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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY futures contracts gained ground on Friday, but prices failed into resistance at 12.35. The market closed at 12.18. The stochastics are falling but remain in overbought territory the MACD diff is converged on the downside suggesting lower prices in the near term. The rejection of resistance could set the scene for lower prices, keeping the ascending triangle. To confirm the weakening stochastics and MACD diff and rejection of the resistance, prices need to break below trend support towards 11.50. The 40 DMA is starting to improve and is at 11.10. The reaffirmation of resistance at this level could set the scene for higher prices in the long term. To confirm the ascending triangle, prices need to take out resistance at 12.35. The key level on the upside was at 12.90 before closing the gap.

Ldn 2nd Month Coffee Futures



Ldn coffee futures gained ground on Friday as appetite for prices around 1150 prompted a close at 1168. The stochastics are in negative territory as is the MACD diff but the reaffirmation of support at 1150 on Friday could set the scene for higher prices towards 1200 if this level holds firm we would see a head and shoulders formed. A subsequent break of the 100 DMA would prompt prices to regain upside momentum, the market needs to take out resistance at 1267. The moving averages are starting to converging and the 10 DMA is about to cross below the 100 DMA outlining the weak sentiment in recent weeks. A break below 1150 could set the scene for lower prices towards 1100.

NY 2nd Month Cocoa Futures



NY cocoa futures failed into previous trend resistance on Friday, prompting a close at 2252. The stochastics are falling and the MACD diff is negative and diverging suggesting lower prices. Friday's shooting star and failure into resistance could set the scene for lower prices towards 2200. A breach of this level could trigger losses back towards 2165 before 2100. On the upside, prices need to take out previous trend resistance and then the 40 DMA at 2361 in order to confirm the outlook on the upside. We expect prices to remain on the downside in the near term but this would be confirmed by a break below 2200.

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures buckled on Friday as lack of appetite for prices above 1700 triggered a close at 1690. The ADX and DMI outlined the strong negative trend in recent weeks. The MACD diff is negative but fails to diverge further, the failure above 1700 could set the scene for lower prices through 1600 in the near term, this would help confirm the descending triangle. On the upside, futures need to break above trend resistance before 1750 in the medium term. However, momentum is firmly on the downside and selling pressure is strong so we expect futures to continue on the downside.

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