



Today's #11 Sugar Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Cents per Pound</i>								
Mar-17	22.62	22.75	22.44	22.71	+0.09	30,743	466,538	22.91
May-17	21.99	22.10	21.80	22.07	+0.08	11,358	136,764	22.24
Jul-17	21.30	21.40	21.10	21.37	+0.07	6,747	113,998	21.57
Oct-17	20.77	20.87	20.58	20.84	+0.07	4,287	71,070	21.03
Mar-18	20.43	20.53	20.30	20.50	+0.07	1,070	30,957	20.67

Today's #16 Sugar Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Cents per Pound</i>								
Jan-17	28.50			28.50	+0.00	35	1,626	28.55
Mar-17	28.00			28.02	+0.02	1	1,483	28.19
May-17	28.00			28.02	+0.02	0	1,301	27.11
Jul-17	27.95			27.81	-0.14	0	1,140	27.11
Sep-17	27.95			27.72	-0.23	0	761	27.10

11 Sugar - Position of Traders

Contracts of 112,000 Pounds		
	Oct 11, 2016	Change from Previous Week
Processors		
Long	132,265	+3,909
Short	594,381	-9,742
Swap Dealers		
Long	152,907	-967
Short	66,960	+890
Managed Money		
Long	266,454	-15,340
Short	15,628	+2,135
Other Reportables		
Long	89,714	+5,589
Short	26,448	+2,959
Summary		
Long	641,340	<i>Net short:</i>
Short	703,417	-62,077

Source: CFTC

Comments

- Nearby world sugar rebounds from Thursday's two-week low:** After testing the 20-day average in the last two sessions, Mar-17 #11 sugar closed down 0.20, still below prior support around 22.80. Support may be seen between 22.45 and 22.55, with resistance around 22.80 and 23.00.
- Domestic sugar midweek jump fizzles:** Jan-17 #16 sugar rebounded off Fibonacci retracement support and the 20-day average around 28.20 Monday, closing above resistance around 27.50 Tuesday and Thursday before closing on that level Thursday and Friday. RSI is moderately bearish at 58.5 percent.
- Brazilian cane crush up 4 percent in second half of September:** South-central sugar output was up 23 percent for the period, while ethanol output was down slightly. Cumulative sugar output stands at 27.8 MMT, up 20 percent from the 2015/16 crop season (beginning in April). Ethanol exports total 955 million liters (April-September), down slightly from last year; domestic ethanol sales, however, are down more than 7 percent at 13.1 billion liters.
- Mexico 2015/16 exports down 15 percent:** At the end of September, 2015/16 exports totaled 1.21 MMT, compared to 1.43 MMT in 2014/15. Separately, IMMEX sales reached 305,562 MT in 2015/16, up 76 percent. Exports to the U.S. (including Puerto Rico, excluding IMMEX) totaled 1.13 MMT, down 13 percent. Exports to the rest of the world totaled 86,837 MT, down 34 percent. Despite slightly higher consumption and lower carry-in, production of 6.12 MMT helped carryout for the season to reach 1.04 MMT, up 28 percent from 2014/15 carryout of 810,709 MT.
- Finland first EU state with sugar tax on foods and beverages?** Citing research linking diet, obesity, and type-2 diabetes, the Finnish government announced plans to move forward on a Pigouvian sugar tax on foods and beverages. Strong opposition helped stop a proposed tax in 2013, which had also been ensnared by legal issues. According to the Helsinki Times, proponents of the tax point to changes in EU regulations that have made the new tax possible legally. The Portuguese government is now floating a proposal for its own tax for beverages with more than 80 grams of sugar per liter, cited currently at €0.16 per liter, excluding those based on fruit juices and milk. Interestingly, the previous center-right government (as opposed to the current left-leaning government) had touted its own tax on foods and beverages with higher levels of sugar or salt. Denmark repealed its fat and soda taxes in 2013 and 2014, respectively; France, which still has its beverage tax, is seeing some calls for a fast food tax. The World Health Organization is now recommending that all countries consider the introduction of taxed on sweetened beverages, citing research on the effectiveness of taxes of 20 percent or higher. Norway, not an EU member, has a per-kilogram tax on products including refined sugar.

