



DAILY SOFTS COMMENTARY

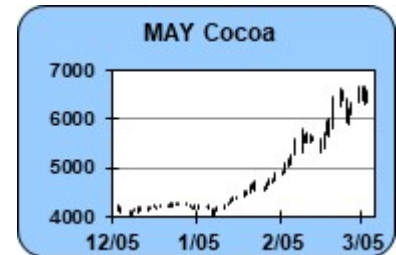
Tuesday March 12, 2024

DAILY COCOA COMMENTARY

3/12/2024

Sight improvement in weather and arrivals pace.

Following a lukewarm finish last week, it took little time for cocoa to regain upside momentum. West African supply issues have the market looking at a record global production deficit this season. Ivory Coast port arrivals totaled 27,000 tonnes for the week ending March 10, up from 18,000 for the same week last year. However, total arrivals since the season began on October 1 are running 28.1% lower than a year ago at 1.114 million tonnes. West African growing areas have daily rainfall in the forecast through the middle of next week, as the region's dry season comes to an end. Ivory Coast officials expect mid-crop production to come in at least 20% below last year. It appears West Africa will need optimal weather for an extended period to change this picture. Demand concerns have been subdued in the face of bullish supply factors, including regular reports of poor growing weather, low production, and slow arrivals. There has been a slight improvement in West African weather and the arrivals pace over the past couple of weeks but apparently not enough to get the bulls concerned. Commercial buyers still seem active on breaks.



TODAY'S MARKET IDEAS:

Previous reports that chocolate makers were short bought suggest that commercial buyers could still be active on breaks. Sellers in this market have been repeatedly disappointed. Look for support in May cocoa at 6595, with the next upside target at 6832.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COCOA TECHNICAL OUTLOOK:

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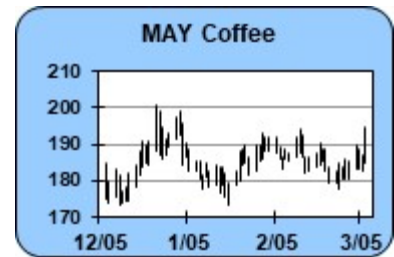
COCOA (MAY) 03/12/2024: Rising stochastics at overbought levels warrant some caution for bulls. A positive signal for trend short-term was given on a close over the 9-bar moving average. The market's close above the 2nd swing resistance number is a bullish indication. The next upside target is 7023. The next area of resistance is around 6908 and 7023, while 1st support hits today at 6548 and below there at 6304.

DAILY COFFEE COMMENTARY

3/12/2024

Brazil February Arabica exports up 36.5% year on year.

Forecasts for drier than normal weather from late March to May raises concerns about Brazil's upcoming crop, but strong exports of the current crop appear to be keeping the market in a choppy, sideways pattern. Brazil's trade group Cecafo said that their nation's February Arabica green coffee exports totaled 2.81 million bags, which was 36.5% above year-ago levels. This reflects Brazil's large 2023/24 output, but it also indicates that port congestion has eased, allowing exporters to make up for previous delays. Vietnam's customs agency said that their nation's January/February coffee exports totaled 398,819 tonnes (6.647 million bags), which was 16.4% above last year. This suggests that Vietnamese producers have become more aggressive with marketing their coffee. ICE exchange coffee stocks increased by 6,405 bags on Monday to reach a new 3 1/2 month high.



TODAY'S MARKET IDEAS:

Restaurant and retail shop consumption should improve as consumer inflation levels recede, so in-line or lower than expected readings for US CPI and core CPI today could lend support to coffee prices. Look for support in May coffee at 182.25, with resistance at 190.00.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COFFEE TECHNICAL OUTLOOK:

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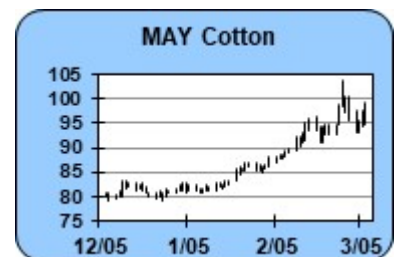
COFFEE (MAY) 03/12/2024: Momentum studies are rising from mid-range, which could accelerate a move higher if resistance levels are penetrated. The market's short-term trend is negative as the close remains below the 9-day moving average. It is a slightly negative indicator that the close was under the swing pivot. The near-term upside objective is at 188.25. The next area of resistance is around 186.85 and 188.25, while 1st support hits today at 183.15 and below there at 180.85.

DAILY COTTON COMMENTARY

3/12/2024

Needs more evidence of strong demand.

The buildup of spec long positions in cotton is hanging over the market and would seem to limit further upside unless there is a resumption of the strong exports sales from earlier in the year. US supplies are tight and getting tighter, but world supplies are not, and this leave traders concerned that the US may have priced itself out of the market on last month's rally. Soil moisture conditions in US growing areas are much improved over last year, which could lead to increased plantings this year.



TODAY'S MARKET IDEAS:

May cotton fell below the 21-day moving average overnight, which is short-term negative and leaves the next support at 92.89. Look for resistance at 97.53.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COTTON TECHNICAL OUTLOOK:

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COTTON (MAY) 03/12/2024: Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The close below the 9-day moving average is a negative short-term indicator for trend. The market tilt is slightly negative with the close under the pivot. The next downside target is now at 92.57. The next area of resistance is around 96.55 and 98.53, while 1st support hits today at 93.57 and below there at 92.57.

