***MORNING SOFTS COMMENTS***

***Jack Scoville***

**Tuesday, April 10, 2018**

**Price Futures Group, CBOT**

**Chicago, IL**

**(312) 264-4322**

[**jscoville@pricegroup.com**](mailto:jscoville@pricegroup.com)

**JSL, SA de CV**

**San Salvador, El Salvador (503) 2260-7806**[**jslsadecv@comcast.net**](mailto:jslsadecv@comcast.net)

**JSL, SA**

**San José, Costa Rica (506)2282-7024**

**jslsa@comcast.net**

**COTTON**

***General Comments:***Cotton was higher last week as this market saw good demand in the weekly export sales report and dealt with fallout of its own from the potential US-China trade war. It was a big range week in response to the threats. China is a good buyer of US Cotton as it uses the high quality US product to blend with its own production. The US also sells a lot of Cotton to Southeast Asia and some of this makes its way to China in the form of finished products. US farmers in just about all production areas plan to plant more Cotton. It is drier in the Delta and Texas after some big rains that hit again in the second half of last week, and drier weather will be seen in the Southeast. The drier Delta and Southeast weather will be welcome after some big rains in recent days. Warmer temperatures would be beneficial. Prices overall have been much higher than most commercials had expected, but the recent carry spread weakness could be a sign that merchants have been able to get covered in the last couple of weeks. Prices could remain strong until closer to harvest, but there is a chance that the highs have been seen.

***Overnight News:*** TheDeltaand the Southeast will get periods of precipitation early this week and drier weather later this week.Temperatures shouldbe mostly near to above normal. Texas will see mostly cry conditions. Temperatures will be warm.The USDA average price is now 78.92 ct/lb. ICE said that certified stocks are now 82,337 ba1es, from 67,797 bales yesterday.

***Chart Trends:***  Trends in Cotton are mixed. Support is at 8230, 8070, and 7860May, with resistance of 8380, 8410, and8550May.

**DJ India's Cotton Production Seen Staying High -- Market Talk**

0256 GMT - The local office of the USDA is projecting India will produce 7% more cotton in the year ending July 31 on more land being planted with the crop. The agency is predicting output of 28.9 million 480-pound bales of cotton, and 28.7 million in the coming year. India, which is the world's No. 2 cotton producer, is seen importing just 1.5 million bales this current season. (lucy.craymer@wsj.com)

Wire: Bloomberg News (BN) Date: Apr 6 2018 13:10:00

Cotton Production, Inventory Survey Before USDA WASDE Report

By Dominic Carey

(Bloomberg) -- The following table shows results of a Bloomberg News survey

of as many as nine analysts for the USDA’s World Agricultural Supply and Demand

report on the 2017-18 cotton crop, which is scheduled for release at noon in

Washington on April 10. Figures are in millions of bales.

