Commitment of Traders (Managed Money)

Corn COT Report for Managed Money (Futures)

° **The commitment of traders report is often good to monitor to see where the managed money or funds have their bias because it can be looked at as the direction of least resistance because they have the money and ability to defend their position.**

° **Long Futures: 186,117**
    Short Futures: 211,507
,   **Net Position: -25,390**

° **Monday's export inspections report showed 562,380 MT versus last week at 679,994 MT (69% higher) and last year at 912,191 (31% lower).**

° **Thursday's export sales report showed 1,247,800 MT versus 1,235,445 MT last week (1% higher) and the prior 4 week average at 794,777 (57% higher).**

Technical Analysis

Weekly Change in Corn (Mar):
+ 2 1/4 cents
- Resistance Level #1: 3.90 1/4
- Resistance Level #2: 3.91
- Resistance Level #3: 3.94 1/4

Weekly Closing Price: 3.83 1/2
- Support Level #1:   3.80
- Support Level #2:   3.79 1/2
- Support Level #3:   3.77 1/4

Market Perspective

° **Corn had another fairly quiet week finishing just a couple cents higher in the lead month March contract. Export sales on Thursday and todays trade of up 4 cents was a very short term breakout higher on the chart.**

ZCH20 ~ Daily Fri Feb 7 2020 1:30:00 PM H:385^0 L:380^0 O:380^2 T:383^4 +4^2 +1.12%

FIBONACCI RETRACEMENTS

MOVING AVG LEGEND
- 200 Day Moving Avg
- 100 Day Moving Avg
- 50 Day Moving Avg
- 20 Day Moving Avg
- 10 Day Moving Avg

RSI 49.57

SWENSON COMMODITIES

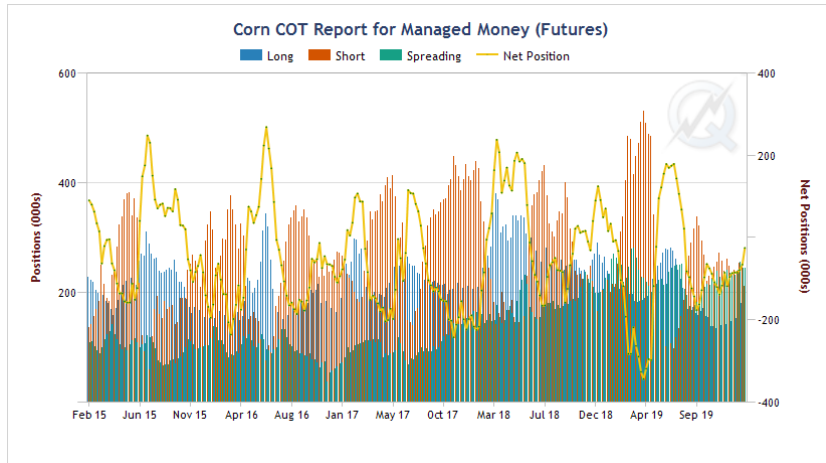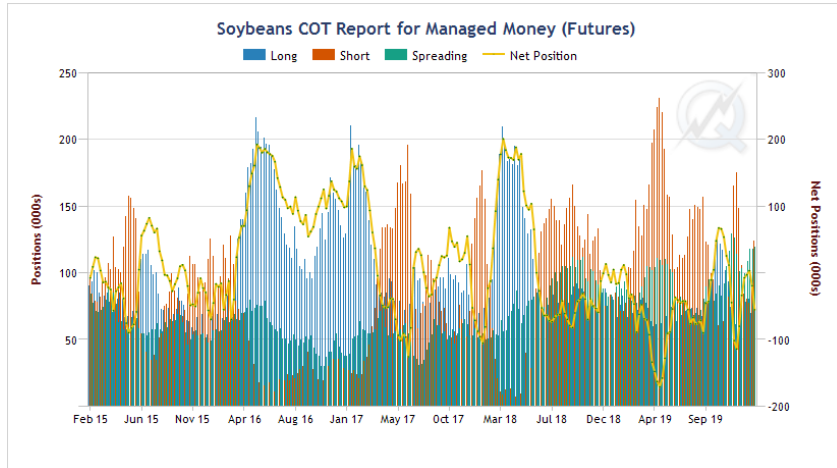**Soybeans Commentary:** 02/07/2020

