

NY Coffee: Brazil drought rally doubles values in just 4 months; correction looms?

KC - Coffee - Weekly Candlestick Chart



Values have successfully achieved upside Retracement zone objective after declining from \$3.00 to nearly \$1.00. Is initial upside rally thrust over for now? Bears point out:

- Massive Commercial short position – largest since 2011 when prices were \$3.00!
- Technicals, eg, 'Stochs' appear to be turning down.