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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures edged lower yesterday as prices closed at 24.19. The indicators continue to favour the downside, with %K/%D diverging on the downside towards the oversold area, suggesting growing selling pressures. The MACD, however, lacks convictions. A break below the 100 DMA at 23.99 would bring into play the trend support level at 23.20. Prices have been relatively well supported above 100 DMA, and in order to indicate an improvement of market sentiment on the upside, futures need to gain a footing above both the 40 and 10 DMAs at 24.32 and 24.48, respectively. Another bearish candle yesterday and at the start of trading today suggests a continued appetite for lower prices. If the 100 DMA does not hold, we could see prices edge below to 23.50.

Ldn 2nd Month Sugar Futures



Ldn sugar futures failed above the previous day's highs yesterday as intraday trading caused them to close at 686. The stochastics are falling, with %K/%D seen converging on the downside; the MACD diff is positive and converging, pointing to waning buying pressures. The rejection of prices above 690 has formed a candle with a short body but a longer lower wick, confirming a lack of appetite for higher prices. If prices were to break back above that level, this could trigger a test of 700 and then 711.60. To confirm another bearish candle, futures need to take out support at 10 DMA at 681.61 and then at 40 DMA at 669.30. A break below this level would confirm the outlook for lower prices.

NY 2nd Month Coffee Futures



NY coffee futures held their nerve yesterday as intraday trading caused the market to lower to 164. The stochastics are beginning to converge on the downside near overbought, and the MACD diff is positive and converging, suggesting lower prices in the near term. To confirm the outlook of lower prices, futures need to close back below the support of 164.05 and then target 10 DMA at 162.95. The 10 DMA is start closing in and support prices on the downside. A rejection of prices around 40 DMA at 166.24 could trigger gains back towards 170. A break above this level would confirm the trend on the upside. Two narrow-bodied candles in the last couple of sessions point to market uncertainty, and the futures need to break out of current resistance/support to confirm the longer-term outlook.

Ldn 2nd Month Coffee Futures



Ldn coffee futures edged lower yesterday, causing the market to close at 2516. The stochastics are rising, but the momentum is not certain, and the MACD diff is negative and converging, suggesting marginally higher prices in the near term. To confirm the outlook of higher prices, futures need to close back above the 10 DMA at 2523; the level prices struggled to break above in recent days and then target 2600. The DMAs are closing in and providing robust support/resistance for prices in the near term. However, a break below 2500 could set the scene for 100 DMA at 2464. The narrow candle body with longer upper wick points to a heightened appetite for lower prices, and the futures need to break below the current support level to confirm the near-term outlook.

NY 2nd Month Cocoa Futures



NY cocoa weakened yesterday as protracted selling pressure triggered a close on the back foot at 3488. The stochastics are falling, with %K/%D converging on the downside, and the RSI continues to edge lower. The MACD diff is positive and diverging. A full bearish candle with short shadows suggests growing selling pressures; this could set the scene for lower prices to break below the 10 DMA level at 3500. This would confirm the trend for falling prices, down to the 3400. On the upside, trend resistance has proven to be strong, and support above that level would strengthen the bullish momentum. This could also trigger gains towards 3588, a recent high. Narrowing support and resistance levels are creating a narrow trading range, but we believe that the prices will edge marginally lower today.

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures buckled yesterday as protracted selling pressure triggered a close on the back foot at 2574. The stochastics are falling, and %K/%D is about to give a sell signal as it converges on the downside in the overbought; the RSI is also falling. The MACD diff is positive and converging, confirming growing selling pressure; this could set the scene for lower prices below 2678, but futures struggled to break below this level. On the upside, a break above the 2700 resistance level and appetite for higher prices could set the scene for further gains. Three-line strike formation points to a continuation of an uptrend, but indicators suggest another decline today. To confirm this, futures need to break below the support at 2678, the level the candle struggled to break below yesterday.

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