

Oilytics Daily Market Report

22 March 2021

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Category	Last	1D Δ	1W Δ	1M Δ	Last 5 days
Product					
RBOB (\$/Gal)	1.94	0.00	-0.21	0.13	■ ■ ■
NY USLD (\$/Gal)	1.82	0.04	-0.15	-0.02	- - - - -
ARA ULSD (\$/MT)	525.57	-1.95	-20.32	23.08	■ ■ ■ ■ ■
RBOB Crack v Brent (\$/BBL)	18.07	-0.50	-1.96	7.56	■ ■ ■ ■ ■
ARA ULSD Crack v Brent (\$/BBL)	4.54	-0.75	-0.54	-1.02	- - - - -
Other Commodities					
Nat Gas US (\$/mmbtu)	2.54	0.06	-0.06	-0.69	■ ■ ■ ■ ■
LNG JKM (\$/mmbtu)	6.42	-0.15	0.35	0.12	■ ■ ■ ■ ■
Copper (\$/lb)	4.12	0.00	-0.03	0.28	■ ■ ■ ■ ■
Gold (\$/oz)	1741.70	9.20	21.90	-31.10	■ ■ ■ ■ ■
Macro					
S&P 500	3912.62	-3.88	-29.63	-15.38	■ ■ ■ ■ ■
VIX	20.80	0.88	-2.70	-	- - - - -
Dollar Index	91.85	0.17	-0.48	1.44	■ ■ ■ ■ ■
Crude					
Dubai Crude Oil (\$/BBL)	64.57	0.67	-1.93	3.68	- - - - -
Brent (\$/BBL)	64.53	1.25	-4.69	0.19	- - - - -
Brent Dec-21	61.71	1.03	-3.08	2.05	- - - - -
WTI (\$/BBL)	61.42	1.42	-4.19	0.28	- - - - -
WTI Dec-21	58.47	1.08	-2.99	2.05	- - - - -

Summary

Oil markets continue to trade lower after a wave of bearish news over the weekend from UK-EU vaccine wars to rising cases in Brazil, India, and the EU.

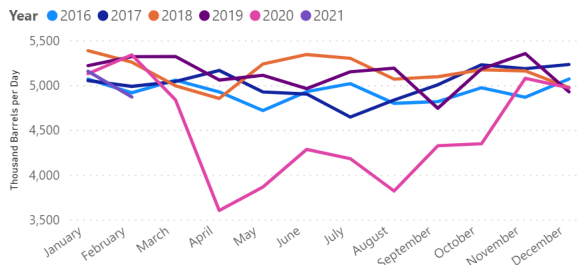
The latest Chinese customs data showed crude imports picking up in February after a slowdown in December and January. Russia and Saudi continue to be neck and neck to be the largest supplier in China.

In products, Chinese Bitumen imports remained at high levels as they remain a proxy for sanctioned crude trading from Iran and Venezuela, which continue to officially report zero crude imports.

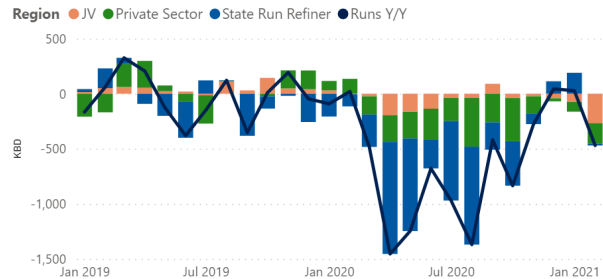
Weekly COT data continue to show rising energy spec length data. WTI net spec length hits a 32-month high. Though this data does not include the selloff on Thursday.

