

| Weekly |

# Commodity **Compass Analytics (CCA)**

## Oil demand under duress: The first tremors of an even larger oil shock

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- **Counting down the barrels: Why time is working against the oil markets:** closure of the Strait of Hormuz has removed over 16 mb/d of crude flows, pushing Dubai/Oman toward \$170/bbl. This dislocation has crippled regional benchmarks and forced Asian refiners and petrochemical plants to cut runs. Airlines in Asia are adding surcharges or cancelling flights as jet prices spike. Even with these reactions, demand destruction remains tiny versus the supply loss. As we move into April with no resolution to the conflict in sight, we may soon be compelled to adopt our alternative Scenario B, (see [here](#)) which assumes a more prolonged disruption. Under this path, prices could climb toward \$150/bbl in April, rather than reaching the \$125/bbl level we had expected by the end of March. Notably, the growing concentration of open interest in higher strike Brent call options at these elevated price levels reinforces this view, with a recent build in calls with an average strike of \$132/bbl for the June expiry, broadly aligning with the trajectory indicated by our fundamental oil market models.
- **Demand elasticity in practice: Early signs of adjustment in oil consumption:** Oil demand remains structurally inelastic, but high prices are now forcing incremental cuts in Asia. Japan, Korea, Taiwan, China and India are trimming runs, declaring force majeure, or prioritising household fuel use. From a quantitative perspective, we estimate the short run price elasticity of crude oil demand at  $-0.024$ . With prices up 47% since the start of the conflict and global demand at 104.8 mb/d, this implies a decline of roughly 1.2 mb/d. Gasoil/diesel shows the largest volumetric sensitivity, with an estimated elasticity of  $-0.027$ , suggesting demand could fall by around 400 kb/d. Jet fuel and naphtha exhibit the highest elasticities in absolute terms:  $-0.045$  and  $-0.042$ , respectively. If prices rise toward \$150/bbl under our alternative scenario, we estimate that as much as 2.7 mb/d of demand could be destroyed, including approximately 900 kb/d from gasoil/diesel alone.
- **Shifting the lens: Why supply maintains the control of the oil narrative:** Attacks on Saudi Arabia's Yanbu terminal have weakened the last major export route outside the Strait. Alternatives such as Kirkuk-Ceyhan can only return  $\sim 0.2$  mb/d, offering negligible relief. US policy actions—Jones Act suspension and temporary OFAC licences—provide short-term logistical support but cannot offset Gulf losses. Even a 400 mb SPR release is tiny relative to lost flows. This crisis is therefore defined overwhelmingly by supply, not demand.
- **Option flows reveal the market's true fears and convictions:** Brent options show clear clustering in near-dated calls, signalling expectations of higher prices over the next one to two months. The skew between call and put strikes indicates traders fear upside spikes more than downside correction. Positioning declines sharply beyond June, showing uncertainty is concentrated in the immediate horizon. Tail-risk hedges at extreme strikes reflect insurance, not central expectations. Overall, options flows confirm the market's focus on acute short-term supply danger.

**Counting down the barrels: Why time is working against the oil markets:** The fallout from the conflict in the Middle East is no longer confined to damaged infrastructure and disrupted supply lines — it's now distorting the region's key crude benchmarks and ensnaring Asia's refiners and global commercial players into the turmoil. Oil flows have slowed from a torrent to a trickle, and Dubai and Oman crudes are commanding prices near \$170/bbl, an astonishing \$60/bbl premium to Brent. Shut-ins create a second problem: once production goes offline, restarting it to pre-crisis levels becomes increasingly difficult.

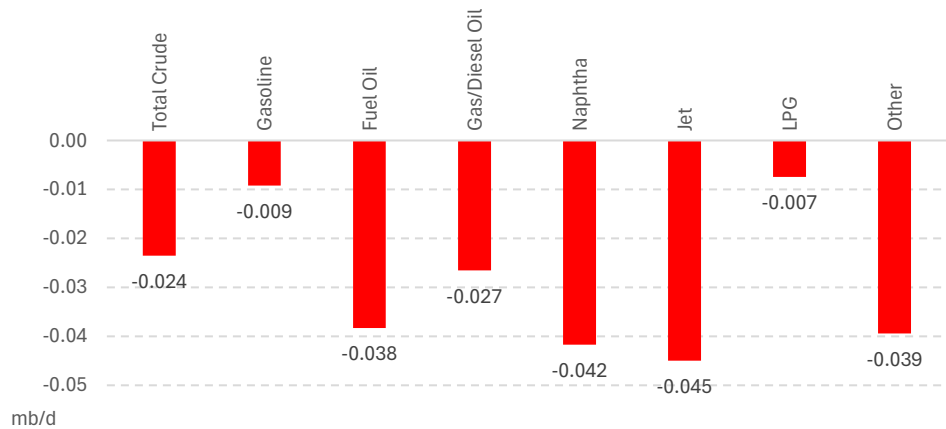
With each passing day, the market grows more strained as additional barrels are forced offline, and fresh reports surface of governments scrambling to implement incremental policy measures in an attempt to steer through what is fast becoming an unprecedented global supply shock (see [here](#)). Commercial operators—from refiners to steam crackers, ethylene producers, and chemical manufacturers—are now adjusting their production runs as feedstock supplies tighten sharply. The strain is also spilling into the aviation sector, where several Asian airlines have begun imposing fuel surcharges or cutting flights altogether in response to surging jet fuel prices (see [here](#)). These developments underscore how rapidly the disruption is rippling through the real economy. Although demand is starting to decline at a noticeable pace, even this accelerated erosion offsets only a tiny fraction of the vast supply shortfall created by the closure of the Strait. The scale of demand destruction remains trivial compared with the sheer volume of crude that is no longer reaching the buyers who rely on it.