Nearby Sugar Futures



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Today's Corn Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Cents per Bushel</i>								
Dec-16	351.00	354.25	350.50	352.50	+1.50	104,711	666,779	354.25
Mar-17	360.75	363.50	360.00	362.25	+1.50	41,776	315,179	363.75
May-17	367.50	370.25	367.00	369.00	+1.50	10,052	75,666	370.25
Jul-17	373.75	376.25	373.25	375.00	+1.25	11,837	131,216	376.50
Sep-17	380.25	382.50	379.75	381.50	+1.25	1,910	45,228	383.00

Today's Ethanol Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Dollars per Gallon</i>								
Nov-16	1.590	1.610	1.600	1.610	0.020	213	1,274	1.580
Dec-16	1.530	1.550	1.540	1.540	0.010	210	2,314	1.520
Jan-17	1.490			1.500	0.010	38	925	1.490
Feb-17	1.490			1.500	0.010	5	272	1.490
Mar-17	1.510			1.520	0.010	21	214	1.510

Corn - Position of Traders

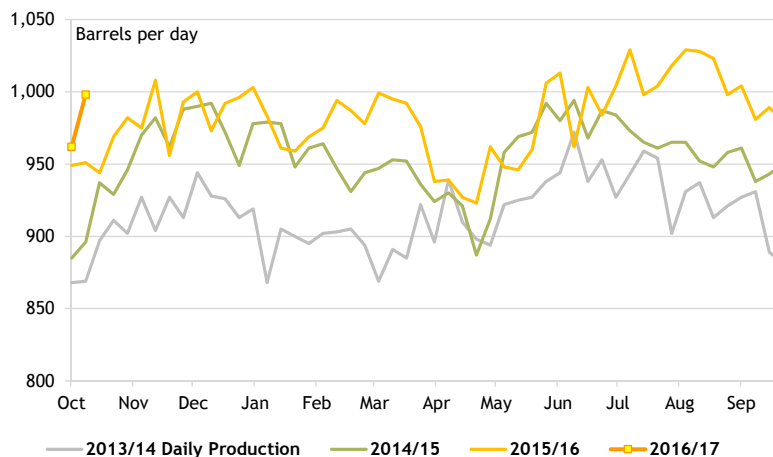
<i>Contracts of 5,000 Bushels</i>		
	Oct 11, 2016	Change from Previous Week
Processors		
Long	315,849	-6,516
Short	518,062	+11,977
Swap Dealers		
Long	245,986	-1,965
Short	5,447	+618
Managed Money		
Long	180,101	-3,075
Short	302,015	-34,257
Other Reportables		
Long	173,832	-6,091
Short	52,554	+623
Summary		
Long	915,768	<i>Net long:</i>
Short	878,078	+37,690

