support	2391	2373	2355
Resistance	2425	2450	2459
Moving Averages (10,40,100)	2322	2300	2315
Open Interest	214,948	(-4,607)	Volumes 17,233

Source: ICE

Risk warning

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