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FRI 26 APRIL 2024 10:00

# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures softened yesterday as traders rejected prices above 10 DMA, prompting a close below the robust support of 19.80 at 19.16. The %K/%D converges on the downside in the oversold territory. The MACD diff is negative and struggling to break into the positive territory. This suggests that while futures are oversold, there is little appetite to break out of the current levels in the near term. A break of support at the 19.15 level could trigger losses to the support level of 19.00. If this level holds firm, we could see prices trend higher back towards the 10 DMA in the near term. If prices find support above the 10 DMA, this could prompt a challenge of 20.00 in the medium term. We expect prices to remain on the back foot in the near term.

# Ldn 2nd Month Sugar Futures



Ldn sugar futures softened yesterday after breaking the support of 550. The market closed at 542.70, still above the recent lows. The stochastics are seen converging on the downside, and the MACD diff is negative and flat, highlighting yesterday's selling pressure. A break below the 540 level would bring into play the support level at 520, which could set the scene for support at 500. On the upside, futures need to gain back above the 10 DMA at 55.71 in order to confirm upside momentum. The reaffirmation of support here could trigger gains towards the 580 level; this could strengthen the trend on the upside in the long run. The long lower wick points to an increased appetite on the downside; however, we expect the price to remain supported today.

# NY 2nd Month Coffee Futures



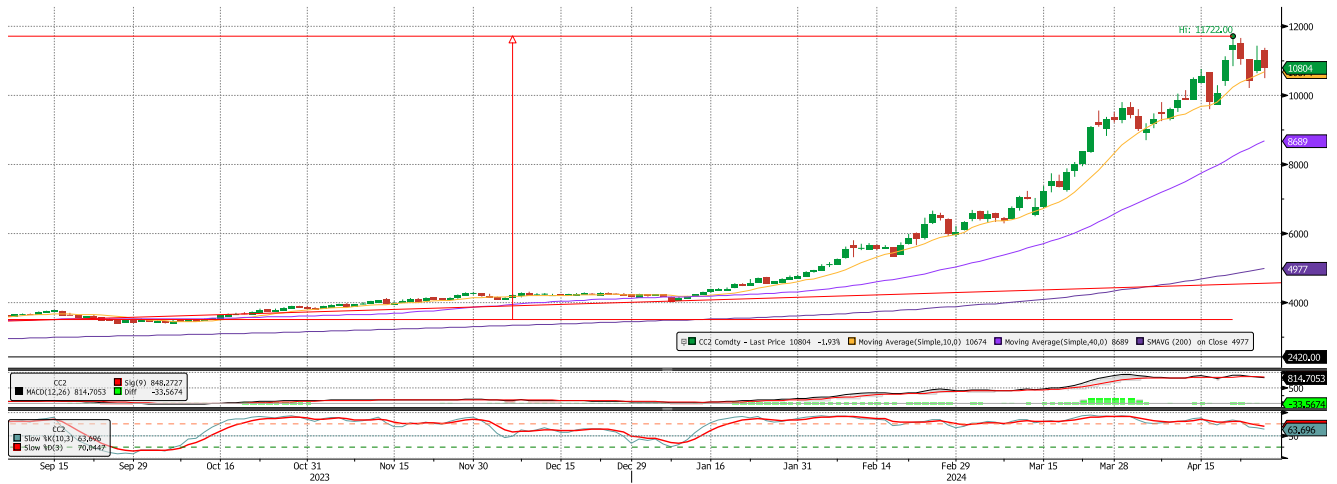
NY coffee gapped higher yesterday, but a lack of further appetite prompted prices to strengthen marginally during the day to close at 228.10. Thursday's short candle with a longer upper wick points to a lack of appetite on the upside, as futures struggled above the 10 DMA level. The next robust resistance level now stands at 240. The stochastics are diverging on the downside, and the MACD diff just converges on the downside. The indicators point to continued downside pressures, and for that to materialise, the 220 support has to be taken out before we can see further softness. We expect futures to hold above the 220 level today.

# Ldn 2nd Month Coffee Futures



Ldn coffee edged higher yesterday as intraday trading caused futures to test appetite above 4300; the market closed above it at 4303. Stochastics are rising, and %K/%D is diverging on the upside in the overbought territory, confirming further gains in the near term. The MACD diff is positive and diverging, suggesting continued buying pressure. To maintain positive momentum, prices need to close above 4300 completely and then target new highs. On the downside, the rejection of prices above these levels could trigger losses back to 10 DMA at 4094. Buying pressure remains weak, but the indicators point to a continuation of the bullish momentum, and the thinned-bodied candle confirms market uncertainty.

# NY 2nd Month Cocoa Futures



NY cocoa futures opened higher yesterday, but futures struggled to hold on to the gains, causing futures to close lower on the day at 10804. The stochastics are seen diverging on the downside, with the %K/%D now falling in the neutral territory, and the MACD diff is negative and diverging. A break of the 10 DMA at 10674 could trigger losses through 10000, with the tertiary level at 9500. On the upside, a break above 11000 could set the scene for bullish momentum towards recent highs of 11722. A longer-bodied candle with a longer lower wick points to a lack of appetite below the 10 DMA level. To confirm the indicators' outlook on the downside, futures must first breach this level.

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures opened higher during the day, but resistance at 10000 caused them to edge lower as moderate selling pressure triggered a close at 9248. The stochastics are about to fall out of the overbought. The MACD diff is positive and converging, suggesting waning upside momentum. A break of 10 DMA at 9120 could trigger losses through 9000. On the upside, a break above previous sessions' highs at 9980 could set the scene for a test of 10000, pointing to a change of trend back for more bullish momentum. Futures remain supported by the trendline level, and we expect this level to hold as futures edge to the 10000 level.

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