MacroVoices Episode 541

Feature Interview with Anas Alhajji

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Announcer: This is Macro Voices, the free weekly financial podcast targeting professional finance, high net worth individuals, family offices, and other sophisticated investors. Macro Voices is all about the brightest minds in the world of finance and macroeconomics telling it like it is, bullish or bearish, no holds barred.

Now here are your hosts, Eric Townsend and Patrick Ceresna.

Erik: Macro Voices episode five forty-one was produced on July 16th, twenty twenty-six. I'm Eric Townsend. Dr. Anas Alhajji is back for what will be his most complete interview to date on the Hormuz crisis and how it evolved. We'll start with an update on the week's news and then step back and review how we got into this conflict and why Anas still believes that it was the goal of the United States to close Hormuz initially.

I intentionally let this interview run long, so make the popcorn and sit back for an extended length interview with Dr. Anas Alhajji on how the Strait of Hormuz crisis came to be. Then stay tuned for our new and improved Macro Voices trading desk, where Patrick and Massil will deliver a fast-paced market wrap featuring Patrick's trade of the week, fresh positioning insights from the Commitment of Traders reports, and a concise breakdown of the key markets you need to watch.

Patrick: And I'm Patrick Ceresna. The S&P five hundred spent the week consolidating near its fifty-two-week highs, but has yet to break above the June peak, which continues to act as near-term overhead resistance. Crude oil delivered another major advance, gaining nearly nine dollars or roughly twelve hundred and eighty basis points week over week as it moved up to test its fifty-day moving average.

Meanwhile, gold remains notably weak near its June and July lows, raising the question of whether another leg lower is about to begin. We'll discuss this and more after the interview. This week's feature interview guest is oil market expert

Anas Alhajji. Eric and Anas discuss the outlook for crude oil and refined products, why the real bottleneck may be in refining rather than the raw oil supply, and how geopolitics, energy security, LNG, and AI-driven power demand are reshaping the global energy markets.

Eric's interview with Anas Alhajji is coming up as Macro Voices continues right here at macrovoices.com.

Announcer: And now with this week's special guest, here's your host, Eric Townsend

Erik: Joining me now is Energy Outlook Advisors founder Dr. Anas Alhajji. Anas, it's great to have you back. Needless to say, this has been a huge week of escalation in the Iran conflict. You have a note out this week though to your subscribers saying, "Hey, pay attention here because you need to focus your eye on where the ball is, and it's not so much Hormuz, it's actually Strait of Bab el-Mandeb that we need to watch next."

So give us the update on what's going on, and tell us particularly about your writings this week as to why Bab el-Mandeb requires as much attention as Hormuz does.

Anas: Thank you for having me on the show again. The main point here is the market has already priced a kind of a closure of Hormuz for a longer period, and the surprise to the market was not the kind of the breaking of the MOU or the end of the MOU.

The surprise to the market was how fast basically Trump basically agreed to the MOU and how fast he signed it, and how fast the amount of oil that was stranded basically left the Hormuz Strait. So we got over 120 million barrels out of the Hormuz Strait. So that was really the surprise to the market, not the end of the MOU.

So what happened is there are-- the Iranian regime is not unified. It's not one unit. So we have the Iranian regime, we have the negotiators, but we do have the hardliners of the IRGC, the Revolutionary Guard. And those are not part of the government, but they are very well-trained, and they are well-equipped in term of various weapons, Etc

And those guys benefited greatly from the sanctions and benefited greatly from what's been going on for a long time. And we should point out that Iran's oil production increased substantially to the extent that the production in 2025 is the highest in 20-something years And in February, Iran's oil exports were the highest since 2017.

So those guys been making a lot of money despite the sanctions and despite everything else. They control the economy, and they benefit from the prestige, the control, and the money, and we are talking about billions and billions of dollars. And it seems that the Trump administration underestimated their power and their will.

And the reason why those guys do not want to negotiate, because if everything goes back to normal and all the money goes to the Iranian people and to the government, they lose everything. They lose the control, they lose the money, they lose the prestige. So they are behaving like a drug cartel. They are literally willing to fight.

Drug cartels are willing to fight. They fight, and they are willing to fight for the money and for the whatever they have, and that's what we've seen. So they kept attacking ships and other countries in an effort to derail the negotiations And it is clearly now that they succeeded in doing so, or they succeeded in controlling the Iranian regime or part of the Iranian regime, or controlling the g- the negotiators, etc.

And as a reaction to that, we've seen President Trump basically canceling the MOU and returning back the, the blockade. But we have to remember that, yes, prices went up by about 12 to $15 as a result of that, and that is normal for such events to happen. But we did not see prices going up to 100, 120 simply because the market long ago, before signing the MOU, already assumed that this is going to drag on for a long time, even after the elections.

But what the real story for the oil bulls is really Bab el-Mandeb, because this was the biggest surprise of all the events that we've seen. The end of the MOU or the issues that we've seen in term of attacks on ships, that was just part of the game. But what was the surprise is the attack by the Houthis on the Saudi airport in the city of Abha, which kind of ended the agreement that the Saudis had with the Houthis.

And that was the biggest problem that we see right now, that it seems that those IRGC extremists were able to control either the Houthis or some of the Houthis, and they decided to defy the ban on airlines over Yemen, and they literally took a plane full of people to Sana'a Airport, which led to the Saudis basically making an attack to prevent the plane from landing, and then the, the Houthis basically replied by attacking Saudi Arabia.

Why this is important? Because the Saudis reached an agreement with the Houthis where the Saudis basically will support, in one way or the other, the economy of the city and support the people of Sana'a, while the Houthis basically will stop attacking Saudi Arabia. And it held very well. And when people were talking about Bab el-Mandeb early in March, I said at that time, "Don't worry about Bab el-Mandeb because the agreement is holding very well."

And all of a sudden, in recent days, w- with the attacks basically show that it may not be. And as a result we might see attacks on ships in the Bab el-Mandeb. Bab el-Mandeb, for those who do not know, it is the front door of the Red Sea. So about 6 million barrels of oil basically passes through Bab el-Mandeb, mostly Russian and Saudi oil.

And we've already seen some Houthi leaders threatening to close Bab el-Mandeb. We've seen some IRGC leaders threatening to close Bab el-Mandeb. And can they close Bab el-Mandeb? No. The Iran cannot close the Hormuz Strait and cannot close the Bab el-Mandeb, but they can cause enough trouble to raise prices, oil prices significantly, and raise insurance.

And the fear is not the Houthis blocking Bab el-Mandeb. The fear is that few guys basically launching an attack on couple of oil tankers And as a result, the insurance companies of the, of Europe mostly UK, will literally cancel the insurance, especially the water insurance, the same way they did with Hormuz.

And if they do that, then Saudi Arabia in particular cannot send its oil through the Hormuz Strait because of lack of insurance. Putin will be a big winner here because he is sending massive amount of oil to India and China, and that oil is mostly sent on sanctioned tankers that do not qualify for the Western insurance anyway, so they are insured by Russia, China, India, others.

So if the Houthis act or do something for Bab el-Mandeb, then we will lose more than four million barrels a day of Saudi crude as a result. It is the same crude that's been diverted from the Gulf because of Hormuz through the east-west pipelines. And losing that basically will force prices way above $100.

It seems right now we do have two comments on this. The first one is, if this is going to happen and the Houthis attack ships, the expected reaction from this, from called the Arab Coalition, which is led by Saudi Arabia, is going to be severe, is going to be extremely significant, and the impact is going to be severe on the Houthis.

At the same time, we expect the United States to participate in that, which mean that the issues with Bab el-Mandeb will not last long, but it will be poisoned forever, just like the Hormuz Strait. And therefore, insurance basically will be higher for longer as a result, even if Bab el-Mandeb is open a few days after those, those attacks.

The other thing is, given the severity of the issues, and the Saudis do not want the Houthis to attack Saudi cities Etc And of course, the Houthis are-- the problem is they are not only attacking military sites, they are attacking civilian sites. So they are attacking the airport. A person was killed in the airport, a civilian airport.

They don't want that, so the probability of going back to the agreement is very high. So while we are concerned about Bab el-Mandeb, the first comment on that is that it will not last long, but prices will go up anyway and costs will go up anyway. And if the Saudis and the Houthis go back to the agreement, then the danger basically is way less than the first case.

Erik: Okay. So to summarize, the update from Dr. Anas is we have things heating up in the Middle East. The thing to watch right now is the Strait of Bab el-Mandeb. It would be a skirmish there or a closing of that strait, even just a temporary one. If it has the effect of spooking the insurance companies, that's enough to s- to close the Strait of Bab el-Mandeb, which is the southern entrance to the s- to the Red Sea.

In other words, the other side of Saudi Arabia from where the the Persian Gulf exists. That could be closed off too. That would be the next friction point. That's your update. That's that's probably what a lot of the audience came for. But I want to expand this interview on us and really go broader to a story that I think hasn't been told for really as long as this conflict is going on.

So I wanna set the way back machine now to a year ago, summer of 2025, June, July. You predicted or you wrote in your Energy Outlook Advisors newsletter a year ago, that's more than six months before the Iran conflict even broke out. You said, "Okay, I'm declaring, Anas is declaring that a message was just delivered to China."

And the message that was delivered to China fully a year ago was, "China, brace yourself for a closure of the Strait of Hormuz," but not by Iran. Actually, you thought it would be the United States that would bring about that closure. So why did you predict that a full year ago, six months before the conflict even started?

Anas: There were several reasons for that, and those who are interested, they can go back to these writings because they have a lot of details. We don't have time to go over all of them. But one thing was clear at that time that we've seen many reports in prestigious media outlets talking about Iran closing the Hormuz Strait, and we've seen some reporting about Iranians basically talking about closing the Hormuz Strait.

And I followed up with these things, and I found out that one of the stories, basically, when they talked about Iranian official, that official was-- It was a city council meeting in a small city, and that is not even-- You cannot see it even on the map, who was angry because of the twelve-day war last year.

And he took the mic basically and in front of the camera, and he was asking his government to close the Hormuz Strait. Somehow that video got out, and the Western media took it as an Iranian official basically calling to close the Hormuz Strait. He was, in a sense, by strategic standards, he was no one.

He was just a city council member of a small city somewhere that you cannot see on the map. And there was another quote by someone who is unknown, but there was the same name for a guy who was working for the government, and he retired. And then we've seen several articles appearing on the issue.

And if you study those articles, you find out that they have the same talking points. And that's where the issue is. Who has an interest basically in hiring a PR firm, basically to publish those articles with the same talking points all over, whether in Europe or the United States? So it seems that China was reading all of this.

