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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures weakened yesterday as futures tested support at 10 DMA and closed at 19.62. The stochastics are seen converging, while %K is continuing to rise. The MACD diff is negative and converging, confirming the waning selling pressures. A break below 10 DMA at 19.62 would confirm the test of support 19.44. This may pave the way for lower prices to 19.00 – a longer-term support level. Conversely, the reaffirmation of support above 10 DMA would suggest higher prices and a close above 40 DMA at 20.04, setting the scene for higher prices towards 20.14. Yesterday’s candle body being below Monday’s suggests an appetite for lower prices and could trigger a break of support today. The indicators are pointing to a further decline in prices in the near term.

10 Day % K Stochastic	37.84	Rising	
10 Day % D Stochastic	35.53	Falling	
14 Day RSI	47.86	Neutral	
Support	19.61	19.44	19.10
Resistance	20.01	20.14	20.34
Moving Averages (10,40,100)	19.61	20.01	18.84
Open Interest	892,318 (+4,110)	Volume	66,201

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures softened yesterday as traders rejected prices above 520, prompting a close at 515. The RSI is falling, with %K/%D converging. The MACD diff has become positive, which is a buy signal, but the appetite has been marginal, which could cause the diff to dip back below the line. A break of support at the 10 DMA level at 511.06 could trigger losses to the support level of 40 DMA at 506.77. If this level holds firm, we could see prices trend higher back towards 520 in the near term. If prices break above 525, this could prompt a challenge of the 530 in the medium term. The 40 DMA has provided robust support for the futures, but in the near term, the indicators point to further downside momentum.

10 Day % K Stochastic	60.36	Falling		
10 Day % D Stochastic	56.26	Rising		
14 Day RSI	55.81	Rising		
Support	511.74		506.77	500
Resistance	517.60		520	525
Moving Averages (10,40,100)	511.69		506.75	481.15
Open Interest	75,132	(-126)	Volume	8,512

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures rallied yesterday as protracted buying pressure triggered a close on the front foot at 216.05. The RSI is rising, while %K/%D are converging on the upside towards the overbought. The MACD diff is positive and diverging, confirming growing buying pressures. On the upside, appetite above 217.85 and 220 respectively could trigger gains towards 225. On the downside, a break below the key support level of 10 DMA at 202.27 could trigger losses back towards 200. The futures have been supported at 10 DMA, and a break below the levels could set the scene for lower prices in the near term. The bullish engulfing formation and positive indicators highlight that the buying pressure is growing, and the bullish outlook is on the horizon.

10 Day % K Stochastic	74.50	Rising		
10 Day % D Stochastic	66.41	Rising		
14 Day RSI	69.06	Rising		
Support	202.27	200	191.22	
Resistance	217.85	220	225	
Moving Averages (10,40,100)	202.27	192.55	177.01	
Open Interest	302,995	(-590)	Volumes	47,607

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures strengthened yesterday as protracted buying pressure prompted a close at 2151. The stochastics have converged on the upside and are now diverging higher, highlighting growing buying pressures. The MACD diff is negative and converging. To confirm another bullish candle, futures need to close above 2173 and then target 2200. On the downside, the break below 2066 could set the scene for lower prices towards the support of 2034. The bullish engulfing pattern suggests a strong buy signal, and we believe that prices will strengthen in the near term.

10 Day % K Stochastic	58.72	Rising		
10 Day % D Stochastic	45.71	Rising		
14 Day RSI	61.92	Rising		
Support	2127		2100	2073
Resistance	2173		2200	2205
Moving Averages (10,40,100)	2128		2073	1860
Open Interest	107,063	(-2,945)	Volumes	21,817

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures edged lower yesterday, causing the market to close at 2718. The stochastics have converged on the downside and now leave the overbought territory. The MACD diff is positive and converging, suggesting lower prices in the near term. To confirm the outlook of higher prices, futures need to close back above 10 DMA at 2735 and then target 2800. Conversely, a break below the 2700 level could set the scene for 2675 and then 40 DMA at 2653. 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	70.36	Falling	
10 Day % D Stochastic	73.95	Falling	
14 Day RSI	54.72	Falling	
Support	2700	2685	2675
Resistance	2735	2800	2821
Moving Averages (10,40,200)	2735	2653	2496
Open Interest	254,726	(-2,726)	Volumes 27,274

Source: ICE

Ldn 2nd Month Cocoa Futures



10 Day % K Stochastic	74.52 Falling		
10 Day % D Stochastic	77.07 Falling		
14 Day RSI	58.28 Falling		
Support	1850	1844	1810
Resistance	1866	1888	1900
Moving Averages (10,40,100)	1797	1714	1696
Open Interest	281,394 (+2,259)	Volumes	19,721

Source: ICE

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