

Oil

March 5, 2015



Soy Oil

YESTERDAYS MARKET

Not much in the way of new inputs, but soy complex is just feeling heavy again and looks to make another move to the lower end of the range. Funds sold 6,000 beans, 2,000 meal and 3,000 soy oil.

TODAYS MARKET

Export Sales/Exports: soybeans had sales of 499,500mt for 14/15. Exports were 768,200mt - down 50% on 4 week average and showing that we are going to continue to slip on sales/exports as SA comes onboard. Soymeal had sales of 130,200mt and exports of 259,800mt. Soy oil had sales of 5,600mt and exports of 24,000mt.

China's GDP lowered to only 7% - down from the 7.4% earlier. There are also rumors of taking on more ag stocks and lowering domestic production (but not sure on this one as have heard this one before). In any case we still seeing China on pace for their expected soybean imports for the upcoming 2015 campaign.

USDA report out on the 10th - not expecting much from this report. We need to keep focused on finishing of the SA crop and the planting intentions coming out at end of the month for the US.

More talk of biodiesel mandate increases in the Asian countries, but again want to see the effect of all of this talk -and so far nothing - but need to watch closely.

Technically - Soybeans now back down , yet continues to be range bound - same with both soymeal and soy oil. Soy oil looks like it broke thru some good support and now heading back down to the 31.60 level (or lower).

Today - Soy complex is nervous after yesterday and we already seeing soy oil giving it up - we should see soy oil down pretty good today - maybe another 25-50 points would not surprise me.