And by the way, the Chinese literally have a massive team of all languages who knows all languages, Etc They read everything. And just to show you that how significant this is, they literally read my Arabic articles that are published in the Middle East, and I got in-invited basically to speak on topics that I wrote in Arabic, I did not write in English.

So the Chinese basically were reading and probably collecting information, et cetera, so they got the message that the Hormuz Strait is going to be closed, and they started building up oil inventories, natural gas inventories, and coal and everything else, expecting something is going to happen And if you recall, Eric, from previous shows, that I always made the statement what are the Chinese up to?

What do they know that we don't know?" Because that was really the big question, why they are doing all of this. Later on, of course, it was being confirmed that the Hormuz Strait was closed. And the way it was closed basically was, in a sense, there were two surprises the way it's closed. But here I would like to point out that on previous shows and in previous places, I mentioned several times over the years that Iran cannot close the Hormuz Strait, and I still stand by that, and I do have enough evidence to prove it, that Iranians could not close the Hormuz Strait.

They can cl- cause problems, but they cannot close the strait.

Erik: But your view is that the US closed the strait because the US had the desire for China to be to essentially see that the US could do that. But- Correct.

Anas: Correct ...

Erik: once it was closed, the Iranians do seem to have the ability to keep it closed.

So they're preventing the the-

Anas: No not that basically. I wrote kind of a, a story kind of for fun. Just imagine the way the Iranians basically acted, that just like a gangster goes to the mall after it closed after 10:00 PM with his gun, and he stood in front of the door, and he turned on YouTube or TikTok, and he was broadcasting and saying, "Look, no one can walk to the mall right now.

I am here. I'm not going to allow anyone to walk to the mall." But that's after the mall closed. And then a police car comes in. The couple of policemen look at him and say, "What are you doing here?" He said I'm guarding the mall. I'm not allowing anyone to go in." And that the policeman said just continue doing so.

We are going to have a dinner and come back." So the Iranians basically claimed that they closed the Hormuz Strait after the insurance companies closed it. But I would like to emphasize the point that, yes, I did say Iran cannot close the Hormuz Strait, and I still stand by the point that they did not close the Hormuz Strait.

The US closed the Hormuz Strait. And the idea that I said Hormuz Strait will never be closed, I did not say that. So I just want to clarify that point. I never said that the strait will never be closed. I said that Iran cannot close the strait, but the United States will close the strait, and I strongly believe that is exactly what happened.

But there were two surprises here. The first surprise was the how quick it happened, because we were talking about the next two, three years, and it happened in months. So that was a big surprise. And the second surprise is the way it happened, because the Hormuz Strait was closed without any military action.

And this is a very important point to realize that the reason why shipping stopped simply because insurance companies canceled the war coverage. And the story goes like this, that the EU instituted laws to prevent the solvency of the insurance companies. So solvency in Europe basically is equivalent to bankruptcy in the United States.

And the reason why, because Europe been experiencing many floods and natural events in recent years. And to prevent the bankruptcy of these companies, the EU instituted laws and a formula where those companies have to keep cash on hand or semi-cash to handle whatever crisis at hand. So immediately, if there is a crisis based on that formula, they have to transfer money, and they have it in cash or near cash, so they won't go bankrupt And as they have done for the last 45 years, we had three wars and massive number of attacks on ships in the region, and we have the war in June.

So what insurance companies did, they raised the premiums, and they had the cash to cover. But all of a sudden, the US Navy attacked a navy boat that has 200 Iranians, and they killed about 85 soldiers. And you might expect that this happened at Hormuz or near Hormuz or the Gulf of Oman. It did not. It happened near Sri Lan- And as a result, the EU basically told the companies "Look, now you have to expand coverage to cover the whole Indian Ocean."

And insurance companies said, "There's no way. We cannot cover all these ships throughout this period, so we are going to take advantage of the law, and we are going to cancel all policies as stated in the law within seven days." And as if there is a ship loading at Basra Port in Iraq, it will take more than seven days to load and get out of the Gulf, so they cannot get out quickly.

So this seven-day law basically locked up most of the tankers in the area without even a military action. So the surprise, the first surprise was how quickly this happened, and the second surprise was how smartly they've done it. I'm not talking about a conspiracy between the Trump administration and the insurance companies.

No. I'm talking about how the insurance industry been used to close the Hormuz Strait as a result of that. And yes, insurance companies later on basically returned the coverage, or some of them returned the coverage, but at a very high rate, and the, the ships did not move. A case in point here, even after the MoU was signed and insurance rates went down and ships start leaving the strait There were nine Indian tankers India couldn't get out, and the question is why?

Why India did not take advantage of those three weeks and get those tankers out? So the bottom line here is we have the United States basically did this. So the question is why? And for those interested in this, there are all kind of writings, whether on Twitter or on my Substack to explain why.

Erik: Okay.

Let's take this a step at a time because I wanna start with your high level view here, is you hold the non-consensus view that the Strait of Hormuz was intentionally closed by the United States for the purpose of, I'll call it statecraft with China. Basically showing China that the US is going to be dominant in energy and AI.

Is that the the reason that this was done? So why don't we start with why they did this and step through your whole thesis as to why this has occurred in the way that it has. So why did the US want to send this signal to China? What was the signal to China? How did that come about?

Anas: If you go back to the first Trump administration, you'll see that the administration was highlighting the point that we are going for energy independence, and President Trump basically was after this idea, energy independence.

And the criticism, of course, at that time was, "No, we still import oil, we still do this," etcetera. But the whole idea of increasing US power in the energy sector was about energy independence. Then years later, Trump comes back to the White House And we have a new administration, and all of a sudden, the talk is not about energy independence.

The talk is about energy dominance. And it's not-- it did not stop at that. It started talking about dominance in the world through energy and AI. And when you talk about AI, of course, you are talking about the manufacturing of semiconductors, etc., which is outside the United States. And most of that, where the United States gets its semiconductors and computer chips, is from Asia, and that's literally Taiwan and South Korea.

And of course, we know about the competition with China in this regard. So the administration highlighted those two points of dominance through energy and AI. Here's the problem. You cannot have AI without energy. So all of a sudden, this energy dominance becomes the dominant theme of the administration.

And how to be energy dominant? You need to control energy markets. And how you control energy markets? That takes us back to LNG first, when the United States basically started in 2014 thinking about how to reduce or eliminate Europe's dependence on Russian gas. And we started building the LNG plants and sending LNG to Europe.

And Trump, in his first term, was the marketer in chief of LNG. Every time he goes to Europe or he has some discussion with any European leader, he was talking about LNG. He was asking them to buy US LNG. Then we have change in administration and Biden came to office. And Biden is on the extreme left. It's about climate change, anti-fossil fuel, and all of a sudden, Biden continued Trump's job.

Biden was a marketer in chief of LNG, despite the fact that at the-- toward the end of his administration, he had this ban on future LNG, etc. But throughout his administration, basically was marketing LNG, and we've seen what happened to Nord Stream 1 and Nord Stream 2, and then to the Ukrainian gas pipeline that used to take the Russian gas to, to Europe.

So the elements for energy dominance basically were very clear. You need the US basically to supply this energy to others. And if you go back into the literature, to the literature in the last 50 years, and what you find? One thing that is clear for every university professor and every expert in the field, they will tell you, "If you control the energy flow of any country, you control the destiny of that country."

And we have a lot of evidence from around the world to prove this point So this energy dominance basically came with the idea that we need to be dominant, and that dominance means we need to cut off the supplies of others and we will supply it. And in term of AI And again, I want to go back to the second point I mentioned when I said that the way they closed the Hormuz Strait was a very smart way.

This was another smart way of doing it, because you cannot make computer chips and semiconductors without helium. And 75% of the helium going to South Korea and Taiwan is coming from Qatar. And it just happened that at the beginning of the war, the plant that make the LNG and helium in Qatar was destroyed.

Among all the plants, all the factories, all the refineries in the Gulf, in all those countries, that particular plant that produced the helium was hit and destroyed. So now Asia is without helium. They have storage, but if this crisis is going to continue, of course, that storage is going to run out. They can do recycle, but that recycling cannot continue forever.

And what happened aside from the fact that the cost went up, of course, helium is not a major cost to the industry, but if there is no helium, you cannot produce the semiconductors. So this is part of the story, and all of... what we've seen before that, we've seen the industry moving back to the United States.

We've seen Secretary Bessent basically declaring just about a month ago that the, this industry is coming back to the United States, which is one of the objectives, and at the same time, o- one of the, all the emphasis on that AI and the investment, Etc Just to give you an idea how important this is, just the Taiwan investment in Arizona $150 billion.

That is more than the oil revenues of Kuwait and Iraq for a year. So we're talking about a massive amount of money that's been transferred to the United States in the form of investment to make the semiconductors. And then to make the semiconductors, basically, this is an energy-intensive industry. So oil prices went up, natural gas prices went up, LNG prices went up, electricity prices went up.

Everything for the Asians basically went up. And I know we are going to go back to this point later on, but people must realize that oil prices went up substantially in Asia. Those who are fixated with WTI and Brent, they are missing the point. Brent is not the price in Asia. It's for Europe. WTI is the price for the United States or North North America.

But in Europe, it was Dubai and Oman. It was the medium sour crude. And prices of medium sour crude went up above 170, with some reports basically talking about subshipment, some shipments being sold for $200 or close to 200. So for the AI industry in Asia got hit really hard by higher energy costs on one hand and no helium on the other.

At the same time, we go back to that LNG war that we've been talking about. All of a sudden, Qatar c- couldn't export LNG, and all the plans by Qatar in the future All the expansion they were planning, which will compete directly with the United States, is gone right now. It's been delayed and could be delayed for years.

So the strategic objectives of the United States, in this case about energy dominance and AI dominance, already been achieved, and that was really the reason. And I will end t- this answer with this statement here. If assume that Iran closed the Hormuz Strait, what they've done? They hurt China, they hurt Asia, who are their customers and supporters, and they benefited the United States.

Does that make sense? And the point that I'm making here is you can either look at the war with Iran as a war that is intended for Iran and its nuclear program, and then you can analyze it that way. Or you can look at Iran's war within this context that I'm going to present right now. Think about it within what happened in Venezuela, the Panama Canal, the trade wars, the sanctions, the tariffs, Russia, China, Greenland.

It's a... If you put it within that context, you get a completely different view of what's going on at Hormuz than anything else.

Erik: Okay, Anas. So to summarize the big picture, you think that what's happened here is that we were told a story when this Iran conflict originally broke out that was about how it was supposedly entirely because of Iran having nuclear weapons or being about to get nuclear weapons and so forth.

