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# Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar edged higher on Wednesday, but resistance at 21.00 prompted futures to close below this level at 20.84. Stochastics are rising, and %K/%D is diverging on the upside in the overbought, confirming marginal positive momentum. The MACD diff is positive and diverging. To maintain positive momentum, prices need to close above 21.00 and then target 21.50 and 22.00. On the downside, the rejection of prices above 21.00 could trigger losses back to the 100 DMA at 20.33. Buying pressure remains weak; indicators point to a continuation of the buying pressure, but the doji candle suggests market uncertainty. The close above 21.00 would confirm a bullish outlook in the near term.

# Ldn 2nd Month Sugar Futures



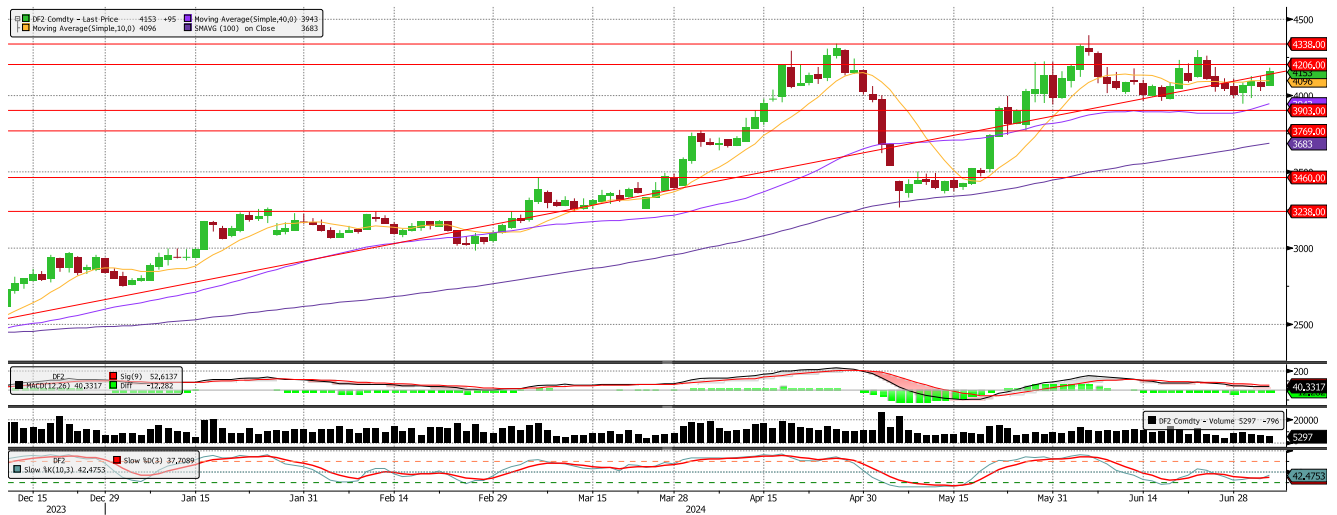
Ldn sugar held the nerve yesterday as intraday trading caused futures to close below 580.70 at 577.30. The %K/%D is overbought and is now converging on the downside, suggesting a possible change of trend. The MACD diff is positive and converging. To confirm another bullish candle, prices need to close above the near-term resistance and then target 590 before 600, which is April high. On the downside, the rejection of prices above these levels could trigger losses back to the 100 and 10 DMA levels at 571 and 562, respectively. Buying pressure is weak, and indicators point to growing selling pressures. The doji candle confirms market uncertainty. The break of support at 100 DMA could confirm the outlook for lower prices in the near term.

# NY 2nd Month Coffee Futures



NY coffee futures held their nerve on Wednesday after struggling above the 10 DMA level once again, closing at 224.20. The stochastics are falling, and %K/%D could soon enter the oversold; the MACD diff is negative and diverging. The robust 10 DMA resistance highlights a lack of appetite above current levels, and to confirm the indicators' outlook for lower prices in the near term, futures need to break back below 220 before 40 DMA at 219.44. On the upside, the next level of resistance is at 233.35. Yesterday's candle shows rejection of higher prices and could point to an end of the moderate bullish sentiment we have seen in the last couple of weeks. We expect futures to soften in the near term.

# Ldn 2nd Month Coffee Futures



Ldn coffee futures edged higher yesterday, testing the robust trendline to close at 4153. The indicators suggest we could see higher prices in the near term. The stochastics are converging on the upside, and the MACD diff is negative and converging. On the upside, a break above the 4200 level could then test the 4338 level. Superseding this level, resistance stands at 4500, the new high. On the downside, if futures fall below 4000, then we could see futures break back below the 40 DMA. The narrowing DMA resistance/support suggests a narrowing trading range; however, a break out of these levels could pave the way for a stronger momentum in the near term.

# NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve on Wednesday after struggling above the 10 DMA level, closing at 7706. The stochastics are oversold, but %K/%D converged on the upside, suggesting growing buying pressures; the MACD diff is negative and converging. Yesterday's resistance highlights a lack of appetite above current levels, and to confirm the indicators' outlook for higher prices in the near term, the futures need to break back above the 10 DMA before the 40 DMA at 8295. On the downside, the next level of support stands at 7025. A gravestone doji candle shows rejection of higher prices and could point to an end to the moderate bullish sentiment we have seen in the last couple of days. We expect the futures to retest the 10 DMA in the near term.

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures softened marginally yesterday as intraday trading saw futures test appetite at 10 DMA. This level held firm, and the future closed below it at 6256. The stochastics are tailing off, with %K/%D converging on the upside in the oversold. Likewise, the MACD diff is converging on the upside, signalling growing buying pressures. To confirm the outlook for higher prices, futures need to break above the resistance at 10 DMA, which could set the scene for futures to take out the 40 DMA at 6821. On the downside, the market needs to take out support at 6000. The 6000 level continues to support the futures from the downside, and with a longer upper wick on Thursday, we could see the bulls' strength grow in the near term.

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