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Daily Softs Technical Charts

NY 2nd Month Sugar Futures



NY futures failed above 14 once again yesterday, and this triggered prices to close on the back foot at 13.91. The stochastics are falling out of overbought and the MACD diff is positive and converging suggesting waning buying pressure. The DMI and ADX lack conviction and this could trigger losses through 13.79, with secondary support stands at 13.35 at the 40 DMA before targeting the 100 DMA and 61.8% fib level at 12.91. The break of near term trend support and close below this level would show a rejection of the ascending triangle and prompt prices to regain downside conviction. On the upside, appetite for prices below trend support, and the hammer candle could trigger gains towards 14.50. Upside tails above 14 suggest lack of appetite for prices at this level, we expect prices to edge lower in the near term.

Ldn 2nd Month Sugar Futures



Ldn futures closed down on the day but above the previous day's close yesterday. Prices failed above the 76.4% at 403.14 and this may prompt futures to close at 400.90. The stochastics are positive and overbought, this suggests waning outlook on the upside. The MACD diff is positive and converging, helping to affirm the waning outlook of higher prices. To confirm the ascending triangle and the reaffirmation of trend support, futures need to close above 403 and then target 415. The spinning top candle and rejection of prices above 403 may trigger losses through trend support and then target 383.43. The moving averages are starting to rise but remain a long way off and this will provide support in the medium term.

NY 2nd Month Coffee Futures



NY futures consolidated yesterday after prices failed above 110, this triggered prices to close at 109.55. The stochastics are rising out of oversold and the MACD diff is positive and diverging, improving the outlook on the upside. Yesterday's candle suggests lack of appetite above 110, and we saw prices fail into the 100 DMA at 111.43. Futures need to hold above 111.43 and this could trigger gains towards 115 at the 50% fib level. Prices need to hold above this level to regain upside conviction. On the downside, reaffirmation of resistance at the 100 DMA at 111.43 would confirm the trend on the downside but prices need to take out the recent low. The upside tails suggest lack of appetite for prices for higher prices and we could see futures edge lower.

Ldn 2nd Month Coffee Futures



Ldn futures surged higher yesterday as protracted buying pressure prompted a break of resistance at 1331 and close at 1351. The stochastics are rising and have broken into overbought territory. The MACD diff is positive and diverging suggesting higher prices in the near term. The full candle yesterday and close above 1350 could trigger gains towards 1350 in the near term, this would help to confirm the rejection of the descending triangle. The DMI has become positive as well and this helps to confirm the outlook on the upside. Conversely, on the downside lack of appetite for prices above 1350 may trigger losses back to 1300. To indicate a continuation of a change in trend, prices need to take out 1250. We expect prices to edge higher in the near term back towards 1390.

NY 2nd Month Cocoa Futures



NY futures sold off yesterday but futures found support at the 200 DMA 2456, this prompted a close at 2455. The stochastics are rising and the gap between them suggests higher prices, the MACD diff is positive and diverging suggesting higher prices, and the recovery back above the 200 DMA could trigger gains back to the 50% fib level. In order to confirm the outlook of higher prices, futures need to take out this level and challenge 2600. On the downside, the rejection of the 50% fib level and yesterday's selling pressure could trigger losses back to 2414.03. In the longer run, if prices break out of the symmetrical triangle on the downside, this would confirm the outlook of lower prices to 2200.

Ldn 2nd Month Cocoa Futures



Ldn futures buckled yesterday as selling pressure prompted a test of support at 2190 the market was supported below this level and closed at 2200. The stochastics are converging, and this could trigger a sell signal on the downside. The MACD diff is positive and converging suggesting lower prices in the near term, a break below the 100 DMA 2173 and then re-test 2100. A break below 2100 would help confirm the trend on the downside. On the upside, if futures find support at the 100 DMA, futures could trigger through the 40 DMA at 2255. The more robust level on the upside is the long term trend resistance which we expect to hold firm.

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