Thursday November 21st, 2019

Good Morning!

Grain markets are slightly higher on the day as we approach the end of the overnight trade. China and harvest progress continue to be of interest to traders. Export Sales will be published at 7:30 am. The government will continue to publish harvest progress past the usual date due to late harvest in most regions for corn and soybeans. It was announced yesterday that we may not see a deal put together on trade this year. Obviously a disappointment to the market, futures took a lower road with commodities such as cotton and hog futures. Overnight, it was announced by a Chinese agency that communication continues. And so it goes......

Equities are trading lower this morning as is the US Dollar Index, Gold and Treasuries. Reports due out today include Jobless Claims, Existing Homes Sales and EIA Natural Gas Inventories.

COTTON

Cotton futures dropped sharply lower on the day Wednesday as disappointment over trade helped to support the selling. We could see the market drop to the 63 cent level basis the March contract. For producers who are hedged, please continue to update us on your sale progress in order to secure option values that could be returned to you on hedges that are lifted.

CATTLE COMPLEX

Live Cattle futures posted modest gains in the front months while deferred contracts ended Wednesday's session steady to lower. The USDA will release the monthly Cattle on Feed Report on Friday at 2pm. The monthly Cold Storage Report will also be released on Friday at 2 pm. The Fed Cattle Exchange reported six of eight lots sold Wednesday. Three lots sold at 115 with 1 at 115.75 and 1 at 116. Last week's sales were reported at 115. Boxed Beef values were lower on the afternoon report with Choice down .80 and Select down .70.

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