You're saying that you don't think that's the real reason that the US started the conflict with Iran. You think the real reason is US has an agenda to show China, "Look, we're big men on campus when it comes to AI and energy dominance. You better not mess with us because we're in control of the whole world here."

If that was the agenda, I would say that maybe it's been a little bit suboptimal in terms of execution. I'm not sure that the US has really shown China and the rest of the world that we're completely in charge of everything. So did it not go quite the way they wanted, and where does that leave the US now in terms of achieving the objective that you're describing the US as having?

Anas: Before I answer this question, I would like to mention two points. The first point is, for those who are interested in this, they can go back and read the national security strategy that been released by the Trump administration in November which outlines most of the points that I mentioned. And they also talk about, there was a statement that's very striking statement about keeping Strait of Hormuz open, and the Strait of Hormuz never been closed They always talk about freedom of navigation.

Why this time they are talking about keeping the Strait of Hormuz open before three months before they closed it? But the idea here is whatever these strategies are, this comes from the deep state it does not come from, directly from the Trump administration, which means that even if we have a different administration, we would have seen similar approaches anyway, because this is a United States government or deep state basically action.

But the execution basically went bad, and there are several reasons for that. One of them is we heard in the media that, for example, Netanyahu convinced Trump to go and attack Iran because of Netanyahu. It could be exactly the opposite, that Netanyahu, through his information, realized what's going on and he jumped on the wagon.

So it's exactly the opposite of what the story be, we've been told. And the problem is They did not-- They achieved their objectives. Now they want the Hormuz Strait open. But that's where the bad execution happened, because when they want it to be opened after they trained the Iranians on all the secrets of closing Hormuz Strait and all the statements and everything else, and the Iranians woke up in the morning to realize they have a crown jewel they need to keep and something they've been bragging about, the IRGC, those extreme elements, basically, the uncontrollable elements that we don't know much about, basically are the problem.

So the Trump administration does not have a problem with the negotiators or the regime behind the negotiators. They have a problem with the extreme elements of the IRGC, which was not part of the plan and not-- there was no plan on how to counter them, and that's where everything went wrong.

Erik: Okay, so the US intentionally closed the strait thinking the US would be able to intentionally unclose the strait, but the factions within the IRGC who've seen an opportunity here to just, use this as a way to take bribes and tolls in the strait and so forth, they're saying, "Wait a minute, we don't wanna give up that opportunity to play this."

They're not allowing the strait to be reopened even though the US wants it open again. That's essentially the pickle that we've gotten into.

Anas: And in addition, basically, they think they can literally, just like a drug cartel, they can extract things from the other side. So they wanted more than just little things.

They wanted something larger, way larger than what's being negotiated, and they want this to last longer. So they don't want it just to end next month and that's it. Those guys are in for the long term, and that's why they are using it right now. And again, that was not part of the plan, and that's why the Trump administration is struggling with them.

Erik: Okay. So the Trump administration intentionally closed the Strait of Hormuz, expecting to be able to easily open it. Now we can't open it because certain factions of the IRGC are not cooperating. Where does that leave us now in the, this didn't go the way they planned it, obviously. So does the end of the MOU and the return of the blockade that President Trump just put back in place, does that signal a return now to a full-scale conflict between the US and the IRGC until they get to the bottom of who's who really has the ability to reopen the strait?

Is that what happens next or where are we in this story?

Anas: The question here is, what is the default after the failure of the MOU? And the, those who believe oil prices will increase significantly, they believe that there is only one default, and that's full-scale war. And when, whenever we talk about war here, I would like to explain that sometimes we use it casually, but really, if we want to talk about war, we talk about what happened in March and and April.

That was the real war. And whatever we see or we've seen in recent weeks after the MoU basically are some sort skirmishes and battles, et cetera, but it's not the full-scale war that we've seen. So when we talk about war, we have really to define what we are talking about in this case. So the question here is what is the default after the failure of the MoU?

And if you look at that, we see many scenarios, and the full-scale war basically is one of those scenarios, but the probability of going back to full-scale war is very small. What we might see is exactly what we've seen recently, that the IRGC will attack and then the United States will retaliate, Etc

Some people are being critical of me when I said the attacks by the Trump administration will happen on the weekend, and now they are not on the weekend, and they are taking that as a sign that there is something wrong and oil prices should go up. What they are missing here is the fact that there was a red line and being crossed, and the red line was the attack on LNG carrier.

That was a, a red line not only for the Trump administration, for everyone And that's why the Trump administration was quick to respond within hours to attack those guys who attacked the ship. So they are not at- attacking the regime. They are attacking the IRGC elements who are causing those problems, and they've been attacking them for a while, by the way.

So the, the issue was that they knew that those guys will continue attacking LNG ships, and they want to stop that, and we've seen that stopped, so no more attacks on LNG carriers. What we are going to see basically is the most likely scenario. Of course, there are many scenarios here, but the most likely scenario is that what we've seen in recent days will continue, and the United States will be after the extreme elements of the IRGC.

So they will be watching where the attack's coming from, where the weapons are coming from, where the drones are coming from, and they will be attacking them until they either eliminate them or weaken them substantially, so the negotiating team basically can have enough power in Iran to represent Iran and act on the promises they made.

Erik: You think the US is negotiating in good faith with an Iranian negotiating team that's also negotiating in good faith, but neither side is able to bring about a resolution because there are IRGC factions which don't represent the elected government in Iran, which are out of control right now. And until they're under control, basically everything's a wild card.

Is that essentially the situation?

Anas: Absolutely correct. And here, a message to the audience that the Iranian government and the negotiators have no choice but to make statements against the Trump administration. They have no choice because they have a population they need to look like they are powerful enough, and they have those IRGC elements that they want to show that they are standing with them, because the last thing they want is a civil war within Iran So they have to make those statements.

And for the Trump administration, including President Trump, they have to make outrageous statements for domestic consumption within the United States. So we should not be fooled by those statements and conclude, "Oh, we are going to go back to a full war, and therefore oil prices will go to 150 as a result," simply because most of those statements are intended for domestic consumption.

Erik: Okay. Let's take a look at the situation now, because you correctly predicted first the initial increase in oil prices, but then you were very quick to get ahead of the permabulls and say, "Wait a minute, guys." The situation has evolved to the point where you accurately predicted that prices would fall substantially, which they did, all the way down to $67 or so.

When they started to get down there, you also said they had gone too far and were overdue to correct. So you've been perfectly nailing the price calls, but frankly, I'm left with my head spinning. At this point, we've got the US wanting the strait reopened, but they can't get it reopened because they've got the problem that you just described with the, there's out-of-control IRGC people that are keeping the strait closed.

You just described a new risk in the Strait of Bab el-Mandeb. So which way are prices going from here? Are we back to a forecast of higher prices, or do we still think that the permabulls are overlooking things and there's reason for lower prices, or is it both, or what? I'm lost here.

Anas: It is really both, and when it comes to Bab el-Mandeb in particular, we have to wait.

It's very hard to make a judgment on that because the Saudis are really good at negotiations, and they've proven this. So they might end up bringing the Houthis to the table and ending that Bab el-Mandeb issue. So what remains from, for Bab el-Mandeb, the risk basically is not the Houthis as a regime causing problems.

It's some elements of the Houthis who are influenced by those extreme elements of the IRGC acting up in Bab el-Mandeb, and that's where the problem is. And here I would like to emphasize a point that people do not know. This extreme element of the IRGC that is probably gaining control right now in Tehran is really an international organization just like a big drug cartel throughout, let's say, South America or something, and that's what makes it different from others in Iran.

So they have this international organization, so they have access to Yemen, they have access to Lebanon, they have access to Iraq, and they have all those groups. They are armed groups in those countries. In fact, they have even presence in Mexico, Venezuela, Argentina. So their influence extends internationally.

So in a sense, they can wreak havoc on the world because of this connection. So what happened is, let's go back and look at the events in March. When the war started and the Hormuz Strait was closed by the insurance companies, and then Iran claimed that it closed the Hormuz Strait, oil prices increased substantially.

And medium sour crude, especially when we talk about DMA Oman, exceeded $170. What strike me until today, we have analysts who are not even aware of the fact that oil prices exceeded 170, and that is a big problem. Later on when prices declined, they stayed around 155 for a while, and people continued to talk about, "Oh, Brent is 105 and WTI is 98.

It does not represent the facts," Etc They are not-- They have nothing to do with the actual market. These are futures while the actual market was somewhere else, and this is natural in such events. So when oil prices exceeded 170, do you think Chinese refiners are going to import oil at that price?

No way. Do you think Bangladesh, one of the poorest countries in the world, is going to import oil? No way. So China, basically, the Chinese decided to reduce their imports. They reduced their imports by about six million barrels a day, and that led to that demand decline that reduced prices from the 90s to the 70s.

But this behavior basically is consistent what they've been doing for the last 10 years and consistent with what we've been talking about all along. Remember, even when we had the Macro Voices energy program, we've been talking about it at that time, how Chinese basically buy low and sell high, and when they sell high, basically they reduce their imports.

So this behavior is not strange. The only thing now is the amount is too large. Six million is a lot. And people thought, "Oh since their demand declined and global oil demand declined, then they must be using their inventories." But that is not the case at all. The inventories used by the Chinese is only about 50 million barrels so far.

It's not a big deal. And there are many reasons why the Chinese were able to reduce their imports without reducing their inventories significantly And I'm going to go over a few of them quickly. China, as you recall from the beginning of the show when we talked about China knew that the Hormuz Strait will be closed and they started building up inventories.

What happened is when oil prices went above 170, they stopped building up inventories, and therefore the imports That was intended to build up the inventories is no longer there, and that's between 800 to 1 million barrels a day. So part of the 6 million basically is that amount. And the second one is the-- when we talk about inventories, and you see all those charts on Twitter and various places, those are onshore inventories that are the visible inventory onshore that we can see from satellites.

But what the Chinese did is they have massive amount of floating storage, and the way the customs basically work is very fluid situation, where they can use floating storage and will not appear in the customs data until later on. So we estimate the use of floating storage about 1.5 million, so that's 2.5 million are gone from that 6 million.

And then the, the other thing that analysts missed was the domestic increase in production. China basically was trying to increase its domestic production, oil, gas, coal, and everything else, and they were extremely successful, especially in natural gas. But they were able to increase their production, and that came at the expense of imports.

