



DAILY SOFTS COMMENTARY

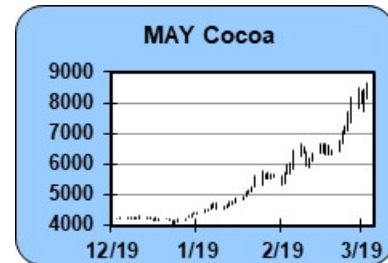
Friday March 22, 2024

DAILY COCOA COMMENTARY

3/22/2024

Commercial demand is leading this rally.

May cocoa traded to another new contract high on Thursday, and it is holding those gains this morning, as there seems to be no letup in commercial buying. West African supplies are tight after a dismal crop last fall, and there is plenty of anxiety regarding the upcoming mid-crop after the extreme heat and dry weather of the past few months. So far, the market has discounted any reports of rain in West Africa, as it is too early to tell if they are doing any good. The dry season normally ends in late March or April. The world's two largest producers, Ivory Coast and Ghana, have pulled back from forward sales, leaving commercial buyers looking to Ecuador and southeast Asia.



TODAY'S MARKET IDEAS:

There is no technical sign of a top. Specs have pulled back, and most of the buying appears to be commercials, who need product. The next resistance level for May cocoa comes in at 8687, with a swing objective way up at 9900. Look for support at 8149 and 7716.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COCOA TECHNICAL OUTLOOK:

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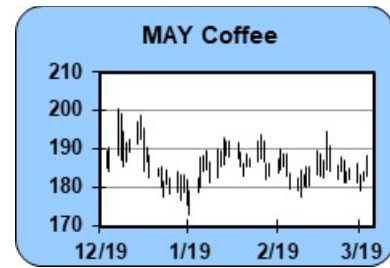
COCOA (MAY) 03/22/2024: Studies are showing positive momentum but are now in overbought territory, so some caution is warranted. The market's close above the 9-day moving average suggests the short-term trend remains positive. With the close higher than the pivot swing number, the market is in a slightly bullish posture. The next upside objective is 8984. The market is becoming somewhat overbought now that the RSI is over 70. The next area of resistance is around 8811 and 8984, while 1st support hits today at 8307 and below there at 7976.

DAILY COFFEE COMMENTARY

3/22/2024

Brazil crop expectations close last year.

Uncertainty over the upcoming Brazilian crop and tight robusta supplies provide support, but ICE exchange Arabica stocks have reached their highest level since last June, and industry reports have expectations for expanding supply in the coming year. May coffee continues to consolidate inside a range defined by the December high at 200.75 and the January low at 173.10. Brazil's Cooxupe, the world's largest coffee cooperative and Brazil's top exporter, is expecting a similar harvest to last year or slightly bigger. This is an "on-year" for their crop, and the expectation of a "similar" harvest suggests reduced expectations for this year because of the dry weather Brazil has experienced over the past several months, but keep in mind that last year's harvest was stronger than what would be expected for an off year. The harvest is expected to begin within a month. The chairman of Italian coffee roaster Illy said they expected global coffee prices to fall in the second half of 2024 on a larger surplus of beans, citing no issues on the production side. ICE exchange Arabica stocks reached 560,627 bags on Thursday, up 15,861 from Wednesday and the highest since June 5. Stocks have increased in all but two sessions since February 1. To keep things in perspective, stocks were as high as 5 million bags in June 2004. There are 106,000 bags pending review.



TODAY'S MARKET IDEAS:

Supply pressures could be building. The extended coiling action in May coffee could eventually lead to a dramatic breakout, but in the meantime, look for resistance at 188.90. and 190.80, with support at 183.30 and 179.35.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COFFEE TECHNICAL OUTLOOK:

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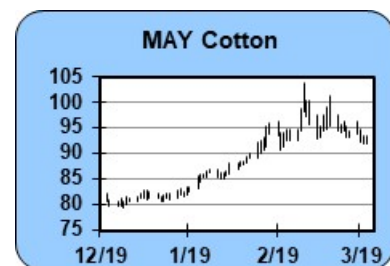
COFFEE (MAY) 03/22/2024: The cross over and close above the 60-day moving average is an indication the longer-term trend has turned positive. Stochastics trending lower at midrange will tend to reinforce a move lower especially if support levels are taken out. The cross over and close above the 18-day moving average indicates the intermediate-term trend has turned up. The market's close above the 2nd swing resistance number is a bullish indication. The next downside objective is 180.37. The next area of resistance is around 188.37 and 191.06, while 1st support hits today at 183.03 and below there at 180.37.

DAILY COTTON COMMENTARY

3/22/2024

Biggest cotton shipments this marketing year.

A generally positive export sales report only lent minor support to the cotton market yesterday, which suggests traders are more concerned about competition from Brazil and Australia. May cotton was slightly lower overnight and fell to its lowest level since February 21. The export sales report showed US cotton sales for the week ending March 14 at 92,620 bales for the 2023/24 (current) marketing year and 40,642 for 2024/25 for a total of 133,082. This was down from 198,573 the previous week but was the second largest since February 15. Shipments totaled 397,297 bales, which was the highest so far for the marketing year. Cumulative sales for 2023/24 have reached 93% of the USDA forecast for the marketing year



versus a five-year average of 97% for this point in the season. The largest buyer this week was Bangladesh at 37,757 bales, followed by Turkey at 32,567. China bought 2,194. China has the most commitments for 2023/24 at 4.184 million bales, followed by Pakistan at 1.477 million and Vietnam at 1.081 million. The weekly Drought Monitor showed approximately 7% of US cotton area was under drought as of March 19, down from 9% the previous week and 46% a year ago. This should make cotton planting more attractive this year and could get the crop off to a much better start. US cotton planted area last year was 10.23 million acres, and the USDA Outlook Forum in February put 2024/25 plantings at 11.00 million. The USDA Prospective Plantings report will be released on March 28.

