

Special Situation Report in Soybean Oil, August 17, 2021

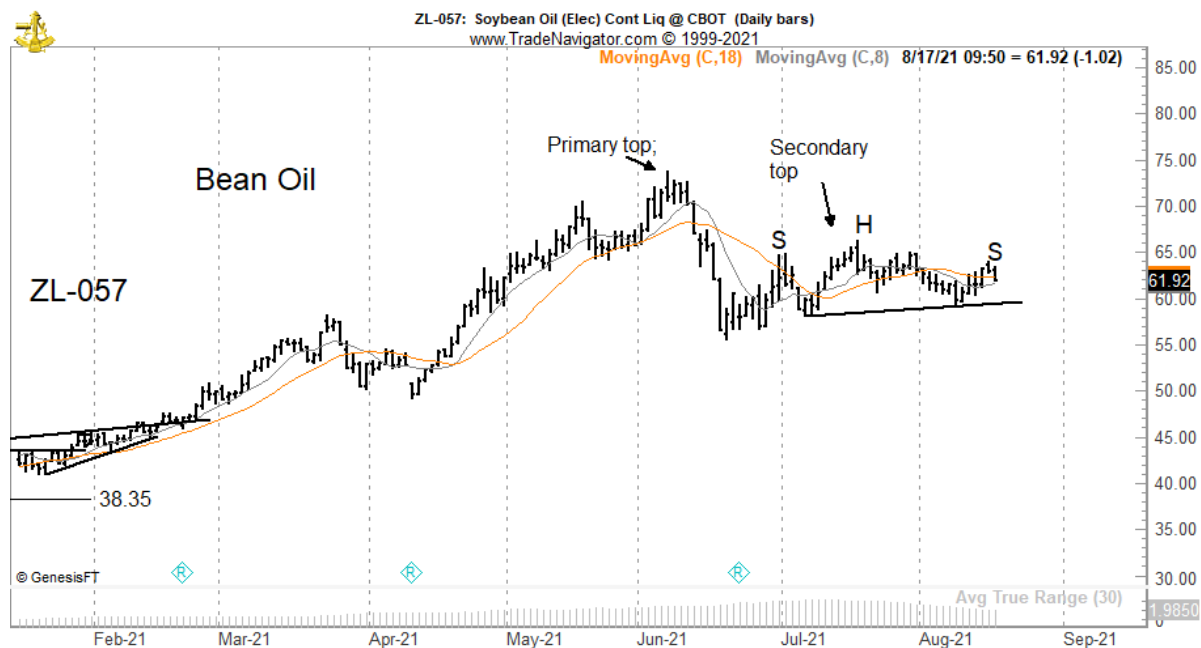
Some similarities are developing between Soybean Oil in 2021 and Bean Oil in 2008.

