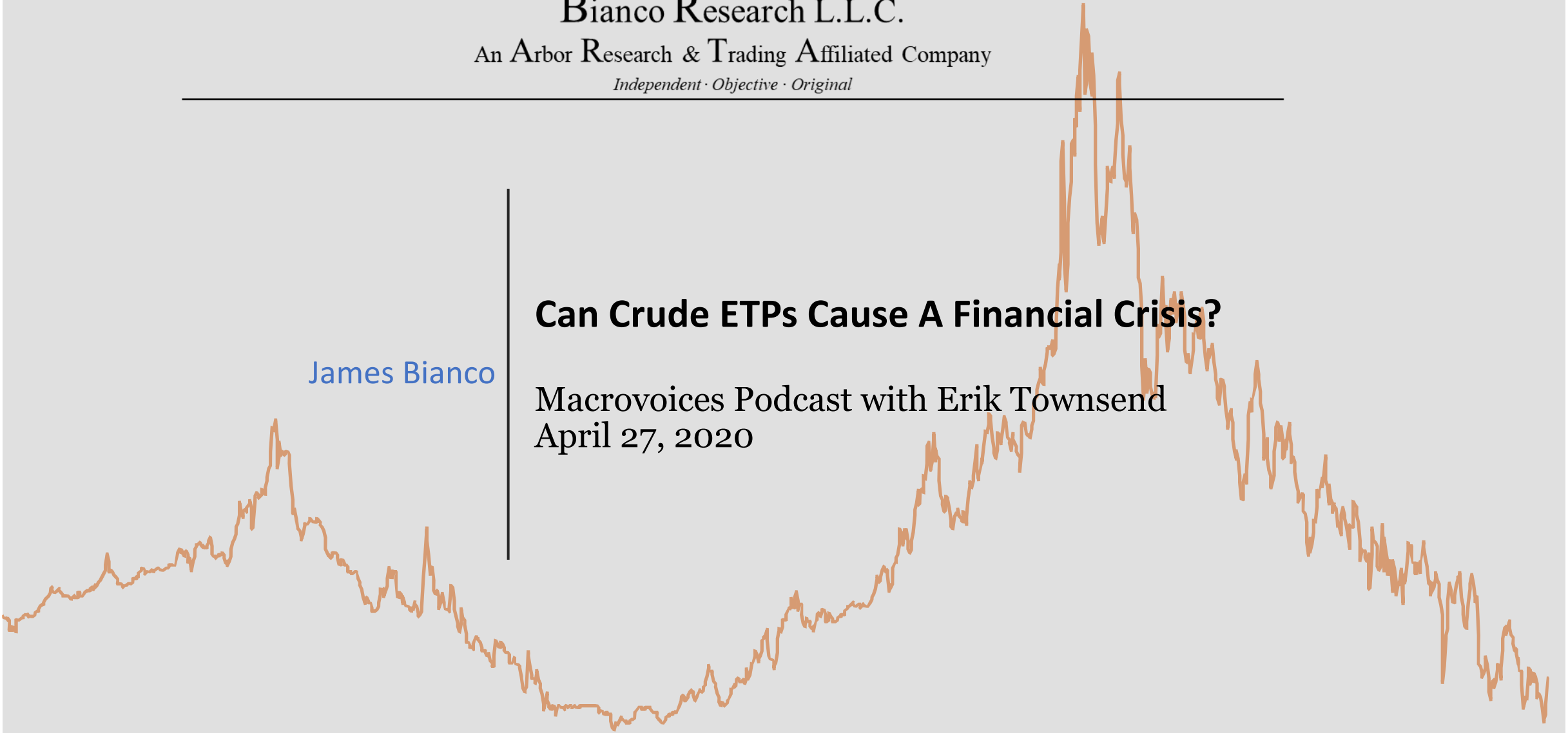


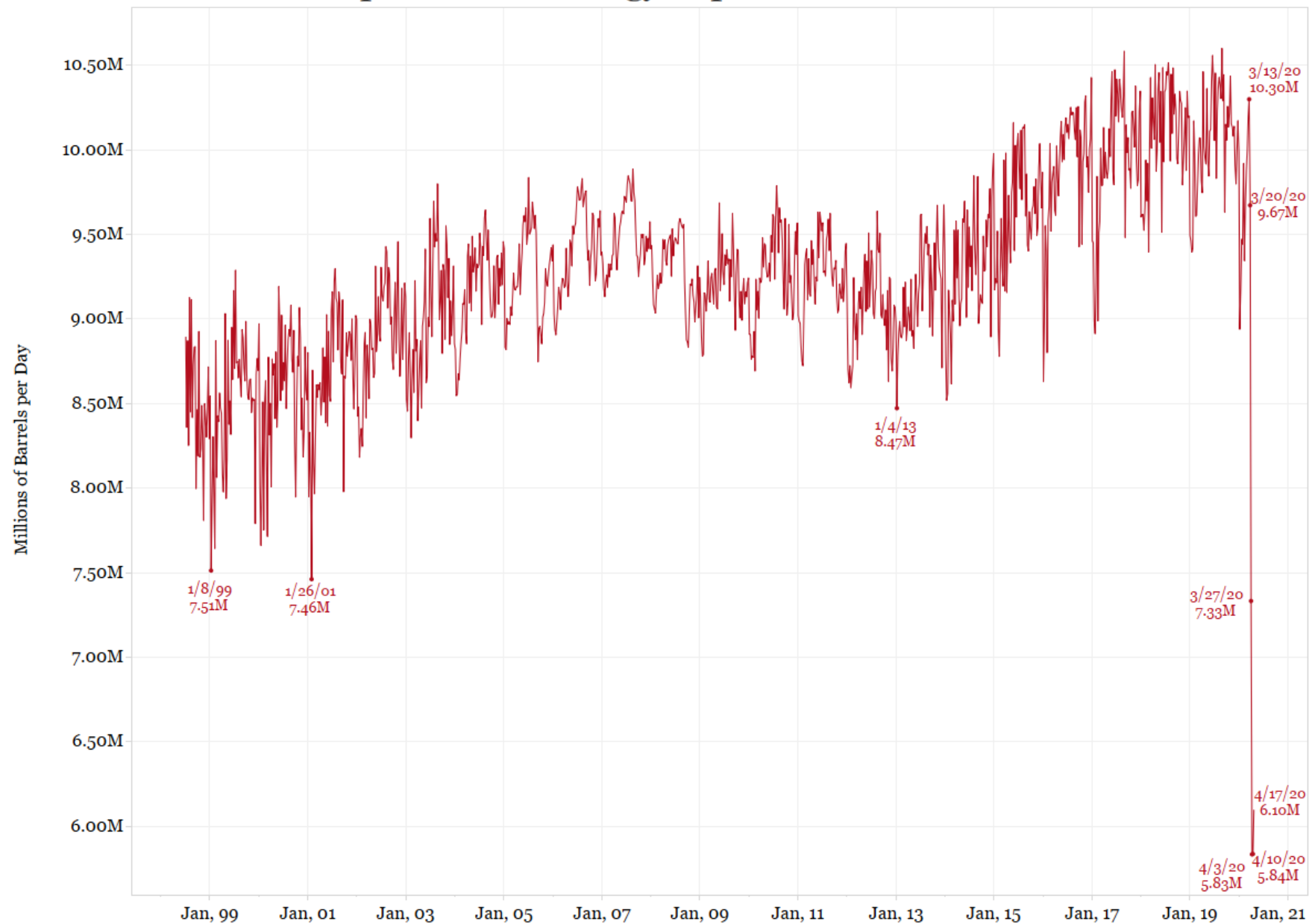
James Bianco

## Can Crude ETPs Cause