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# Daily Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures recovered yesterday after strong selling pressure prompted a test of support at 12.50, appetite for prices at this level prompted a close at 12.68. The stochastics converging in oversold territory and the MACD diff is negative and diverging on the downside suggesting lower prices in the near term. The market failed to close above the 23.6% fib level at 12.69 could trigger some selling pressure towards 12.35. However, the downside tail and the doji suggests we could see prices push back towards 13 in the near term. The 40 DMA is expected to provide resistance if this level holds firm and then this could set the scene for lower prices in the longer run, the 10 DMA is set to cross below the 40 DMA. Conversely, if prices break above the 40DMA, futures need to take out 13.80 to confirm the trend in the long run.

# Ldn 2nd Month Sugar Futures



Ldn sugar futures tested support at the 100 DMA at 353.23, the market closed at 357.10. The stochastics are in negative territory but are converged and we could see a buy signal on the horizon. The MACD diff is negative but is converging, in order to confirm the improved outlook on the upside prices need to break above previous trend resistance before targeting the 40 DMA and the 50% fib level. The market needs to break this band of resistance before targeting the recent higher at 383.43 at the 61.8% fib level. On the downside, a breach of the 100 DMA may trigger losses towards previous trend resistance around 340. The outlook is starting to improve on the upside and we could see futures edge higher in the near term.

# NY 2nd Month Coffee Futures



NY coffee futures softened yesterday after breaching support at the 130 to test 128.30, futures partially recovered and closed back above 130 at 132.10. The stochastics are overbought but have converged and the MACD diff is positive but is also converging. Yesterday's selling pressure was strong but the recovery back above 130 suggests an appetite for lower prices and may trigger gains through robust resistance at 134 towards 140. Selling pressure has increased and we could see futures reaffirm support at 126 once again. Secondary support stands at 121.50 which has been a strong level in recent months. We expect momentum to remain on the upside despite the indicators suggesting upside momentum is waning.

# Ldn 2nd Month Coffee Futures



Ldn coffee futures sold off yesterday as selling pressure caused a close at 1411. The stochastics are falling and the MACD diff is negative and diverging suggesting lower prices. The sell signal from the stochastics and the upside tails above 1450 suggesting a rejection of higher prices suggests that we could see prices break below 1400. Secondary support stands at the 40 DMA at 1367 before targeting 1331. Conversely, if support at 1400 holds firm, this could improve the outlook on the upside in the long run. The key level on the upside remains 1479 and a break of this level would help confirm the recent upward trend.

# NY 2nd Month Cocoa Futures



NY cocoa futures edged lower yesterday to test 2520 before closing at 2555. The stochastics have given a sell signal and the MACD diff is positive and converging which suggests lower prices in the near term towards the 200 DMA at 2465. We expect the market to challenge the 200 DMA in the near term but a breach here would bring into play 2400 where the market has been well supported in the recent weeks. Yesterday's tail on the downside does suggest some moderate buying pressure but in order to suggest an improvement in the outlook, futures need to close back above 2600.

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve yesterday after prices tested support at 2300 before closing at 2323.31. The stochastics are falling and have given a sell signal and the MACD diff is positive and converging. The RSI is also weakening, and the indicators suggest lower prices in line with the recent sell-off in prices. A breach of support at 2300 could set the scene for lower prices to 2270 with the key level around 2200 where the moving averages have converged to. On the upside, if the market holds above 2300 then this could trigger another challenge of 2400 before targeting 2450.

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