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# Daily Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures sold off yesterday as lack of appetite for higher prices helped to confirm the rejection of higher prices on Wednesday, the market closed 12.57. Stochastics are topping out and are starting to fall out of overbought territory, the RSI and MACD are also positive but is converging suggesting lower prices in the near term. The sell-off yesterday and close on the lows suggest strong selling pressure and the indicators help to suggest lower prices. A break below 12.35 could set the scene for a test of support at the 40 DMA which is improving. The 100 DMA is at 11.57 and we expect robust support at this level. On the upside, support around 12.35 would help reaffirm the trend on the upside. The key level on the upside is 13 and if futures break above this level could set the scene for higher prices to 13.50 in the medium term.

# Ldn 2nd Month Sugar Futures



Ldn sugar futures lost ground yesterday as selling pressure prompted a breach of support at 347.90. The market closed at 349.30. The break below trend support and the close below the 100 DMA suggests a weakening outlook on the downside. The stochastics are falling, and the MACD diff is negative helping to confirm the outlook of lower prices. Selling pressure could set the scene for lower prices to 340, a subsequent breach of this level would help confirm the breakout of the symmetrical triangle. On the upside, appetite for prices below the 100 DMA could set the scene for prices to push back inside the symmetrical triangle. The more robust level on the upside is 360 before trend resistance. Near term, momentum is on the downside and we expect this to remain the case.

# NY 2nd Month Coffee Futures



NY coffee futures buckled yesterday as selling pressure prompted a close on the back foot at 98.75. The stochastics are falling towards the neutral territory, the MACD diff is converging on the upside helping to suggest lower prices. The rejection of prices above the 40 DMA this week, the shooting star candle and weak close yesterday suggest lower prices towards 97.25 before the robust level at 95. On the upside, support for prices towards 98 could set the scene for higher prices back above 100. The 40 DMA has provided robust resistance in recent sessions and if futures can gain a footing above this level we could see the bulls target 104.65 before previous trend support. Near term momentum favours the downside and we expect this to remain the case today.

# Ldn 2nd Month Coffee Futures



Ldn coffee futures consolidated yesterday after prices tested resistance at 1200 and the 40 DMA and closed at 1197. The indicators are suggesting higher prices as the MACD diff is positive but prices fail to break above resistance at 1200 and the 123.6% fib level at 1209.42. The 100 DMA is closing and this is expected to provide robust resistance in the near term which could cap gains on the upside. A break above this level could trigger gains towards 1267. On the downside, repeated rejection of prices at 1200 could trigger losses through 1173.79 towards 1150. The market needs to breach 1150 in order to regain downside conviction.

# NY 2nd Month Cocoa Futures



NY cocoa futures gained ground yesterday as appetite for prices below 2100 prompted a recovery and close at 2150. The stochastics are improving and a buy signal is on the horizon, the MACD diff is also converging in negative territory suggesting higher prices. The improving indicators and yesterday's candle suggests we could see a test of resistance at 2200 in the near term, in order to regain upside conviction prices need to gain a foothold above 2200 and then target the 40 DMA at 2303. On the downside, selling pressure is still a threat and if resistance around 2170 holds firm this could trigger losses towards the recent low at 2100. A breach of this level would help confirm the downtrend.

# Ldn 2nd Month Cocoa Futures



Ldn cocoa futures held their nerve yesterday as intraday trading saw prices supported below 1550. The market closed at 1563. The indicators are starting to improve as the stochastics bottom out and the MACD diff is converging on the downside. This suggests improving buying pressure. Yesterday's doji suggests we could see a change in trend and buying pressure this morning helps to confirm that. In order to regain some momentum on the upside, prices need to close above 1600 in the near term. A rejection of prices around 1590 and a close below 1560 could set the scene for lower prices towards 1500 in the medium term.

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