A Financial Crisis?

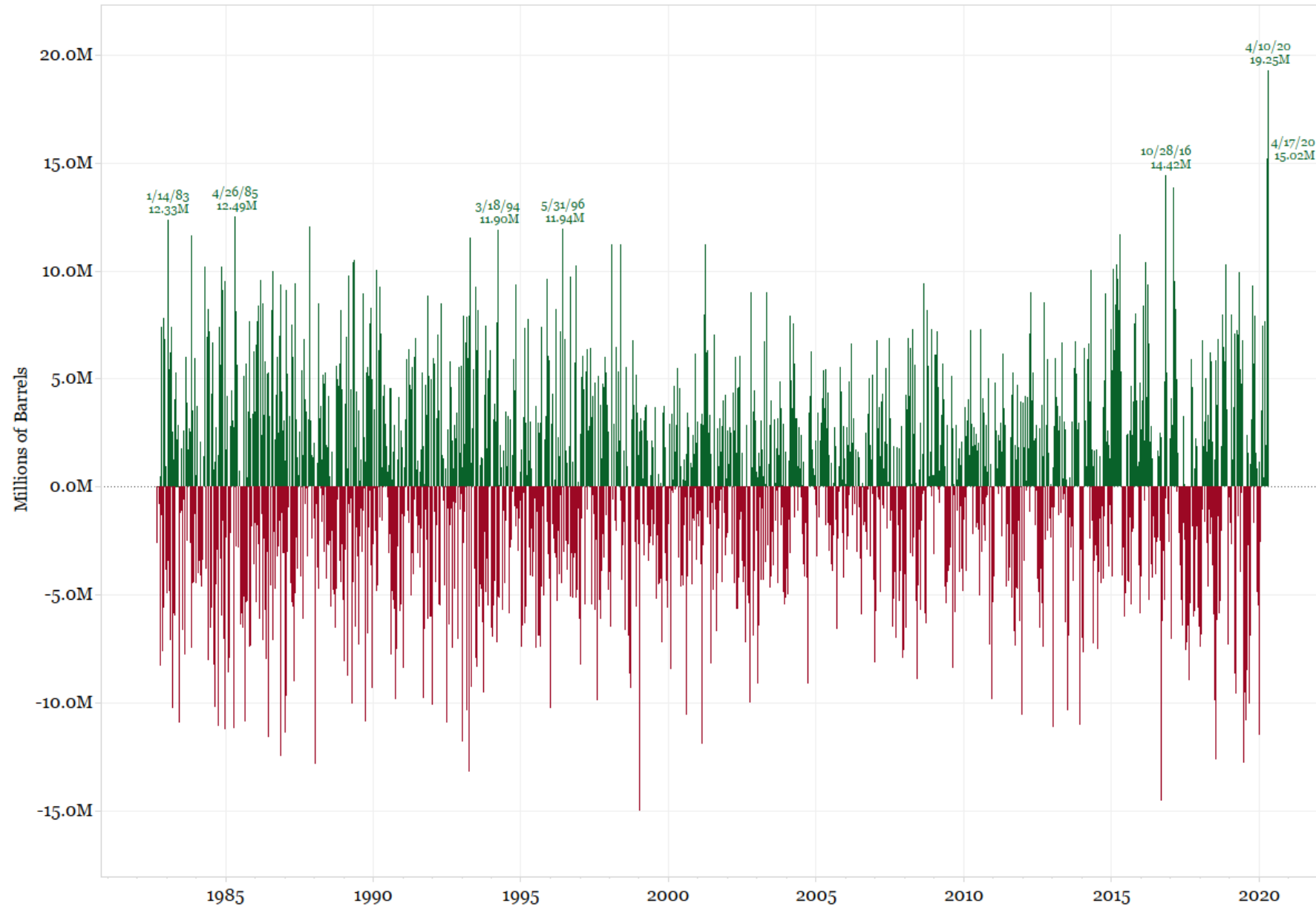
Macrovoices Podcast with Erik Townsend  
April 27, 2020