Meanwhile, geopolitical tensions continue to escalate. Late Friday afternoon (4:30 ET), President Trump signalled he was considering “winding down” US military engagement, saying the country was close to achieving its objectives. By the weekend, he had issued Iran a two-day ultimatum to reopen the Strait of Hormuz or face strikes on its power infrastructure. Iran responded in kind, warning it would target US and Israeli assets across the region if its energy facilities were attacked.

As we move into April with no resolution to the conflict in sight, we may soon be compelled to adopt our alternative Scenario B, (see [here](#)) which assumes a more prolonged disruption. Under this path, prices could climb toward \$150/bbl in April, rather than reaching the \$125/bbl level we had expected by the end of March. Notably, the growing concentration of open interest in higher-strike Brent call options at these elevated price levels reinforces this view, with a recent build in calls with an average strike of \$132/bbl for the June expiry, broadly aligning with the trajectory indicated by our fundamental oil market models.

**Demand elasticity in practice: Early signs of adjustment in oil consumption:** Generally speaking, oil demand remains highly inelastic in the near term, and even sharp price increases rarely trigger large-scale global behavioural change, despite the significant adjustments noted above. Airlines will continue to lift jet fuel—adding surcharges or cutting flights where necessary—as many are still buffered by hedging programmes that lock in fuel costs months ahead. Commuters often have no option but to drive to work even as gasoline prices rise, tractors continue running during critical field operations, factories depend on fuel oil to keep production lines operating, and tankers stay at sea with bunker costs often protected through hedging mechanisms. These structural rigidities mean that early measurable declines in consumption tend to be small. However, as prices climb further and remain elevated, additional layers of adjustment begin to emerge, even in sectors with traditionally low elasticities.

**Estimated oil and product price elasticities of demand**



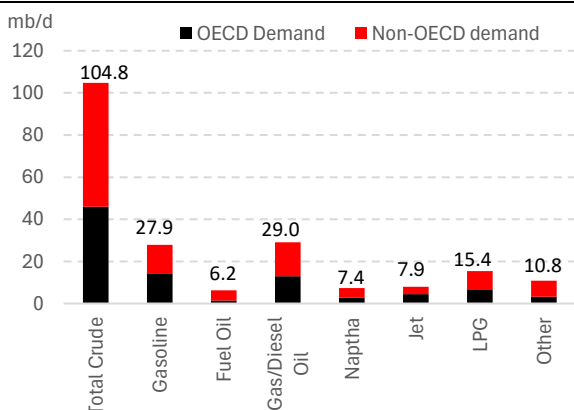
Source: SG Cross Asset Research/Commodities, Bloomberg, IEA. Note: Other means lubricants, asphalt, refinery gas, industrial solvents, waxes, special petroleum feedstocks and coke, and miscellaneous refinery outputs.

Despite the inherent rigidity of oil demand, clear signs of strain are now emerging across the system, as we briefly highlighted above. Japan—with more than half of its naphtha imports sourced through the Strait of Hormuz—is seeing chemical producers scale back operations, including reported cuts to ethylene output (see [here](#)). In Korea, home to some of the world’s largest ethylene complexes, at least one major producer has declared force majeure, prompting the government to classify naphtha as an economic security priority to safeguard inventories. China’s state-owned Sinopec has begun trimming refinery runs (see [here](#)), and India has suspended LPG deliveries to commercial users to protect household supply. Taiwan’s petrochemical sector has been forced to declare force majeure (see [here](#)).

These developments illustrate a broader truth: while oil demand typically responds only slowly to price changes, the magnitude and speed of this disruption are forcing incremental adjustments across multiple sectors—and the list is growing by the day.