\*================================================================

|-------Survey Results--------| USDA

2017-18:| Avg | Low | High | March | 2016-17

================================================================

US Production | 21.00| 20.85| 21.03| 21.03| 17.17

US Exports | 15.16| 14.60| 15.50| 14.80| 14.92

US End Stocks | 5.14| 4.62| 5.70| 5.50| 2.75

World | | | | |

Production | 121.66| 120.70| 122.00| 121.94| 106.80

World | | | | |

Consumption | 120.95| 120.50| 121.50| 120.79| 114.81

World End | | | | |

Stocks | 88.22| 87.00| 88.85| 88.85| 87.70

================================================================================

Analyst |------------U.S.------------| ------World----

| | | End | | | End

Estimates: |Production |Exports |Stocks |Production |Consumption |Stocks

================================================================================

Cottonexperts.com | 21.00| 15.50| 4.90| 120.70| 121.00| 87.00

Doane | 21.03| 15.30| 5.00| 122.00| 121.50| 87.50

Love Consulting | 21.03| 15.00| 5.30| 122.00| 121.00| 88.50

Price Futures Group| 21.00| 15.00| 5.30|n/a |n/a |n/a

Rabobank | 21.00| 15.00| 5.20| 121.10| 120.50| 88.30

Rose Consulting | 21.03| 15.50| 4.93| 121.75| 121.10| 88.35

Texas A&M; Robinson| 21.03| 15.00| 5.30| 121.94| 120.79| 88.85

Varner Bros. | 20.85| 15.50| 4.62| 121.80| 120.80| 88.75

Wedbush Securities | 21.00| 14.60| 5.70| 122.00| 120.90| 88.50

SOURCE: Bloomberg News

**DJ USDA Volume Of Cotton Classed Report - Apr 6**

Data quoted in bales for week ending Apr 5. Totals may not add due

to rounding. \* denotes data withheld to avoid disclosure of individual

producer information. Source: USDA

Weekly Season Weekly Season

Southeast 0 4,437,022 Southwest 77,000 10,028,183

NC - 763,203 Okla 34,108 782,061

SC - 405,645 Texas 37,655 9,089,814

Ga \* - 2,192,213 Kansas 5,237 156,308

Ala - 774,914

Fla - 119,040 Far West 0 724,200

Va - 182,007 NM - 43,246

Ariz \* - 458,277

Delta 0 4,220,427 Calif - 222,677

Miss - 1,287,347

Tenn - 718,537 Pima - 676,945

Mo - 682,976 Other 0 0

Ark - 1,123,871 Total US 77,000 20,086,777

La - 407,696 pct tenderable 37.1 67.3

*COT -- Supplemental Report - Option and Futures Combined Positions as of April 03, 2018*

: Reportable Positions : Nonreportable

:---------------------------------------------------------------------------------------- : Positions

: Non-Commercial : Commercial : Index Traders : Total

: Long : Short :Spreading: Long : Short : Long : Short : Long : Short : Long : Short

-------------------------------------------------------------------------------------------------------------------

COTTON NO. 2 - ICE FUTURES U.S.

CFTC Code #033661 Open Interest is 347,109

: Positions :

: 92,542 16,304 75,967 65,130 228,116 92,411 13,708 326,049 334,094: 21,060 13,015

: Changes from: March 27, 2018 (Change in open interest: 1,512) :

: -2,139 1,372 949 187 -3,700 1,419 2,835 416 1,455: 1,096 57

: Percent of Open Interest Represented by Each Category of Trader :

: 26.7 4.7 21.9 18.8 65.7 26.6 3.9 93.9 96.3: 6.1 3.7

: Total Traders: 323 Number of Traders in Each Category :

: 143 59 104 60 76 30 16 280 216:

-------------------------------------------------------------------------------------------------------------------

**FCOJ**

***General Comments:***FCOJ was lower in range trading last week. The market is still dealing with a short crop against weak demand. USDA should highlight the short crop when it releases its citrus reports tomorrow. It last estimated the crop at 45 million boxes and there is no real reason to expect any big changes to that estimate. The current weather is good as temperatures are warm and it is mostly dry, but some big rains are reported in northern parts of the state. The harvest is progressing well and fruit is being delivered to processors. Producers are now into the Valencia crop with the early and mid harvest completed. Florida producers are actively harvesting and performing maintenance on land and trees. Flowering is mostly over, and fruit is forming and starting to develop. Irrigation is being used.

***Overnight News:***Florida should getmostly dry weather this week and showers this weekend. Temperatures will average near to above normal. Brazil should get scattered showers and near to belownormal temperatures. The best precipitation should be this weekend.

***Chart Trends:*** Trends in FCOJ are mixed. Support is at 136.00, 135.00, and 134.00 May, with resistance at140.00, 142.00, and 143.00 May.

Wire: Bloomberg News (BN) Date: Apr 6 2018 13:30:00

Florida Orange Production Survey Before USDA’s Citrus Report

By Dominic Carey

(Bloomberg) -- The following table shows results of a

Bloomberg News survey of three analysts about the 2017-18

Florida orange crop. The USDA will release their estimate at

noon in Washington on April 10. Figures are in millions of 90-lb

boxes.

================================================================

Summary of Results: | Output

================================================================

Survey Avg | 46.7

Survey Range | 44-51

USDA March Estimate | 45.0

USDA 2016-17 Crop | 68.75

Analyst Estimates: |

Price Futures Group | 45.0

Optionsellers.com | 51.0

Infinity Trading | 44.0

SOURCE: Bloomberg News

*Disaggregated Commitments of Traders- Options and Futures Combined Positions as of April 3, 2018*

: Reportable Positions :

:------------------------------------------------------------------------------------------------------------- :

: Producer/Merchant : : : :

: Processor/User : Swap Dealers : Managed Money : Other Reportables :

: Long : Short : Long : Short :Spreading: Long : Short :Spreading: Long : Short :Spreading :

----------------------------------------------------------------------------------------------------------------

