Can Crude ETPs Cause A Financial Crisis?

Macrovoices Podcast with Erik Townsend
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Floating crude oil storage soars to record highs

Weekly floating storage (millions of barrels)

Sources: Bloomberg, Vortexa, Westpac

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

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

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)

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.
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