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Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures edged higher yesterday and managed to close above the robust resistance of 20.00 at 20.11. The indicators suggest we could see higher prices in the near term. The stochastics are rising further into the overbought, and the MACD diff is positive and diverging on the upside. We expect futures to edge higher in the near term towards 20.50, the robust level on the upside. On the downside, if futures fail back into 20.00, then we could see futures break back below the moving averages before the long-term support of 19.00. We expect futures to firm in the near term as DMAs converge to provide tighter support, which could support the upside.

Ldn 2nd Month Sugar Futures



Ldn sugar edged higher yesterday as intraday trading caused futures to test appetite at 100 DMA; the market closed below 539.10. Stochastics are rising, and %K/%D are diverging on the upside further into the overbought territory, suggesting a continuation of the current trend in the near term. The MACD diff is positive and diverging, suggesting continued buying pressure. To maintain positive momentum, prices need to close above 540.20, a robust resistance, and then target 550. On the downside, the rejection of prices above 100 DMA at 536 could trigger losses back to 40 and 10 DMA at 524 and 516, respectively. Buying pressure remains weak, but the indicators of the continuation of the bullish momentum.

NY 2nd Month Coffee Futures



NY coffee futures buckled yesterday as protracted selling pressure triggered a close on the back foot at 247.60. The stochastics are converging on the downside, and %K/%D is converging on the downside, giving a sell signal. The MACD diff is positive and converging, confirming growing selling pressure; this could set the scene for lower prices below 240, but futures need to break below 10 DMA at 249.15. A break below this level would confirm the outlook of lower prices down to 233. On the upside, a break above the 255 resistance level and appetite for higher prices could set the scene for 260. Two-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 the 10 DMA in the near term.

Ldn 2nd Month Coffee Futures



Ldn coffee futures held their nerve yesterday to close at 4901. The stochastics are flat, with %K/%D diverging on the upside once again, which could suggest a continuation on the upside in the near term. The MACD diff is positive and flat. On the upside, futures need to break above the robust resistance level of 5000 to trigger the momentum. Conversely, appetite for prices below the 10 DMA could trigger a test of support of 4664. A dragonfly doji candle shows rejection of lower prices and could point to an end of the bearish sentiment that we saw yesterday.

NY 2nd Month Cocoa Futures



NY cocoa futures held their nerve yesterday as intraday trading saw prices close at 7613. The %K and %D are falling out of the overbought. The MACD diff is positive and converging marginally, suggesting some appetite for lower prices, but futures need to break below the 40 DMA at the 7354 level completely. A break below this level towards 7000 would confirm the continued bearish momentum. Conversely, appetite for prices above the 10 DMA level could trigger a test of resistance of 8000. The candle struggled to break below the near-term support, but the gravestone doji candle is usually a signal of downside momentum. If futures can break below the 40 DMA, that would confirm the indicators in the near term.

Ldn 2nd Month Cocoa Futures



Ldn cocoa held their nerve yesterday as prices closed at 5274. The stochastics are falling, with %K/%D entering the oversold territory. The MACD is positive and converging, pointing to lower prices in the near term. The rejection of higher prices may prompt a break back towards support at 5000; a subsequent breach of this level could trigger a longer-term downside trend. On the upside, a break of 10 DMA at 5396 and 5700 may prompt futures to gain momentum on the upside. A subsequent breach of this level would prompt prices to regain upside momentum in the longer term. Short lower wicks point to a lack of appetite for higher prices; however, the future needs to break below the current support of 5000 to confirm the outlook for lower prices.

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