FRZN CONCENTRATED ORANGE JUICE - ICE FUTURES U.S. (CONTRACTS OF 15,000 POUNDS) :

CFTC Code #040701 Open Interest is 16,472 :

: Positions :

: 9,290 7,617 1,362 0 0 550 3,433 96 962 912 2,389 :

: Changes from: March 27, 2018 :

: 225 177 5 0 0 -3 119 0 37 -57 123 :

: Percent of Open Interest Represented by Each Category of Trader :

: 56.4 46.2 8.3 0.0 0.0 3.3 20.8 0.6 5.8 5.5 14.5 :

: Number of Traders in Each Category Total Traders: 61 :

: 20 11 5 0 0 . 14 . 11 5 11 :

----------------------------------------------------------------------------------------------------------------

**COFFEE**

***General Comments***Futures in New York were slightly lower at the end of the week after moving to new contract lows earlier in the week. London was also lower and is now at an important support area left from last Fall. Trends are sideways to down on the charts. Funds and other speculators were the best sellers and industry is the best buyer. Traders still sense the underlying interest in buying the market due to the industry buying, but the buy side of the market has not shown interest in pushing prices higher. They have been able to let the speculators come to their price level. Origin is still offering in Central America and is still finding weak differentials. Good business is getting done and exports are active. Traders anticipate big crops from Brazil and from Vietnam this year and have remained short in the market. New York traders are talking about good weather currently being reported in Brazil and expect another bumper crop. Robusta remains the stronger market as Vietnamese producers and merchants are not willing to sell at current prices and are willing to wait for a rally

***Overnight News:*** Certified stocks are slightly higher today and are about 1.949million bags.The ICO composite price is now 113.08 ct/lb. Brazil will getdrier conditions or light showers. Temperatures should be near to above normal. Colombia should getisolated showers. Central America and southern Mexico should get isolated showers or dry conditions. Vietnam will get showers in the north starting tomorrow.

***Chart Trends:*** Trends in New York are mixed todown with no objectives. Support is at116.00, 113.00, and 110.00May, and resistance is at 121.00, 122.00 and 124.00 May. Trends in London aredown, with objectives of 1650 May. Support is at 1720, 1700, and 1670May, and resistance is at 1760, 1780, and 1800 May.

*COT -- Supplemental Report - Option and Futures Combined Positions as of April 03, 2018*

: Reportable Positions : Nonreportable

:---------------------------------------------------------------------------------------- : Positions

: Non-Commercial : Commercial : Index Traders : Total

: Long : Short :Spreading: Long : Short : Long : Short : Long : Short : Long : Short

-------------------------------------------------------------------------------------------------------------------

COFFEE C - ICE FUTURES U.S.

CFTC Code #083731 Open Interest is 323,696

: Positions :

: 46,242 107,927 89,416 115,412 104,360 51,033 12,320 302,102 314,023: 21,594 9,673

: Changes from: March 27, 2018 (Change in open interest: 7,288) :

: -1,593 4,115 2,945 3,807 -646 -1,063 292 4,097 6,707: 3,191 581

: Percent of Open Interest Represented by Each Category of Trader :

: 14.3 33.3 27.6 35.7 32.2 15.8 3.8 93.3 97.0: 6.7 3.0

: Total Traders: 562 Number of Traders in Each Category :

: 192 169 161 141 120 30 21 441 406:

-------------------------------------------------------------------------------------------------------------------

