



Today's Outlooks

ENERGY: We think the storm rally will soon be a selling opportunity

COTTON: Weak technical action and emerging market demand concerns

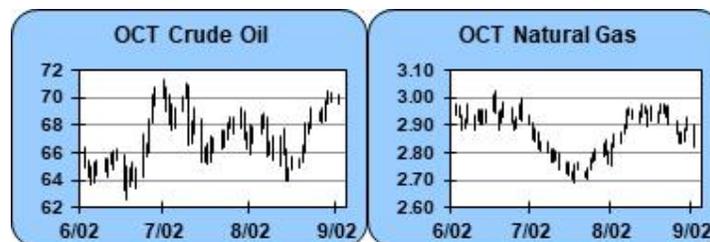
COFFEE: No sign of low yet in London; weak close leaves 96.50 as target

COCOA: London weakness over holiday but outlook still positive

SUGAR: Funds hold massive and near record net short position

Overnight Price Changes

CRUDE +144 HEATING OIL +623 RBOB GAS +600



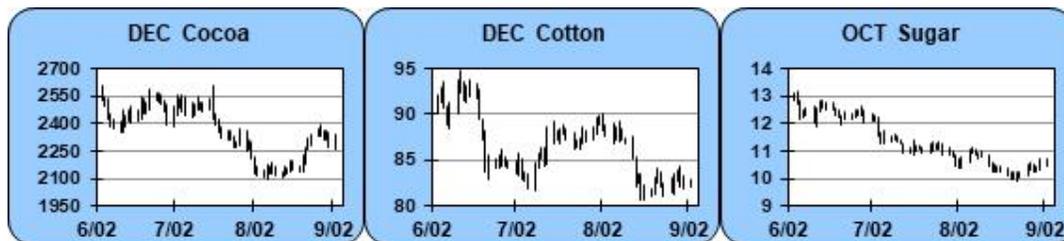
Crude Market Overview

The energy complex this morning is ignited by the approach of hurricane Gordon which is projected to make landfall. The evacuation of Gulf of Mexico oil platforms creates a disruption of supply which could extend the pattern of US crude oil stock declines. In fact US crude oil stocks have seen declines in three of the last four weeks and the potential for the restriction of Iranian oil supply flow from sanctions remains a fixture in the marketplace.

Natural Gas Market Overview

Clearly the natural gas market is unconcerned about hurricane Gordon perhaps because the intensity of the storm is projected to be only a category one storm later on. It is also possible that the track of the storm is currently further east in the gulf and the trade sees minimal shutdown times on central/west gulf platforms. Clearly the market is not benefiting from overnight news that China will buy even more liquid natural gas and that their buying will be more consistent.

如未獲本公司之預先同意，任何人士不得擅自更改、轉寄、轉載及傳閱此內容。本公司將保留所有使用之權利。



Softs Market Overview

COTTON: The market continues to consolidate in a fairly tight range and while cotton closed higher on the week, the technical action still looks a bit negative. A close below 81.99 for December cotton would sour the chart pattern further. The supply/demand update this month is still in question as to any shifts in production.

COFFEE: London futures pushed to a new contract low on Monday and again this morning which is a bearish force. US coffee futures will start this week on a 4-session losing streak and back within striking distance of the contract low. The market needs to receive more bullish news from Brazil and/or Vietnam to see a sizable short-covering move.

COCOA: If demand concerns can be soothed by stronger global risk sentiment, cocoa may extend the current recovery move. The market was sharply higher Friday but for the week, December cocoa finished with a loss of 28 points (1.2% lower). The International Cocoa Organization (ICCO) released their latest quarterly supply/demand update as they raised their 2017/18 global production surplus forecast from 10,000 to 31,000 tonnes.

SUGAR: London white sugar futures pushed higher on Monday to the highest level since August 7th. This is a positive as London is already holding a higher than normal premium to the raw market. Sugar prices finished last week's trading on a 3-session winning streak and with a new 3-week high.

Softs Price Outlook

COTTON: A close below 81.99 for December cotton would be considered bearish with 80.60 and 79.21 as next targets. Resistance is at 83.71 and 84.18.

COFFEE: While global risk sentiment appears to be on the mend early this week, strength in emerging market currencies (Brazil, Vietnam, Colombia and Vietnam in particular) will be needed for coffee prices to find their footing. London has pushed to

如未獲本公司之預先同意，任何人士不得擅自更改、轉寄、轉載及傳閱此內容。本公司將保留所有使用之權利。



a new contract low for the 4th session in a row. The market has plenty of fuel for a short-covering rally, but it may take additional flowering issues in Brazil or fresh weather issues in Vietnam to turn the trend. The close Friday under 102.20 for December coffee leaves 96.50 as next downside swing target.

COCOCA: London futures were down Monday but stayed with an inside trading session. While there is some early optimism over West African 2018/19 output, tree removal programs and a potential El Nino will make it difficult to reach this season's production totals. Near-term support for December cocoa is at the 2284-2248 zone, with 2353 and 2413 as resistance.

SUGAR: Brazil sugar exports for August were just 1.444 million tonnes from 1.709 million in July and compares with 2.160 million tonnes last year. India may be looking at another record high production total but Brazil, the EU and Thailand are likely to see lower 2018/19 production. Managed money traders hold a massive and near record 153,356 contract net short position, so a rebound in key producer currencies combined with stronger energy prices may lead to a fresh wave of short-covering. Near-term support for March sugar is at 11.26, with 11.61 and 12.02 as next upside targets.