TODAY'S MARKET IDEAS:

We suspect traders will be reluctant to push the market too much lower ahead of next week's plantings report. Look for support in May cotton at 91.35 and 90.91, with resistance at 94.29 and 95.30.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

COTTON TECHNICAL OUTLOOK:

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COTTON (MAY) 03/22/2024: Daily stochastics are trending lower but have declined into oversold territory. 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 objective is 90.78. The next area of resistance is around 93.04 and 94.10, while 1st support hits today at 91.38 and below there at 90.78.

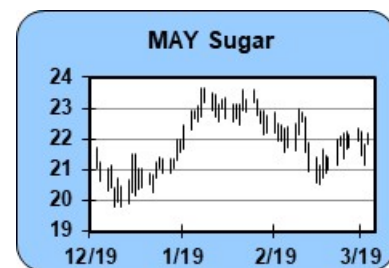
COTTON (JUL) 03/22/2024: Daily stochastics declining into oversold territory suggest the selling may be drying up soon. A negative signal for trend short-term was given on a close under the 9-bar moving average. It is a slightly negative indicator that the close was under the swing pivot. The next downside objective is 90.87. The next area of resistance is around 93.06 and 94.08, while 1st support hits today at 91.46 and below there at 90.87.

DAILY SUGAR COMMENTARY

3/22/2024

India and Thailand crop forecasts inching higher.

The 50-day moving average in May sugar at 22.24 could be a key bull/bear line today. The market tested that line over the course of seven sessions between March 11 and March 19, and when it failed to close above it on a test on Monday, it sold off sharply. Concerns about the upcoming Brazilian cane crop continue to lend support, despite recent rains. Private analysts have been increasing their global surplus forecasts recently, off better than expected late-season output in India and Thailand. StoneX has raised its forecast for the global supply surplus for 2023/24 to 3.88 million tonnes, up from a forecast of 3.4 million in February. India's production is expected to come in at 32.8 million tonnes, up 1.7 million from the previous forecast, and Thailand's forecast was increased to 9.1 million, up 500,000. For the upcoming (2024/25) Brazilian crop, StoneX lowered its Brazil sugarcane crush estimate to 602 million tonnes from 622 million in January, with Center South sugar production at 42.3 million tonnes versus 43.1 million in January.



TODAY'S MARKET IDEAS:

The 50-day moving average at 22.24 in May sugar could be a key bull/bear line today, as the market has failed in previous attempts to close above it. Additional resistance comes in at 22.41 and 22.95, with support at 21.76 and

21.13.

NEW RECOMMENDATIONS:

None.

PREVIOUS RECOMMENDATIONS:

None.

SUGAR TECHNICAL OUTLOOK:

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SUGAR (MAY) 03/22/2024: The cross over and close above the 60-day moving average indicates the longer-term trend has turned up. Momentum studies are trending higher from mid-range, which should support a move higher if resistance levels are penetrated. The close above the 9-day moving average is a positive short-term indicator for trend. If yesterday's gap higher on the day session chart holds, additional buying could develop this session. The market has a slightly positive tilt with the close over the swing pivot. The next upside target is 22.39. The next area of resistance is around 22.24 and 22.39, while 1st support hits today at 21.88 and below there at 21.67.

OJ TECHNICAL OUTLOOK:

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ORANGE JUICE (MAY) 03/22/2024: 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. The daily closing price reversal up is a positive indicator that could support higher prices. A positive setup occurred with the close over the 1st swing resistance. The next downside target is 336.45. The next area of resistance is around 369.05 and 379.10, while 1st support hits today at 347.75 and below there at 336.45.

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	22.06	54.36	51.57	59.02	67.04	21.91	21.92	21.71	22.34	21.99
CTAK24	92.21	39.79	45.87	15.87	9.76	93.08	93.88	95.48	91.87	89.35
CTAN24	92.26	42.39	47.40	18.34	12.69	92.94	93.54	94.61	91.66	89.36
CCAK24	8559	84.99	82.44	88.68	91.00	8270.50	7701.89	7031.94	5929.91	5502.52
OJAK24	358.40	48.58	49.84	40.18	35.56	356.14	358.71	361.22	352.70	342.59
KCAK24	185.70	54.08	51.93	31.50	30.53	183.23	183.69	184.43	185.51	185.18
MAJ24	15.74	33.12	35.38	16.84	17.23	16.09	16.06	16.35	16.92	16.96

Calculations based on previous session. Data collected 03/21/2024

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	21.67	21.88	22.03	22.24	22.39
CTAK24	Cotton	90.78	91.38	92.44	93.04	94.10
CTAN24	Cotton	90.86	91.45	92.47	93.06	94.08
CCAK24	Cocoa	7976	8307	8480	8811	8984
OJAK24	Orange Juice	336.40	347.70	357.75	369.05	379.10
KCAK24	Coffee	180.36	183.02	185.71	188.37	191.06
MAJ24	Milk	15.32	15.47	15.85	16.00	16.38

Calculations based on previous session. Data collected 03/21/2024
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