Sugar Report

13 February 2009

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Available daily on the web. **All prices are from the previous business day's close.**
Sources used in this report found at www.sucdenfinancial.co.uk/researchresources

New York #11 Raws Electronic

	High	Low	Sett	+/-	Open Int
MAR 09	13.22	12.80	13.13	-0.06	123,726
MAY 09	13.55	13.15	13.49	-0.01	196,049
JUL 09	13.65	13.30	13.61	-0.01	128,417
OCT 09	14.00	13.65	13.99	0.02	86,254
JAN 10			14.37	-0.01	207
MAR 10	14.49	14.15	14.50	0.05	53,247
MAY 10	14.29	14.10	14.29	0.03	15,351
JUL 10	14.05	13.89	14.06	0.03	13,300
OCT 10	14.19	14.00	14.19	0.02	12,003
JAN 11			14.24	0.02	2
MAR 11	14.39	14.25	14.40	0.02	18,086
MAY 11	14.06	14.06	14.22	0.02	6,405
JUL 11			14.05	0.02	4,035
OCT 11			14.13	0.03	1,278

AA's: 870 **EFS's:** 181

Est Volume: 162,048 **Total O.I:** 658,360

London #5 Whites

	High	Low	Sett	+/-	Open Int
MAR 09	395.40	384.20	387.40	-8.10	4,148
MAY 09	392.30	385.10	387.40	-4.10	28,137
AUG 09	387.20	381.50	383.80	-3.30	13,042
OCT 09	386.00	380.00	381.80	-3.10	6,252
DEC 09	385.80	383.30	383.00	-3.10	1,457
MAR 10	386.50	386.50	386.20	-2.40	1,010
MAY 10			383.00	-1.20	184
AUG 10			378.30	-1.20	91
AA's		366	**EFS's**	634	
Volume		**8,563**			

Whites Uncov.

3,372
20,364
12,984
4,497
1,083
939
181
91
43,511

Other Markets

	Close	Change
CBOT Soybean	968.50	-0.97
CBOT Corn	366.25	-0.61
CBOT Wheat	538.75	-0.83
WTI Crude	34.70	2.12
NY Cocoa	2702.00	2.19
NY Coffee	112.65	0.45
S&P 500	833.74	0.17

Switches NY

Mch9/May9	-32/-31
May09/Jly09	-12/-11
Jly09/Oct09	-37/-35
Oct09/Mch10	-50/-48

Switches London

Mar/May	0.00/0.10
May/Aug	3.50/3.60
Aug/Oct	1.80/2.30
Oct/Dec	-2.00/-1.20

Whites Premium

Mar/Mar	100.25/100.50
May/May	92.00/92.50
Aug/Jul	86.25/86.75

NY Options

Call Volume	8,365
Put Volume	9,088
Call O/P	**640,355**
Put O/P	**428,482**

London Options

Call Volume	0
Put Volume	0
Call O/P	**2,815**
Put O/P	**6,515**

Calendar

New York:	London:
17/02 Mch opts exp	13/02 Mch fut exp
27/02 Mch fut exp	01/04 May opts exp

Technical Information:

NY:	Support	Resistance	RSI 9/14
May-09	13.15	13.55	67 & 64
	13.12(20dma)	13.63	
		13.64	

London:	Support	Resistance	RSI 9/14
May-09	385.10	394.30	73 & 71
	384.7(gap)	394.40	

Commitment of Traders

03-Feb	Net Spec Pos	Change
Futures*	145,378	4,549
Futures&Options*	122,919	-1,544
Index Funds Suppl	159,704	-4,553

*Non-commercial + non-reportable net positions

Spot Prices and K.D.P's

NYK #11 Spot Price	13.99
Br.Real	2.2870

K.D.P. Whites F.O.B.	383.75
K.D.P. Raws F.O.B.	284.50
K.D.P. Raws C&F	309.50

After a volatile session raws recovered from large losses to end modestly lower, although whites fell sharply and never had time to recoupe losses. NY opened a couple of points higher but eventually came under pressure, leaving London no choice but to open unchanged at best. Both markets continued to struggle for the balance of the morning as their respective front spreads struggled. However, it should be noted that overall volume and activity were not impressive. Things changed in the early afternoon when H/K whites were offered down to a small discount. Flat price losses increased and raws were sold off as well. The pace of the selling increased after options opened and the lows from Wednesday were then broken. Upon breaking 13.00 March NY then tumbled roughly another 20 points before jobbers took back shorts to add some stability. Further, H/K London was well sought out under flat which added another angle of support. Thus, raws and whites crept back up from mid to late afternoon. In the last 30 minutes No.5 encountered a little resistance which left unable to cut losses in the same manner as NY. And, raws remained above 13.00 which helped attract more buying by settlement time. We are marginally higher at the time of this report on low volume.

With the squeeze in London over, the subsequent selloff translated into weakness in NY. And, after many days of holding over 13.00, but not rallying too far, it was a healthy and necessary pullback. The dip to 12.80 kept us within the uptrend and also confirmed the appetite of some into weakness. But with a lot of the news now factored in, and without the London strength which aided NY, a catalyst is needed to get the market to new highs. If not, we may languish around these levels for the short term, especially with today's expiry and the US holiday on people's minds.

Reminder: The NY ICE markets will be closed on Monday, 16th February in observance of Presidents' Day

Comments: Peter Hoyt, Sucden Financial Sugar

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