

Gordon Food Service Market Updates

Grocery & Bakery | Soybean Oil

The tight ending stocks for soybeans projected later in the year has speculators betting there will be a slow down in crushing, further rallying soy oil prices. Evidenced by the large net long managed money positions, there is a lot of money pumped into the market. While most indicators point toward this market being oversold, this market has continued to show strength. Optimism at a macro-level as vaccinations continue to roll out is keeping most markets elevated. Prices should be flat-to-higher for the next 30 days. During this window the harvests will begin in South America and the U.S. will begin reporting the planting intentions for the new crop. Both of these will trigger the direction of prices as we head into the summer.