

Authors

Geordie Wilkes
Head of Research

MON 27 APRIL 2020 10:00

Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures softened on Friday as selling pressure triggered a test of support at 9.70. The market closed at 9.81. The stochastics are falling as the MACD diff is positive and starting to converge. The RSI is oversold and this could trigger gains towards higher prices from 10.18 to 10.50. Support for prices below 10 triggered a test of 10.18 last week. However, Friday was the first close below 10 and this could set the scene for a test of support at 9.50. A subsequent breach of support at this level would set the scene for lower prices to 9 in the long run.

London 2nd Month Sugar Futures



London sugar futures weakened on Friday as selling pressure continued, prompting a close at 310.40. The indicators are falling as the MACD diff is set to cross into negative territory as the stochastics fall into oversold. The rejection of prices at trend resistance has prompted a resumption of selling pressure. The increase in selling pressure could set the scene for a challenge of 302. A subsequent breach of support at this level would confirm the descending triangle. On the upside, support at 310 may pave the way for a break of trend resistance, which in turn will bring into play 345.

NY 2nd Month Coffee Futures



NY coffee futures tanked on Friday as protracted selling pressure caused futures to close on the back foot at 106.75. The stochastics are falling further into oversold territory, the MACD diff is diverging on the downside suggesting lower prices in the near term. After breaking below 110 and 108.55 could trigger prices to challenge long term trend support at 103.22. Appetite for prices below 108.55 has previously triggered a resumption in buying pressure towards 121.50. On the downside, a continuation of protracted selling pressure could trigger a breach of trend support. This would help confirm the descending triangle. Momentum is on the downside but we expect futures to be well supported between 105-103.

London 2nd Month Coffee Futures



London coffee futures held their nerve on Friday, prices tested support at 1127 and closed at 1144. The stochastics are in negative territory but are starting to flatten, the MACD diff is negative and converging on the downside. This suggests the market could improve on the upside through 1173 back towards 1200 in the medium term. This would confirm the hammer candle and test of the lower trend channel. However, rejection of prices at 1156 may set the scene for lower prices to 1116 and 1100. We anticipate appetite for prices between 1100-1116.

NY 2nd Month Cocoa Futures



NY cocoa futures weakened on Friday as selling pressure triggered a test of 2303. The market closed at 2323. The stochastics are rising but have started to converge as has the MACD diff which is positive. The reaffirmation of support at previous trend resistance could trigger gains through 2400 with a medium-term target at 2490. On the downside, prices need to take out support at 2300 to regain downside momentum. To confirm the trend on the downside, prices need to take out support at 2200.

London 2nd Month Cocoa Futures



London cocoa futures recovered on Friday when prices were well supported at 1860. The market closed at 1889. The stochastics are rising and the MACD diff is positive and diverging on the upside. Futures were well supported below 1880 and the 100 DMA, this could trigger a break of resistance at 1900 with the secondary level at 1927. To confirm the hammer candles, prices need to take out 1927. On the downside, the reaffirmation of immediate resistance at 1900 could set the scene for lower prices to 1840. Secondary support stands at 1800.

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