**DJ ICE Commitments: ICE Europe Robusta Coffee Futures/Options**

Commitments of Traders-Options and Futures

Combined Positions as of 04/03/2018

Reportable Positions

===============================================================================

Producer/Merchant/

Processor/User Swap Dealers

OI Long Short Long Short Spreading

===============================================================================

ICE Robusta Coffee Futures and Options - ICE Futures Europe

147,200 88,138 72,918 8,429 2,808 4,404

Percent of Open Interest Represented by Each Category of Trader

100.0% 59.9% 49.5% 5.7% 1.9% 3.0%

Number of Traders in Each Category

164 57 52 15 4 13

Reportable Positions

===============================================================================

Managed Money Other Reportables

Long Short Spreading Long Short Spreading

===============================================================================

12,912 33,824 9,812 940 1,318 16,678

Percent of Open Interest Represented by Each Category of Trader

8.8% 23.0% 6.7% 0.6% 0.9% 11.3%

Number of Traders in Each Category

16 36 16 13 6 19

Nonreportable Positions

=======================

Long Short

=======================

5,886 5,438

Percent of Open Interest Represented by Each Category of Trader

4.0% 3.7%

**SUGAR**

***General Comments:***Futures were lower for the week in both New York and London. London is holding a support area on the weekly charts for now, but New York continues to work lower. Trends are down in both markets. The fundamentals remain little changed, and there does not seem to be much for now that can shake the market out of its current trend. Traders hear about big production from the world producers and little in the way of special demand that could absorb some of the surplus. Ideas that Sugar supplies available to the market can increase in the short term have been key to any selling. India will export up to 4.0 million tons of Sugar this year after being a net importer for the last couple of years. The government there is reducing or eliminating export taxes in an effort to promote selling in world markets. It has a significant surplus after several years of lower production. Thailand has produced a record crop and is selling. Mills in Brazil have decided to make more Ethanol as world Crude Oil and products prices have been very strong. Brazil still has plenty of Sugar to sell even with the different refining mix.

***Overnight News:***Brazilwill get drier weather or light showers. Temperatures should be near to above normal.

***Chart Trends:*** Trends in New York are mixed todown with objectives of 1180and 1120 July. Support isat 1230, 1200, and 1170 July, and resistance is at 1270, 1280, and 1300 July. Trends in London are mixed to down with objectives of 332.00 August. Support is at 340.00, 337.00, and 334.00 August, and resistance is at 346.00,348.00, and 352.00 August.

*COT -- Supplemental Report - Option and Futures Combined Positions as of April 03, 2018*

: Reportable Positions : Nonreportable

:---------------------------------------------------------------------------------------- : Positions

: Non-Commercial : Commercial : Index Traders : Total

: Long : Short :Spreading: Long : Short : Long : Short : Long : Short : Long : Short

-------------------------------------------------------------------------------------------------------------------

SUGAR NO. 11 - ICE FUTURES U.S.

CFTC Code #080732 Open Interest is 1,113,805

: Positions :

: 138,398 309,324 232,234 382,286 446,087 277,674 37,275 1,030,591 1,024,920: 83,213 88,885

: Changes from: March 27, 2018 (Change in open interest: 22,212) :

: 6,696 5,791 3,350 8,378 6,127 2,850 2,188 21,274 17,457: 938 4,755

: Percent of Open Interest Represented by Each Category of Trader :

: 12.4 27.8 20.9 34.3 40.1 24.9 3.3 92.5 92.0: 7.5 8.0

: Total Traders: 274 Number of Traders in Each Category :

: 68 85 92 78 73 24 17 223 224:

-------------------------------------------------------------------------------------------------------------------

**DJ ICE Commitments: ICE Europe White Sugar Futures/Options**

Commitments of Traders-Options and Futures

Combined Positions as of 04/03/2018

Reportable Positions

===============================================================================

Producer/Merchant/

Processor/User Swap Dealers

OI Long Short Long Short Spreading

===============================================================================

ICE White Sugar Futures and Options- ICE Futures Europe

99,828 36,945 62,639 18,792 1,160 1,495

Percent of Open Interest Represented by Each Category of Trader

100.0% 37.0% 62.7% 18.8% 1.2% 1.5%

Number of Traders in Each Category

148 48 57 14 3 4

Reportable Positions

===============================================================================

Managed Money Other Reportables

Long Short Spreading Long Short Spreading

===============================================================================

22,965 18,848 6,823 5,360 1,388 2,708

Percent of Open Interest Represented by Each Category of Trader

23.0% 18.9% 6.8% 5.4% 1.4% 2.7%

Number of Traders in Each Category

19 22 12 13 6 14

Nonreportable Positions

=======================

Long Short

=======================

4,740 4,767

Percent of Open Interest Represented by Each Category of Trader

4.7% 4.8%

**COCOA**

***General Comments***Futures were lower last week. New York is testing a support level on the weekly charts, but appears ready to move lower. Futures could move to the 2420 level to fill a big gap left on the weekly charts. London could also work lower and might test support near 1600. Ideas of smaller world production that has been largely sold remain part of the rally, and ideas of strong demand from processors remains the other part of the rally. Most in the trade anticipate the increased demand, and current West Africa weather is hot enough and dry enough to create production concerns. Showers and more seasonal temperatures have been seen in the last few weeks to improve overall production conditions. The mid crop harvest is starting, and wire reports indicate that some initial mid crop harvest is underway in Nigeria. No yield reports have been seen yet, but estimates from the country imply that variable yields can be expected. The harvest should begin soon in Ivory Coast and Ghana. Demand has been improving and is likely to continue to improve as processing margins are said to be very strong.

