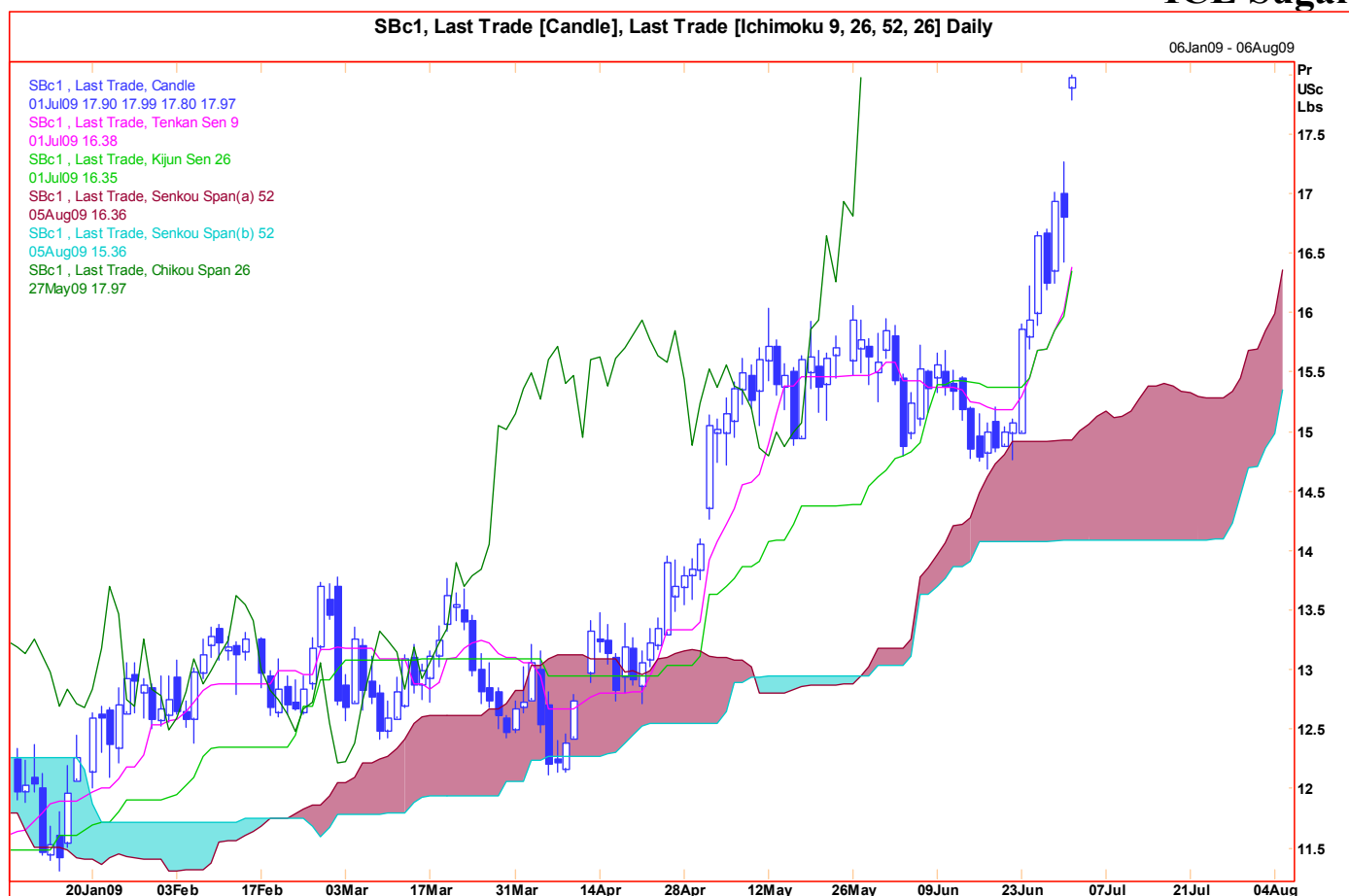


**Technical Analysis**

<http://www.mizuho-cb.co.uk/>

**01 July 2009**

**ICE Sugar**



**Comment:** This Sugar futures contract has traded around a mean of 10 cents per pound for almost forty years. It has been subject to several periods where it has traded over 15 cents, most recently the last nine weeks and before that in H1 2006. Though overbought, bullish momentum is close to some of its strongest levels this decade and therefore feel it has further rallying to do. Contract expiry is to blame for today's gap higher, but does underline the very strong upside pressure built already. We favour a dramatic squeeze through the 2006 high at 19.75 to the 20.25/21.50 area and maybe even more prior to a dramatic reversal. Note that in 1980 this #11 contract soared to 45.00 and hit 66.00 even more dramatically in 1974.

A weekly close below this week's low at 16.25 would force us to review.

**Chart Levels:**

Support	Resistance	Direction of Trade
17.80	18.00*	
17.25	18.55*	
16.80	19.75**	
16.25*	20.25	
14.50**	21.50*	

Produced by London Branch - Nicole Elliott +44-20-7786-2509

The information contained in this paper is based on or derived from information generally available to the public from sources believed to be reliable. No representation or warranty is made or implied that it is accurate or complete. Any opinions expressed in this paper are subject to change without notice. This paper has been prepared solely for information purposes and if so decided, for private circulation and does not constitute any solicitation to buy or sell any instrument, or to engage in any trading strategy.

Charts provided by Reuters.