

April 30, 2010

Today's FCOJ Futures Activity

Future	Prev. Settle	High	Low	Settle	Change	Volume	Open Int.	Last Week's Settle
MAY 10	134.35	136.20	134.00	134.35	0.00	1,130	3,786	134.35
JUL 10	136.95	138.45	136.50	137.75	+0.80	1,415	18,530	136.95
SEP 10	138.50	140.15	138.60	139.25	+0.75	245	5,998	139.15
NOV 10	139.55	140.70	140.10	140.40	+0.85	110	1,169	140.30
JAN 11	140.55	141.60	141.20	141.35	+0.80	36	781	141.65
MAR 11	140.15			140.75	+0.60	21	160	141.25
MAY 11	140.00			140.30	+0.30	10	72	139.75

Comments

- Most active July FCOJ futures settled higher in light trade.
- Resistance in the July 2010 contract should be found around 140 cents, with support around 132 cents.

Market Factors

FCOJ futures remained range-bound this week, following a yo-yo trajectory all week in technically driven trade and ending just slightly above week-ago levels. This holding pattern is expected to continue barring fresh fundamental news. The Relative Strength Index is firmly neutral at just below 50 percent (see chart, page 2).

Spring is a traditionally slow season for the FCOJ futures trade, and this year is no exception. Market-moving developments are sparse as this year's crop heads to processing and next year's crop continues to mature favorably. Furthermore, there is little threat of adverse weather conditions between the winter freeze period and the onset of hurricane season in June. The only potential for a weather-related disruption to 2009/10 crop development would be prolonged drought. Florida is currently warm, but still receiving sufficient scattered rainfall for this time of year (see sidebar, right).

While it is still a bit early to guess how next year's crop will fare, many in the trade anticipate increased output in light of continued ideal weather conditions for Florida growing regions. This expectation, along with sluggish juice demand at the retail level, will likely keep pressure on futures prices in the short term. However, funds should begin building a weather premium into the market as hurricane season approaches in late spring.

New In This Issue

- Chart: FCOJ Futures vs. Relative Strength Index (p. 2)
- News: Florida weather helping growing conditions (p. 1)

In The News

Florida Crop Weather Report

Apr. 26 - Highs this week were in the upper 80s to lower 90s, with early morning lows ranging from the upper 40s to the lower 60s. Rainfall was highly variable this week. Dover received the most with 4.10 inches, while Palmdale and North Port both recorded no rainfall. Most stations recorded less than an inch of rain.

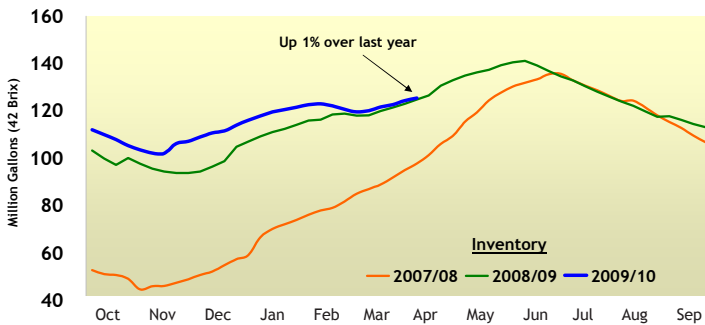
Growing conditions continue to be good across the citrus region. Most packinghouses remained open. Varieties being packed included Valencia, white and colored grapefruit, and Honey tangerines.

Fifteen processors were open and accepting fruit. Valencia oranges and grapefruit comprised the majority of fruit going to the plants. Grove activity included harvesting, young tree care, psyllid treatment, hedging and topping, brush removal, and fertilizer application.