***Overnight News:*** Scattered showersare expected in West Africa. Temperatures will average near toabovenormal. Malaysia and Indonesia should seefrequent showers. Temperatures should average abovenormal. Brazil will get cry conditionsand near to abovenormaltemperatures. ICE certified stocks arelower today at 4.888million bags.

***Chart Trends:*** Trends in New York are mixed to down withobjectives of 2360 May. Support is at2430,2400, and2340 May, with resistance at 2490, 2550, and 2600 May. Trends in London are down with objjectives of 1630 and 1610 May. Support is at 1680, 1650, and 1610 May, with resistance at 1750, 1800, and 1830 May.

*COT -- Supplemental Report - Option and Futures Combined Positions as of April 03, 2018*

: Reportable Positions : Nonreportable

:---------------------------------------------------------------------------------------- : Positions

: Non-Commercial : Commercial : Index Traders : Total

: Long : Short :Spreading: Long : Short : Long : Short : Long : Short : Long : Short

-------------------------------------------------------------------------------------------------------------------

COCOA - ICE FUTURES U.S.

CFTC Code #073732 Open Interest is 365,766

: Positions :

: 87,917 50,062 101,445 107,454 178,796 51,208 23,591 348,024 353,894: 17,741 11,872

: Changes from: March 27, 2018 (Change in open interest: -5,151) :

: 1,133 -1,639 -1,032 700 587 -4,676 -2,828 -3,874 -4,911: -1,277 -240

: Percent of Open Interest Represented by Each Category of Trader :

: 24.0 13.7 27.7 29.4 48.9 14.0 6.4 95.1 96.8: 4.9 3.2

: Total Traders: 278 Number of Traders in Each Category :

: 98 87 98 43 43 25 10 229 188:

-------------------------------------------------------------------------------------------------------------------

**DJ ICE Commitments: ICE Europe Cocoa Futures/Options**

Commitments of Traders-Options and Futures

Combined Positions as of 04/03/2018

Reportable Positions

===============================================================================

Producer/Merchant/

Processor/User Swap Dealers

OI Long Short Long Short Spreading

===============================================================================

ICE Cocoa Futures and Options - ICE Futures Europe

360,815 192,460 229,069 18,989 27,236 24,229

Percent of Open Interest Represented by Each Category of Trader

100.0% 53.3% 63.5% 5.3% 7.5% 6.7%

Number of Traders in Each Category

160 55 46 17 5 10

Reportable Positions

===============================================================================

Managed Money Other Reportables

Long Short Spreading Long Short Spreading

===============================================================================

51,773 10,949 27,678 2,900 1,052 37,559

Percent of Open Interest Represented by Each Category of Trader

14.3% 3.0% 7.7% 0.8% 0.3% 10.4%

Number of Traders in Each Category

41 14 16 8 9 18

Nonreportable Positions

=======================

Long Short

=======================

5,227 3,041

Percent of Open Interest Represented by Each Category of Trader

1.4% 0.8%

[The PRICE Futures Group](http://www.pricegroup.com/)  
  
**141 W. Jackson Blvd. Suite 1340A, Chicago, IL 60604  |  (800) 769-7021  |  (312) 264-4322 (Direct)   |** [**www.pricegroup.com**](http://www.pricegroup.com/)

Past performance is not indicative of future results. Investing in futures can involve substantial risk & is not for everyone. The information and data in this report were obtained from sources considered reliable. Their accuracy or completeness is not guaranteed and the giving of the same is not to be deemed as an offer or solicitation on our part with respect to the sale or purchase of any securities or futures.

The Price Futures Group, its officers, directors, employees, and brokers may in the normal course of business have positions, which may or may not agree with the opinions expressed in this report. Any decision to purchase or sell as a result of the opinions expressed in this report will be the full responsibility of the person authorizing such transaction. Reproduction and/or distribution of any portion of this report are strictly prohibited without the written permission of the author.

To SUBSCRIBE to Morning Softs please [click here](http://www.pricegroup.com/commentaries_jack%20scoville.asp).

To Unsubscribe from Morning Softs please [click here](http://offers.pricegroup.com/unsubscribe.htm).

[Click Here to View the Morning Softs Archives](http://blog.pricegroup.com/index.php/tag/morning-softs/)