

Authors

Geordie Wilkes  
Head of Research

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# Daily Softs Technical Charts

## NY 2nd Month Sugar Futures



NY sugar futures posted an inside day yesterday, prices tested resistance at 13.70. The market closed at 12.58. The indicators are falling, the stochastics are falling out of overbought and the MACD diff is positive but starting to converge suggesting lower we could see lower prices in the near term. The ADX and DMI lacks conviction, we expect prices to decline in the near term through the 40 DMA after rejecting 14 earlier this week. The band of resistance between 13.80 -14 has held firm and we anticipate futures to buckle in the near term back towards 12.70 and 12.35. To suggest a change in trend futures need to break below the 50% fib level at 12.20. On the upside, if support around 12.25 holds firm, this could trigger gains through 13.80 before resistance at 14. Futures need to hold above 14 in order to set the scene for higher prices towards 14. Near term sentiment favours the downside.

# Ldn 2nd Month Sugar Futures



Ldn sugar futures consolidated yesterday as intraday trading prompted futures to test support and resistance. The market closed at 386.60. The stochastics are overbought but are starting to out of this area suggesting lower prices, the MACD diff is positive and converging which strengthens the premise of lower prices. To confirm the sell signal from the stochastics and the rejection of higher prices, futures need to break below 383.43 towards 367.58 in the near term. The inside day and rejection of prices above 396 indicates lower prices in the near term. Yesterday's long legged doji and support at 383.43 could trigger gains back to 396 before testing 400. We expect prices to weaken in the near term.

# NY 2nd Month Coffee Futures



NY futures edged higher yesterday after support at previous trend support prompted a close at 113.55. The stochastics are rising above neutral territory and the MACD diff is positive and diverging on the upside. Both outline the strength on the upside but prices need to break above 115 and hold above this level and then target the 40 DMA at 119.37 which is closing in. On the downside, to confirm the outlook of lower prices the market needs to take out 110 and then 108.55 before targeting 104. The market has been bid below 108.50 before and a break of this level would confirm the rejection of inverted head and shoulders. We expect another test of resistance but at this time question a close above 115.

# Ldn 2nd Month Sugar Futures



Ldn futures edged lower yesterday but prices were well supported below 1250 to close at this level. The stochastics are falling and the ADX and DMI are rising suggesting the strengthening trend on the downside. The MACD diff is negative and converging, we expect the market to edge lower in the near term given the weak indicators. A close below 1250 would trigger losses to 1200 in the medium term. On the upside, if support at 1250 may set the scene for higher prices to the 50% fib level and the 100 DMA. The bulls need to gain a footing above 1300 to confirm the outlook of higher prices towards 1337. We expect selling pressure to continue in the near term.

# NY 2nd Month Cocoa Futures



NY futures sold off yesterday after prices failed above 2400 and closed at 2377. The stochastics are falling further into oversold territory and the MACDD diff is negative and we expect selling pressure to continue in the near term through support at 2355, this would confirm the descending triangle and prompt a test of support at 2290. On the upside, if immediate support holds firm this could trigger gains back towards 2415 and then the 200 DMA at 2462. If futures can gain a footing above the 200 DMA at 2462 this would set the scene for higher prices towards 2530. Near term sentiment is on the downside and we expect this to continue.

# Ldn 2nd Month Cocoa Futures



Ldn futures softened yesterday as intraday trading failed into resistance at the 100 DMA. This triggered a close at 2131. The stochastics falling further into oversold, the MACD diff is negative and diverging suggesting lower prices towards 2100. The ADX and DMI are rising helping to confirm the outlook of lower prices. The rejection of higher prices could set the scene for lower prices through 2100. Secondary support stands at 2065 and a break here would set the scene for lower prices towards 2000. On the upside, a close above the 100 DMA may set the scene for higher prices towards 2277. The 10 DMA is about to break below the 100 DMA and this could trigger lower prices.

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