Source: CFTC

Comments

- Corn futures stick above 20-day moving average:** Dec-16 corn futures took support from harvest delays and strong export demand this week. Yesterday's session high of \$3.5925 let in a bit of profit-taking, and the contract settled a couple cents off the low but still above \$3.50. RSI today was 60.6 percent.
- Good harvest progress in Iowa, Minnesota:** About 59 percent of the U.S. corn crop had been harvested as of Oct. 18, now 5 points ahead of the five-year average. Harvest pace has picked up in Iowa and Minnesota: Iowa advanced 14 points week over week to 33 percent harvested (vs. the five-year average of 45 percent), and Minnesota gained 17 points to 31 percent harvested (vs. 43 percent for the five-year). Crop condition improved a point, to 74 percent good to excellent.
- Export sales rebound:** Net corn export sales for the week of Oct. 13 were over 1.0 MMT (40.3 million bushels), up 17 percent from the previous week. Outstanding sales, at nearly 15.0 MMT, were nearly double last year's contracted volumes to date. Weekly shipments, however, fell 32 percent week over week, to 851,000 MT.
- Ethanol stocks near one-year low:** For the week ending Oct. 14, ethanol production averaged 998,000 barrels per day, up 4 percent from the week before and a stronger-than-usual seasonal ramp-up in production, at least for week 2 of October. Use by blenders and refiners averaged 915,000 barrels per day, nearly unchanged week over week. Ending stocks were 19.0 million barrels, about 1 percent higher than last year.
- Corn basis slightly stronger this week:** Export demand supported a slight increase in basis, with Reuters reporting a 2-cent week-over-week increase in bids for October barges.
- Decline in 2017 corn plantings?** Informa is projecting a 3.7 percent decline in U.S. corn acreage next season, to just under 91.0 million acres, compared to 94.5 million planted this season. Yield is forecast at 170.4 bushels per acre.

Average Daily Ethanol Production



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Today's Soybean Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Cents per Bushel</i>								
Nov-16	975.50	984.25	974.50	983.00	+7.50	95,860	222,392	962.50
Jan-17	984.75	993.25	983.25	992.25	+7.50	53,938	225,598	970.25
Mar-17	991.00	999.75	990.00	998.75	+7.75	15,903	89,579	976.25
May-17	997.75	1006.25	997.25	1005.50	+7.75	5,753	54,279	983.50
Jul-17	1003.50	1011.75	1002.00	1010.75	+7.25	6,527	64,440	990.00

Today's Soybean Oil Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Cents per Pound</i>								
Dec-16	35.05	35.26	34.66	35.12	+0.07	46,295	196,705	34.38
Jan-17	35.32	35.52	34.95	35.38	+0.06	10,262	106,062	34.66
Mar-17	35.53	35.73	35.15	35.60	+0.07	7,908	60,981	34.89
May-17	35.70	35.89	35.36	35.78	+0.08	7,343	40,525	35.07
Jul-17	35.88	36.06	35.51	35.95	+0.07	3,738	27,283	

Soybeans - Position of Traders

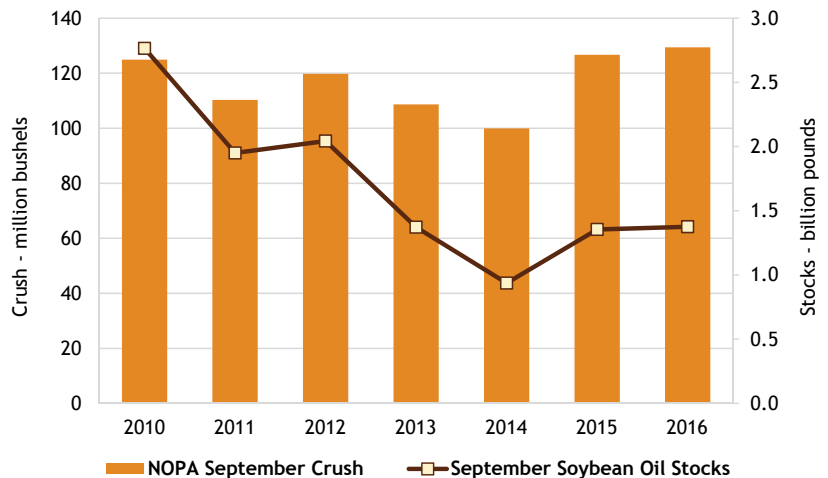
<i>Contracts of 5,000 Bushels</i>		
	<u>Oct 11, 2016</u>	<u>Change from Previous Week</u>
Processors		
Long	182,441	-7,775
Short	349,493	+6,519
Swap Dealers		
Long	96,172	3,362
Short	8,118	360
Managed Money		
Long	95,771	-4,472
Short	26,982	-11,270
Other Reportables		
Long	95,225	+5,542
Short	45,179	-1,555
Summary		
Long	469,609	<i>Net long:</i>
Short	429,772	+39,837

