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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures gained ground yesterday as protracted buying pressure prompted a test of the 10 DMA level to close on the front foot at 17.72. The stochastics are falling yet converging near the oversold, and the %K seen edging up, highlighting waning selling pressures. The MACD diff is negative and converging. To confirm another bullish candle, futures need to close above 10 DMA at 17.81 and then target 17.87. On the downside, a complete break below 40 DMA at 17.44 could set the scene for lower prices towards the support of 17.00. However, the market struggled below the 40 DMA level in recent sessions, and the bullish engulfing pattern suggests a strong buy signal. We believe that prices will strengthen in the near term.

10 Day % K Stochastic	36.76	Rising		
10 Day % D Stochastic	39.38	Falling		
14 Day RSI	55.25	Rising		
Support	17.46		17.40	17.00
Resistance	17.87		18.00	18.10
Moving Averages (10,40,100)	17.78		17.46	16.69
Open Interest	928,170	(-5,508)	Volume	71,549

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures edged higher yesterday as intraday trading saw prices close at 157.05. The stochastics are rising, with the %K/%D diverging upwards, and the MACD diff is negative and about to converge on the upside. A break of the 40 DMA at 156.13 could trigger losses through 155, with the secondary level at 10 DMA at 153.12. On the upside, a break above trend resistance at 157.84 could set the scene for bullish momentum towards 160. After the last session's market indecisiveness – the spinning top formation – as prices struggle above trend resistance, we could see more downside movement in the near term.

10 Day % K Stochastic	61.02 Rising		
10 Day % D Stochastic	44.48 Rising		
14 Day RSI	56.24 Rising		
Support	156.27	155.40	153.32
Resistance	160	164.65	168.65
Moving Averages (10,40,100)	153.29	156.27	144.18
Open Interest	277,798 (+1,565)	Volumes	33,081

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged lower yesterday, causing the market to close at 1756. The stochastics are rising, with %K/%D diverging in the overbought, but the MACD diff lacks conviction, suggesting market indecisiveness. To confirm the outlook of higher prices, futures need to close back above 1768; the level prices struggled to break above since late May 2018 and then target 1800. On the downside, a break below 1755 could set the scene for 10 DMA at 1720 and then 1700. The narrow candle body with long upper and lower wicks points to market uncertainty about the direction of the move, and the futures need to break out of current resistance/support to confirm the near-term outlook.

10 Day % K Stochastic	81.77	Falling	
10 Day % D Stochastic	77.48	Falling	
14 Day RSI	66.58	Falling	
Support	1725	1700	1646
Resistance	1772	1800	1810
Moving Averages (10,40,100)	1726	1642	1512
Open Interest	115,760 (+1,002)	Volumes	14,332

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures softened yesterday after finding support above 2355. The market closed at 2369. The stochastics are rising yet converging, and the MACD diff is positive and converging, suggesting we could see lower prices in the near term through the support of 2355. A break below this level would bring into play the 10 DMA at 2351, which could set the scene for support at 2317. On the upside, futures need to gain back above 2400 and then 40 DMA at 2406 in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 2434; this could strengthen the trend in the long run on the upside. The indicators suggest further selling pressures in the near term.

10 Day % K Stochastic	55.77	Rising	
10 Day % D Stochastic	64.32	Rising	
14 Day RSI	47.94	Rising	
Support	2351	2317	2300
Resistance	2406	2434	2450
Moving Averages (10,40,200)	2351	2406	2468
Open Interest	254,953 (+177)	Volumes	31,589

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures sold off yesterday after investors rejected prices above 2250, prompting a close below 10 DMA at 2239, at 2217. The stochastics are rising, with RSIs in neutral territory; the %K/%D is diverging on the upside and edging close to the overbought territory, suggesting a short-term positive trend. The MACD diff is positive and diverging, indicating improving sentiment on the upside. To confirm the bearish candle, prices need to break below the support level at 38.2% fib level at 2211 before the 2200 level. Secondary support stands at trend support at 2196, a break below would confirm the three black crows formation. On the upside, to regain upside conviction, futures need to close back above 40 DMA at 2271 and then 2300 in the near term. Near term momentum is on the downside, the close below a shorter-term DMA confirms this trend.

10 Day % K Stochastic	67.67	Rising		
10 Day % D Stochastic	59.53	Rising		
14 Day RSI	53.95	Rising		
Support	2211		2200	2165
Resistance	2271		2300	2317
Moving Averages (10,40,100)	2240		2271	2317
Open Interest	245,149	(-1,510)	Volumes	21,900

Source: ICE

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