Commitment of Traders (Managed Money)

Upcoming Government Reports:
° WASDE Report: February 11th

° The commitment of traders report is often good to monitor to see where the managed money or funds have their bias because it can be looked at as the direction of least resistance because they have the money and ability to defend their position.
° Long Futures: 68,439
Short Futures: 123,885
Net Position: -55,446

° Monday's export inspections report showed 1,355,627 MT versus last week at 1,058,772 MT (14% lower) and last year at 1,092,842 (10% higher).

° Thursday's export sales report showed 703,800 MT versus 399,886 MT last week (76% higher) and the prior 4 week average at 545,581 (29% higher).

Market Perspective

Technical Analysis

Weekly Change in Beans (Mar):
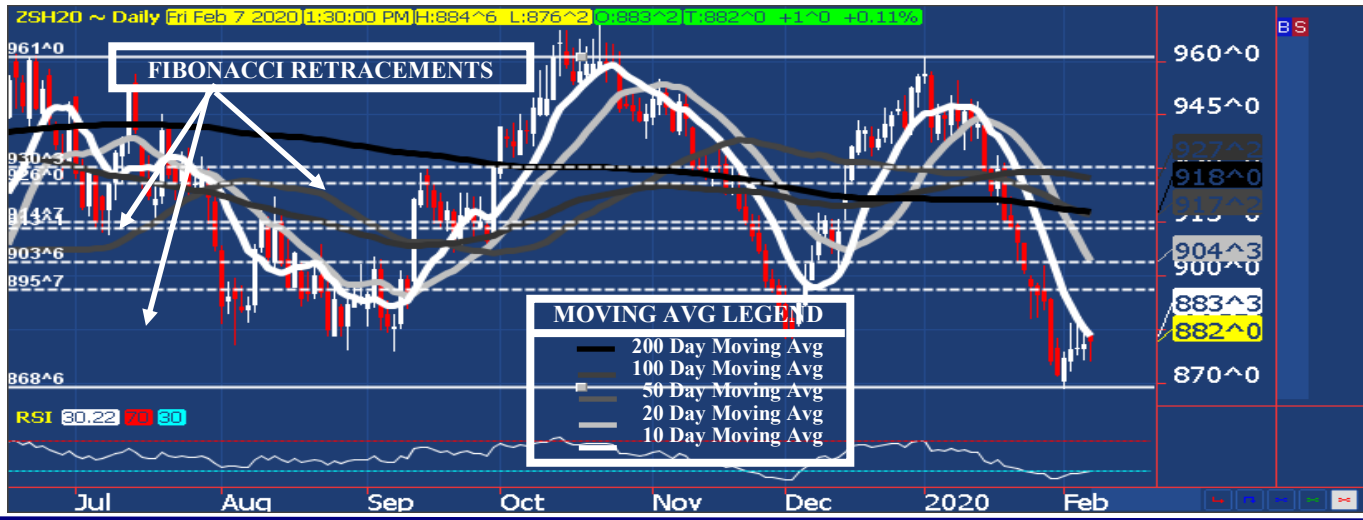**+ 9 1/2 cents**
• Resistance Level #1: 8.82 3/4
• Resistance Level #2: 8.93 3/4
• Resistance Level #3: 98.95 3/4
Weekly Closing Price: 8.82
• Support Level #1:   8.72 1/4
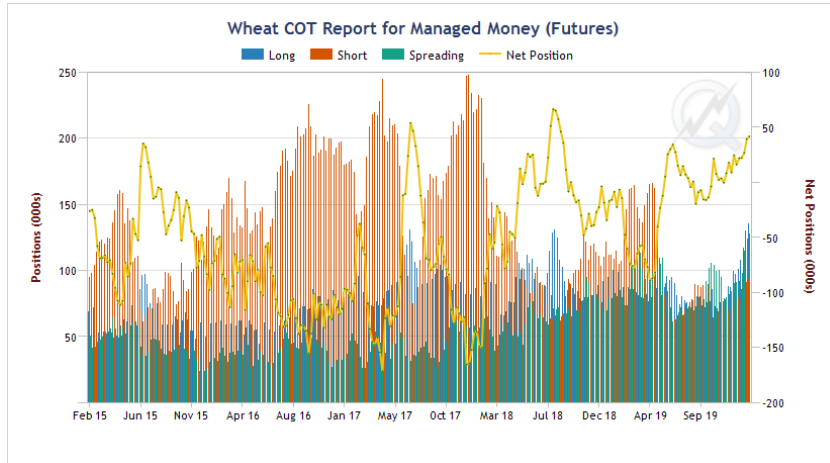• Support Level #2:   8.55 3/4
• Support Level #3:   8.41 1/2