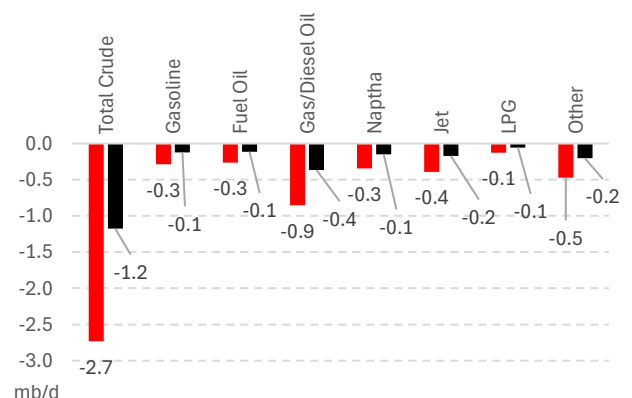
From a quantitative perspective, we estimate the short-run price elasticity of crude oil demand at –0.024. With prices up 47% since the start of the conflict and global demand at 104.8 mb/d, this implies a decline of roughly 1.2 mb/d. Gasoil/diesel shows the largest volumetric sensitivity, with an estimated elasticity of –0.027, suggesting demand could fall by around 400 kb/d. Jet fuel and naphtha exhibit the highest elasticities in absolute terms: –0.045 and –0.042, respectively. If prices rise toward \$150/bbl under our alternative scenario, we estimate that as much as 2.7 mb/d of demand could be destroyed, including approximately 900 kb/d from gasoil/diesel alone.

**Total global crude and product demand**



Source: SG Cross Asset Research/Commodities, S&P Global, IEA

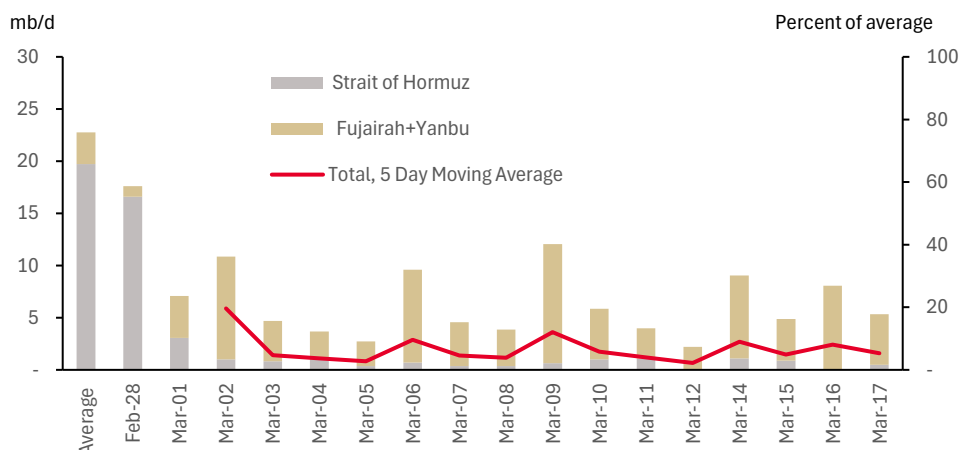
**Estimated demand destruction across crude and products at current price levels (black) versus \$150/bbl (red) based on elasticity estimates**



Source: SG Cross Asset Research/Commodities, Bloomberg, S&P Global, IEA

**Shifting the lens: Why supply maintains the control of the oil narrative:** The latest data indicate that, even after accounting for volumes rerouted through regional pipelines, the disruption to Persian Gulf exports has expanded to roughly 16.1 mb/d on a five-day moving average. These figures dwarf any realistic estimates of demand destruction. Shipments through the Strait of Hormuz have essentially collapsed, operating at only a small fraction of their normal levels. The scale of the supply shock is so large that it continues to dominate market dynamics, overwhelming the comparatively modest adjustments emerging on the demand side.

**Estimated oil flows from the Persian Gulf**

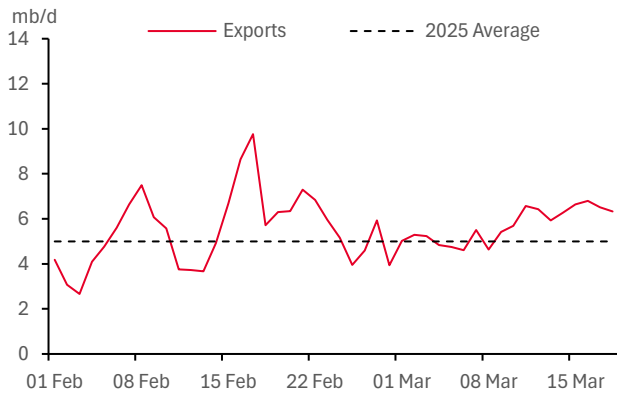


Source: SG Cross Asset Research/Commodities, Bloomberg, Kpler, S&P Global

Also last week, Saudi Arabia’s only remaining major export outlet outside the Strait of Hormuz—Yanbu—came under Iranian attack, raising fresh concerns about its reliability as an alternative route. The Saudi Ministry of Defense reported intercepting a ballistic missile aimed at Yanbu on March 19 and separately confirmed that an Iranian drone had crashed into the nearby 400 kb/d Samref refinery. In the immediate aftermath, state-controlled Saudi Aramco briefly suspended crude loadings at the Yanbu terminal, according to industry sources. By the end of the week, roughly 6.33 mb/d was being routed through the Bab el-Mandeb, while only three vessels managed to transit the Strait of Hormuz.