# U.S. Department of Energy Implied Gasoline Demand



## Weekly Change In U.S. Crude Oil Inventories

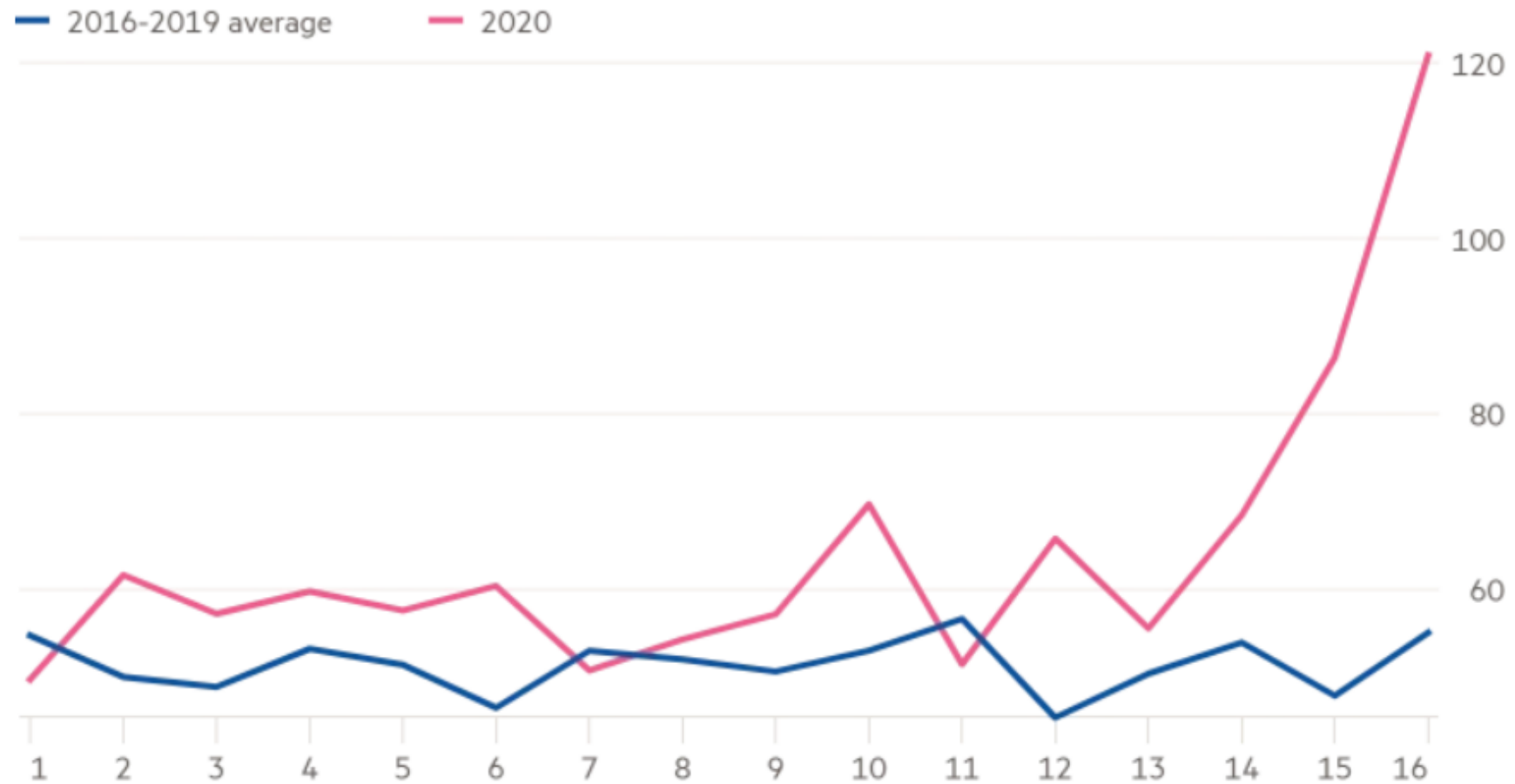


Data Source: Energy Information Agency, Bloomberg

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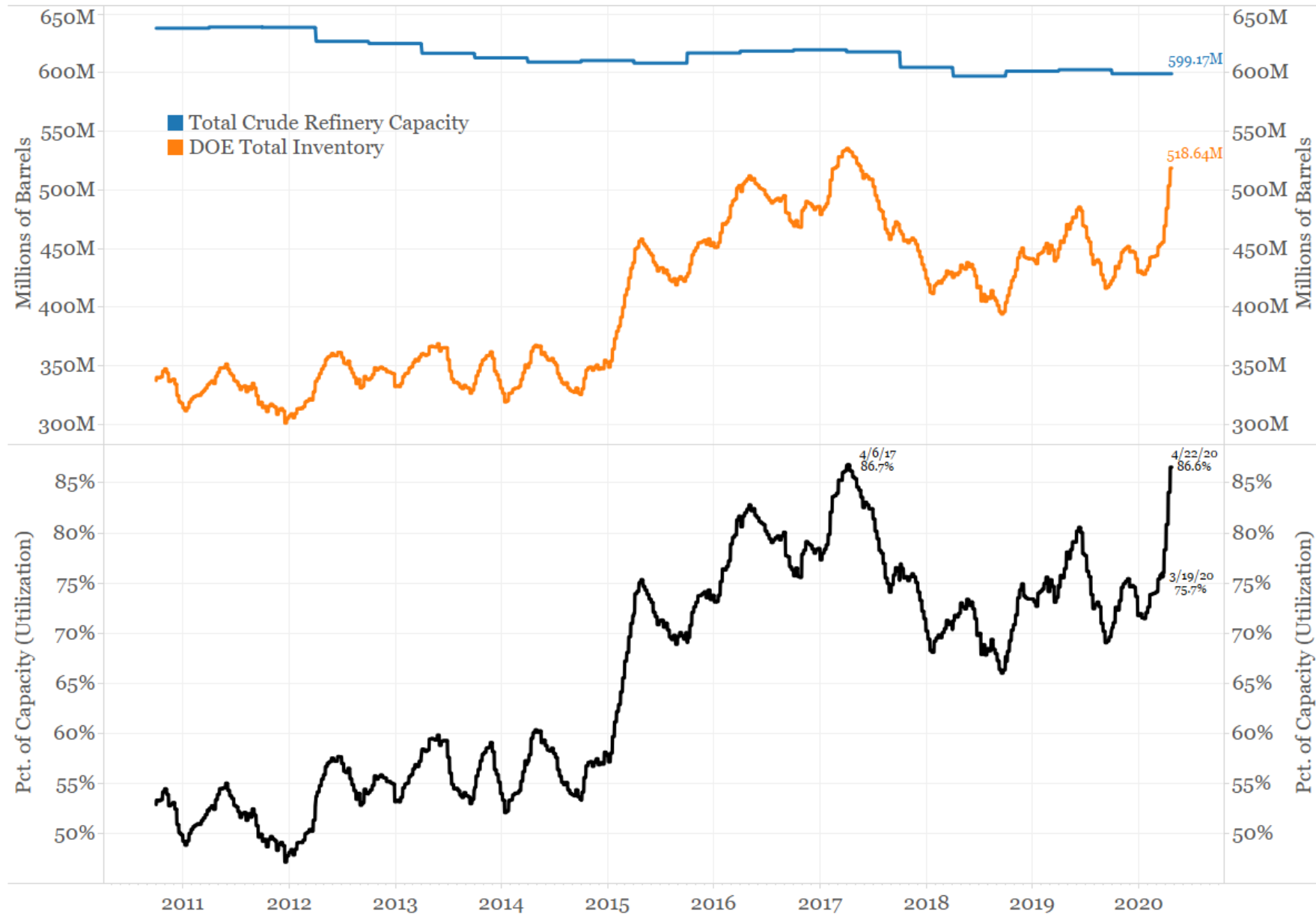