Chart of the Day: Indian refinery runs hit a 4-month low in February as demand faces headwinds on rising crude prices and record high-pump prices. However, looking at y/y, runs were down by -470KBD of which -270KBD were JV refineries due to one major refinery shutdown for maintenance. State-owned refiners continue to operate at full steam on strong local demand, while private sector refineries are still running lower due to weak product export markets. (Source: PPAC)

Indian Runs (Seasonality)



Runs by Refinery (Timeline)



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Market Recap

Oil prices continue to trade down this morning after a flurry of bearish macro news over the weekend. First up was the EU-UK vaccine issues becoming more toxic. EU is close to banning vaccine exports to the UK as it tries to fulfill its contracts first as the pace of vaccination remains slow compared to the US and UK. However, there is a real risk of retaliatory action and with most vaccines having global supply chains, this is a race to the bottom. Second up was the Turkish Lira plunging by ~15% overnight against the dollar. Though this might be a country-specific risk there is a real risk of EM currency pressure as the dollar shorts significantly reduced last week and with US vaccination gaining ground and reopening back to normality can put further momentum in US dollar strength.

US continues to produce strong COVID data as cases drop and vaccination speed picks up. Mobility is sharply rising and the oil market is at risk of receiving bullish high-frequency data (normally from the US) while we are seeing cases surge again in Brazil, India, and the EU which report monthly and often lagged data.

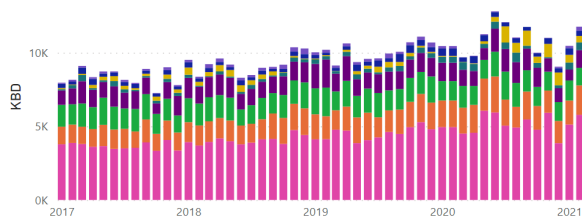
China updated its detailed customs over the weekend and there is too much data to talk about for our daily report. We highlight some of the key charts below. Those who have access can explore the [China dashboard](#) or drop me a line if you are looking for something specific.

China Customs

Despite the OPEC cuts, Mid East crude maintained the dominant market share (~50%) in China. Two weeks ago we had received the Jan&Feb average crude imports of 11.1MMBD, however, once broken down, crude imports picked up in February after a weak December and January, despite higher prices. Saudi and Russia were neck and neck fighting for the top supplier into China.

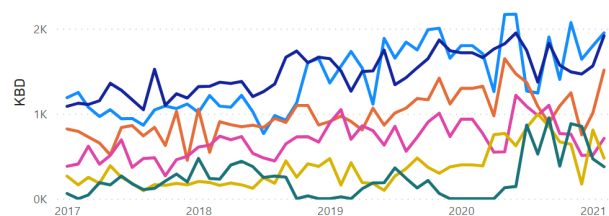
Crude Imports by Country (Stacked Bar)

Region ● Mid East ● FSU ● WAF ● LATAM ● Nsea ● N.America ● Asia ● N.Africa



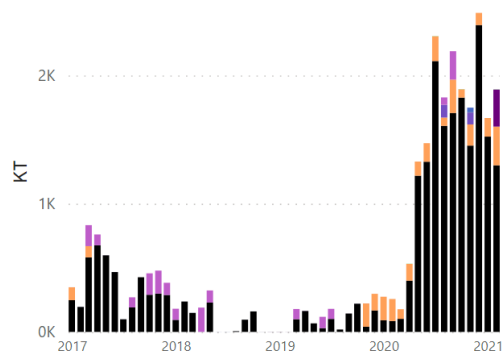
Crude Imports by Country

Country ● Saudi Arabia ● Russia ● Iraq ● Brazil ● UAE ● USA



Bitumen Imports by Country

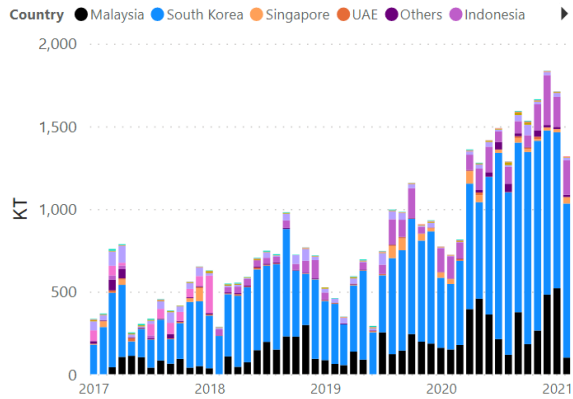
Country ● Malaysia ● Singapore ● USA ● Others ● Oman