Source: CFTC

Comments

- **Soybean futures strengthen despite harvest pressure:** Nov-16 soybean futures seesawed around \$9.80 this week, near the 200-day moving average of \$9.79. Resistance has been found around \$9.90. RSI today was 56.3 percent.
- **Speedy soybean harvest:** As of Oct. 18, 77 percent of the soybean crop had been harvested, up 15 points from the previous week and 26 points ahead of last season to date. Illinois and Indiana are both well ahead of average harvest pace (85 percent vs. 68 percent and 80 percent vs. 60 percent, respectively).
- **September crush a bit higher than expected:** NOPA members reported crushing 129.4 million bushels last month, up 2 percent from September 2015 and about 2 to 3 percent higher than the trade anticipated. Good soybean oil yield continued, allowing soybean oil production to increase 5 percent year over year, to 1.52 billion pounds. Soybean oil stocks were 1.38 billion pounds, down 15 percent from August and up 2 percent from a year ago.
- **Export sales back over 2.0 MMT:** Net 2016/17 soybean export sales for the week ending Oct. 13 were just over 2.0 MMT (73.8 million bushels), with China purchasing nearly 2.1 MMT. Outstanding sales totaled 24.0 MMT, up 26 percent from a year ago. Weekly exports were a very strong 2.7 MMT, putting cumulative exports at 7.7 MMT (281.8 million bushels), up 27 percent from last season to date.
- **Soybean basis steady:** Central Illinois soybean oil pricing averaged a 16-month high of 34.6 cents per pound this week, according to USDA, as export demand remains solid and use for biodiesel likely is strong. Soybean meal, however, continued to fall, averaging \$316 per ton, its lowest level since April.
- **Even more beans next year?** Informa is projecting an increase in U.S. soybean acreage next season, up 5.7 percent to 88.5 million acres. Informa is not expecting a repeat of this season's record yields, however, pegging average national yield at 47.2 bushels per acre.

NOPA September Crush vs. Soybean Oil Stocks



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Today's New York Cocoa Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Dollars per Metric Ton</i>								
Dec-16	2,717	2,731	2,679	2,725	+8	15,277	87,796	2,718
Mar-17	2,630	2,648	2,599	2,642	+12	15,049	104,581	2,653
May-17	2,617	2,634	2,586	2,627	+10	2,414	25,939	2,636
Jul-17	2,613	2,629	2,585	2,621	+8	859	14,757	2,632
Sep-17	2,611	2,619	2,584	2,618	+7	226	7,363	2,630

Today's London Cocoa Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>British Pounds per Metric Ton</i>								
Dec-16	2,237	2,243	2,211	2,235	-2	8,400	98,891	2,268
Mar-17	2,181	2,193	2,160	2,188	+7	9,296	88,313	2,205
May-17	2,178	2,191	2,160	2,187	+9	1,469	46,531	2,202
Jul-17	2,181	2,196	2,164	2,192	+11	538	13,238	2,205
Sep-17	2,179	2,194	2,164	2,190	+11	442	19,358	2,202

Cocoa - Position of Traders

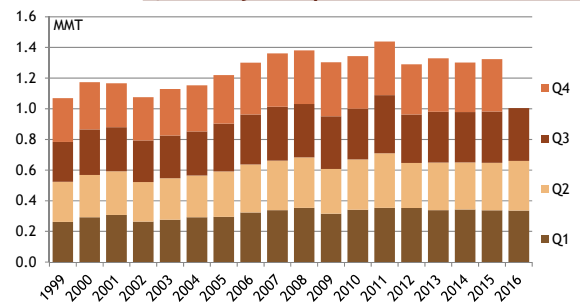
	Contracts of 10 Metric Tons	
	Oct 11, 2016	Change from Previous Week
Processors		
Long	94,223	+9,169
Short	126,559	+5,430
Swap Dealers		
Long	28,626	-477
Short	21,916	+3,520
Managed Money		
Long	59,621	+3,158
Short	36,058	+2,406
Other Reportables		
Long	22,823	+4,091
Short	21,293	+2,303
Summary		
Long	205,293	Net short:
Short	205,826	-533

