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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures gained ground on Friday as moderate buying pressure prompted a test of 10 DMA once again. The market closed at 19.46. The stochastics are converging on the upside near the oversold, and the MACD diff is negative and converging, suggesting softening bearish momentum in the near term. A recent break below the 19.44 support level pointed to strengthening selling pressures, however, but prices struggled below 19.10 in the last couple of sessions. A breach back above 10 DMA at 19.48 level would bring into play the recent firm resistance of 40 DMA at 19.95. Futures need to take out 20 in order to confirm the trend. On the downside, the fall below the previous day closing prices at 19.15 could trigger losses through 19.10 and 19.00. The convergence of DMAs provides strong support/resistance for prices, and if 19.10 remain firm, we could see prices edge higher.

10 Day % K Stochastic	29.80	Rising	
10 Day % D Stochastic	30.09	Falling	
14 Day RSI	46.08	Falling	
Support	19.10	19.00	18.91
Resistance	19.50	19.93	20.00
Moving Averages (10,40,100)	19.50	19.93	18.91
Open Interest	884,467	(-6,196)	Volume

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged higher on Friday as intraday trading saw prices tested resistance at 514.40. The market closed at 510.90. The RSI is rising, and %K/%D is negative but seen converging. The MACD diff is negative but lacking appetite to point out an outlook. The indicators paint a mixed picture, so to confirm the rejection of the support, prices need to take out 40 DMA at 506.63. A break below this level towards 500 would confirm the strong bearish momentum. Conversely, appetite for prices above the 10 DMA at 510.17 could trigger a test of resistance at 517.60; tertiary resistance stands at 523. A narrow candle body after the three black crows formation signals uncertainty about the outlook for lower prices, and the futures need to take out the 40 DMA to confirm the outlook for falling prices.

10 Day % K Stochastic	42.63	Rising	
10 Day % D Stochastic	47.743	Falling	
14 Day RSI	52.51	Rising	
Support	506.63	500	493.90
Resistance	510.17	517.60	520
Moving Averages (10,40,100)	510.17	506.63	482.20
Open Interest	72,070	(-884)	Volume

Source: ICE

NY 2nd Month Coffee Futures



NY coffee futures sold off on Friday as protracted selling pressure prompted a break of support at 209.65 to close on the back foot at 206.25. The stochastics have converged on the downside and are now diverging lower, and the MACD diff is positive and converging, suggesting lower prices in the near term. The break of the key support level 10 DMA at 205.28 would suggest an appetite for lower prices. Secondary and tertiary support stands at 200 and 195, respectively. If prices find support at 10 DMA, this could prompt a recovery back above 217.85. In the medium term, we could see futures break above 220. The long candle body pointed to a strong appetite on the downside, but prices struggled below 10 DMA and need to break below that level to confirm the downward trend.

10 Day % K Stochastic	66.48	Falling	
10 Day % D Stochastic	69.35	Falling	
14 Day RSI	56.92	Falling	
Support	205.28	200	195
Resistance	217.85	220	225
Moving Averages (10,40,100)	205.28	194.65	178.76
Open Interest	305,579 (+5)	Volumes	29,579

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures weakened on Friday as futures failed to break above the resistance at 2173 and closed at 2121. The stochastics are seen converging on the downside. The MACD diff is negative and diverging. A break below 2100 may pave the way for lower prices to 40 DMA at 2085, with the tertiary level at 2066. Conversely, the reaffirmation of support above 2127 would suggest higher prices and a close above 2173, setting the scene for higher prices towards 2200. The futures have been struggling to break out of the current support/resistance levels and, with indicators painting a mixed picture about the outlook, we watch out for a break out of the levels before confirming a longer-term outlook.

10 Day % K Stochastic	57.49	Falling		
10 Day % D Stochastic	52.34	Rising		
14 Day RSI	54.05	Falling		
Support	2100	2085	2066	
Resistance	2173	2200	2205	
Moving Averages (10,40,100)	2126	2085	1872	
Open Interest	103,949	(-1,452)	Volumes	15,242

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve on Friday, causing the market to close at 2653. The stochastics are falling, with %K/%D diverging towards the oversold, and the MACD diff is negative and diverging, suggesting lower prices in the near term. To confirm the outlook of higher prices, futures need to close above 40 DMA at 2652 and then target 2675. On the downside, a break below the 2600 level could set the scene for 2567, the recent lows. A bullish candle with a narrow body and longer lower wick after a similar bearish candle points to uncertainty about the outlook, and the futures need to break out of current resistance to confirm the near-term outlook on the upside.

10 Day % K Stochastic	30.84	Falling	
10 Day % D Stochastic	48.24	Falling	
14 Day RSI	47.72	Rising	
Support	2600	2567	2534
Resistance	2652	2675	2685
Moving Averages (10,40,200)	2726	2652	2499
Open Interest	251,629	(-452)	Volumes

Source: ICE

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures closed above a key support level of 50 DMA at 1816. The RSI is falling, and %K/%D is diverging on the downside in the oversold territory. The MACD diff is negative and diverging, suggesting growing selling pressures. The indicators point to lower prices in the near term, and to confirm the rejection of the support; prices need to take out 50 DMA at 1805. A break below this level towards 1770 would confirm the strong bearish momentum. Conversely, appetite for prices above the 1850 level could trigger a test of 123.6% fib level at 1866, tertiary resistance stands at 1888. A spinning top candle after a positive doji candle signals uncertainty about the outlook for trend reversal, and a break below the key support confirms there is more appetite for downside potential.

10 Day % K Stochastic	32.58	Falling	
10 Day % D Stochastic	50.25	Falling	
14 Day RSI	47.53	Falling	
Support	1805	1800	1771
Resistance	1850	1866	1880
Moving Averages (10,40,100)	1805	1719	1698
Open Interest	285,543 (+2,435)	Volumes	

Source: ICE

Risk warning

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