Excerpted from USDA NASS Florida Crop Weather Report. To read the entire report, follow this link:

http://www.nass.usda.gov/Publications/State_Crop_Progress_and_Condition/current/current_fl.rtf

FCOJ Pack, Movement & Inventory | 2009/10 Season



FCOJ (42° Brix)	Week Ending Apr. 17	2009/10 Cumulative	2008/09 Cumulative	% Change Cumulative
Pack	2.824	59.289	79.356	-25%
Movement	2.269	69.519	80.452	-14%
Imports	0.496	16.560	11.404	+45%
Inventory	125.437	125.437	125.199	+1%

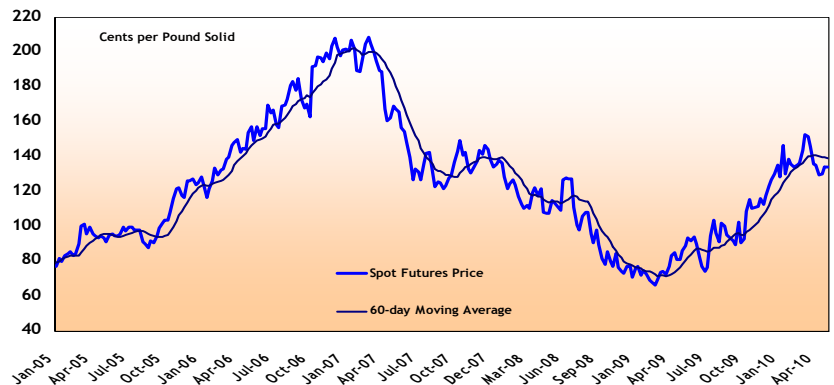
Million Gallons

FCOJ Futures Activity

Spec/Hedge Report: April 23, 2010

		Open Interest	Change Prev.	Accts.	%
Long	Spec.	17,474	-415	323	55.1
	Hedge	14,268	-426	79	44.9
Short	Spec.	8,797	+169	254	27.7
	Hedge	22,945	-1,010	60	72.3
Net Speculative Position:			Long	8,677	lots

FCOJ Futures - Continuous Weekly

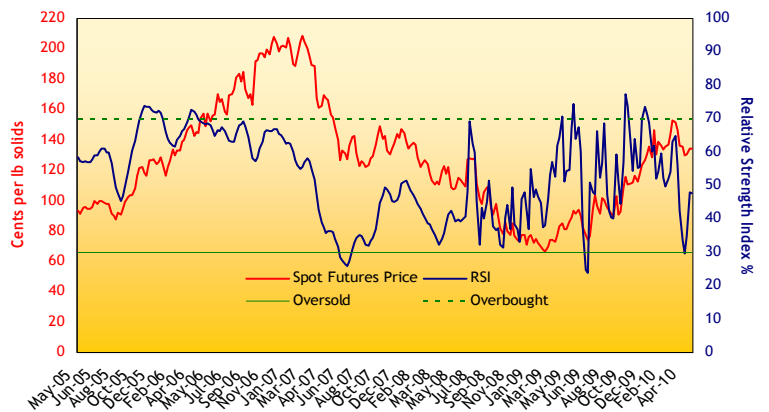


Retail Orange Juice Sales | 09/10 Season

4-week period ending:	3/20/10	Season-to-date Total	vs. Last Year (%)
<u>NFC OJ</u>			
Gallons	24.74	152.76	-0.1
Revenues (\$)	160.19	984.59	-3.2
<u>Reconstituted OJ</u>			
Gallons	20.84	131.62	+8.0
Revenues (\$)	91.82	566.94	-2.9
<u>Refrigerated Total</u>			
Gallons	45.58	284.38	+3.5
Revenues (\$)	252.01	1,551.53	-3.1
<u>Frozen OJ</u>			
Gallons	2.93	18.95	-17.0
Revenues (\$)	13.24	86.33	-18.7
<u>Shelf Stable OJ</u>			
Gallons	0.23	1.66	-36.6
Revenues (\$)	1.62	11.39	-35.5
<u>Total Orange Juice</u>			
Gallons	48.75	304.99	+1.6
Price/Gal (\$)	5.47	5.41	-5.9
Revenues (\$)	266.87	1,649.26	-4.4

Source: ACNielsen (gallons and revenues in millions)

FCOJ Futures vs. Relative Strength Index



The Relative Strength Index (RSI) indicates whether an issue's price activity is created by those over-buying or over-selling it. The RSI, on a scale of 0 to 100, indicates an overbought position at 70 or higher and an oversold position at 30 or lower.

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