Source: CFTC

Comments

- Nearby NY ICE cocoa struggles to pass resistance above \$2,720:** After recovering from a 19-month contract low last week, Dec-16 cocoa pulled up from the lower Bollinger Band but struggled to make further gains, finishing this week up only \$7 from last Friday. Further resistance may be found around \$2,750, which marks 61.8 percent Fibonacci retracement resistance and the 20-day moving average. RSI is 42.4 percent, while the MACD has turned modestly bullish. Abundant short-term resistance levels may be found below \$2,800, in themselves a technical indication of the obstacles for greater gains at this time. The dollar index rose this week to its highest level since early February. Meanwhile, the pound is up slightly this week from its 31-year low against the dollar earlier this month.
- Ivorian cocoa arrivals down in early main crop:** For the first half of October, arrivals at main Ivorian ports totaled 98,000 MT, down nearly a third from arrivals a year ago and nearly 17 percent from the same period in 2013/14. Arrivals in the last week totaled around 57,000 MT, with some delays attributed to heavy rains. Growers are hopeful for a good year—assuming weather is not as unfavorable as it was in 2015/16, which saw one of the harshest Harmattan seasons in decades. The Harmattan typically begins in December, and last season's El Niño was in part behind its uncommon severity. Some drier weather is hoped for now, however, as growers report some damage from black pod disease. Bean size is lower, unsurprising given the delayed season and earlier dry conditions, but quality is reportedly improving.
- European marketing year grind for 2015/16 is up 3.3 percent from grind in 2014/15:** Europe's Q3 grind was reported at 343,935 MT, up 2.9 percent from Q3 2015; Q1 and Q2 had been down 0.6 and up 4.9 percent, respectively, from Q1 and Q2 2015. European grind for the calendar year to date, Q1-Q3, is up a solid 2.3 percent from the same period last year but is still down 7.7 percent from the peak in 2011. Germany's Q3 cocoa grind was reported by BDSI up 1.0 percent at 102,273 MT. The market seemed to find the news of only limited bullish import, weakening ahead of the announcement of NA grind.
- North America cocoa grind up marginally for Q3:** North American grind for Q3 was reported up a little more than 0.1 percent from Q3-2015 grind. This is hardly impressive compared to Q2-2016 grind, which was up 3.4 percent from Q2-2015 grind. Notably, Q3 grind of 124,412 MT was down slightly from Q2 grind of 124,432 MT; typically, Q3 grind is up a few percentage points from Q2 grind (an average of more than 5 percent since 2008, in fact).
- Asian Q3 grind reported up more than 12 percent from Q3-2015:** This is the highest quarterly grind for Asia since Q4 2013, and it marks the fourth straight quarter of growth. Regional 2015/16 grind totaled 624,228 MT, up 8 percent from 2014/15 grind but down 3 percent from 2013/14 grind and on par with 2012/13 grind.

Quarterly European Cocoa Grind History



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Today's FCOJ Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
<i>Cents per Pound</i>								
Nov-16	195.50	201.95	195.50	200.50	+5.00	1,104	4,949	188.45
Jan-17	194.35	199.35	194.30	198.65	+4.30	915	9,715	187.55
Mar-17	192.55			196.75	+4.20	41	651	184.25
May-17	190.20			194.60	+4.40	2	281	181.50
Jul-17	188.80			193.20	+4.40	0	42	179.30