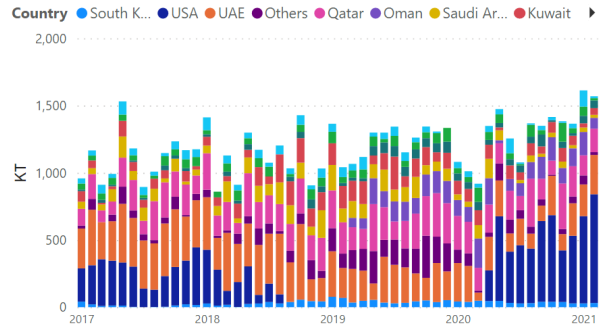
In products, there was no sign of Bitumen imports slowing down. Bitumen imports are widely interpreted as crude cargoes coming from sanction countries such as Iran and Venezuela (which are officially at 0). With reports of increased Iranian cargoes and used VLCC's being bought up at premiums for this trade, this flow is likely to remain high this year. In other products, imports of Light Cycle Oil (LCO) remain high though dropping from record highs in recent months. This common blendstock for gasoil makes it difficult to truly gauge the diesel demand in the country. Lastly, propane imports remain high in China however, with trade tensions easing with the US, propane imports from the US continue to climb which is displacing propane imports from

the Mid East.