And then they banned exports of petroleum products, which means that if a refiner was importing, let's say, 200,000 barrels or exporting 200,000 barrels of petroleum products, then he does not need the crude to produce it, and therefore, that declined too, and that was about a million barrels too. So th-that led to that decline in imports.

So we have all those reasons basically that contributed to this decline, and then we have a decline in consumption. And we got the confirmation this morning, by the way, for the f-- the economic growth in China. That's the official number. Economic growth in China in the second quarter of 2026 is the lowest since the '90s.

So even if you believe their numbers, basically, then oil demand declined. This is aside from the decline because of electric vehicles and everything else. So they have a decline in consumption that contributed to the decline in imports, but that amount is small. But the idea here is we have this decline, major decline in global demand because of those high oil prices, and that's what the permabulls basically missed.

And that's why when I was talking about the decline in prices, this was part of the story. You add it To the fact that Saudi Arabia and UAE were able to divert oil through the pipelines. You add the amount released from the strategic petroleum reserves, you add what we lost in term of demand decline from around the world, we end up with almost a balanced market.

And therefore, this idea of 75 to 80, 85 basically dollars a barrel for Brent basically matches that balanced market. But of course, it is temporarily because we don't know what's going to happen next, and that's where the big issues are. What's going to happen next?

Erik: Okay. But the way that you've described this, the US intentionally brought about the initial closure of the Strait of Hormuz with the intention of showing China who's in charge.

We-we're, we're the, the top dogs here, we're in charge of energy and AI. Seems to me that didn't go very well, Anas, because what we actually showed them was actually that China could do an incredibly good job of rebalancing the market in response to all of these events cutting off their own exports, which actually showed some teeth to the West in the sense that China was able to cover all of its own needs, maybe cutting off some other consumers of Chinese exports of finished products.

It doesn't seem like the US goal of putting China in its place and showing China who the, the top dog was went very well for the US. Am I reading that wrong? And where does that leave us? Yeah.

Anas: No, you are absolutely right. That is the case. Because the idea here is we have two chess players, and both of them are good, and each one can guess what the other one will do aside from the fact they can spy on each other.

So if you go back and look at the last couple of years, especially since Trump came to office, and you look at the behavior of China with the trade wars, it seems they were always ahead of the game, and evidence abounds in this case because it is very clear they know, either by direct communication or spying, they know these things.

So if you look at what happened in Venezuela, for example, they were ahead of the game. If you look at the trade wars, you look at LNG, you look at the tariffs, they were ahead of the game. They stopped importing from the United States simply because they were ahead of the game. It is very clear that's the case.

Here is the problem. All of this is absolutely correct only for a limited time Which means that if the Hormuz Strait issues continue and the United States has the stomach to keep the Hormuz Strait closed like this for an extended period of time and can handle the world criticism because the whole world economy is going to collapse, China will be the biggest loser if this is going to last for long, because the Chinese cannot continue these policies for a very long time.

So they can be affected. So the Chinese policies are very effective in the short term probably a little bit to the medium term, but that's it. After that, what are the choices? That's why we've seen China basically re- realizing this. So the emphasis in China on solar and wind and hydro and nuclear was designed exactly for this.

This has nothing to do with climate change. This is-- This was designed because of this. And the reason why, I'm going to go back to 2019, because I heard this. In

2019, Chinese officials basically were convinced that there will be either a war or sanctions against China, and they were convinced that Malacca Strait will be closed So China basically is preparing for the Malacca Strait to be closed, and it just happened now that the Hormuz Strait was closed.

But they are aware of the issue, but the question is, can they handle this if, let's say, if this continued until next year, June next year? What will happen in China? I don't think that the Chinese can handle this for a very long time.

Erik: Do you think the reason that President Trump keeps saying time is on our side with respect to negotiating with the Iranians is because really he thinks we need to be taking our time with the Chinese, that's the real negotiation?

Anas: I don't know, but the China is on our side basically in couple of issues, and the Chinese already said this publicly, that they want the flow of oil and gas to be free of any intervention in the strait, whether from the United States or Iran, and they don't want any tolls or any obstructions in the area.

And Trump understood it as they are on our side because they already declared those two.

Erik: Okay. So the mess that we've made, China wants to help us get out of. The US wants out of the mess. The solution is to make a deal with the Iranians who want to negotiate. You're saying that you think the team of Iranians that are, that have been put in the position of being the negotiators do want to bring about a peace deal and put this whole story behind us, but it is the rebel factions of the IRGC who benefit more from the bribes and th- the security tactics of keeping the strait open and collecting tolls and so forth.

Those are the people that are standing in the way right now. So what happens next? Because you've, on one hand, you've described reasons why you correctly predicted prices would come down, but now you're saying Strait of Ba- Bab el-Mandeb could come into the fray if the Houthis want to escalate again. So which way does this go next?

Anas: It is o- one option for the United States is clear that they will cooperate with the Iranians indirectly, where they can get more information about those extreme elements and attack them and attack their positions until they diminish their power, and literally help the negotiating team basically to gain more power in Iran.

And the reason why they want to do this, because some people are saying let's change the regime completely and get them out." This is what you don't want to get, because one issue that you need to be aware of that a collapse of the regime in Iran is what-- is the literally the worst outcome you get, and no one in the whole region wants a collapse of the regime.

Even the United States basically does not want a collapse of the regime. They want to replace it, yes, but they don't want a collapse, because a collapse is a disaster for everyone, especially w- Pakistan, you talk about the Gulf countries. Western Europe, look, Ukraine basically is not all of it is at war.

Yes, cer- certain areas in Ukraine being hit by Russia all the time. But look at the number of Ukrainian refugees in Europe. We did not see that in Iran, by the way. But imagine if we have a collapse of the regime, and all of a sudden we have the revenge killing and the revenge of everything we are going to see massive exodus of millions of people.

And they are not going to settle in Iraq. They are not going to settle in the Gulf. They are not going to settle in Turkey or Pakistan. They are going to go all the way to Western Europe, and therefore, Western Europe does not want that. At the same time, Turkey does not want the Kurds to be independent, and Pakistan does not want the Baluch, which is an ethnic group there, to be independent.

They've been fighting the government of Pakistan for years. So no one has an interest in a collapse of the regime, and therefore, the only choice for the United States is to support the negotiating team against the extreme elements.

Erik: Okay. So I wanna make sure that we get to all of the expected outcomes from this, because one of the things that you've also started saying recently is, look, everybody's focused on crude oil prices, up, down, up, down, what's gonna happen next?

We really should be focusing on the refined products, because you've made the point that really it's refining capacity, which is the thing that is i- in most dire extreme shortage, not so much the crude oil to supply it. What did you mean, and what should we be focused on in terms of refining capacity, and which countries are most important in this equation?

Anas: Yeah. The biggest criticism to the idea of energy dominance that whoever crafted this policy, they focused on upstream And they forgot the downstream. So for the Trump administration or for who- whoever came up with the idea in the deep state or the CIA or whoever done this, they really forgot about this.

You need to expand US refining capacity substantially if you want to use energy dominance in the coming years and coming decades in the world. So we need to see more refineries, and we need to see an expansion of existing refineries. So that's number one. But one of the issues that been missed by analysts is the following.

They've been saying, "Look global oil inventories declined substantially," which is true, "and therefore oil prices should go up." Here they mixed apples and oranges, and they misunderstood what's been going on. Most of the decrease was in strategic petroleum reserves, not in commercial inventories. And the impact here is different because when commercial inventories decline, oil prices go up.

But when the strategic petroleum reserve decline, prices go down. Why? Because they are intended for that. The government holds them for emergencies, so when you have shortages and higher prices, you release those amounts to quell prices and reduce them. So these are two different things. These are apples and oranges.

So most of the decrease in global oil inventories was in strategic petroleum reserves, and they kept telling us global oil inventories declined this much. That is a lie. That is not correct. And the reason why, because most of that decline was only in two countries, United States and Japan. And for the decline in Japan for, was for one reason, and the decline in the United States was completely for a different reason.

And if you look at the small decline in commercial inventories, they were only in two countries, the United States and China. So we cannot even say there were a global decline in inventories. It wasn't. And until today, it is not We do have plenty of crude in this case. So let's go over Japan and United States here so to explain this point.

Japan basically got stuck because they had to use their own strategic petroleum reserves and withdraw massive amount. As a result, of course, they need to reduce their imports. But until today, their imports did not recover, and their inventories did not recover. While if you look at India, for example, India at the beginning, its imports declined, its inventories declined because they had to withdraw some from their inventories to compensate.

But later on, they were able to increase their imports to pre-war levels, and they replenished Their inventories, and their inventories now are the highest since COVID. So why India was able to do that, but Jap- Japan was not able to do that? The reason why, because the Japanese yen collapsed. And in April, the price of oil in Japanese yen was the highest in history, literally the highest in history.

So the Japanese companies have no choice basically but to go and use the strategic petroleum reserve that's been bought at a very low prices historically until prices go down or they have a solution. But one thing is clear here when we talk about the strategic petroleum reserves are refilling the strategic petroleum reserves.

People are saying now they have to refill, and therefore prices will go up." Japan is not going to refill as long as the yen is low. Because even by today's prices, the price is too high for Japan, so they are not going to refill until the Japan- Japanese yen goes up and goes up enough so oil looks cheap within Japan.

For the United States, there were two issues here. The first issue is the United States realized that we do have problem with petroleum products and realized that we have shortages of oil. At the same time, we have that energy dominance idea. So they needed to release massive amount of oil. By the way, the daily release is the highest on record.

So they need to release that amount and allow it to be exported to other countries. And at the same time, historically speaking, Trump was telling Zelenskyy not to hit the Russian export facilities of crude, and then that issue basically was dropped. And Zelenskyy basically was sending all those drones, hitting all the Russian targets to the extent that Russia's exports of petroleum products declined substantially at a time where we need them.

So logically, the Trump administration should be asking Zelenskyy to slow down, but tho- that was not the case. And one of the ironies is that all of a sudden, because of the Russia, Russian refineries being closed That the United States is exporting petroleum products to countries that never received American products before for the first time in history.

So they are taking the customers from Russia the same way they took Europe from Russian gas, exactly the same thing. So you want to talk about energy dominance, it is right there. However, for the United States, basically, when we talk about refill, because the bulls basically are saying that once we start refilling the SPR, oil prices will go up.

Yes, it is bullish in a sense that it will support prices and it will create a floor. But what they are missing is we have asymmetry between the releases and the injection. For example, we released, at certain days, we released 1.9 million barrels a day. We did that. But we cannot refill that amount because technically speaking, at the current s- situation, we cannot inject more than 400,000 barrels a day.

