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Softs Technical Charts

NY 2nd Month Sugar Futures



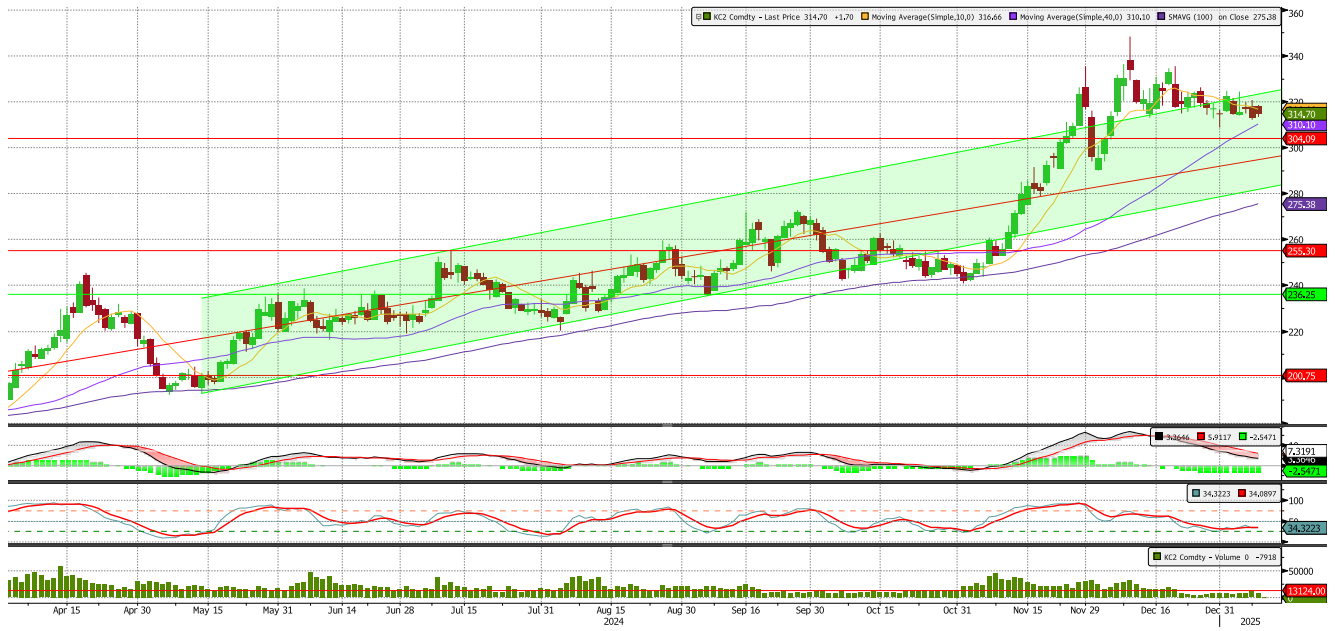
NY sugar futures continued to trade in the lower end of the trading range, with yesterday's candle closing above the robust support level of 17.89 at 17.95. The stochastics are trending downward and are close to converging on the downside, while the MACD differential is positive but also converging. This suggests that futures may potentially break significantly lower in the near term if these indicators are confirmed. However, yesterday's hammer formation could be a sign of a trend reversal in the near term. For this to materialise, futures need to break back above 18.00 and 18.40, respectively. On the downside, if the current support level at 17.89 is broken below, it could trigger a sell signal from the indicators, prompting futures to drop below the multi-month low. Support at this level is key in gauging the near-term outlook.

Ldn 2nd Month Sugar Futures



Ldn sugar futures softened yesterday as they tested the 500 support level. The market closed higher at 504.90. The stochastics are falling, with %K/%D about to converge on the downside and send a sell signal. The MACD diff is positive and converging. The appetite back below 500 could set the scene for lower prices to test the robust 493 level, which is an August low. On the upside, futures need to break above the near-term resistance of the 10 DMA at 504.90 in order to confirm the upside trend and the hammer formation. Indeed, the 500 has been robust in recent months, and a hammer candle formation could point to upside momentum in the near term.

NY 2nd Month Coffee Futures



NY coffee futures held their nerve yesterday as intraday trading saw futures close at 314.70. The stochastics are falling marginally, and the MACD diff is negative and converging, suggesting moderate sideways pressures in the near term. To suggest the outlook for lower prices, futures need to break below the support at the 10 DMA first before targeting the 40 DMA at 310.10. On the upside, the market needs to take out the resistance of 320 and then the channel resistance at 325 to confirm a continuation of the longer-term trend on the upside. However, in the meantime, a short candle body and little shadow indicate a lack of appetite to break out of the current ranges in the near term.

Ldn 2nd Month Coffee Futures



Ldn coffee futures held their nerve yesterday as intraday trading saw futures close at 4979. The stochastics are rising, and the MACD diff is negative and converging, signalling waning selling pressures. To confirm the outlook for higher prices, the market needs to take out 5000. On the downside, a break below the short-term DMAs could set the scene for futures to take out the 100 DMA at 4861. A small candle body signals uncertainty about the outlook for prices out of the current range.

NY 2nd Month Cocoa Futures



NY cocoa held their nerve yesterday as intraday trading caused futures to close at 10337. The %K/%D is flat, while the MACD is seen diverging on the downside marginally. On the upside, prices need to close above the 10 DMA at 10464 and then target 10779. On the downside, the rejection of prices above 10 DMA could trigger losses back through the 40 DMA at 9926, the longer-term support level. Selling pressure has been weak, and the indicators point to a slowdown of that momentum. The narrow candle body and longer wicks confirm market uncertainty. The break of support at 40 DMA could confirm the outlook for lower prices in the near term.

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures opened higher yesterday, but resistance at 10 DMA caused futures to close lower on the day at 8445. The stochastics are flat, with the %K/%D trading sideways in the neutral territory, and the MACD diff is negative and flat. A break of 8294 could trigger losses through 40 DMA at 7954. On the upside, a break above the 10 DMA completely could set the scene for bullish momentum towards 9000. The longer candle body with longer wicks points to market indecisiveness about lower prices, and the indicators point to further sideways pressures in the near term.

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