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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures gained ground yesterday but struggled above 10 DMA once again to close at 19.75. The stochastics are beginning to rise, with the %K/%D edging higher out of the oversold, as the MACD diff is negative and converging on the upside. This suggests we could see a further bullish momentum in the near term, with prices edging towards 20.00 before testing the 20.14 level. The Futures, however, need to break above both the 10 and 40 DMAs levels at 19.84 and 19.87, respectively. On the downside, the market found support at 19.44, and if the prices break through this level, we could see a retracement back through 19.00. The bullish candle with a narrow body and long upper and lower wicks after a similar bearish candle point to uncertainty to break out of the current support and resistance.

10 Day % K Stochastic	45.07	Rising	
10 Day % D Stochastic	39.83	Rising	
14 Day RSI	50.40	Rising	
Support	19.44	19.00	18.48
Resistance	19.83	19.90	20.00
Moving Averages (10,40,100)	19.83	19.90	18.48
Open Interest	960,756	(-5,424)	Volume

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher yesterday as intraday trading saw prices tested support at 10 DMA at 502.85. The market closed at 505.20. The RSI is rising, while %K/%D is seen diverging on the downside, a strong sell signal. The MACD diff is negative and diverging. The indicators paint a mixed picture. On the downside, in order to confirm the rejection of the support, prices need to take out the 10 DMA. A break below this level towards 40 DMA at 494.99 would confirm the bearish momentum. Conversely, appetite for prices above 510.10 could trigger a test of resistance at 521.20, the recent highs. A doji candle after the three bearish candles signals uncertainty about the outlook for lower prices, and the futures need to take out the 10 DMA to confirm the downside momentum.

10 Day % K Stochastic	60.11	Rising	
10 Day % D Stochastic	59.21	Rising	
14 Day RSI	55.87	Rising	
Support	503.36	500	495.93
Resistance	510.10	521.20	525
Moving Averages (10,40,100)	503.36	495.93	473.52
Open Interest	71,493	(-179)	Volume

Source: ICE

NY 2nd Month Coffee Futures



NY coffee held the nerve yesterday as intraday trading caused futures to close at 186.15. RSI is rising marginally, and %K/%D are starting to improve on the upside but remain oversold. The MACD diff is negative but lacks the conviction to point out an outlook. To maintain positive momentum, prices need to close above 10 DMA at 186.86 and 40 DMA at 187.51. On the downside, the rejection of prices above 190 could trigger losses back to trend support of 180.81, confirming the breakout of the asymmetric triangle, and then 38.2% fib level at 174.74, a firm support level. Buying pressure has been weak, but the indicators point to a continuation of bullish momentum. The narrow candle body and short wicks confirm market uncertainty, as prices struggle above the two DMA resistance levels.

10 Day % K Stochastic	36.47	Rising	
10 Day % D Stochastic	29.23	Rising	
14 Day RSI	51.67	Rising	
Support	181.50	180	174.74
Resistance	186.63	187.09	190
Moving Averages (10,40,100)	186.63	187.09	169.68
Open Interest	289,027	(-621)	Volumes 26,631

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee held the nerve yesterday as intraday trading caused futures to close at 2160. RSI is rising marginally, and %K/%D is diverging on the upside, with %K in the oversold. Likewise, the MACD has converged on the upside and is now diverging, confirming growing upside momentum. To maintain a positive trend, prices need to close above 2173 and then target 2200. On the downside, the rejection of prices above this level could trigger losses back to 2130 and then 10 DMA at 2094. Buying pressure has been getting weaker, and the indicators point to a market being oversold. The narrow candle body and long wicks confirm market uncertainty. We believe that prices should soften in the near term.

10 Day % K Stochastic	84.41	Rising	
10 Day % D Stochastic	76.12	Rising	
14 Day RSI	77.63	Rising	
Support	2127	2103	2034
Resistance	2173	2200	2210
Moving Averages (10,40,100)	2103	1960	1766
Open Interest	110,906 (+541)	Volumes	8,851

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures edged higher yesterday as intraday trading saw prices tested resistance at 10 DMA at 2654, and posted an inside day. The market closed at 2635. The RSI is neutral and %K/%D is negative and diverging. The MACD diff is negative and starting to diverge, suggesting growing selling pressure. The indicators point to lower prices in the near term, and to confirm the rejection of the 10 DMA; prices need to take out 2600. A break below this level towards 40 DMA at 2578 would confirm the strong bearish momentum. Conversely, appetite for prices above the 10 DMA could trigger a test of resistance at 2675; tertiary resistance stands at 2700. A doji candle after a long bearish candle points to market uncertainty for lower prices, but as prices struggle above 10 DMA, we expect the future to continue to weaken in the near term.

10 Day % K Stochastic	50.38	Rising		
10 Day % D Stochastic	56.29	Falling		
14 Day RSI	55.39	Rising		
Support	2600		2584	2534
Resistance	2651		2675	2685
Moving Averages (10,40,200)	2651		2584	2485
Open Interest	237,872	(+2,363)	Volumes	30,129

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures edged higher yesterday as buying pressure triggered a close on the front foot at 2472. The RSI is falling, and %K/%D is diverging on the downside; %K is seen tailing off near the oversold. The MACD diff is negative and diverging on the downside, suggesting growing selling pressure. The indicators point to lower prices in the near term, and to confirm the momentum; prices need to take out 2453. A break below this level towards 40 DMA at 2444 would confirm the bearish momentum and trigger losses to 2400.. Conversely, an appetite for prices above the 10 DMA at 2480 could trigger a test of resistance at 2500. Longer upper wick points to increased appetite on the upside, and a break above 10 DMA would confirm the outlook for higher prices.

10 Day % K Stochastic	37.65	Rising		
10 Day % D Stochastic	41.82	Falling		
14 Day RSI	55.89	Rising		
Support	2453	2444	2431	
Resistance	2482	2500	2531	
Moving Averages (10,40,100)	2482	2444	2347	
Open Interest	281,516	(+2,710)	Volumes	14,220

Source: ICE

Risk warning

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