

# SOYBEAN MEAL REPORT

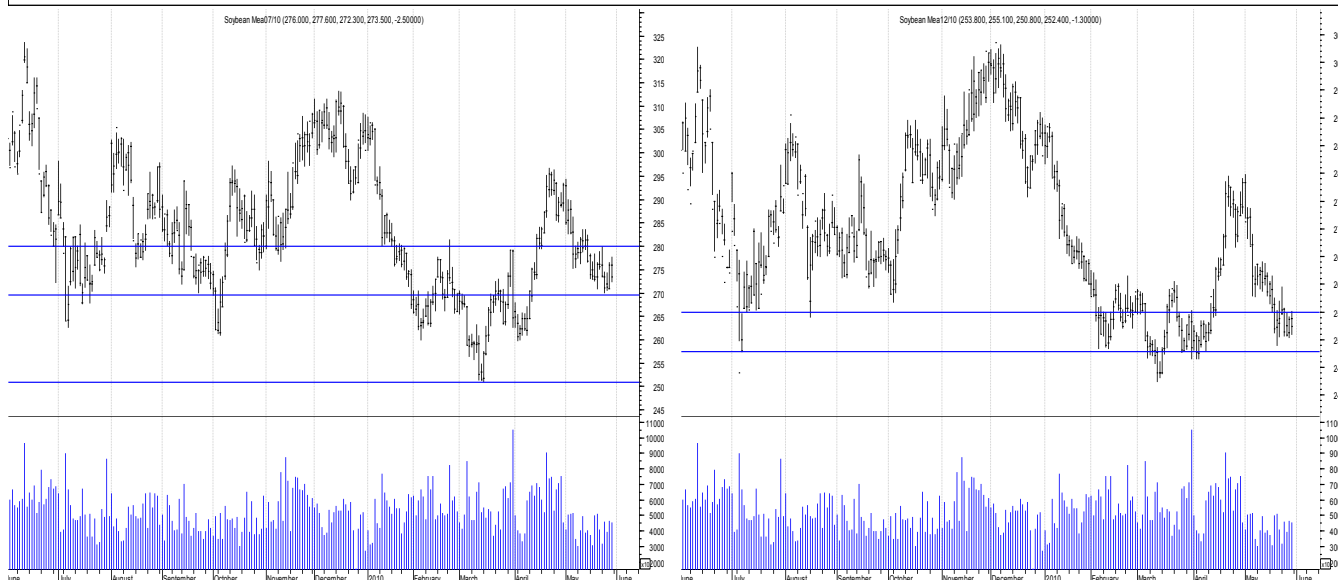
Monday, May 31, 2010

## FUNDAMENTAL POINTS:

- Tight old crop US soybean stocks, lack of grower selling.
- South American growers reluctant sellers.
- US crop estimate 80% planted in good conditions.
- EU financial situation hangs over the markets.
- US blenders credit yet to pass the senate.
- Australian harvest near completed, crop size 58K. Harvest port crush price \$480-\$520.
- Generally good quality. Limited edible export.

## July 10 MEAL SNAPSHOT:

Close 273.50	Short	Medium	Long
Trend	Sideways	Down	Down
Resistance	280.00	285.00	280.00
Support	270.00	260.00	240.00
	<b>Last Week</b>	<b>Last Month</b>	<b>Last 12 Months</b>
Historical Range	279.50 to 270.50	259.70 to 293.10	251.00 to 300.50
Change	-2.10	-17.80	N/A



## TECHNICAL OVERVIEW & OUTLOOK

EU financial situation continues to weigh on the market. New money entering the market in June may not find its way into grain. Tight US old season stocks will continue to keep a premium in the spot futures and cash US markets. New crop [dec10] is discounted \$21.10 to spot and direction near term sideways until crop is completely planted and no adverse weather is seen. Slow world growth will inhibit moves higher, but

green renewable oil maybe supported against offshore gulf oil disaster.

Domestic meal supplies to improve on start of local crush.

**Range 1-2 weeks : 270.00 - 280.00 Jul 10**  
**Range June - July : 250.00 - 290.00 Jul 10**  
**Range June - Sept : 240.00 - 285.00 Dec 10**

		47.5% soy meal ex Brisbane prompt	555
PNW Basis FOB – 47%	NA	35% canola meal Darling Downs—prompt	380
USG Basis FOB – 48%	NA	30% sun meal Darling Downs—prompt	N/A
Brazil Basis FOB – 48%	NA	43% cotton meal—Narrabri—prompt	295
Argentine Basis FOB	NA	67% Peruvian Fish Meal ex Capital City Prompt	1980
Australian dollar—Spot rate	0.8445	Meat/Bone Meal – 50% bulk ex Brisbane-prompt	590

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