So we cannot return this amount by, at the same rate that we released it. And that's why when you talk about 400,000 barrels a day, it's not a big deal in term of prices. Yes, it supports prices, it creates a floor, but it's not going to raise prices substantially. We've seen this before. At the same time, people have to realize an important fact, that the releases, which is about, so far is about 99 million barrels that we released, so we still have about 73 million barrels to release.

Those releases are loans. They are not sales. And this is very important to the balances of the market. Why? Because when companies borrowed the oil at 120, it was extremely attractive for them to borrow because they need to return this oil later on with some interest in kind. So for example, if ExxonMobil borrowed, let's say 10 million barrels, they have to return them 12 million barrels later on.

This is just an example. So they have to return the interest in kind. But think about what happened here. They borrowed the oil at 120, and later on when they re-return it, they will return it when oil is 60 or 70 or 80. So even with the interest, the oil companies basically and the traders are making hundreds of millions of dollars of the taxpayer money, of the taxpayer-supported SPR as a result of this game.

So the idea here is when they refill, they are not going to refill at a higher price. They are going to refill at a lower price. So those who are expecting prices will go up, companies are not going to play the game that way because it's a loan, it's not a purchase. So these are some of the reasons. So even if you look at China, for example, China have not released any oil from its strategic petroleum reserves.

The decline in China, about 50 million, came from the refining part simply because the government allowed them to export some recently, so they started using the oil that bought cheaply before The Chinese are not going to refill their inventories, and we have data for the last 10 years to prove this point, unless prices are below $70.

So the perma bulls basically have no case when it comes to refilling the SPR. Yes, the SPR filling is bullish and it support prices, it creates a floor, but the idea that prices will increase significantly is not going to happen. It's just illogical based on the points that I just mentioned. As for the products, the shortages really were in the products not in crude, because I mentioned that most of the decline was SPR and most of that is in the United States and Japan, Etc

But most of the decreases were in the products because we as a human, we use petroleum products, we don't use crude oil. And that's why if you look at the United States and various countries, we see a major decline in the inventories of petroleum products. For the United States in particular, the perma bulls basically are saying that once we reach the tank bottom in the products, especially diesel and gasoline, we are not going to reach it in jet fuel by the way, because the airlines have to run no matter what, so they always keep enough jet fuel.

But when it comes to gasoline and diesel, companies still have businesses to run, but their idea is if we go to tank bottom, then gasoline and diesel prices will go through the roof, and therefore crude prices will go up and WTI will go up substantially. This is nonsense, and the reason why, because if you look at today's numbers, refineries right now, some refineries are running above 100% of their capacity, and on average for the US refining sector, we are running at 96, 97%.

So while refineries are running at almost full capacity, even if there is massive demand for gasoline and diesel, if you cannot process the crude, then you are not going to demand the crude. And if you don't demand the crude, there is no reason for its prices to go up

Erik: It seems to me, Anas, like we have a setup here for what could be that really big price escalation moment that everybody predicted in crude oil could still happen in finished products because we really do have a problem there.

But the thing is, no matter how big of a problem it is, even if diesel fuel is $300 a barrel at some point, it s- doesn't change the fact that we've still got plenty of crude oil waiting to be refined.

Anas: That is absolutely the case. So we might end up with higher gasoline prices, higher diesel prices. We-- Of course, we, if you look at jet fuel, for example, in Europe, prices already hit record high.

So we are-- we have the inflation, of course. We see it all over the place. We are still waiting for the second quarter data to come out from around the world to see what's been going on. But the fact is, you are absolutely right that the problem is in products. Prices will go up and might go up even higher, but we will see demand destruction.

We will see a demand decline. By the way, this is for the audience. Demand decline means this can be recovered over time. Demand destruction cannot be recovered. And that demand destruction, when you see, for example, a change in production lines, when you see people basically getting rid of their SUVs that run on gasoline and buy electric vehicle, for example, that is demand destruction.

But everything else is demand decline and can recover later on.

Erik: So let me run this scenario past you. What if we saw a complete upset and unexpected outcome here where the perma bulls who had the idea that we were headed toward this major price dislocation that was going to result in a price-driven demand decline event that would destroy a whole bunch of demand.

What if that really does still have to happen, but it happens in diesel and gasoline prices, and all the while, crude oil is hovering around a comfortable level because there wasn't enough refining capacity to consume all the crude that is available? The problem is in the finished products, and the problem is that because we have delayed the operation of all of our refining capacity, we can't catch up with that now.

Is that a realistic risk scenario here?

Anas: The issue here is when the crisis started, I was one of those bulls who said oil prices will go up substantially, and we might get even to two hundred and fifty. I was one of those guys at the beginning, but we already got it. Even in our research, basically in our reports, we published that demand destruction starts at a hundred and sixty.

And we've seen that. So the idea here is whatever the permabulls basically were looking for, it already happened and it already passed them, and they still look at Brent and WTI and they think it should happen here. It happened, but it happened in the different price in a different area. But it happened, and it passed, and now the damage, we are dealing with the damage of it.

So it's very hard to see this happening again unless we see the Bab el-Mandeb or any other waterway such as the ones in Asia or in Turkey or others basically are closed. Other than that, there is no reason to be extremely bullish on oil prices. There is no case. The damage already been done. The damage to demand already been done.

Countries are reacting. People are reacting. We see a change in behavior. So we are seeing those changes. And the question is, what will happen once the, we use all the oil in the strategic petroleum reserves?

Erik: How much is left before we even get to what happens when we use it all? Tell me about the US Strategic Petroleum Reserve.

Anas: Yeah, this is exactly the point of w- both of us are going in the same directions.

Erik: How much can we really take out of what's supposedly

Anas: left there? We've seen people basically talking about, "Oh, we have a technical limit. We cannot go below 250." This is a lie. It's not a technical limit. It's a legal limit.

So we have something from the Congress that's been specified long time ago that we cannot go below 252 million barrels So here is the issue. We already released about ni- 99, and we still have about 73. So if we want to release the 73, we are going to go below the legal limit. But if you look at the language, the legal language the Congress says that the president, in case of emergency, can go below the 250.

So basically, Pr- President Trump can literally say, "We are in emergency, and we have to go below 250." So that's number one. So we can go below 250 without any problems. The technical limits are way, way lower than that. Just that experts do not agree on what are the technical limits. We don't know. No one knows exactly where the technical limits are.

But at least it is very clear based on what is out there. We can go with an, an additional 100 million barrels above the 172 without any problems with the technical limits. And those who are talking about a collapse of those caverns they need to study geology because those caverns been there for millions of years, and the government chose them because they've been there for millions of years.

And some of them basically think that we took that oil out of the caverns and there is nothing but air. That is not correct. It's filled literally with water instead of oil to maintain the integrity of those caverns. So yes, there could be some technical issues, et cetera, but not as big as those guys are are saying.

On the other side, the United States is part of the International Energy Agency. To be a member of the International Energy Agency, you have to maintain 90 million barrels in strategic petroleum reserves of oil, of net imports So oil here means it's not necessarily to be crude. Could be anything. It could be gasoline, diesel, anything.

In fact, most of the SPR in Europe is really petroleum products, it's not crude. So the condition for the IEA is to have 90 days of your net imports, and the United States is a net exporter, and therefore the IEA rules do not apply to the United States. So between the legal and technical conditions, and between the IEA conditions, the United States can literally drain all inventories in the United States down to the technical limits without any problems.

Erik: Okay. It seems to me like there's a major policy and public sentiment issue here, because crazy me, I would like to think that people would come to their senses and say, "Gee, maybe with everything the world has been through in the last six months, draining our s- strategic petroleum reserves down to the point where we barely have anything left is not too smart."

Therefore, a very high priority of society should be refilling the strategic petroleum reserve all the way up to 780 million barrels or whatever it, its capacity is supposed to be, as quickly as we possibly can. That's just me, though. I suspect there's probably a larger number of people who are saying why don't we just keep draining it all the way into the election so we can get the price of gasoline down even more?"

Anas: Couple of things here. First of all, the Republicans in the '90s wanted to close the Department of Energy and sell the SPR. So for those who remember that, or people can Google it and go back and see what Newt Gingrich and others at that time, they literally wanted to shut down the Rick Perry, basically the Secretary of Energy in, during the Trump, the first Trump administration, was one of them who wanted to shut down the Department of Energy and sell the SPR.

Trump himself in 2017 wanted to sell half of the SPR, which a dream of Trump in 2017 is happening right now, selling half of the SPR. So these things been there a lo- And the question is, do we really need that SPR to be at 700 or even 400, et cetera? When we established the SPR, we were a net importer and we were expected to increase imports to the extent that we, our US imports could be, initially being 6 million right now, could be around 20 million.

But now it's exactly the opposite. We are a net exporter. The shale revolution basically changed everything. So that the first point. The second point is the problem we have, you can look at shale literally as the SPR, because we can produce oil quickly from shale. Here's the problem, crude quality. What we need for diesel Basically, is medium sour crude.

What we produce from shale is light sweet crude. So we can produce a lot of gasoline from it, but we cannot produce a lot of diesel. So while we can depend on shale to support us in case if we drain the SPR, we have a serious problem with crude quality. And that's why if you look at the diesel crisis, you asked me earlier about refining and petroleum products.

If you look at the diesel crisis worldwide w-- that's where the strategic petroleum reserves basically work their magic. Because without the US Strategic Petroleum Reserve releases, diesel prices in the United States probably would be in the range of $12 a gallon. And if you look at the diesel crisis worldwide, it's a true crisis.

And the crisis basically went like this. We have three major refineries in the Gulf, one in Kuwait, one in Saudi Arabia, and one in United Arab Emirates. All their exports of diesel, jet fuel, and everything else been shut down because I'm talking about the exports. So their exports been shut down, so we lost all of that.

And as a result of this, of course, we have a total panic in the global market. And because of that panic, we ended up with the following situation. Countries like

China, India, South Korea, and others, basically, they were afraid they will have shortages. So what they've done, they limited the exports of petroleum products.

So China shut it down completely. India imposed very heavy taxation that reduced the exports. And South Korea adopted a different system where they said, "Okay, you meet this limit. Anything above this limit, you are free to export." But the idea here is these rules of because of the panic exacerbated the situation.

So in a sense, we have direct impact of losing the diesel from the Hormuz Strait or the Hormuz crisis. And then we have the indirect impact when those countries panicked, and they decided to stop exporting diesel. And because diesel prices were going through the roof, we ended up with hoarding. We ended up with traders basically playing the game.

