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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY sugar futures held their nerve yesterday as intraday trading failed to break resistance at 11. The market closed at 10.90. The stochastics are rising back towards overbought territory. The MACD diff is positive but is starting to converge. The bulls need to break above 11 today and close towards the recent high at 11.24 in order to regain upside momentum. Tertiary resistance stands at 11.50, a break of this level could bring into play the 12.38 in the long run. A rejection of prices at 11 would bring into play 10.44 as the market has been well supported in recent months. A subsequent breach of the 40 DMA would set the scene for lower prices to 9.75.

London 2nd Month Sugar Futures



London sugar futures have trended higher in recent week weeks, yesterday prices were well supported below 340 and closed at 342.60. The stochastics are rising, the MACD diff is positive suggesting upside momentum. However, activity is below key resistance and in recent months, apprehension amongst traders has meant this level has held firm. If the 50% fib level holds firm once again a triple top would be formed. To confirm the triple top, the market needs to break below the 40 DMA at 327.95, the more robust level at 320. Conversely, to confirm the inverse head and shoulders futures need to take out the 50% fib level and then target the 100 DMA at 362.03.

NY 2nd Month Coffee Futures



NY coffee futures failed into 110 yesterday as intraday trading caused futures to close at 108.40. The stochastics are starting to improve but the MACD diff lacks conviction. The rejection of prices at 110 has formed an inverted hammer and this could trigger a retracement back towards trend support at 104.44. Secondary support stands at 100. On the upside, futures need to take out 110 to confirm the hammer candle and then the moving averages at 113.24 and 113.97. A close above the 115 would regain upside momentum in the medium term.

NY 2nd Month Cocoa Futures



NY cocoa futures gained ground yesterday as protracted buying pressure prompted a close at 2406. The stochastics are converging and the MACD diff is positive but has converged in recent sessions. The stochastics look set to post a buy signal, yesterday's close back above 2400 could set the scene for higher prices back towards 2486. This level has held firm in recent months, keeping long term momentum on the downside. However, a break here could see an ascending triangle partially confirmed. On the downside, rejection of prices above 2400 could set the scene for lower prices through trend support at 2339 with secondary support at 2300.

London 2nd Month Cocoa Futures



London cocoa futures have consolidated in recent sessions and the market closed at 1856. The stochastics are falling towards the oversold territory, the MACD diff is negative and diverging on the downside. The market has been well supported below the 40 DMA and this could trigger prices to break 1865 and then target 1900 in the medium term. On the downside, resistance at 1865 has held and this could trigger losses to 1823 before the lower trend channel in 1806. Near term, risks favour the downside outlined by the negative indicators and resistance at 1865.

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