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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures softened yesterday after piercing the support level of 20.00. The market closed lower at 19.92. The stochastics are falling, but %K is seen edging higher in the oversold, and the MACD diff is negative and diverging. The reaffirmation of support at 40 DMA at 19.53 could set the scene for higher prices back to test the 10 DMA at 20.40 level. On the downside, futures need to break below the support of 40 DMA in order to confirm the bearish trend towards 19.00. The long lower wick confirms the appetite for lower prices, but the market needs to break below the 40 DMA in the immediate term to confirm the outlook.

10 Day % K Stochastic	16.90 Falling		
10 Day % D Stochastic	27.36 Falling		
14 Day RSI	47.61 Falling		
Support	19.58	19.44	19.00
Resistance	20.14	20.34	20.54
Moving Averages (10,40,100)	20.34	19.58	18.26
Open Interest	1,043,435 (-9,189)	Volume	

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures weakened yesterday after breaking support of 500. The market closed at 497.20. The stochastics continue to soften, and the MACD diff is negative and diverging, suggesting we could see lower prices in the near term through support 40 DMA at 486.76. A break below this level would bring into play the 482.60, which could set the scene for support at 480 in the longer term. On the upside, futures need to gain back above 10 DMA at 505.30 in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the level at 511.40; this could strengthen the trend in the long run on the upside. A longer lower wick, where most of the trading took place in the upper ranges, points to further selling pressures; however, prices need to break below the current support level to confirm the outlook.

10 Day % K Stochastic	32.78	Falling		
10 Day % D Stochastic	48.92	Falling		
14 Day RSI	48.97	Falling		
Support	487.74	482.60	479.14	
Resistance	500	504.77	511.80	
Moving Averages (10,40,100)	504.77	487.74	469.78	
Open Interest	83,390	(-1,262)	Volume	

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures declined yesterday as lack of appetite for higher prices helped to test the 40 DMA support; the market closed higher at 187.45. Stochastics are diverging on the downside, suggesting further selling momentum in the near term. MACD diff just converged on the downside, supporting the outlook for deteriorating prices. The last three days formed a three back crows pattern, a sign of an impending market downturn. The moderate selling pressure yesterday and a long lower wick point to an appetite for lower prices, but the support level at 40 DMA at 185.73 is robust. A break below this level could set the scene for a test of support at 180. On the upside, support around 23.6% fib level at 191.22 would help reaffirm the bullish trend in the near term up to trend resistance. We believe that the market lacks conviction, and prices should continue to fall.

10 Day % K Stochastic	44.10	Falling		
10 Day % D Stochastic	58.47	Falling		
14 Day RSI	50.46	Falling		
Support	185.73	180	176.86	
Resistance	191.22	193.06	200	
Moving Averages (10,40,100)	193.06	185.75	165.52	
Open Interest	284,977	(-621)	Volumes	28,645

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures failed above 2092 yesterday as prices closed at 2050. The stochastics are falling, with %K/%D diverging on the downside, about to leave the overbought. 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 10 DMA at 2053, a subsequent breach of this level could trigger losses towards 2000. On the upside, a break of 2092 and 2100 may prompt futures to gain bullish momentum in the near term. Long upper and lower wicks point to an appetite out of the current trading range; however, the future needs to break completely below 10 DMA to confirm the outlook.

10 Day % K Stochastic	74.38	Falling	
10 Day % D Stochastic	82.77	Falling	
14 Day RSI	65.69	Falling	
Support	2053	2000	1976
Resistance	2092	2100	2130
Moving Averages (10,40,100)	2053	1905	1712
Open Interest	105,750 (-382)	Volumes	15,007

Source: ICE

NY 2nd Month Cocoa Futures



NY coffee futures edged lower yesterday after prices failed above 2700, prompting a close at 2673. The stochastics are beginning to converge as %K/%D continue to edge towards the oversold, but the MACD diff is positive and diverging, painting a mixed picture. Futures need to break below the support at 2675 and then target 10 DMA at 2621 to confirm the downside momentum. On the upside, the 2675 support needs to hold and then test 2700 in order to confirm the outlook of higher prices. We expect prices to weaken in the near term.

10 Day % K Stochastic	76.77 Rising		
10 Day % D Stochastic	66.76 Rising		
14 Day RSI	61.68 Falling		
Support	2675	2621	2601
Resistance	2700	2726	2735
Moving Averages (10,40,200)	2621	2519	2488
Open Interest	232,646 (+2,526)	Volumes	
Source: ICE			

Ldn 2nd Month Cocoa Futures



Ldn cocoa prices weakened yesterday as intraday trading caused prices to find support at the 2487 level, the market closed at 2497. The MACD diff is negative and converged on the downside, suggesting we could see lower prices in the near term. The stochastics are positive and converging out of the oversold, and this has increased downside impetus. The market needs to take out support at the 10 DMA at 2482 level and then 2450, this could trigger losses back towards the robust support level of 2400. On the upside, if prices find support above 2531, the market could set the scene for higher prices to 2550. We expect prices to retreat in the near term.

10 Day % K Stochastic	74.22	Falling	
10 Day % D Stochastic	72.79	Falling	
14 Day RSI	61.59	Rising	
Support	2482	2450	2428
Resistance	2531	2550	2560
Moving Averages (10,40,100)	2482	2399	2332
Open Interest	293,412 (+1,971)	Volumes	

Source: ICE

Risk warning

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