And at the same time, we ended up with tankers carrying diesel being sold and exchanged hands several times So if a, a diesel tank- tanker basically going from India to South Africa, halfway it was sold to Singapore, and then it's been re-redirected. Halfway it's being sold to China, it's being redirected, and then halfway it's being sold to Japan and being redirected.

We ended up with more ships on water at that time carrying the diesel and little diesel coming to the shores, and that exacerbated the situation. What made the situation worse for diesel is that we need that medium sour crude to produce that diesel. And what we lost out of Hormuz Most of the crude that we lost out of Hormuz is medium sour.

So even those who have the refining capacity in Asia, they couldn't refine the diesel because they couldn't get the medium sour crude. So what the Trump administration did, released massive amount of medium sour crude from the strategic petroleum reserves. So for those who are anti-releases must realize the tremendous impact and value that the release has basically resulted in, not only in the United States, but worldwide.

Because we released this massive amount of medium sour crude. We sold some of it to the international market, and US refiners basically reduced their imports of medium sour crude, so they left more medium sour crude for the rest of the world to deal with, and they refined more diesel and exported the diesel to the rest of the world.

That's how we were able to increase our diesel exports to the highest on record. So the idea here, the bottom line here is those massive releases of SPR, especially of the medium sour crude, saved the world. And the question is, even if financially it does not make sense, but what is the strategic value and what is the value when you start looking at economic growth, you start looking at inflation, you look at employment, et cetera?

What is the value of not having diesel at $12

Erik: a gallon? Anas, let's move on to the post-Hormuz world, what we can expect when we eventually get this Hormuz situation under control. Will Saudi Arabia and other GCC countries develop alternatives in order to eliminate dependency on the Strait of Hormuz? Is it possible for them to come up with a plan B so they don't need to export through the Strait of Hormuz?

And if so, what are those alternatives? What role would OPEC play in that scenario? For that matter, what's the, the future of OPEC? Does it have a future after the UAE left?

Anas: Couple of things here. The first one is when, if you look at the situation 50 years ago, and you look at pipelines or creating canals or others, et cetera these were very smart ideas But the technology in the last 15 years changed, and you can see it in Ukraine and Russia right now.

With those drones, you can go to the heart of Russia basically and bomb anything accurately. So from a security point of view, having more pipelines to the west or through Syria or Israel or any other country does not make sense at all because everything can be bombed right now. And by the way the suggestion to take pipelines through Syria and Israel basically does not make sense simply because the market for the Gulf is in Asia, it's not in Europe, it's not in the United States.

So it does not make sense basically to build those pipelines. Iraq can build a s- a pipeline through Syria for a small amount, probably 500,000 barrels a day just to take it to Europe, but that's it. But we cannot talk about millions of barrels. But the idea here is having more pipelines does not solve the problem.

Those who wants to make-- to build pipelines, they have to do it the Emirati way, the UAE way. What that means? You have to make economic and financial sense out of them, not a security sense. And if security comes on top of that, you are a winner. But if you want to build them only for security, they don't make any sense at all right now.

But for the UAE in particular, because of its geographic location and because of the plans to build those pipelines to Fujairah, they make perfect economic sense. So if they can g- obtain security above, that's great. And the reason why, because if you look at the map, you have only a straight pipeline going south from Abu Dhabi to Fujairah, and that oil basically just goes in one direction.

Compare that to a VLCC going from Fujairah around that big triangle, kind of looks like a peninsula, around it to a Abu Dhabi area basically to load the oil. The savings from not letting those ships going through the Hormuz Strait in term of distance, in term of cost of fuel, in term of daily rent, in term of wages for employees, et cetera, those pipelines saves a lot of money.

A lot of money. So they make economic sense. If they can obtain security above, that's perfect. But for others who wants to do it just for security, it does not make sense right now because technology changed at all. Three weeks ago I wrote an article, and in that article, basically I explained what OPEC+ should do and the changes that are needed simply because the world after Hormuz is completely different from the world before Hormuz, and OPEC+ have to adjust to this new world.

And the three major proposals I made, the first one is change the bylaws of the group, and instead of focusing on production, they have to focus on exports Because you can measure that more precisely than production. And at the same ti-- the second point is to focus on all liquids, not only on crude, because the demand side is all liquids, not only crude.

And the third point, and the most important, is for them together as a group, OPEC Plus, to work with the consuming countries to build massive strategic petroleum reserves. And I went country by country basically in, in the research work basically to show how it works. And the objective is to avoid any choke points, not only Hormuz, and to avoid any waterway.

So you don't want the Turkish waterways, you don't want the Danish waterways, you don't want the Panama Canal, you don't want the area south of Argentina, for example. You don't want any of that. You want to choose locations where you have the market without any obstructions at all. So they can build this massive storage there.

So in case of Hormuz or Bab el-Mandeb or Malacca or anything basically is closed we don't only have the oil. Those countries can maintain their revenues, and they can survive. Because if you look at what's been happening right now in Iraq, basically, Iraq is on the verge of bankruptcy right now.

But if they have this massive storage out there, they don't have to go bankrupt. So the main solution is really building those massive strategic petroleum reserves. And the cost of that is a fraction of the cost of pipelines, is a fraction of the cost of canals. At the same time, the strategic alliances they are going to build do it with the countries where they are building them becomes extremely important.

So you can expand OPEC Plus. For example, you can go to India, and India really wants to increase its strategic petroleum reserves, but they don't have the money. So what do you do? Allow OPEC Plus to come in, build 200 million strategic petroleum reserve or 300 million or even more in India. So if the Hormuz Strait and Bab el-Mandeb are closed, India will have enough oil.

It has a big refining sector, so it can refine the products. At the same time, India becomes an oil exporter When Saudi Arabia and others cannot export the oil. And all of a sudden India becomes part of OPEC+ because they are exporting the oil after the changes in bylaws from being a producer to being an exporter.

So strategic alliance is basically an interdependence between the producers and consumers increase substantially. And if you want to look at the main lesson out of Hormuz, we need that cooperation. The idea is we look at producers as the enemy or the consumers as the enemy must end, because that was one of the biggest lessons out of Hormuz.

As for OPEC basically, or OPEC+ for a country to leave, it is not in the interest of the UAE, for example, for prices to collapse. So they are going to act in a very responsible way no matter what to avoid that, and they want to avoid a price war under any circumstances. So the impact is limited. So OPEC+ will be intact no matter what, but they have to meet the new challenges after Hormuz, and I believe I provided some solutions for them.

Erik: Anas, you've said that the ghost of Hormuz will remain with us forever. What do you mean by that specifically, and why do you think that the risk of this shadow of Hormuz will persist indefinitely?

Anas: Sure. So the problem is when this war started, and whether you talk about President Trump or you talk about Netanyahu, or you talk about deep state or whoever, whatever you want to talk about, no one was paying attention to closure of Hormuz Strait and what it means to the world.

And because of the massive publicity of Hormuz Strait, even children right now know what Hormuz Strait is. That was not the case in January. A lot of people, even university professors they don't know where Hormuz Strait is. But now everyone knows what Hormuz Strait is. So what happened is, let's say we are going to end up with a deal and a very firm good in, in the words of Trump, beautiful deal.

Anyone who is going to get mad from the IRGC at their government They are going to go to Hormuz Strait and cause problems. Whether they are going to issue a tweet, a fiery speech, or actually fire at a ship. A year from now, three years from now, 20 years from now, etc., this is going to happen. Any terrorist group or militia in the region who wants attention, they know they get the attention by going to Hormuz.

In fact, anyone in the United States or Norway or Brazil or anywhere else who is trading oil or trading oil stocks, they can, if they have very large following on social media or on YouTube, if they go and buy let's say 10,000 contracts, and then they literally make up a story and say, "A ship was attacked at Hormuz just five minutes ago."

Oil prices go up by $3. They sell their contracts. They make the money and then say, "Sorry, that was not confirmed." So any way can-- anyone can play the news. So what we did here is we created a monster that no one can slain, period. So whether group of Iranians or group of anyone in the region or traders or young people who wants to play the stock market or the oil trading, etc.,

anyone can play this market right now. With social media and the impact of social media, they just made the impact of Hormuz way larger. We've seen what it is, and the market becomes extremely responsive To these things. And that's why the ghost of Hormuz basically will stay with us forever, even if we reached a final resolution to the crisis.

Erik: Anas, let's bring this whole thing together now. What investment recommendations would you make for both institutional and retail investors out of this whole conversation?

Anas: Couple of things are very clear right now, Eric. The first one is how countries are going to react to the Hormuz crisis, because the impact is tremendous, the impact is huge.

And people realize that, that the short-term behavior of China that we talked about earlier basically proved that China basically was the least affected, and therefore countries and governments are going to adopt the Chinese model. What is the Chinese model? Is linking energy sources to national security.

And once you do that, you can do a lot of things, and even in democratic countries. So what's going to happen right now is becau- under the name of national security, you can pass many things to promote your domestic energy sources. So when it comes to climate change policies, for example, all the policies that failed because you don't have money, or the Congress did not allocate enough money, or the Parliament did not allocate enough money, or you have massive opposition because of the massive amount of subsidies, et cetera, now you can come in and say, "Look, it's a national security issue."

And we've seen those national security arguments for protection and trade agreements, et cetera, for the last 100 years or so. So we are going to see it now on a larger scale than ever, where everything is going to be packaged under national security And therefore, they can declare emergency, they can declare many things, and they can literally focus on those energy sources.

So what we are going to see is companies benefiting from all those subsidies that the governments are going to allocate because of national security. So that's one part of the business. But w- two things are clear as a result of this. The first one is the winner among all energy sources is natural gas and LNG.

So investing in LNG basically, especially LNG names, especially the United States names, is a big one. So the LNG is going to be a very big winner out of this, not only because of the Hormuz crisis, but also because of the demand for power, for electricity coming from data centers and AI. So you combine Hormuz with data centers and AI, and you can see the massive demand as a result of this.

And who are the winners? The first winner basically is natural gas and LNG. It's mostly LNG. I am very big on LNG names. The other one is coal. And the reason why coal becomes very attractive here, not only because it's cheap, it is a domestic source in most of the consuming countries that been affected by Hormuz.

And we got to compare where coal was heading versus where it's going to be. And you can see that coal basically, coal companies basically are going to do extremely well because linking those sources to energy security is going to benefit all the sources, not only solar and wind. They are going to benefit natural gas, even oil and coal.

And by the way, when we talk about oil, we don't have that much generation coming out of oil. About only 4% of global oil demand basically is used in power generation. But this morning, we have a very big news out of France that oil use in power generation increased substantially because wind stopped Because of the heat and this is the important point people have to realize that the weather is hot simply because you don't have wind, and if you don't have wind, you don't have power generation from wind.

