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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY futures gained ground yesterday as positive momentum continued. The market closed at 12.28. The stochastics are starting to fall but remain in overbought territory. The MACD diff is positive but was starting to converge suggesting waning buying pressure. The dip below 12 and the 100 DMA towards trend support has been well bud and this suggests we could see higher prices in the near term. Futures need to take out the recent high at 12.40 to keep the recent trend intact, secondary resistance stands at 12.53 before 12.93. The downside tails suggests an appetite for lower prices. On the downside, if futures fail above 12.40 could trigger losses back towards trend support. A break below this level could trigger losses towards 40DMA. We expect prices to improve in the near term and this could help confirm the ascending triangle.

Ldn 2nd Month Sugar Futures



Ldn futures edged higher yesterday but prices failed to hold onto the intraday high at 376.40 and closed at 372.60. The stochastics are starting to weaken but remain in overbought territory. The MACD diff is positive but has converged on the downside suggesting waning buying pressure, the gravestone doji yesterday has formed a triple top and this could set the scene for lower prices through 23.6% fib level towards trend support. A break of trend support would improve the outlook on the downside. On the upside, if prices hold above the 23.6% fib level today this could trigger gains through 380 and then secondary support at 386.80. The recent trend has been on the upside and dips have been bought suggesting a continuation of the recent trend but the gravestone doji and weakening indicators suggest another test of support.

NY 2nd Month Futures Coffee Futures



NY futures softened yesterday as intraday trading saw futures test appetite below 95, there was mild support for prices below this level and the market closed at 95.60. The stochastics are in oversold, the MACD diff lacks conviction but is negative. The RSI is falling towards oversold and selling pressure remains strong, we expect futures to soften in the near term. A break below 95 would bring into play 93 and 90 in the medium term. This would confirm the descending triangle which has been formed in recent months. Conversely, appetite for prices below support could set the scene for higher prices towards trend resistance. Secondary resistance stands at the 40 DMA at 104.76 which is closing in fast, we expect this to provide resistance in the near term. The recent trend is firmly on the downside with rallies sold, this could trigger losses through 95.

Ldn 2nd Month Coffee Futures



Ldn futures sold off yesterday as selling pressure prompted a test of support at 1173. The market closed at 1177. The stochastics are falling towards oversold and the MACD diff is negative and diverging. Yesterday's full candle and the weak indicators suggest we could see prices continue to edge lower in the near term. Secondary support stands at 1150 and this level has held firm in recent weeks. Conversely, support around 1173 could set the scene for higher prices back to 1197. If previous trend support holds firm as resistance, this would reaffirm the prospect of lower prices. Alternatively, futures need to regain a footing above 1209.42 in the medium term in order to regain upside conviction.

NY 2nd Month Cocoa Futures



NY cocoa futures failed into previous trend resistance yesterday prompting a close on the back foot at 2269. On the stochastics are falling towards oversold, and the MACD diff is negative but lacks conviction. The ADX and DMI are suggesting a strengthening trend on the downside. The rejection of higher prices above the 2300 and previous trend resistance could trigger losses back towards 2226 and 2200. On the upside, prices need to gain a footing above 2300 and then target the 40 DMA at 2371. Failure to break the 40 DMA would suggest momentum remains on the downside in the near term. We expect futures to close on remain on the back foot in the near term.

Ldn 2nd Month Cocoa Futures



Ldn cocoa futures weakened yesterday after prices couldn't hold onto the day's high. The market closed at 1703. The stochastics are falling and the MACD diff is also negative but has remained constant in recent weeks despite the selloff in prices. The ADX and DMI outline the strong trend on the downside, yesterday's shooting star candle suggests lower prices. To confirm the candle, prices need to break below support at 1684 before targeting 1650. This would confirm the descending triangle and rejection of the triple bottom. Conversely, if support below 1700 can hold firm this could trigger gains towards trend resistance. A breach of the trend resistance would confirm rejection of the descending triangle before targeting gains towards 1750. In the longer run, prices need to break above the lower trend channel. We expect momentum to remain on the back foot but the shooting star and descending triangle need to be confirmed.

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