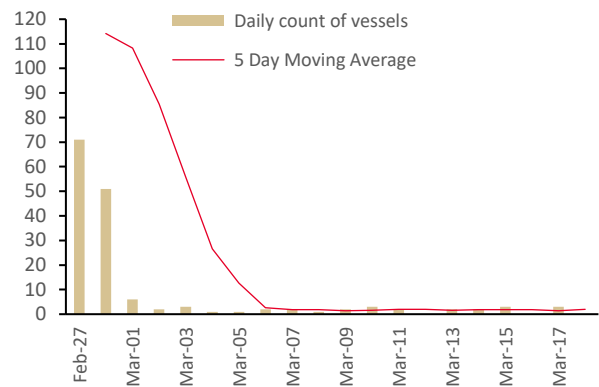
Separately, the agreement between Baghdad and the Kurdistan Regional Government to restart flows through the Kirkuk–Ceyhan pipeline provides only limited relief in terms of rerouting capacity. While the system can nominally handle around 0.9mb/d, recent throughput has been confined to 0.1–0.2mb/d, implying 0.7–0.8 mb/d of unused capacity on paper. In practice, however, the near-term increase will be far smaller. The arrangement announced last week applies only to volumes from the Kirkuk field, allowing for the return of roughly 0.2mb/d—a modest uplift relative to the scale of the broader disruption.

**Bab el-Mandeb exports of total crude liquids**



Source: SG Cross Asset Research/Commodities, S&P Global, Kpler

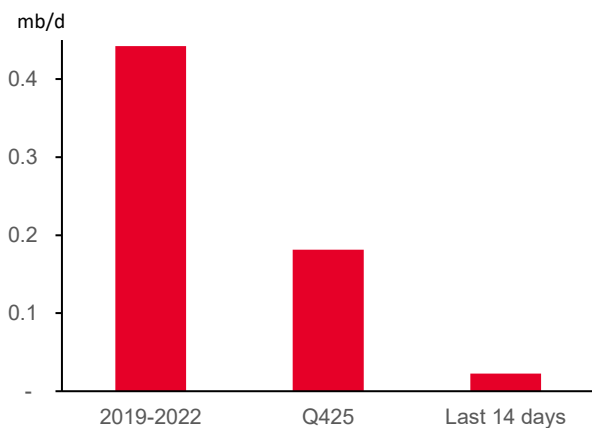
**Crude oil and LPG tankers crossing the Strait of Hormuz**



Source: SG Cross Asset Research/Commodities, S&P Global, Kpler

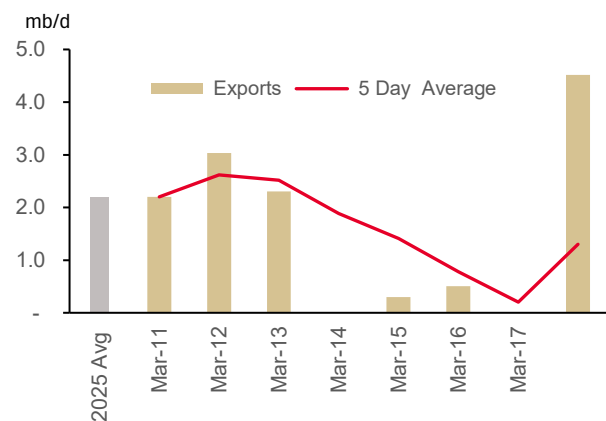
Meanwhile, in the United States, the White House has issued a 60-day suspension of Jones Act requirements, allowing foreign-flagged vessels to move fuel, fertilizer, and other cargoes between US ports. This temporary waiver should ease the transfer of fuel from the Gulf Coast to the East Coast, where supply tightness has been most acute. Studies estimate that added flexibility could reduce East Coast refined-product prices by roughly \$0.35 to \$1.00/bbl.<sup>1</sup> Even so, the relief has yet to filter through meaningfully: average US gasoline prices were still approaching \$4 per gallon at the end of last week.

**Crude flows through the Kirkuk-Ceyhan Iraq-Turkey pipeline**



Source: SG Cross Asset Research/Commodities, Bloomberg, Kpler, S&P Global

**Iranian crude oil exports**



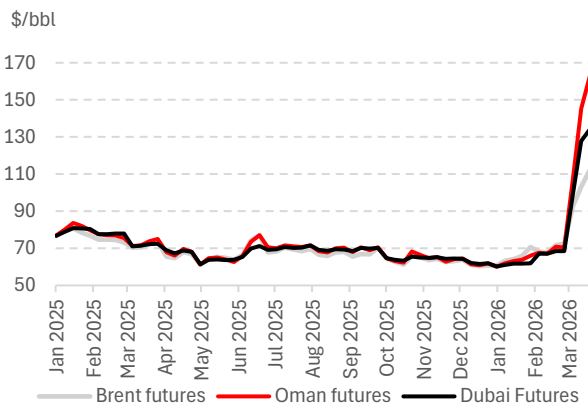
Source: SG Cross Asset Research/Commodities, Kpler, S&P Global

Last Friday, the US Treasury’s Office of Foreign Assets Control (OFAC) issued a narrowly scoped General License allowing the purchase, delivery, and offloading of Iranian barrels already loaded onto vessels — including cargoes on previously sanctioned ships (see [here](#)). Crucially, the authorization applies only to oil currently in transit or held in floating storage; it does not permit any new production, new liftings, or future loadings.

