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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures edged lower on Friday as prices failed into resistance at 12.69, the market closed at 12.58. The stochastics are oversold but are starting to bottom out, the MACD diff is negative and not diverging suggesting waning selling pressure. Futures have struggled to gain a footing above the 12.69, in order to regain upside conviction prices need to hold above the 23.6% fib level before the 40 DMA at 13.04. The key level remains 13.80, but we do not expect a challenge of this level in the near term. On the downside, repeated failure to break resistance at 12.69 could set the scene for losses back to 12.31, with the 100 DMA at 12.05. The indicators are in negative territory but the market has consolidated, we could see prices test 12.35 today but we expect this level to hold firm.

Ldn 2nd Month Sugar Futures



Ldn sugar futures edged lower yesterday as selling pressure prompted a test of support 351.57 but closed at 352.10. The stochastics are oversold, and the MACD diff is negative and started to diverge suggesting improving selling pressure on the downside. To confirm the descending triangle, the market needs to break support at 351.57 before targeting previous trend resistance at 340. On the upside, if prices hold above support at 352 we could see prices test the 50% fib level. Selling pressure has been strong and we expect this to remain the case in the near term.

NY 2nd Month Coffee Futures



NY coffee futures, gained ground yesterday as intraday trading saw prices well supported below 130 before closing at 131.70. The stochastics are starting to fall but the MACD diff is positive but converging suggesting waning buying pressure. Futures needs to take out resistance at 134 today before targeting 140 in the longer term. The recent rally has been strong and the appetite for prices below 130 suggests we could see futures edge higher in the near term. On the downside, rejection of prices at 134.30 could trigger losses back through 125.75. Momentum is on the upside and we expect this to remain the case in the near term and today.

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday after prices failed above the 10 DMA and closed at 1423. The stochastics are falling and the MACD diff is negative suggesting we could see futures retreat in the near term back towards 1400 but the market needs to break below support at 1391 and 1381 in order to confirm the outlook of lower prices. The 40 DMA has closed in and we expect this to provide robust support in the near term. The reaffirmation of support at 1400 could set the scene for higher prices back to 1450 but the market needs to gain a footing above the 10 DMA in the immediate term to improve the outlook as yesterday's upside tail and repeated failure above 1450 suggests lack of appetite for prices at this level.

NY 2nd Month Cocoa Futures



NY cocoa futures sold off yesterday but remain rangebound. The stochastics are falling and the MACD diff is negative suggesting lower prices. The rejection of prices at 2589, could trigger losses back towards the 200 DMA at 2464, a break of this level could set the scene for lower prices towards 2400 where the market has been well supported. The 40 DMA is improving and a cross above the 200 DMA indicates an improved outlook on the upside. If prices can break above 2600, the next level of resistance is the recent high at 2708. We anticipate prices to soften in the near term back towards the 200 DMA.

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures failed above 2300, prompting a close at 2282.45. The stochastics are falling towards oversold and the MACD diff is negative and diverging suggesting lower prices on the downside. The rejection of prices above 2300 has formed a shooting star candle suggests lower prices in the near term back towards 2200. On the upside, futures need to gain a footing above 2300 and then the 10 DMA before targeting 2400. The rejection above 2300 suggests we could see the market soften in the near term back towards 2200.

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