# Floating crude oil storage soars to record highs

Weekly floating storage (millions of barrels)



Sources: Bloomberg, Vortexa, Westpac  
© FT

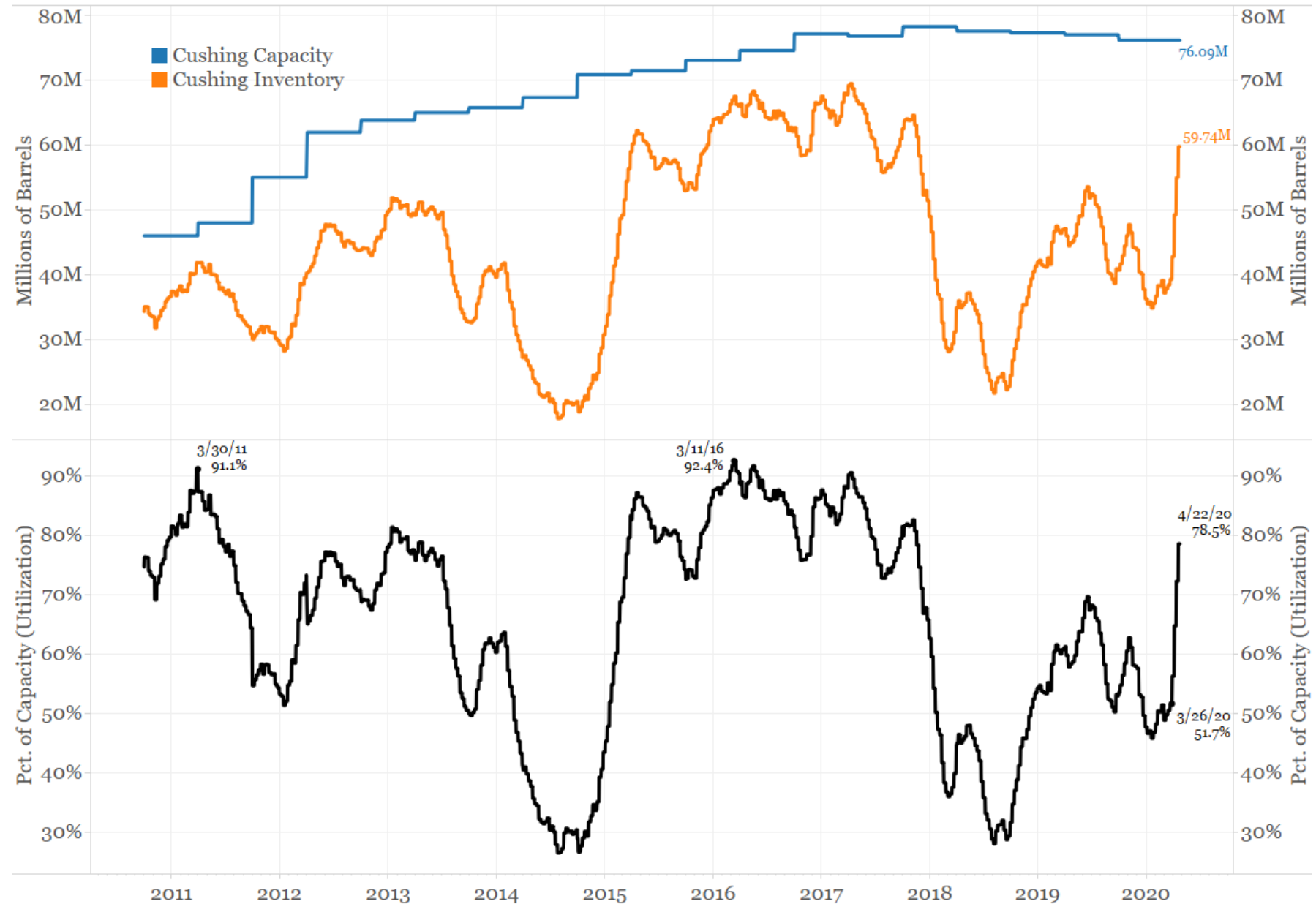
# Total US Crude Oil Inventory And Capacity