We estimate that sanctioned crude and products at sea — including Iranian volumes — amount to roughly 375 million barrels, a very material figure. When paired with last week’s coordinated 400 million-barrel SPR release, the near-term increase in available supply is far from trivial and could meaningfully relieve some stress.

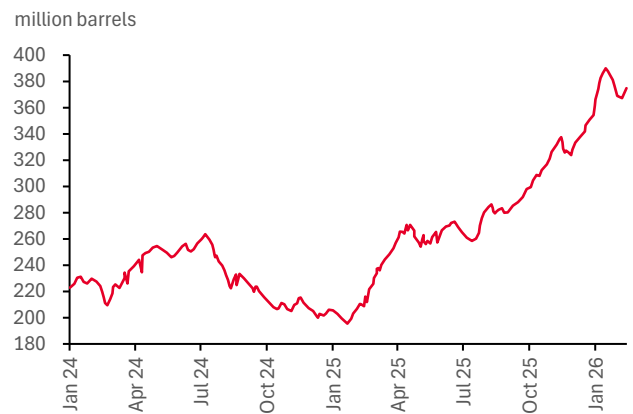
<sup>1</sup> See Kellogg and Sweeney (2025), “Impacts of the Jones Act on U.S Petroleum Markets” MIT CEEPR Working Paper (see [here](#)).

**Regional crude oil futures**



Source: SG Cross Asset Research/Commodities, Bloomberg

**Sanctioned crude oil at sea**



Source: SG Cross Asset Research/Commodities, Bloomberg

**Global supply disruptions – the 2026 disruption is huge in comparison to previous**

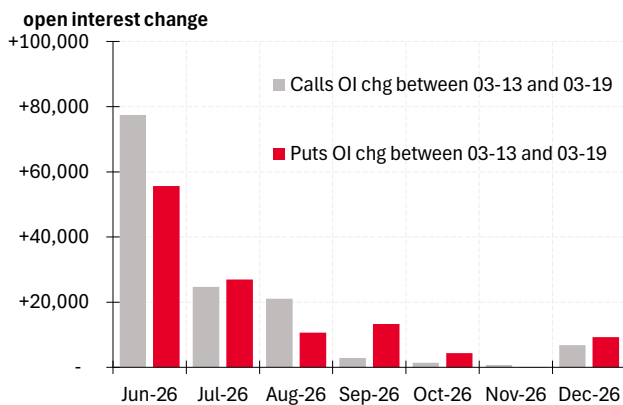
Beginning date	Event	Country/Region	Facts	Global supply before event (mb/d)	Lowest supply level (mb/d)	Highest monthly loss (mb/d)
Mar-51	Nationalisation of Iran's oil industry	Iran	Oil boycott and halt of Iranian exports	11.0	10.2	-0.8
Oct-56	Suez Canal Crisis	Middle East	Canal closure leading to major transport disruption	16.8	15.1	-1.7
Jun-67	Six-Day War between Israel and coalition	Middle East	Logistical and shipping disruptions	32.5	31.0	-1.5
Oct-73	Arab Oil Embargo	Global	Global shortfall as shipments cut	57.7	53.9	-3.9
Nov-78	Iranian Revolution	Iran	Supply collapse during political unrest	62.9	55.8	-7.1
Sep-80	Iran-Iraq War	Iran/Iraq	Sustained output losses from prolonged war	59.4	49.8	-9.6
Aug-90	Gulf War (Iraq-Kuwait)	Iraq/Kuwait	Loss of Iraqi and Kuwaiti production	60.2	59.1	-1.1
Dec-02	Venezuela Strike	Venezuela	Sharp domestic output collapse	67.3	66.7	-0.7
Oct-03	Iraq War	Iraq	War-related disruptions	70.7	69.0	-1.7
Aug-05	Hurricanes Katrina/Rita	USA	Refining outages and Gulf of Mexico disruption	74.2	73.0	-1.2
Feb-11	Libya Civil War	Libya	Near-total shutdown of production	75.9	73.7	-2.3
Jan-12	Iran Sanctions	Iran	Export reductions due to sanctions	76.6	76.0	-0.6
May-18	Iran Sanctions	Iran	Further sanctions reducing exports	84.1	81.9	-2.2
<b>Feb-26</b>	<b>Iran War</b>	<b>GCC</b>	<b>Strait of Hormuz shut</b>	<b>107.2</b>	<b>89.7</b>	<b>-17.5</b>

Source: SG Cross Asset Research/Commodities, Bloomberg

**Option flows reveal the market’s true fears and convictions:** Below we show how shifts in commodity option open interest provide a window into market participants’ evolving views. From a speculative standpoint, concentrations of open interest at specific strikes help identify where traders see key price risks. From a hedging perspective, they reveal the levels at which producers, consumers, and intermediaries are actively managing exposure.