FCOJ - Position of Traders

	Contracts of 15,000 Pounds	
	Oct 11, 2016	Change from Previous Week
Processors		
Long	2,749	+270
Short	12,074	+43
Swap Dealers		
Long	925	+07
Short	201	+00
Managed Money		
Long	5,642	-911
Short	388	+06
Other Reportables		
Long	3,747	+843
Short	1,972	+114
Summary		
Long	13,063	<i>Net short:</i>
Short	14,635	-1,572

Source: CFTC

FCOJ Pack, Movement, & Inventory

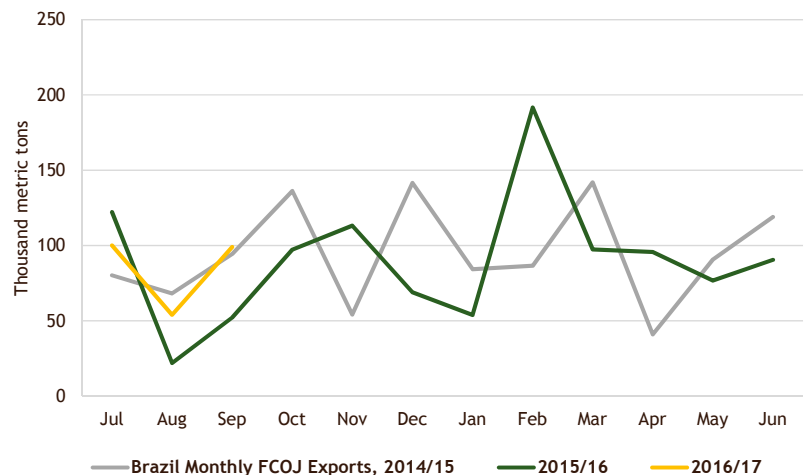
FCOJ (42° Brix)	Week Ending 9/24/2016	2014/15 Cumulative	2015/16 Cumulative	% Change Cumulative
Pack	3.14	297.91	261.88	-12.1%
Movement	5.68	349.69	360.70	3.1%
Imports	0.10	245.92	182.54	-25.8%
Inventory	224.01	301.92	224.01	-25.8%

-Million Pounds of Solids-
(Conversion: 4.156 pounds solids per gallon 42° Brix FCOJ)

Comments

- FCOJ futures retrace last week's losses:** Nov-16 FCOJ futures achieved a 6.2-cent gain on Wednesday and another 5 cents today, to return the contract to \$2. RSI was 47.4 percent.
- Dry conditions in Florida growing regions:** Weather has been dry enough to prompt irrigation in many areas, but temperatures cooled slightly last week. Harvest of early oranges is starting to increase (6,000 boxes last week, up from 1,000 boxes the week before), although no fruit has been harvested yet for processing.
- Brazil's September FCOJ exports jump:** Brazil exported 99,100 MT of FCOJ equivalent last month, up 90 percent from September 2015. NFC juice exports, at 145,800 MT, were also markedly higher year over year, up over 75 percent.
- New orange processing plant in Mexico:** Frutas y Conservas de Veracruz is constructing a plant with initial capacity of 35,000 MT of fruit per year, or 3,500 MT of FCOJ, according to Agranet. The plant will not produce NFC to start but may add that capacity later.
- AJC pricing steady:** Nov-16 AJC remained at \$5.50, this week and Jan-17 at \$5.45. Imports of AJC from China averaged \$6.18 per gallon at port, unchanged from last week. AJC stocks held in warehouses as of Oct. 14 totaled 2.65 million gallons, up 1 percent from the week before and up 11 percent from a year ago.
- Washington juice processing still slower than last year:** Washington processors utilized about 7,100 tons of apples for juice last week, down 26 percent from a year ago. Juice production in the Mid-Atlantic region remained about 20 percent higher year over year.
- Apple juice retail price falls:** For the two weeks ending Oct. 20, pricing per gallon for conventional apple juice was down 19 percent from last year, while pricing for organic juice was down 21 percent (per half-gallon containers).