LCO Imports by Country



Propane Imports by Country



CoT Weekly



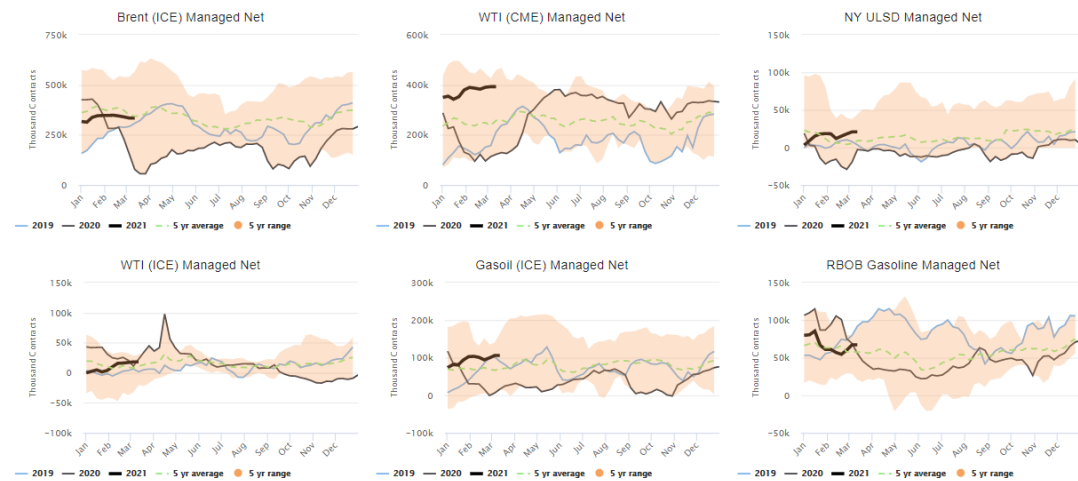
Managed Money Spec Length Table

	Long	Change	Short	Change	Net	Change	Long/Short Ratio	Yearly high Net Length			Yearly High Long/Short		
								1 Yr High	1 Yr Low	Relative to Max	1 Yr High	1 Yr Low	Relative to Max
Oil													
WTI (CME)	433,810	1,095	40,791	-1,236	393,019	2,331	10.6	393,019	126,450	100%	10.6	2.2	100%
WTI (ICE)	35,388	2,108	17,300	1,208	18,088	900	2.0	97,587	-17,034	19%	5.8	0.3	35%
Brent (ICE)	412,478	5,306	78,075	11,062	334,403	-5,756	5.3	348,784	56,369	96%	7.8	1.3	68%
Gasoil (ICE)	124,777	10,251	18,764	3,849	106,013	6,402	6.6	106,013	-1,674	100%	12.1	1.0	55%
RBOB Gasoline	92,451	8,332	25,176	1,268	67,275	7,064	3.7	85,593	22,114	79%	9.8	1.8	37%
NY ULSD	49,368	1,920	28,563	-776	20,805	2,696	1.7	20,805	112,989	100%	1.7	0.6	100%
Metals													
Gold	112,484	5,872	57,743	-6,973	54,741	12,845	1.9	199,688	41,896	27%	92.2	1.6	2%
Silver	56,520	-54	30,607	1,710	25,913	-1,764	1.8	48,680	10,127	53%	3.3	1.6	57%
Platinum	26,973	706	6,754	-1,353	20,219	2,059	4.0	28,881	-2,225	70%	5.9	0.9	68%
Palladium	4,339	655	2,101	-185	2,238	840	2.1	4,297	465	52%	4.6	1.3	44%
Copper	78,448	-4,728	33,878	1,924	44,570	-6,652	2.3	91,578	-26,636	49%	4.9	0.5	47%
Soft													
Wheat (KCBT)	85,274	-4,351	67,749	5,700	17,525	-10,051	1.3	49,728	-48,213	35%	1.9	0.5	67%
Wheat (CBOT)	59,956	-3,656	21,614	5,666	38,342	-9,322	2.8	60,239	-37,292	64%	7.8	0.5	35%
Corn	399,452	9,696	28,552	-4,690	370,900	14,386	14.0	374,714	-297,312	99%	14.3	0.3	98%
Soybeans	169,014	-2,839	12,974	722	156,040	-3,561	13.0	238,394	-2,864	65%	76.6	1.0	17%
Soybean Meal	69,953	-4,017	8,717	-1,009	61,236	-3,008	8.0	89,487	-52,986	68%	15.3	0.4	52%
Soybean Oil	116,760	2,934	18,074	3,822	98,686	-888	6.5	112,989	-11,906	87%	16.9	0.8	38%

Energy spec length continued to increase as WTI net spec length hit the highest in 32 months. With US opening up, refined fuel spec length hit a 14 month high as well. However, this data point misses the big sell-off on Thursday. As long as strong backwardation persists, we should expect to see strong positioning in energy.



Oil Net Speculative Length



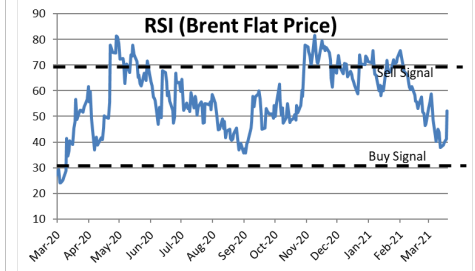
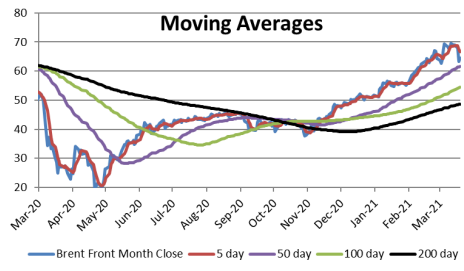
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Charts

Technical Analysis

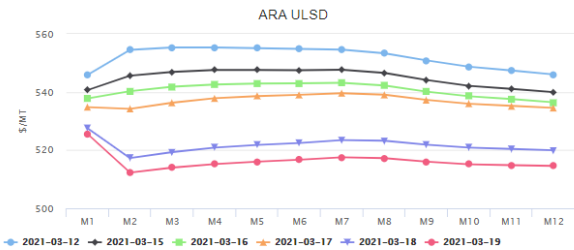
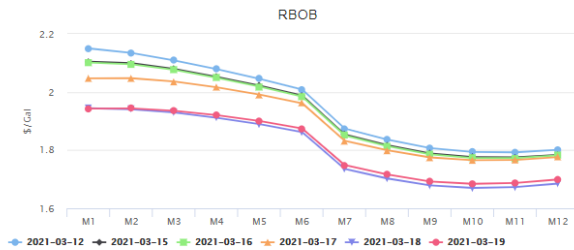
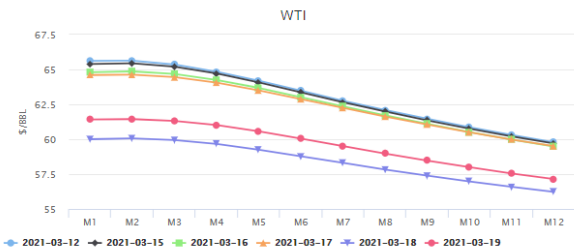
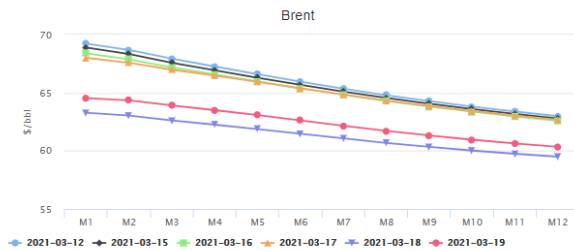
Brent Flat Price	19-Mar
Latest	64.53
5 Day MA	66.62
10 Day MA	67.56
13 Day MA	67.37
20 Day MA	66.56
50 Day MA	61.65
100 Day MA	54.56
200 Day MA	48.66
Range (5-50 Day MA)	5.91