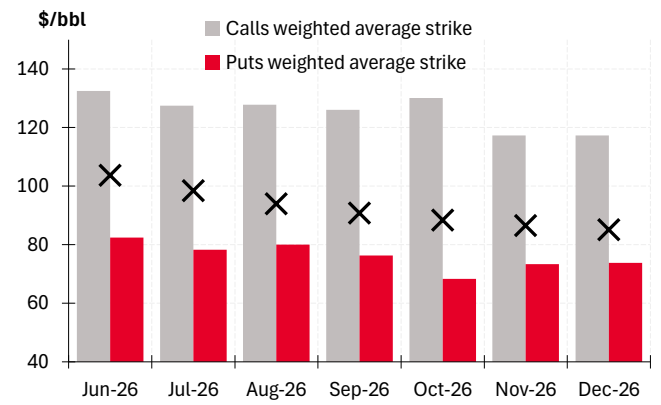
Although the May Brent option series remains listed for another week, much of the recent activity reflects offsetting and exercise rather than new positioning, so we exclude it from our analysis here. Focusing instead on changes in open interest between 13 and 19 March, the most notable buildup occurred in the now nearby June 2026 Brent call options, which added roughly 77,000 contracts—outpacing the 56,000-contract increase in June puts. The average strike on the June calls sits around \$132/bbl, compared with roughly \$84/bbl for the June puts, highlighting a clear skew toward higher-price views and/or risk management. It is also important to consider the expiries: the May contract expires on 31 March, June on 30 April, and July on 31 May. The sharp drop-off in new open-interest accumulation beyond the June maturity suggests a declining appetite to initiate positions further out the curve—potentially indicating that participants are less convinced of extreme price outcomes two months from now. Instead, the bulk of positioning is clustering in the near-dated window where price uncertainty is highest.

**Brent options open interest by maturity**



Source: SG Cross Asset Research/Commodities, Bloomberg

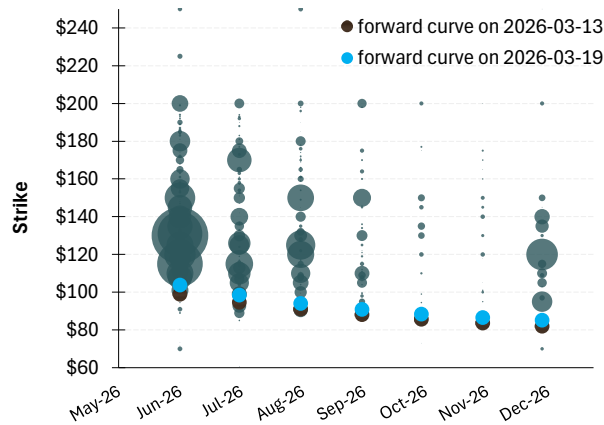
**Average strike of new options for Brent crude options**



Source: SG Cross Asset Research/Commodities, Bloomberg

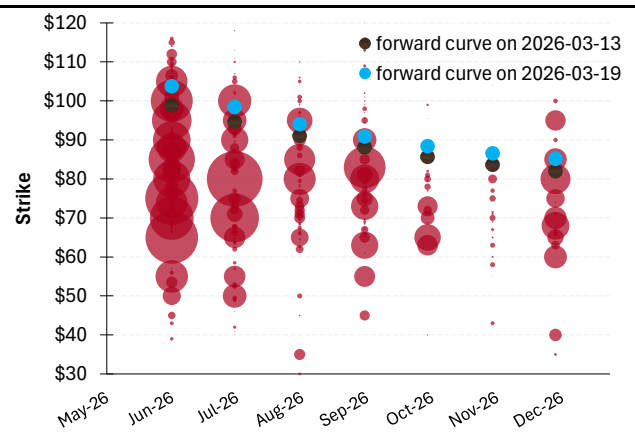
Shifting the focus from average strikes to the full distribution of positioning, the charts below plot changes in open interest by strike and maturity, with bubble size indicating the magnitude of the build.

**Option builds in Brent calls by strike and maturity**



Source: SG Cross Asset Research/Commodities, Bloomberg

**Option builds in Brent puts by strike and maturity**



Source: SG Cross Asset Research/Commodities, Bloomberg

For calls, the largest increase in open interest is concentrated at the \$130/bbl strike for the June expiry. Not shown on the chart—though noteworthy—is a small but visible buildup at the \$450/bbl strike for June, likely reflecting a tail-risk hedge rather than a central price view. On the put side (upper right-hand chart), the most significant additions for June are clustered around the \$75/bbl strike, highlighting where participants see the most relevant downside risk.