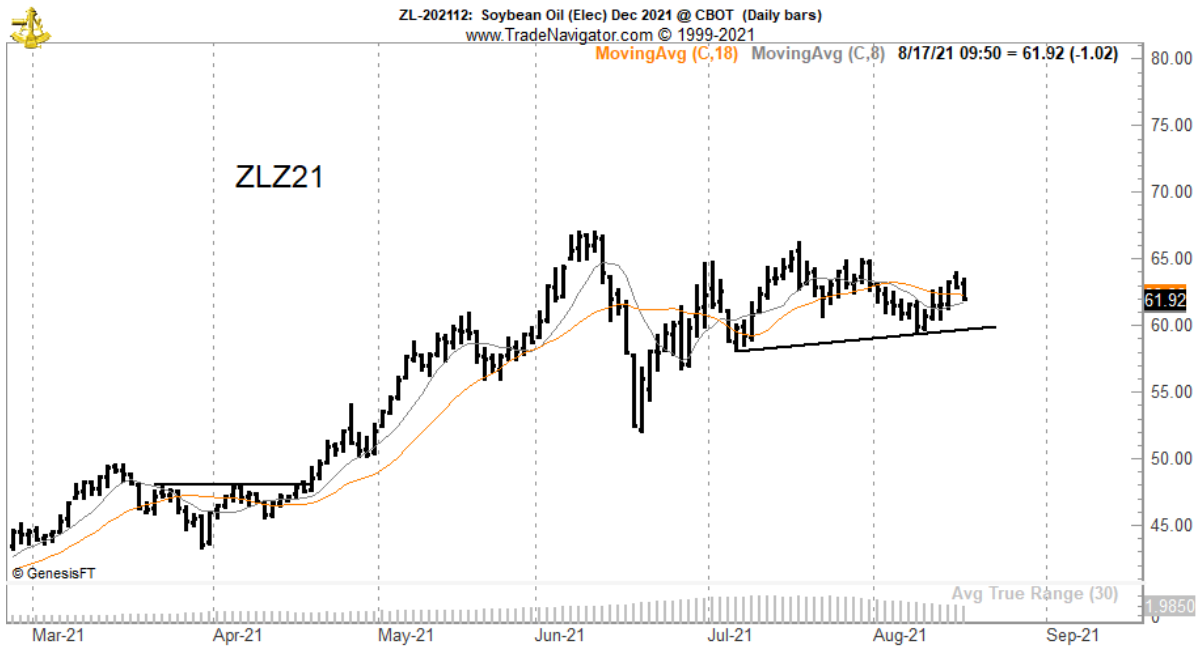
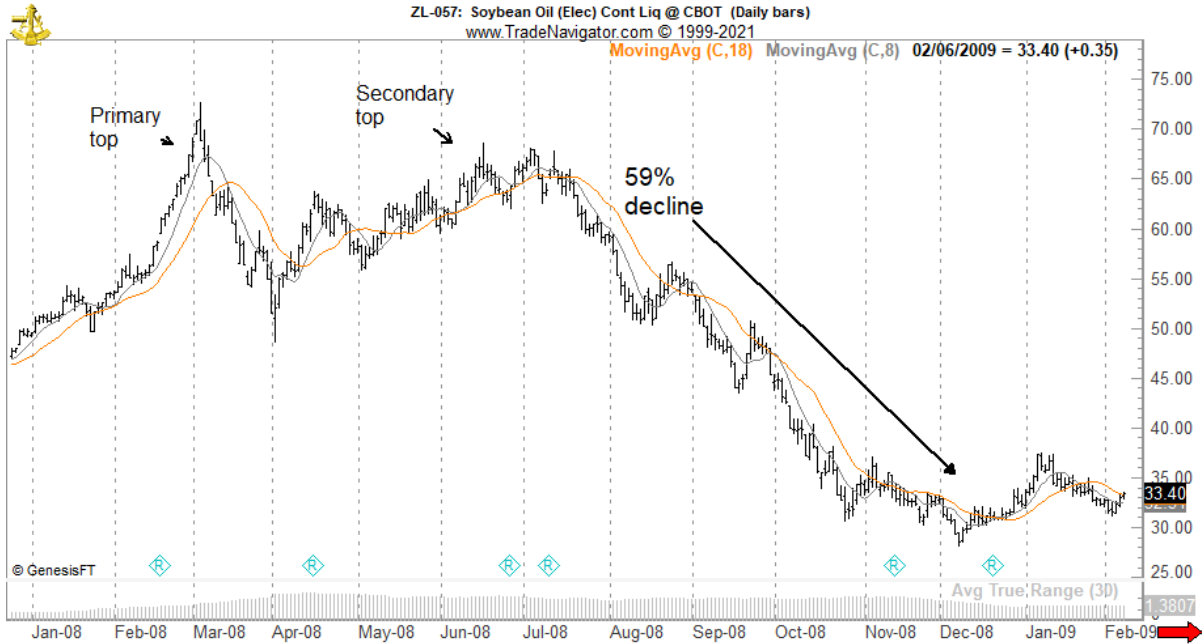
- Both bull markets took Bean Oil prices into the 70s (cents per pound) -- the only occasions in history this price level was reached
- Blow-off tops occurred in both years
- Prices dropped substantially immediately following each blow-off top (-33% in 2008, -25% in 2021)
- In 2008, a sluggish 3-month stair-step rally into a secondary top then occurred
- An 8-week sluggish stair-step rally is now taking place

I am very aware that 2008 could prove as the analog year for the current market. In 2008, prices declined 59% from the bull market top, finally bottoming five months after the secondary top.

The current daily chart displays a possible H&S top pattern. I am committed to taking meaningful chart sell signals. The 14-day ADX reading is presently sub-11. Substantial trends often are launched when daily ADX readings drop toward and below 10.

end





Original post: <https://www.peterlbrandt.com/special-situation-in-soybean-oil-august-17-2021/>