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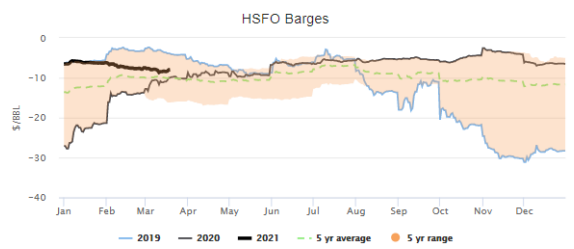
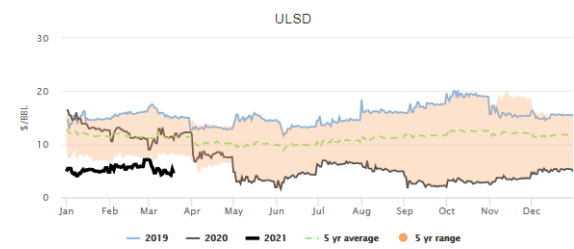
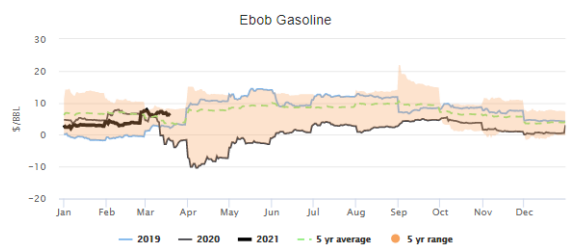
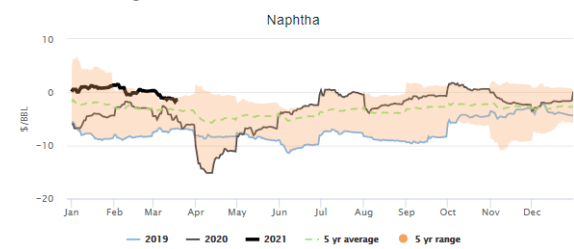
Forward Curves



←



European Product Cracks

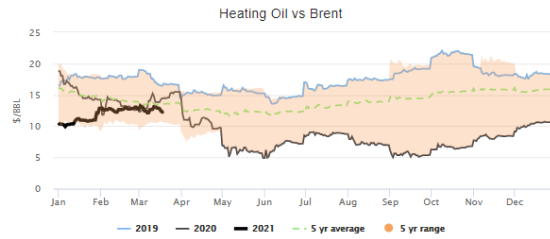
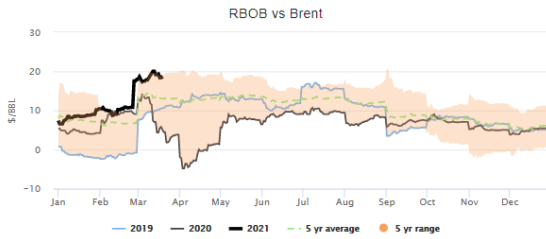
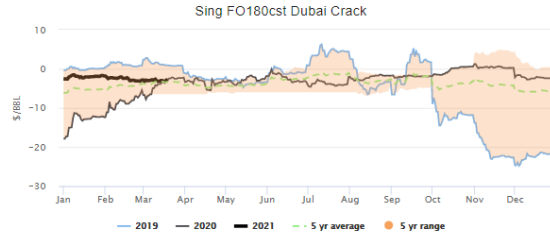
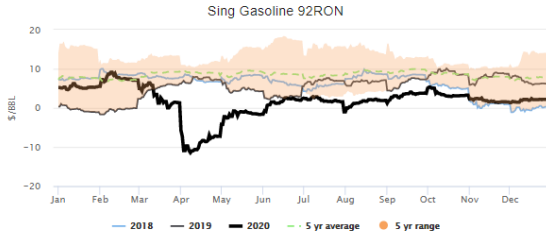