But that's part of the story. The other story is the water in the river is basically heated up, and it's not suitable for the nuclear plants, so they have to shut some of them down, and as a result now they are burning oil. We've seen that during the very high expensive LNG because the Northeast of the United States import LNG.

It's one of the ironies, by the way. We are the largest exporter of LNG in the world. But because of the Jones Act, historically, we had to import to Boston. Basically, we have to import LNG. The utilities couldn't import the LNG because it was too expensive. And what was the replacement? Oil. So we are going to see those sources basically back into play as a result of this.

The, the bottom line here is LNG and coal are going to be the winners of this combination of Hormuz AI and data centers

Erik: Well, Anas, I can't thank you enough, as always, for a terrific interview. Before I let you go, please tell our listeners a little bit more about what you do at

Energy Outlook Advisors, what services are on offer there, and how people can follow your work.

Anas: Yes. So most of the work I do a lot of research, and I have a team to work with me too. And what I do is mostly I give speeches to board members and companies, investors, et cetera, whether in person or through Zoom. So that one. The other one is we do have two publications, both of them on Substack.

The Energy Outlook Advisors newsletter that is intended for institutional investors. And we do have the daily energy report that is intended for everyone, even individuals. It's only like $1.30 a day or something like this, so it's not a big deal. So we have the daily energy report. They can find that either by searching Google or going to my Twitter account.

I put a lot of things on Twitter, and I do have a subscription, very cheap subscription on Twitter for those who wants to get some information, not the full picture, but it is there. But the best way to communicate with me either through the website or through the Twitter account.

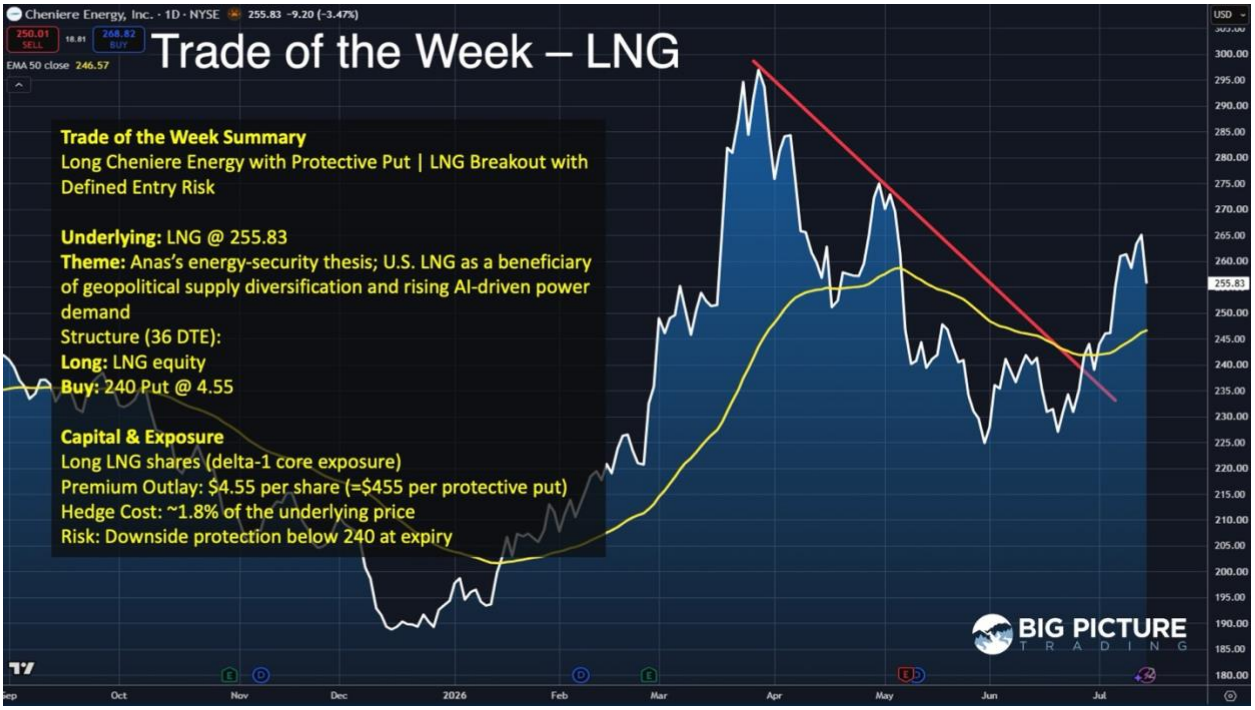
Erik: And listeners, be sure to stay tuned for our new Macro Voices Market Desk segment, where Patrick and Massil will take this apart and look for Patrick, where's the trade?

Patrick: Welcome to the Macro Voices Trading Desk. I'm Patrick Ceresna.

Massil: And I'm Massil Beguenane. Let's drive straight into the trade of the week, Patrick. Anas laid out a pretty compelling case. Energy security, geopolitics, and exploding power demand are all colliding, and US LNG sits right where they meet. How would you play that?

Patrick: One of Anas' strongest conclusions was that natural gas, and especially US LNG infrastructure, stands to benefit as countries prioritize secure energy supply, while AI and data centers drive another leg higher in electricity demand. For this week's trade of the week, I want to express the theme through Cheniere Energy, symbol LNG, one of the cleanest US-listed ways to participate in that structural build-out.

From a technical perspective, the timing is starting to look interesting. At the start of the year, Cheniere rallied roughly sixty percent into late March and then spent the next three months in a twenty-five percent correction lower. Now, through July, the stock rallied, reclaimed its fifty-day moving average, and broke above the descending trend line from the March peak, suggesting that a correction may have already run its course and a new bullish phase may be starting With LNG closing at two hundred and fifty-five dollars and eighty-three cents, the cleanest expression is to simply buy the underlying shares.



But because this is still early in the breakout, I want to add a short-term protective put to make sure the entry holds. The technical failure point sits at two hundred and forty dollars, so I'm looking at buying the two hundred and forty dollar strike to put for four dollars and fifty-five cents, giving us thirty-six days of protection.

The hedge costs roughly one point eight percent of the stock price and creates a defined floor beneath the position during the fragile early stage of the breakout. So this is a straightforward way to stay long in Anas energy security thesis while limiting the damage if the technical reversal fails.

Massil: All right, let's dive into equities.

Patrick: So diving into these equities, fundamentally, the market remains caught in a tug of war. There's renewed Middle Eastern escalation and rising, , oil prices are reviving these inflation concerns, but those risks are being offset with the momentum of this AI boom in semiconductors, the resilient corporate earnings, and the expectations for support of monetary policy.

Technically, the S&P five hundred is still very clearly in bull trend. Higher highs, higher lows, all dips are being bought, and it's pressing two fifty-two-week highs, even though not yet broken those June highs. So clearly, the bulls are in the driver's seat and maintaining this trend. The bigger question is, can they follow through?

There's been a momentum loss in the last few weeks that has basically the S&P five hundred in an uptrend, but with no genuine momentum. So the bigger puzzle to solve here is this a part of a broader topping formation, and we entered some distribution cycle where overhead resistance is is established as there's plenty of supply of stock up there.

I think a lot of that has to be answered by what happens in some of the key AI sectors. Now, the first thing I wanna specifically talk about is the Kospi. Now, the Kospi has been directly correlating to the semiconductor index, and what we've seen is now several weeks from which the semiconductors have been trading off of their highs.

The difference here is that the SMH and the semiconductors have more or less held the fifty-day moving average, and we have not seen that decisive breakdown yet, and that's the puzzle to solve. Because if the semiconductors break with the Kospi on the downside, and the question becomes, what part of the leadership and sector rotation can maintain the momentum on the upside of the S&P?

Now, certainly the financials had positive earnings this week which is driving at least some bullish tailwind in there. But definitely the puzzle to solve going into next week is whether the selling pressure breaks down this market cap weighted index as some of these big behemoths may begin some bigger selling.

On a final note, the technical level in my mind to watch is actually about two hundred S&P points lower on the S&P five hundred, somewhere just below seventy-four hundred. That's gonna be an area where a lot of the CTA sell triggers have been slowly crawling up to. And the thing to definitely watch is can the bulls keep the price action away from systematic sell triggers in order to maintain the prevailing bull trend?

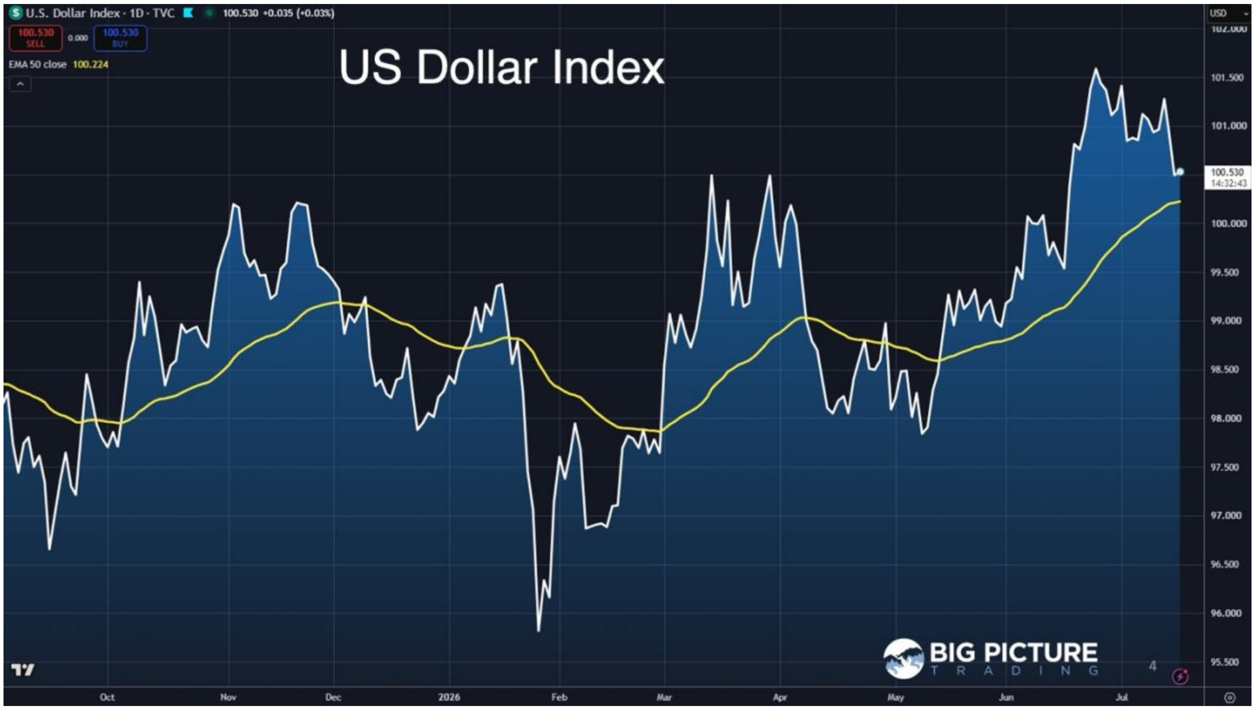
Or will we see some sort of prevailing weakness that adds systematic selling as a factor into the summer price action?