° Beans had a quiet week but finally posted a positive week for the first time in what seems like a month closing about 9 cents higher in the lead month march contract. Hopefully we are putting some kind of a bottom in and seasonally this is a good time to own beans.

This is meant as a solicitation. Trading Futures and options involves substantial risk of loss and is not suitable for all producers. Past performance is not indicative of future results.

Commitment of Traders (Managed Money)

° **The commitment of traders report is often good to monitor to see where the managed money or funds have their bias because it can be looked at as the direction of least resistance because they have the money and ability to defend their position.**

° **Long Futures:** 135,140
  Short Futures: 93,323
  Net Position: +41,817

° **Monday's export inspections report showed 413,984 MT versus last week at 225,825 MT (7% lower) and last year at 443,265 MT (39% lower).**

° **Thursday's export sales report showed 338,600 MT versus 501,128 MT last week (48% lower) and the prior 4 week average at 457,110 (35% lower).**
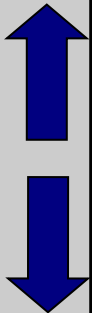
Technical Analysis

Weekly Change in Wheat (Mar):
+ 5 cents
- Resistance Level #1: 5.62
- Resistance Level #2: 5.62 1/4
- Resistance Level #3: 5.64 1/4

Weekly Closing Price: 5.58 3/4
- Support Level #1: 5.52 3/4
- Support Level #2: 5.50 3/4
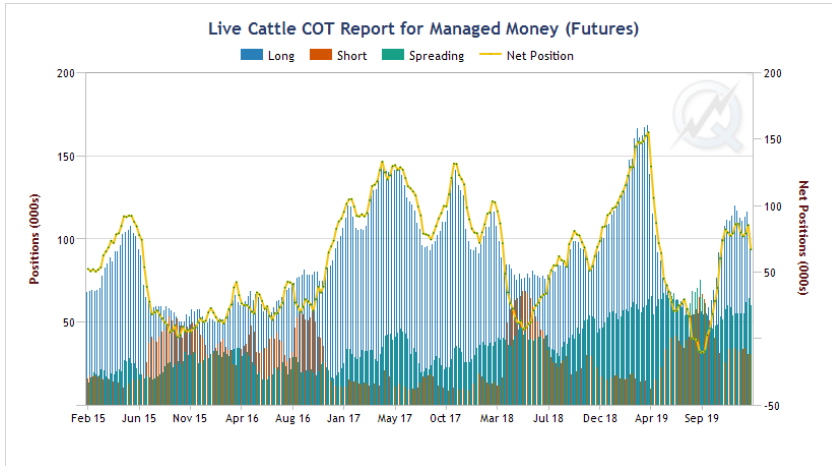- Support Level #3: 5.47 1/2

Market Perspective

° **Wheat like corn had a very quiet week finishing about 5 cents higher in the lead month March contract. Hopefully it like beans are grinding in some time of a short term low that we can see higher prices from in the near future.**

Commitment of Traders (Managed Money)

Live Cattle COT Report for Managed Money (Futures)

° **The commitment of traders report is often good to monitor to see where the managed money or funds have their bias because it can be looked at as the direction of least resistance because they have the money and ability to defend their position.**

° **Long Futures: 97,531**
  Short Futures: 30,403
  Net Position: +67,128

° Whole sale boxed beef were lower this morning with choice down 32 cents to $210.82 and select down 111 cents to $204.850.

