# Article information:

Coffee Report Focus #2b: Everything You Ever Wanted to Know about the COT \*but were afraid to ask
<https://www.coffeetradingacademy.com/post/coffee-report-focus-2b-everything-you-ever-wanted-to-know-about-the-cot-but-were-afraid-to-ask>

# Article summary:

1. The Disaggregated Commodity Futures Trading Commission (COT) report separates swap dealers from commercials and is the most recent version used to discuss the market.

2. The two primary readings of the report are vulnerable positions and min/max positions, which can indicate vulnerability to margin calls and potential for forced liquidation.

3. The secret metric used to evaluate the report is spec position as a correlation with price, which can indicate market activity and potential for reversal.

# Article rating:

Appears moderately imbalanced: The article provides some useful information, but is missing several important points or pieces of evidence that would be required to present the discussed topics in a balanced and reliable way. You are encouraged to seek a more balanced perspective on the presented issues by exploring the provided research topics and looking at different information sources.

# Article analysis:

The article titled "Coffee Report Focus #2b: Everything You Ever Wanted to Know about the COT \*but were afraid to ask" provides a detailed analysis of the Commodity Futures Trading Commission's (CFTC) Commitments of Traders (COT) report and its significance in the coffee market. While the article offers valuable insights into how to read and interpret the COT, it also has some potential biases and limitations.

One-sided reporting is evident in the article's focus on the Disaggregated COT, which is presented as the most relevant report for analyzing coffee market trends. However, this may not be entirely accurate as other reports such as the Legacy COT and Supplemental COT can also provide valuable information. The author's emphasis on their "Secret Metric" could also be seen as promotional content for their subscription service.

The article makes unsupported claims about how swap dealer positions are more volatile than standard commercial positions, without providing any evidence or data to support this assertion. Additionally, while the author acknowledges that max positions can always get bigger than expected due to increasing coffee production, they do not explore how this could impact their analysis of vulnerable positions and min/max ranges.

The article does note possible risks associated with swap dealer credit lines and premature position liquidation but does not present counterarguments or alternative perspectives on these issues. The author's focus on speculators as key drivers of short-term prices may also overlook other factors such as weather patterns, geopolitical events, and supply chain disruptions that can impact coffee prices.

Overall, while the article provides useful insights into interpreting the COT report for coffee trading purposes, readers should approach it with caution and consider alternative sources of information to gain a more comprehensive understanding of market trends.

# Topics for further research:

* Alternative perspectives on the significance of the Legacy and Supplemental COT reports in coffee trading
* Evidence-based analysis of the volatility of swap dealer positions compared to standard commercial positions
* The impact of increasing coffee production on vulnerable positions and min/max ranges
* Counterarguments to the risks associated with swap dealer credit lines and premature position liquidation
* Factors beyond speculators that can impact short-term coffee prices
* such as weather patterns and geopolitical events
* Comprehensive sources of information on coffee market trends beyond the COT report.

# Report location:

<https://www.fullpicture.app/item/cb69e1cebe23fc6f503128a7e9a5e297>