Massil: Patrick, large speculators positioning in the S&P futures has surged from 16 to 94, and that just happened in a single month. That's systematic money aggressively chasing this rally, not conviction that was built over time.

And guess what? That distinction sets up the fork in the road. If the index breaks to new highs, that positioning gets reinforced and the chase can keep feeding itself. But sitting in the top decile of positioning in the past year, the same trade cuts the other way. If the market rolls over and starts triggering CTA sell signals, positioning that was built in a month can unwind fast, not in months, in days.

Now let's move on to the next asset here. What about the dollar? Are we seeing similar moves?

Patrick: When looking at the dollar index we continue to spend the last two, three weeks, in a backfilling consolidation. And we've now approached the 50-day moving average, and more importantly, where all the previous highs were of the, 15-month trade range that was bullishly broken out.



This is actually a very important technical crossroad. We saw a huge US dollar bull breakout, and this entire consolidation now is still staying above the previous trade range. This is a very typical place for buy-on-dip traders to defend. And if we see the dollar bullishly advance off this level, particularly reclaiming north of 101.50 on the upside on the dollar index, that could reopen, an upside move that could see the dollar index heading to the 103 level on the upside.

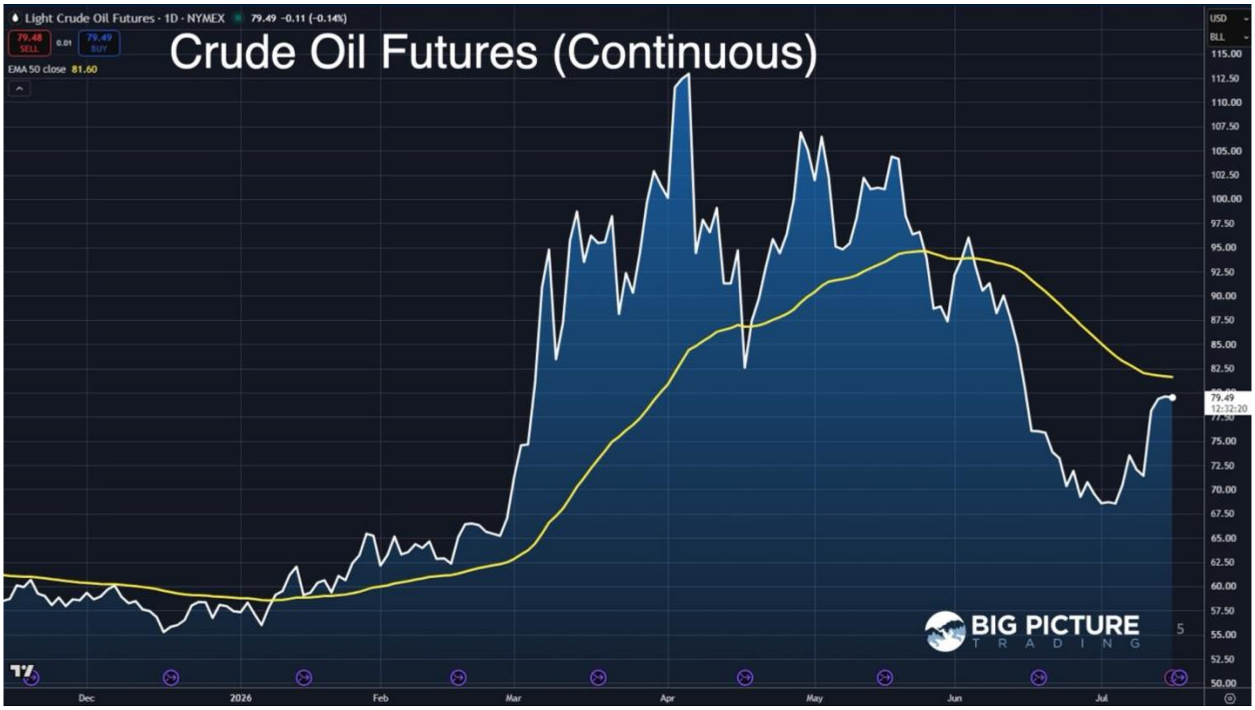
Bottom line, the bulls are still in control of this dollar trend, and we haven't seen any technical reversal points to-- that suggests otherwise.

Massil: While here, we're seeing large specs positioning in both the euro and the Canadian dollar just keeps weakening. Both are now sitting at zero on the COT signals one-year positioning score.

But the five-year window tells you those two zeros just aren't the same. The euro has only slipped modestly net short as a percentage of open interest, while the Canadian dollar is already deeply net short, and both are still sinking towards the bottom of the five-year ranges. So the abandonment is real, but it may not be the end.

Now let's move on to crude, Patrick. What do you see there?

Patrick: Mass, when looking at the crude oil chart, and just as we heard from Anas and Eric during the interview there was a re-escalation of the military conflict, which has certainly put a risk premium back into oil. We were in an incredibly oversold condition trading down below seventy dollars two weeks ago.



We've now seen a retrace of the June decline now approaching a fifty-day moving average and the fifty percent retracement of that June decline. This is now unwinding the oversold state of oil, and this is where we're gonna really start getting a technical tell on how the price action is gonna develop.

If we see the pattern that oil dips are being bought and generally accumulation is still coming in, that leaves the window open for oil to trade back to eighty-five, ninety dollars a barrel, which would still be below the major consolidation throughout March and April and May. But certainly room for oil to at least come to a, a mid fair value zone that is somewhere in between the highs of the second quarter versus those lows that were established here just two weeks ago.

Massil: Patrick, large speculator positioning in WTI has dropped to just nineteen on the one-year score, and net long exposure is back down near where it sat before the Iranian war even started. Think about what that means. Nearly everything speculators added during the conflict has now been washed out, which means the market spent the last month unpricing a war that never actually ended.

Now that we know the war is re-escalating again, how is gold reacting to all this?

Patrick: When looking at gold, there's a lot of reasons to be long-term bullish gold, but over the last few months, the price action still remains decisively distributive. All rallies are failing. The selling pressure is still dominant.

Now, we've established over the last three, four weeks a baseline around the four thousand level, which is a key round number, and it'll be very interesting s- going into next week whether the bulls can hold the line there because a break of four thousand could see short-term corrections head down to thirty-eight hundred or even as low as thirty-six hundred for one last quick wash out on the downside of gold.

Now, I wanna stress that while we're obviously recognizing this prevailing downtrend remaining dominant, I wanna stress that I think that the asymmetry is already skewing towards the bulls. We're already sixteen hundred dollars off of the highs and and we are, talking about whether or not there's a couple hundred more dollars of volatility to go.

Overall, the asymmetry of being long has been reset, but the bull trend is just not your friend yet. And so I think over the course of the summer, it's gonna be about recognizing when we've transitioned from this distribution cycle and sell cycle to a, a more constructive technical backdrop, which is suggesting that gold may begin a new rally.

It's clearly not here yet, and it's something that we're gonna keep talking about every single week here on the show.

Massil: Patrick, the clearest contrast in the metals is how much more aggressively silver has been washed out than gold, and it shows up across all three trader groups. Both speculative groups in silver are scoring near the bottom of their one-year ranges, and commercials are only lightly hedged.

And when the hedger ease off, it tells you they see less froth left to protect against. Interestingly enough, gold shows a different picture. The gauge reads neutral, but large speculators are still heavily net long at fifty-two percent of open interest. So silver's been through the storm. Gold is still holding its umbrella.

Patrick: All right, Massil, when looking beyond these four major asset classes that we've just discussed, when looking at these commitment of trader reports are there any futures or commodities that you think are worth talking about? What's on your mind here?

Massil: Let's jump right into it and to a market we've not talked about, and that is coffee.

I want to touch on this because it is a textbook example of fundamentals forcing an entire market to reposition. Now, coffee spent roughly eight months in a brutal bear market, falling about forty-four percent from its October peak. By the time it bottomed, the trade had been completely abandoned. Large and small speculators were both sitting at their one-year positioning lows with real short positions on, not just reduced longs.

And here's the tell on the other side. Commercial hedgers have gone unusually exposed, barely hedging at all. When the producers themselves stop paying for protection, they're telling you something. There's nothing to protect against. Everyone who could give up already has. Severe weather and harvest delays in Brazil, renewed El Nino concerns, and extremely thin global inventories suddenly challenge expectations for a record crop.

With very little inventory available to absorb another supply disruption, coffee surged roughly thirty percent, including a historic fifteen percent one-day rally. The COT data show how that repricing forced everyone to pivot. Large speculators moved from a positioning score of zero to fifty-one in just one month, the largest increase we've seen across all assets.

But because price rose while open interest declined, the first stage appears to have been driven much more by bears covering shorts than by new bulls building positions. Now, small specs also arrived a little later as their positioning jumped by 40 points in just one week. Meanwhile, commercials used the rally to rebuild hedges, moving from zero to 52 on that positioning.

Now, here's the opportunity. Large specs are net long only about 15% of their total open interest compared to their historical peak, which is usually around 40%. So professional positioning has recovered, but it is not crowded by any means. Now, here's what confirmation looks like from here. There's three things moving together: price making new highs, open interest expanding underneath it, and large specs doing the adding.

Now, if that happens, coffee may be transitioning from a short covering rally into a more durable bull market. The fundamentals created the turn. The positioning tells us the market may still have room to run. And that's your positioning pulse for the week. To get access to all this data, visit cotsignal.com.

That's C-O-T-S-I-G-N-A-L.com. All right, back to you, Patrick.

Patrick: Thanks for bringing that up. I'm definitely gonna keep a close eye on the coffee trade going into next week. Now, listeners, reminder that you'll find this week's Trade of the Week chartbook and the supporting links in this week's research roundup or on the homepage of macrovoices.com.

That does it for this week's edition of The Macro Voices Trading Desk. Have a good trading day, everyone.

Massil: Have a great trading day, everyone.

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