Data Source: Department of Energy, Bloomberg

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# Cushing Crude Oil Inventory And Capacity



Data Source: Department of Energy, Bloomberg

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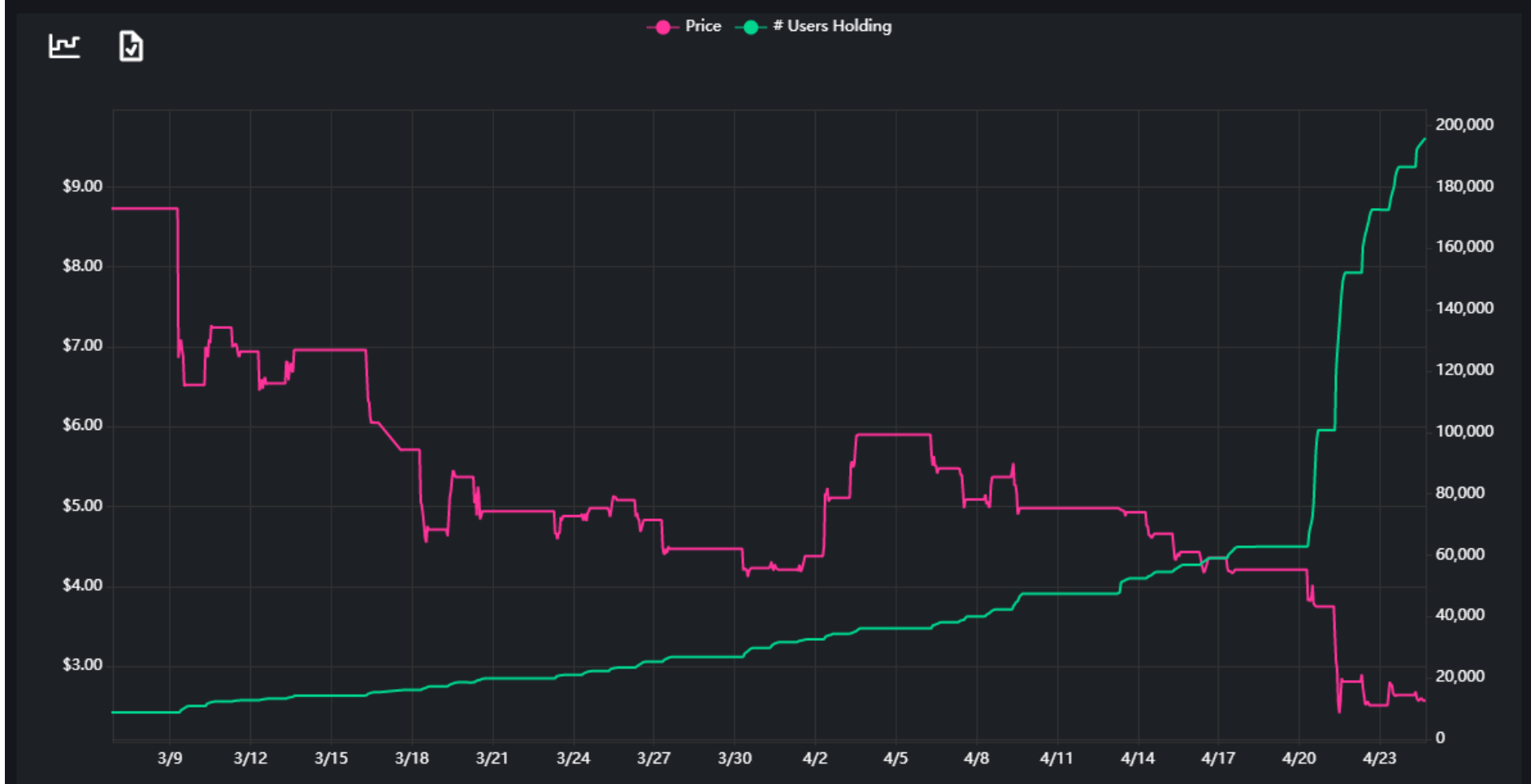
#26: TWTR

#27: USO - United States Oil Fund  
\$2.57 - \$2.58

#28: HEXO

The price of crude oil (red line) against the number of Robinhood accounts holding USO (green line).

