



Daily Sugar Technical Comment

Thursday, June 3, 2010

Our narrow range trade is stalling the recent break as we bounce around 24-cents. This could trigger a s/t rally but the topside should be limited against the 14.30 to 14.40 area for July. Expect selling there as we set up for a run at the May lows. Look for a break under the 13.82 low to extend the slide. Risk a close over 14.60 on shorts but October may still be the better bear play as the July trade continues its liquidation. A break under the 14.32 low should set up a test of the May trade at 13.67 there. Risk the 15 cent level on shorts. Little change on the weekly charts so far but we still have room to test the 12-13 cent area with further weakness. Our break in London is slowing down a bit but no sign that we done with this overall downswing. This should leave the \$465.00 to \$470.00 range as a problem on the rally. Downside targets remain near the \$440.00 level. We need a close over \$480.00 to signal a turn here.



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