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WED 27 OCTOBER 2021 10:00

Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar strengthened yesterday, as protracted buying pressure triggered a close on the front foot above 10 DMA 19.03 at 19.26. The stochastics are rising, %K/%D is diverging on the upside out of the oversold. The MACD diff is negative and converging. Another bullish candle with a longer body suggests growing buying pressures; this could set the scene for higher prices to break above the resistance at 19.50. This would confirm the trend for rising prices, up to 40 DMA at 19.67 and then 20.00. On the downside, a breach of support at 100 DMA at 18.98 would strengthen the bearish momentum. This could also trigger losses towards the 18.64. Indicators point to higher prices, and we expect futures to strengthen in the near term.

10 Day % K Stochastic	11.25	Rising	
10 Day % D Stochastic	13.94	Rising	
14 Day RSI	38.44	Neutral	
Support	19.19	19.01	18.64
Resistance	19.49	19.64	20.00
Moving Averages (10,40,100)	19.01	19.64	19.00
Open Interest	860,917	(-7,648)	Volume 73,969

Source: ICE

Ldn 2nd Month Sugar Futures



Ldn sugar futures consolidated yesterday as buying pressure prompted a close above the resistance at the 10 DMA, triggering a close at 504.60. The stochastics are on the rise, with the %K/%D converging on the upside in the oversold territory, outlining the improvement in positive sentiment. The MACD is negative and converging, supporting the outlook for growing buying pressure. In order to confirm another full candle on the upside and the positive indicators, prices need to take out 40 DMA at 505.91 today, which could pave the way for a test of 510 resistance level. On the downside, a break below 500 could trigger further losses towards the 493.90. A breach of this level would confirm the downside trend. A close back above recent highs today would regain upside conviction and pave the way for further gains.

10 Day % K Stochastic	39.14	Rising	
10 Day % D Stochastic	27.82	Rising	
14 Day RSI	52.13	Rising	
Support	500.33	493.90	490
Resistance	510	517.60	520
Moving Averages (10,40,100)	500.33	505.92	484.90
Open Interest	69,027	(+1,427)	Volume 6,753

Source: ICE

NY 2nd Month Coffee Futures



NY coffee gained ground yesterday as buying pressure triggered a close on the front foot at 210.70. The stochastics are about to converge on the upside, as the MACD diff is negative and converging, signalling a buy trend in the near term. This suggests we could see higher prices towards the resistance of 220, but the market needs to take out immediate trend resistance at 217.85 beforehand. On the downside, if the support around 100 DMA at 207.43 is robust in taken out, we could see prices retreat back through to 200 to 40 DMA at 197.87. Longer upper wick on Tuesday points to the appetite for higher prices, however, futures need to take out 217.85 in order to confirm the outlook on the upside.

10 Day % K Stochastic	50.59	Rising		
10 Day % D Stochastic	46.52	Rising		
14 Day RSI	58.65	Falling		
Support	209.65	207.29	200	
Resistance	217.85	220	225	
Moving Averages (10,40,100)	207.25	198.21	182.39	
Open Interest	306,609	(-2,119)	Volumes	39,124

Source: ICE

Ldn 2nd Month Coffee Futures



Ldn coffee futures rallied yesterday, reaching August 2017 highs, and managed to close just below the resistance of 2279 at 2270. The stochastics are rising into the overbought, with %K/%D diverging on the upside, and the MACD diff just converged on the upside, prompting further buying pressure. We expect futures to remain supported in the near term, with near term resistance at 2279 and secondary level at 2300 if buying pressure persists. On the downside, if futures fail above the near term resistance, then we could see a break back below 2200 before 2173. We expect futures to remain elevated in the near term.

10 Day % K Stochastic	80.05	Rising		
10 Day % D Stochastic	71.14	Rising		
14 Day RSI	70.61	Falling		
Support	2200	2173	2162	
Resistance	2279	2300	2348	
Moving Averages (10,40,100)	2162	2123	1917	
Open Interest	92,549	(-7,751)	Volumes	19,054

Source: ICE

NY 2nd Month Cocoa Futures



NY cocoa futures edged lower yesterday, causing the market to close at 2618. The stochastics are rising out of oversold, but %K is seen tailing off once again, while the MACD diff is negative and converging, suggesting higher prices in the near term before some upside correction. To confirm the outlook of higher prices, futures need to close completely above 10 DMA at 2625 and then target 40 DMA at 2658. The 40 and 10 DMAs are closing in and supporting prices on the upside. If these levels hold firm, this could set the scene for lower prices at 2600 and then 2557. The narrow candle body with longer wicks points to market uncertainty about further downside momentum, and the futures need to break out of current support to confirm the near-term outlook.

10 Day % K Stochastic	38.16	Rising		
10 Day % D Stochastic	31.14	Rising		
14 Day RSI	46.18	Falling		
Support	2600	2534	2504	
Resistance	2623	2659	2675	
Moving Averages (10,40,200)	2622	2659	2504	
Open Interest	245,817	(-1,432)	Volumes	

Source: ICE

Ldn 2nd Month Cocoa Futures



Prices weakened yesterday as moderate selling pressure triggered a close below trend resistance; the market closed at 1768. The stochastics are falling moderately; %K/%D is edging lower in the oversold. The MACD is negative and converging, but the doji candle formation supports market indecisiveness. Prices have been trading in a narrow range between 1750 and trend resistance, and in order to confirm the change of momentum, prices need to break above the current resistance and then 1800 before 1810. Conversely, a break below the support at 1750 could set the scene for a test of 100 DMA at 1730. We expect prices to soften today and remain on the back foot.

10 Day % K Stochastic	12.93	Falling	
10 Day % D Stochastic	16.44	Falling	
14 Day RSI	37.12	Falling	
Support	1753	1750	1731
Resistance	1770	1800	1807
Moving Averages (10,40,100)	1807	1731	1703
Open Interest	283,252	(-1,263)	Volumes

Source: ICE

Risk warning

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