

## 'SIGNS OF A GROUNDSWELL'

### NY SUGAR #11 MAY 2010

As the CRB and Crude Oil recouped early dips, Raws played along to mount another attack on the mid band average Tuesday. If the market could cement a breakout beyond, now needing a close over 17.37, the upturn since shedding the downtrend ought to gather some impetus and have at least a shot at the upper Bollinger band (18.96) and perhaps even the broader layer of resistance indicated at 20.60. Nonetheless, to take advantage of the opportunity, 17.37 must be dispatched

pretty smartly. If not, struggling shy of 17.37 would instead bring focus to Tuesday technically being an inside day within Monday's wider span, in which case attention would soon be diverted back onto 16.40 as the spoiler trapdoor to prompt one more dunk into the 15's, albeit still suspecting that the 14.70 weekly buffer would remain unscathed.

#### TECHNICAL INDICATORS

SUPPORT = 16.40, **15.46**, 15.34, 15.00/**14.70**.  
RESISTANCE = **17.37**, 18.25, **18.96**, 19.45, **20.60**.

BOLLINGER BANDS  
UPPER = 18.96  
MID 20 DAY AV = **17.15**  
LOWER = **15.34**

14 DAY RSI = 38

14 DAY STOCHASTICS  
%K = 37  
%D = 27

14 DAY ADX = 54

OPEN INTEREST = 690,859

PRIOR VOLUME = 200,619



### BRAZILIAN REAL / US DOLLAR

VALUE : **1.76**

The Dollar briefly bounced late last week but this did little other than get a quick glance above the neckline to the head and shoulders carved out of the prior four months. The Real has since reapplied pressure and so the top formation duly still seems to remain in command, calling for further losses to challenge the 1.70 lows and, taking the 'head' peak at face value, even pressing on beneath there to a total projection of 1.61. Only casting off the 1.78's with conviction would punch back into the top and spear the mid band at the same time so as to give the Dollar some traction going higher.

USD SUPPORT = 1.75, 1.715, **1.70**, 1.685, **1.61**.

USD RESISTANCE = **1.78**/1.79, **1.83**/1.84, 1.87, **1.885**, 1.895.