Brazil FCOJ Exports, by Month

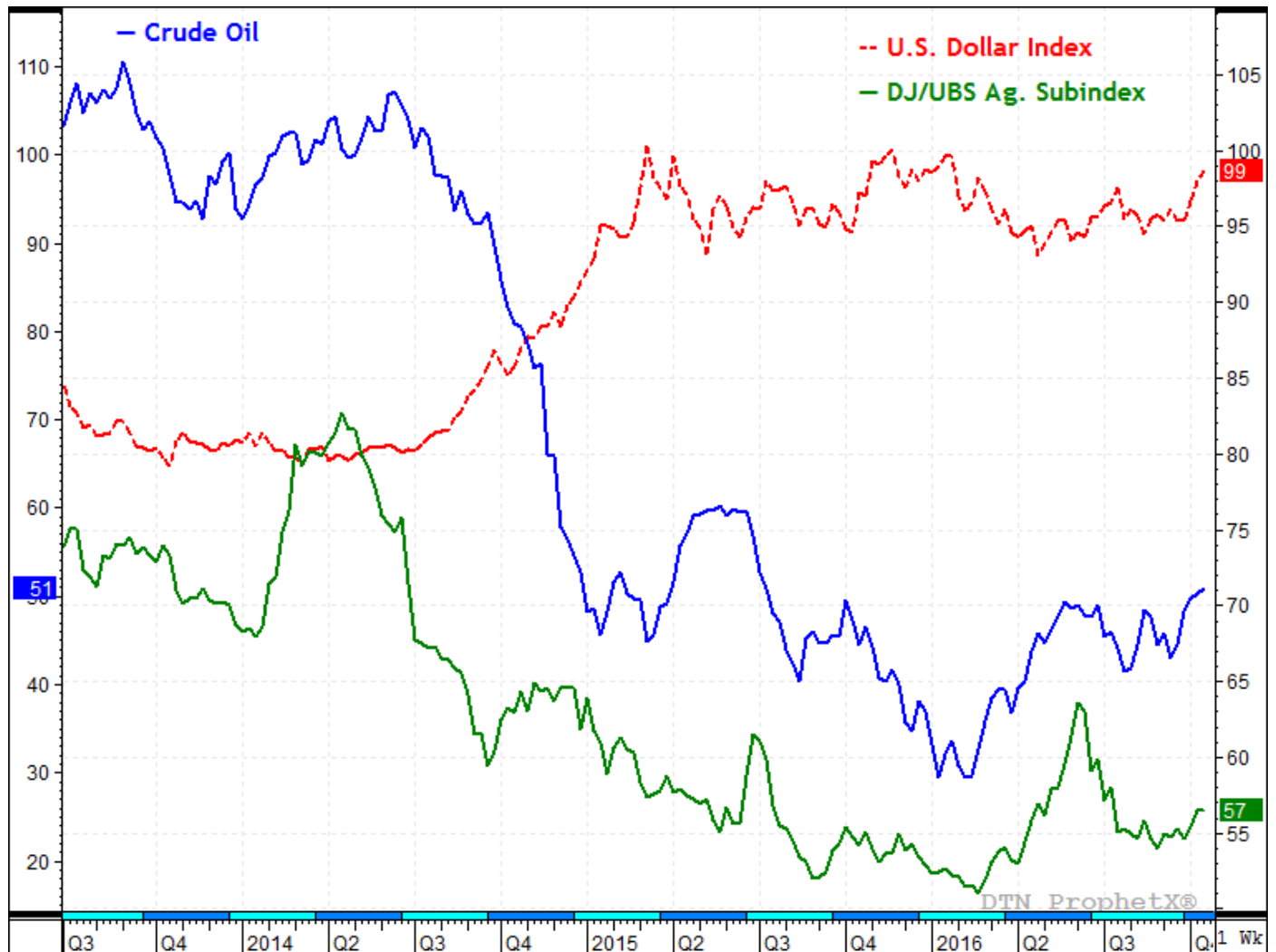


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