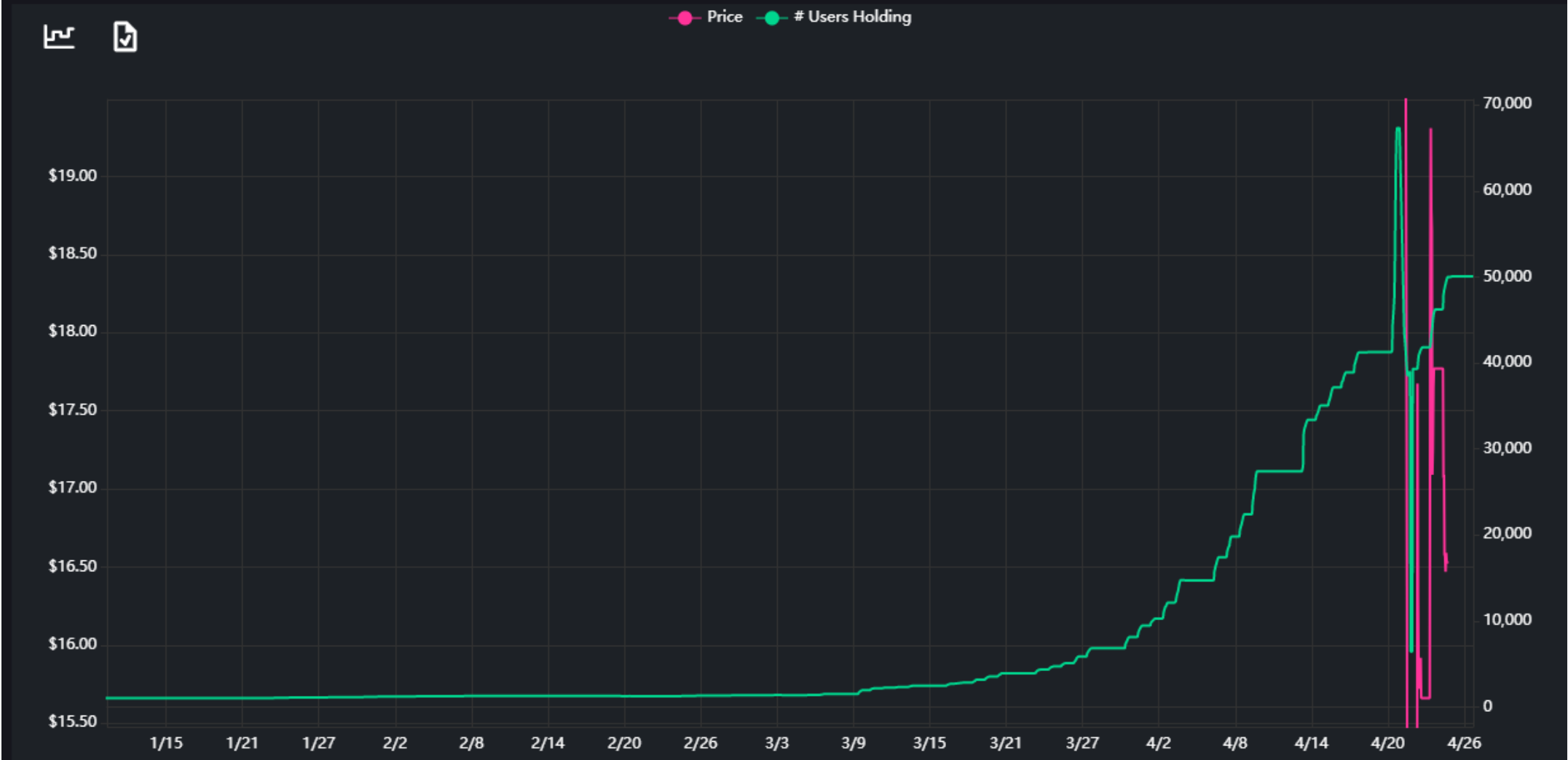
- They started the week with 62k accounts holding USO (green).
- When the June WTI contract hit its low on Tuesday (red), 100K accounts held USO (green).
- At Friday's close (April 24) the number of accounts almost double again from Tuesday's low to 196k accounts holding USO (green).