**Recent statements giving clues to the potential end of the conflict**

Date	Entity	Quote/Message
12-Mar	US Policymakers US Energy Secretary Chris Wright	The US Navy is "simply not ready" to escort oil tankers through the Strait but will likely be able to by the end of the month.
12-Mar	Other US Treasury	US issues license to permit Russia oil sales through April 11.
12-Mar	Iran spokesperson	Iran said it was ready for "a long-term war of attrition that will destroy the entire American economy."
12-13 Mar	Larijani; Secretary of Iran's Supreme National Security Council	"We will set the region's oil and gas on fire with the slightest attack on Iran's energy infrastructure."
15-Mar	US Policymakers Council Kevin Hassett US Director of the National Economic	As of Saturday, the Pentagon "believed that it would take four to six weeks to complete this mission and that we're ahead of schedule"
16-Mar	US Policymakers President Donald Trump	"We've requested that we delay [meeting with China's Xi] by a month or so"
18-Mar	Other Trump Administration	Suspended Jones Act for 60 days with the goal of lowering oil prices.
19-Mar	Benjamin Netanyahu	The war could end "sooner than people think."
20-Mar	President Trump/OFAC	Trump considering "winding down" U.S military efforts saying U.S close to achieving its objectives. Then threatened bombing power plants. The U.S lifts (temporarily waived) sanctions on Iranian oil.

Source: SG Cross Asset Research/Commodities, Bloomberg, Multiple news sources.

**Key insights this week**

<b>WTI</b>	Money managers' short positioning is highly concentrated (c.3099 contracts per trader)
<b>Brent</b>	Vulnerable to profit taking (overbought)
<b>Gasoline</b>	Money managers decreased their short positions for the 7th consecutive week
<b>Gasoil</b>	Money managers' short positioning is highly concentrated (c.2568 contracts per trader)
<b>Natural Gas</b>	The mismatch between the net number of money managers and their net positions was resolved
<b>Palladium</b>	Money managers turned net short this week New mismatch between the net number of money managers and their net positions
<b>Corn</b>	Vulnerable to profit taking (overbought) Money managers decreased their short positions for the 8th consecutive week Money managers' long positioning increased to the highest level since February 2025
<b>Wheat</b>	The mismatch between the net number of money managers and their net positions was resolved
<b>Kansas Wheat</b>	Vulnerable to profit taking (overbought)
<b>Soybean</b>	Vulnerable to profit taking (overbought) Money managers' long positioning is highly concentrated (c.2156 contracts per trader)
<b>Soybean Meal</b>	Vulnerable to profit taking (overbought) Money managers' long positioning is highly concentrated (c.1774 contracts per trader) Money managers' long positioning increased to the highest level since October 2024
<b>Soybean Oil</b>	Largest money manager long position since 2006 Extremely vulnerable to profit taking (extremely overbought) Money managers increased their long positions for the 6th consecutive week
<b>Cotton</b>	largest money manager weekly short covering since 2006 Money managers' short positioning is highly concentrated (c.1104 contracts per trader) Money managers' long positioning increased to the highest level since April 2024
<b>Cocoa (London)</b>	Vulnerable to short covering (oversold) Money managers increased their short positions for the 7th consecutive week

Source: SG Cross Asset Research/Commodities

## TRADING SIGNAL SCORECARD

Each arrow in the scorecard represents a value. Each of the arrows: represents a score of 1, 0.5, 0, -0.5 and -1 respectively for each signal. The “Score” column shows the sum of the signal scores for each commodity. The “Normalised score” in the final column is computed relative to the maximum or minimum possible score for a given commodity.

### Trading signal scorecard this week

	Dry Powder		OBOS			Seasonality (SFCI)	Macro			Score	Normalised score
	Contracts	Notional	1y	2y	Clustering		VIX	VVIX	FCON		
CL	→	→	→	→	→	↑	→	→	↑	2	29%
CO	↓	↓	↓	→	↓	↑	→	→	↑	-1	-6%
XB	↓	↓	→	→	→	↑	→	→	↑	1	14%
QS	→	↓	→	→	↓	↑	→	→	↑	1	14%
HO	↓	→	→	→	↓	↑	→	→	↑	1	14%
NG	→	→	→	→	→	↑	→	→	↑	2	29%
GC	→	→	→	→	→	→	→	→	↓	-1	-14%
SI	→	→	→	→	→	↑	→	→	↓	0	0%
PL	→	↓	→	→	→	→	→	→	↑	0.5	7%
PA	↗	↗	→	→	→	→	→	→	↑	2	29%
HG	↓	→	→	→	→	↑	→	→	↑	1.5	21%
LP						↑	→	→	↑	2	100%
LA						→	→	→	↑	1	50%
LX						→	→	→	↑	1	50%
LL						→	→	→	↑	1	50%
LN						→	→	→	↑	1	50%
C	→	→	↓	→	↓	→	→	→	↗	-0.5	-7%
W	→	→	→	→	→	↓	→	→	↗	-0.5	-7%
KW	↓	→	↓	→	↓	↓	→	→	↗	-2	-27%
S	↓	↓	↓	↓	↓	↑	→	→	↗	-1	-13%
SM	↓	↓	↓	→	↓	↑	→	→	↗	-0.5	-7%
BO	↓	↓	↓	↓	↓	↑	→	→	↗	-2.5	-33%
CT	↗	↗	→	→	→	→	→	→	↗	1.5	23%
SB	↗	↗	→	↗	→	↓	→	→	↗	1	15%
KC	→	→	→	→	→	→	→	→	↗	0.5	8%
CC	→	↗	→	→	↑	↑	→	→	↗	3	46%
LC	↓	→	→	→	→	→	→	→	↗	0	0%
FC	↓	↓	→	→	→	→	→	→	↗	-0.5	-7%
LH	↓	↓	→	→	→	↑	→	→	↗	0.5	8%