° The feeder cattle index was reported at $141.530 by the CME - up 11 cents from the previous day.

° FI slaughter week to date was reported 4,000 head below last week at 486,000 head.
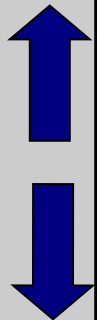
Technical Analysis

Weekly Change in Cattle (Feb):
- 0.050 cents
- Resistance Level #1: 121.750
  Resistance Level #2: 123.875
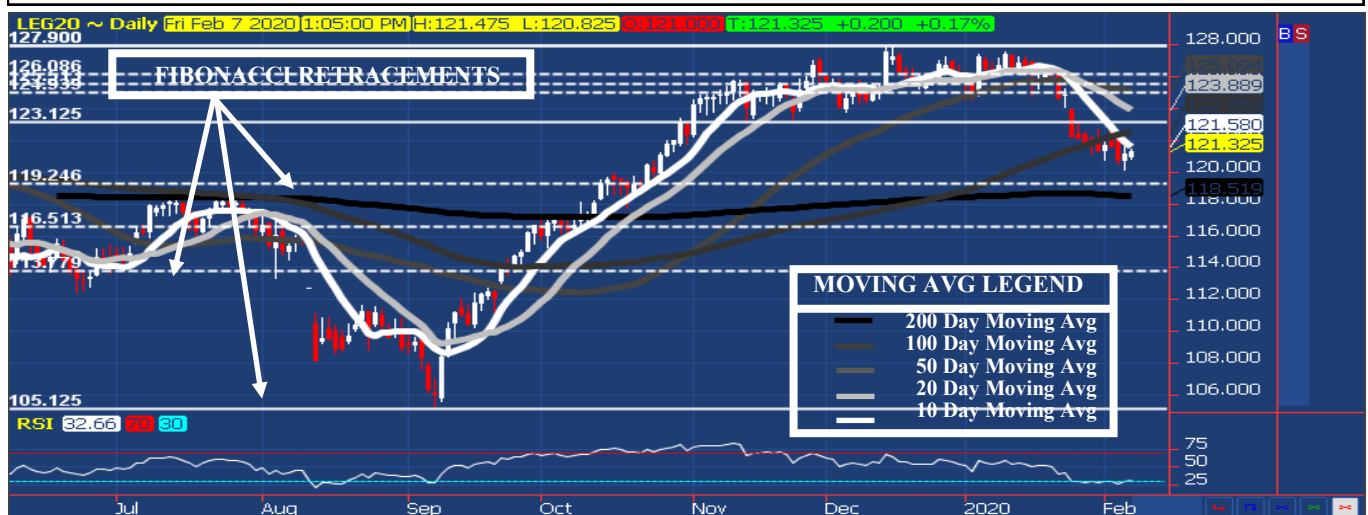 Resistance Level #3: 124.000

Weekly Closing Price: 121.325
- Support Level #1:   121.125
- Support Level #2:   119.825
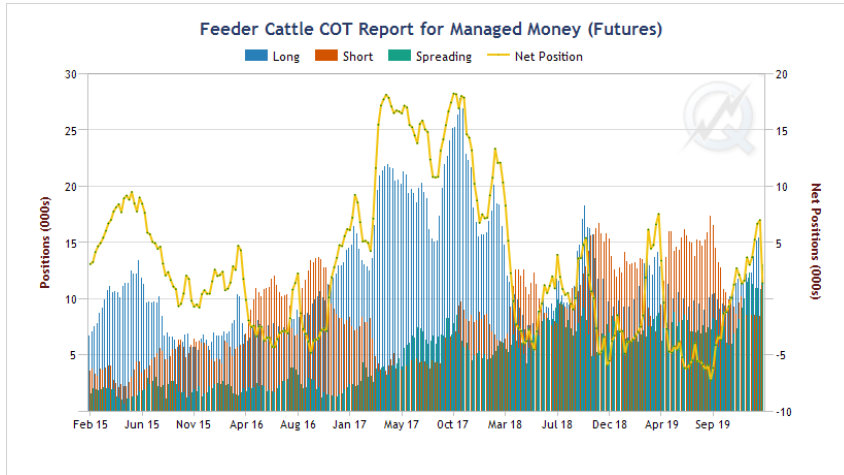- Support Level #3:   119.275

Market Perspective

° February cattle might as well have not opened up this week as they finished just a nickel lower in the lead month. With continued solid export sales the 120.000 level appearing to be fairly good resistance hopefully higher prices are due.