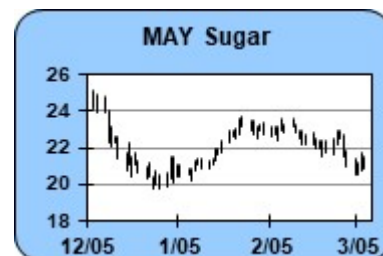
COTTON (JUL) 03/12/2024: Momentum studies trending lower at mid-range should accelerate a move lower if support levels are taken out. A negative signal for trend short-term was given on a close under the 9-bar moving average. The upside daily closing price reversal gives the market a bullish tilt. The market tilt is slightly negative with the close under the pivot. The next downside objective is now at 91.75. The next area of resistance is around 95.80 and 97.59, while 1st support hits today at 92.88 and below there at 91.75.

DAILY SUGAR COMMENTARY

3/12/2024

Uncertainty over upcoming crop in Brazil lends support.

Sugar prices saw strong upside follow-through from a positive weekly reversal, with the market finding support from recent bullish supply developments. The likelihood that next season's Brazil Center-South sugar production will be lower than this season's 42 million tonnes (due to drier than normal conditions early this year) has underpinned sugar prices early this week. India is likely to extend its export ban through next year, as a smaller cane planted area for the 2024/25 season increases the likelihood of a decline in sugar production. The Chinese government agency CASDE made a slight reduction to their forecast for China's 2023/24 sugar production from 10 million tonnes to 9.95 million. They left consumption unchanged at 15.7 million tonnes and imports at 5.0 million. The Unica report on Brazil Center-South sugar supply for the second half of February is due to be released today. Typically, the late-February report does not have much effect on the market, but after the late finish to operations this year, this report may provide a hint on how mills are setting up for the 2024/25 season, which starts in several weeks.



TODAY'S MARKET IDEAS:

Formidable resistance for May sugar comes in at the 50-day moving average of 22.02, which the market came close to penetrating overnight. A move above there could set stage for a rally to 23.00. Look for support at 21.68 and 21.47.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SUGAR TECHNICAL OUTLOOK:

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SUGAR (MAY) 03/12/2024: The market now above the 60-day moving average suggests the longer-term trend has turned up. Stochastics are at mid-range but trending higher, which should reinforce a move higher if resistance levels are taken out. The intermediate trend could be turning up with the close back above the 18-day moving average. Since the close was above the 2nd swing resistance number, the market's posture is bullish and could see more upside follow-through early in the session. The next upside objective is 22.61. The next area of resistance is around 22.38 and 22.61, while 1st support hits today at 21.52 and below there at 20.90.

OJ TECHNICAL OUTLOOK:

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ORANGE JUICE (MAY) 03/12/2024: Momentum studies trending lower at mid-range could accelerate a price break if support levels are broken. The market's close below the 9-day moving average is an indication the short-term trend remains negative. There could be some early pressure today given the market's negative setup with the close below the 2nd swing support. The next downside target is now at 338.45. The next area of resistance is around 363.05 and 375.10, while 1st support hits today at 344.75 and below there at 338.45.

DAILY TECHNICAL STATISTICS

	CLOSE	9 DAY RSI	14 DAY RSI	14 DAY SLOW STOCH D	14 DAY SLOW STOCH K	4 DAY M AVG	9 DAY M AVG	18 DAY M AVG	45 DAY M AVG	60 DAY M AVG
SOFTS MARKETS COMPLEX										
SBAK24	21.95	52.87	49.95	27.87	36.63	21.46	21.42	21.87	22.22	21.84
CTAK24	95.06	50.18	53.75	46.02	39.64	96.23	96.66	95.58	89.78	87.60
CTAN24	94.34	50.97	53.80	38.67	33.47	95.01	95.30	94.66	89.74	87.71
CCAK24	6728	69.29	69.67	82.90	85.84	6531.25	6392.33	6148.83	5289.49	5023.52
OJAK24	353.90	42.47	47.55	49.64	41.98	364.60	361.81	365.54	342.73	341.41
KCAK24	185.00	49.10	49.57	51.68	52.19	187.18	185.37	184.64	184.84	185.98
MAJ24	15.92	26.23	31.26	9.30	4.50	15.98	16.46	16.95	17.09	17.14

Calculations based on previous session. Data collected 03/11/2024

Data sources can & do produce bad ticks. Verify before use.

DAILY SWING STATISTICS

Contract		Support 2	Support 1	Pivot	Resist 1	Resist 2
SOFTS MARKETS COMPLEX						
SBAK24	Sugar	20.89	21.52	21.75	22.38	22.61
CTAK24	Cotton	92.57	93.57	95.55	96.55	98.53
CTAN24	Cotton	91.75	92.88	94.67	95.80	97.59
CCAK24	Cocoa	6303	6548	6663	6908	7023
OJAK24	Orange Juice	338.40	344.70	356.75	363.05	375.10
KCAK24	Coffee	180.85	183.15	184.55	186.85	188.25
MAJ24	Milk	15.65	15.75	15.99	16.09	16.33

Calculations based on previous session. Data collected 03/11/2024

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