#104: TRNX

#105: UCO - ProShares Ultra Bloomberg Crude Oil ETF  
\$16.20 - \$31.65

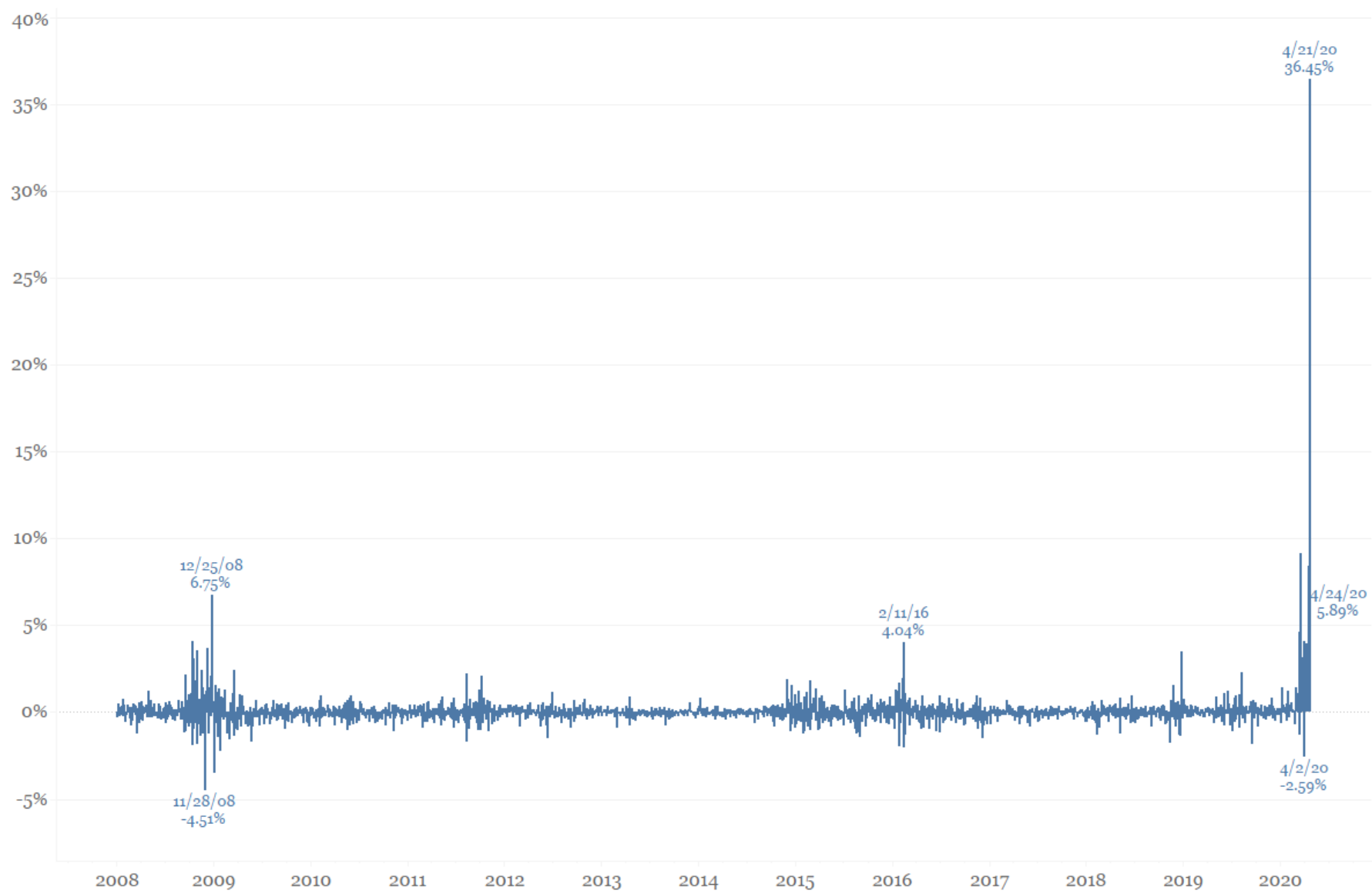
#106: MU





# United States Oil Company (USO) NAV Premium/Discount

Rolling 5-Day Average



Data Source: Bloomberg, United States Oil Fund

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Here is USO's positions as of Thursday. They had 43,742 June Contracts

<http://www.uscfinvestments.com/holdings/uso>

| Security                  | Quantity | Price | Market Value       |
|---------------------------|----------|-------|--------------------|
| Commodity Interests       |          |       |                    |
| WTI CRUDE FUTURE Jul20    | 76,436   | 21.22 | \$1,621,971,920.00 |
| WTI CRUDE FUTURE Aug20    | 29,924   | 23.86 | \$713,986,640.00   |
| X4 WTI CRUDE FUTURE JUN20 | 30,000   | 16.94 | \$508,200,000.00   |
| WTI CRUDE FUTURE Sep20    | 13,939   | 25.71 | \$358,371,690.00   |
| WTI CRUDE FUTURE Jun20    | 13,743   | 16.94 | \$232,806,420.00   |
| X4 WTI CRUDE FUTURE JUL20 | 7,725    | 21.22 | \$163,924,500.00   |

Here are the trades USO did Friday.

They only sold 1.250 June contracts. So, tomorrow morning they will have 42,493 June contracts (12.5% of the June open interest of 337,792 contracts)

#### Pending Trades as of 04/24/2020

| Security               | Action | Quantity | Price   |
|------------------------|--------|----------|---------|
| Commodity Interests    |        |          |         |
| WTI CRUDE FUTURE Jul20 | Buy    | 44       | 21.4200 |
| WTI CRUDE FUTURE Aug20 | Buy    | 244      | 23.9851 |
| WTI CRUDE FUTURE Sep20 | Buy    | 13,000   | 25.7100 |
| WTI CRUDE FUTURE Sep20 | Buy    | 1,058    | 25.7372 |
| WTI CRUDE FUTURE Jun20 | Sell   | -1,250   | 16.9434 |
| WTI CRUDE FUTURE Jul20 | Sell   | -13,000  | 21.2200 |
| WTI CRUDE FUTURE Jul20 | Sell   | -3,362   | 21.2113 |

ProShares Ultra Bloomberg Crude Oil seeks daily investment results, before fees and expenses, that correspond to two times (2x) the daily performance of the Bloomberg WTI Crude Oil SubindexSM.