FIBONACCI RETRACEMENTS

MOVING AVG LEGEND
- 200 Day Moving Avg
- 100 Day Moving Avg
- 50 Day Moving Avg
- 20 Day Moving Avg
- 10 Day Moving Avg

Commitment of Traders (Managed Money)

Feeder Cattle COT Report for Managed Money (Futures)

Upcoming Government Reports:
° Cold Storage Report: February 24th

° **The commitment of traders report is often good to monitor to see where the managed money or funds have their bias because it can be looked at as the direction of least resistance because they have the money and ability to defend their position.**
° **Long Futures:**   12,564
  Short Futures: 11,174
  Net Position: +1,390

° **The USDA reported the pork carcass cutout was reported $0.06 lower than the previous day at $65.29.**
° **The National base hog weighted average price was reported at $51.19 - 100 cents higher than last week.**
° **The USDA estimated hog slaughter was shown to be 1.981 million head through Thursday - 3k below last week.**
° **The CME lean hog index was reported at $60.44 - that was up 53 cents from the previous day.**

Technical Analysis

Weekly Change in Hogs (Feb):
+ 0.075 cents
- Resistance Leve l #1: 60.500
- Resistance Level #2: 61.300
- Resistance Level #3: 63.250

Weekly Closing Price: 57.200
- Support Level #1:   56.850
- Support Level #2:   55.450
- Support Level #3:   54.900

Market Perspective

° **The hogs took some wild swings this week but for the overall week only managed to close slightly higher. This was largely due to China cutting some tariff rates in half that made American pork prices cheaper.**

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Technical Analysis Terms Explained

Simple Moving Average
- On the charts, the Black (200 day), dark grey (100 day), medium grey (50 day), light grey (20 day) and white (10 day) lines that are on each chart are known as Moving Averages.
- Investopedia describes it as "A simple moving average (SMA) is an arithmetic moving average calculated by adding recent closing prices and then dividing that by the number of time periods in the calculation average."
- Investopedia also states "Moving averages are an important analytical tool used to identify current price trends and the potential for a change in an established trend. The simplest form of using a simple moving average in analysis is using it to quickly identify if a security is in an uptrend or downtrend. Another popular, albeit slightly more complex analytical tool, is to compare a pair of simple moving averages with each covering different time frames. If a shorter-term simple moving average is above a longer-term average, an uptrend is expected. On the other hand, a long-term average above a shorter-term average signals a downward movement in the trend."

Fibonacci Retracements
- On the charts, the solid and white dotted horizontal lines (some of them are pointed out) are known as Fibonacci retracement levels.
- Investopedia describes it as "a term used in technical analysis that refers to areas of support (stops going lower) or resistance (stops going higher). Fibonacci retracement levels use horizontal lines to indicate areas of support or resistance at the key Fibonacci levels before the trend continues in the original direction. These levels are created by drawing a trendline between the high and low and then dividing the vertical distance by the key Fibonacci ratios of 23.6%, 38.2%, 50%, 61.8% and 100%."
- Investopedia also states "Fibonacci retracement is a very popular tool used by many technical traders to help identify strategic places for transactions to be placed, target prices or stop losses. The notion of retracement is used in many indicators such as Tirone levels, Gartley patterns, Elliott Wave theory and more. After a significant price movement up or down, the new support and resistance levels are often at or near these lines."

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Remember technical analysis is not a perfect science as nothing is. We just feel it is helpful to know how some of the most used technical analysis tools are used by the trading industry. Sometimes understanding these tools can help you understand the markets better.
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