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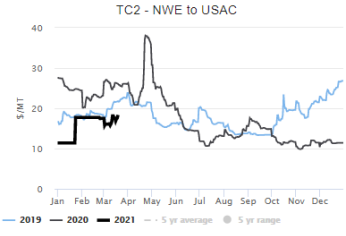
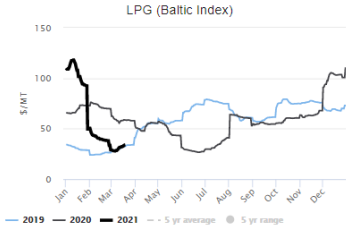
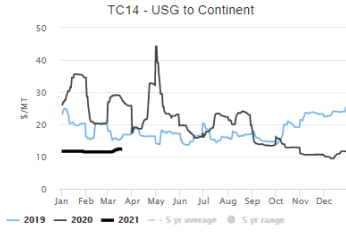
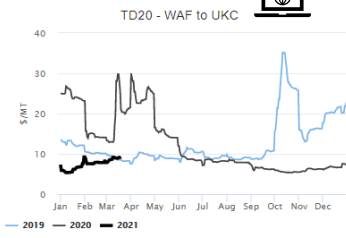
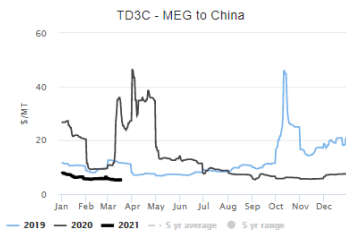
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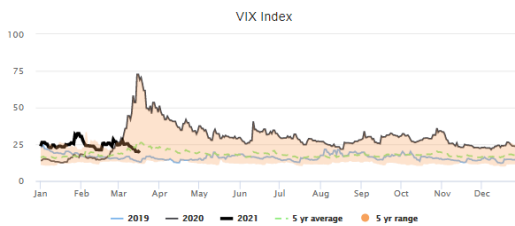
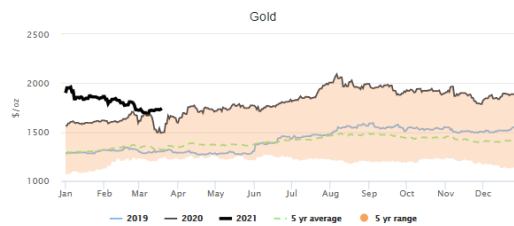
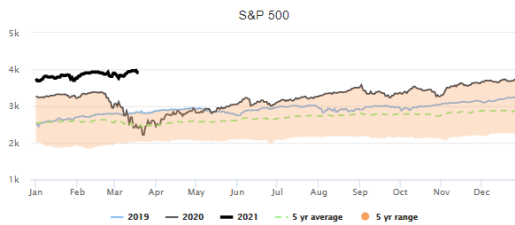
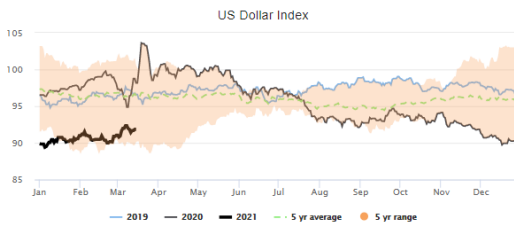
Singapore & US Product Cracks



Freight



Macro Indicators



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