#### As of 4/24/20

| Description  | Exposure Value<br>(Notional + G/L) | Market Value (\$) | Shares/Contracts |
|--|------------------------------------|-------------------|------------------|
| WTI CRUDE FUTURE JUL20                             | 939,239,640.00                     | -                 | 44,262.00        |
| BLOOMBERG WTI CRUDE OIL SUBINDEX 2M SWAP - GS      | 343,461,694.68                     | -                 | 3,133,260.00     |
| WTI CRUDE FUTURE SEP20                             | 167,680,620.00                     | -                 | 6,522.00         |
| BLOOMBERG WTI CRUDE OIL SUBINDEX SWAP - SOCIETE GE | 75,815,512.37                      | -                 | 3,406,106.93     |
| BLOOMBERG WTI CRUDE OIL SUBINDEX SWAP - UBS AG     | 7,240,494.62                       | -                 | 325,288.30       |
| NET OTHER ASSETS / CASH                            | -                                  | \$766,255,230.52  | 766,255,230.52   |

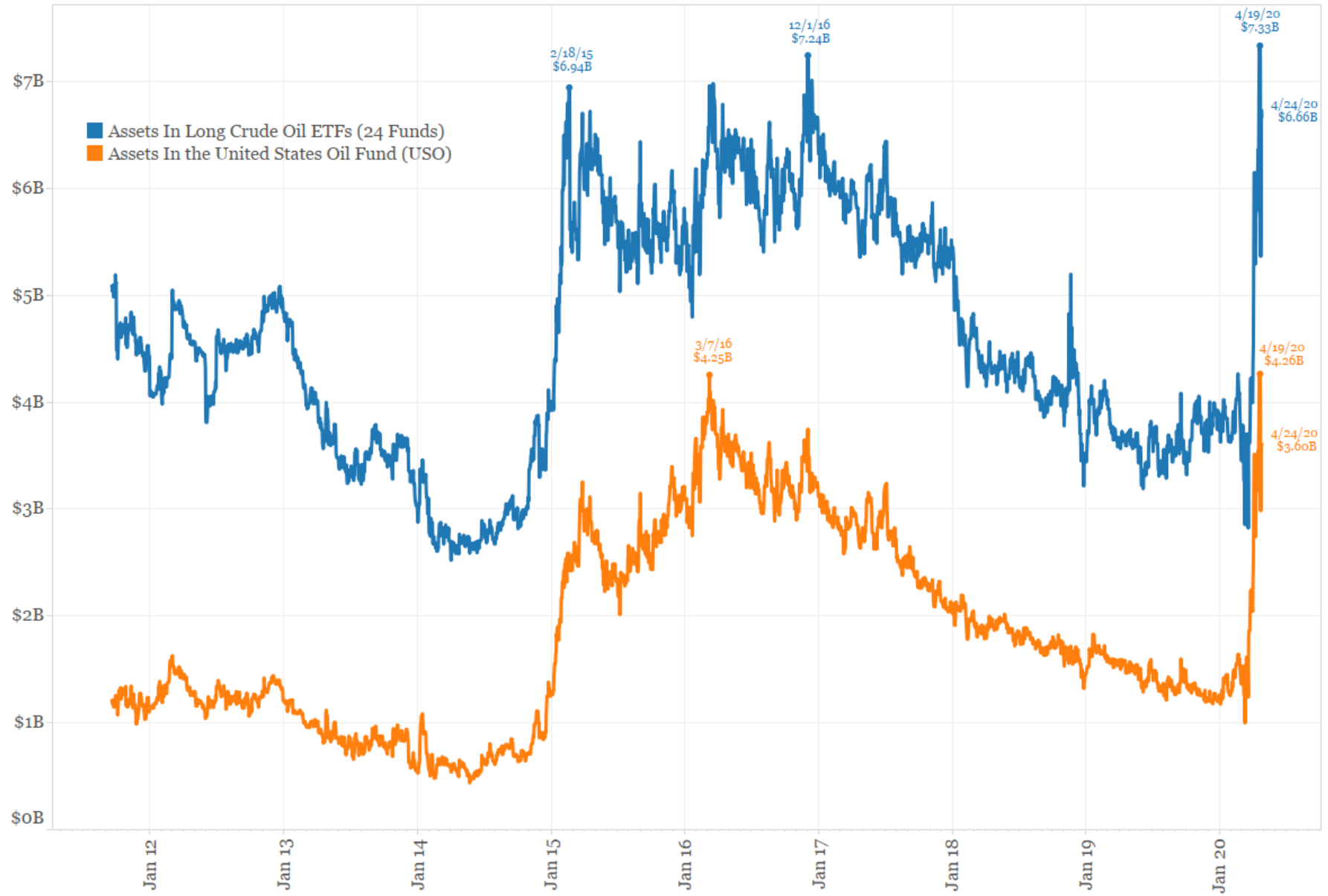
## United States Oil Company (USO) Shares Outstanding



Data Source: Bloomberg, United States Oil Fund

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## Assets In Long Only Crude ETF/ETPs



Data Source: Bloomberg

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