**Reading keys:**

BO: CBOT Soybean Oil, C: CBOT Corn, CC: ICE Cocoa, CL: NYMEX WTI, CO: ICE Brent, CT: ICE Cotton, FC: CME Feeder Cattle, GC: COMEX Gold, HG: COMEX Copper, HO: NYMEX Heating Oil, KC: ICE Arabica Coffee, KW: KCBT Kansas Wheat, LA: LME Aluminium, LC: CME Live Cattle, LH: CME Lean Hogs, LL: LME Lead, LN: LME Nickel, LP: LME Copper, LX: LME Zinc, NG: NYMEX Natural Gas, PA: NYMEX Palladium, PL: NYMEX Platinum, QS: ICE Gasoil, S: CBOT Soybean, SB: ICE Sugar #11, SI: COMEX Silver, SM: CBOT Soymeal, W: CBOT Wheat, XB: NYMEX Gasoline

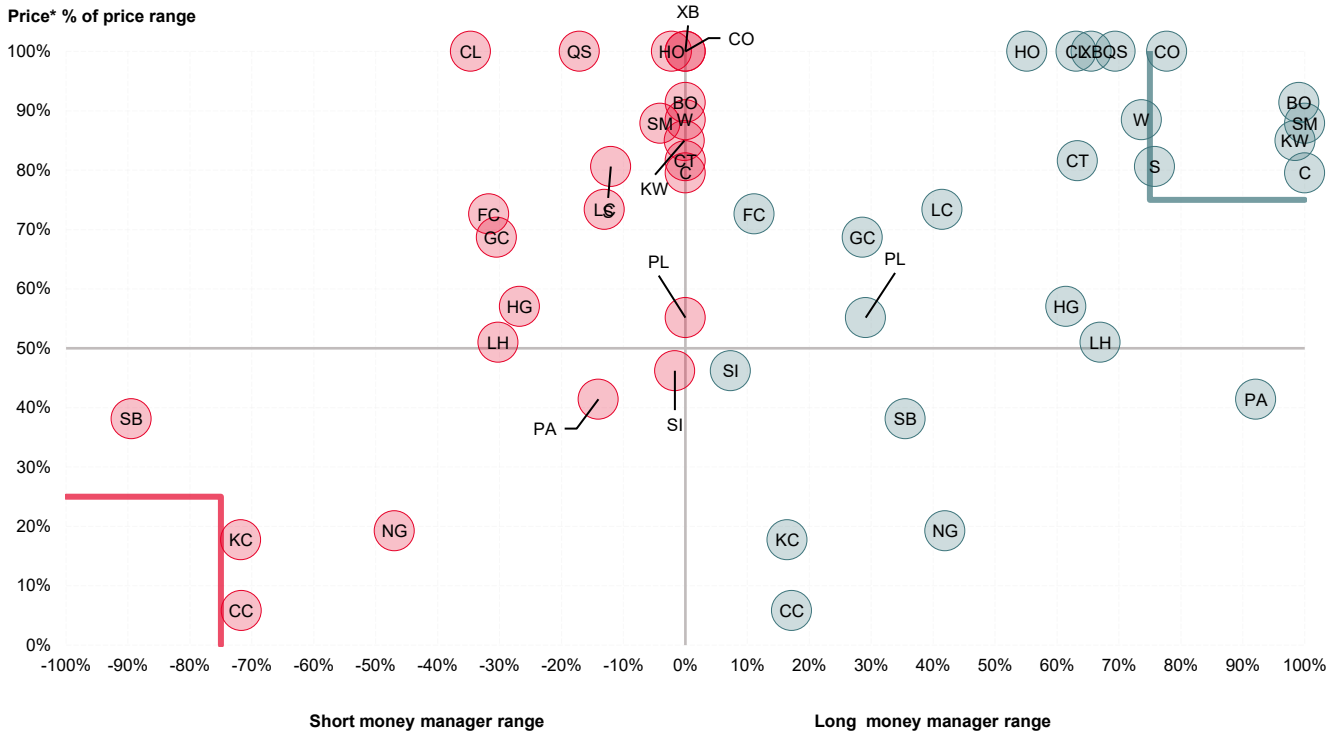
For more information relative to the “trading signal scorecard”, please refer to the dedicated Commodity Compass “Blending it all together – a trading signal scorecard” published 2 July 2019 – [link](#)

# SG OVERBOUGHT/OVERSOLD INDICATORS (OBOS)

Commodities in the oversold (red) box are generally vulnerable to short-covering and commodities in the overbought (blue) box are generally vulnerable to profit taking.

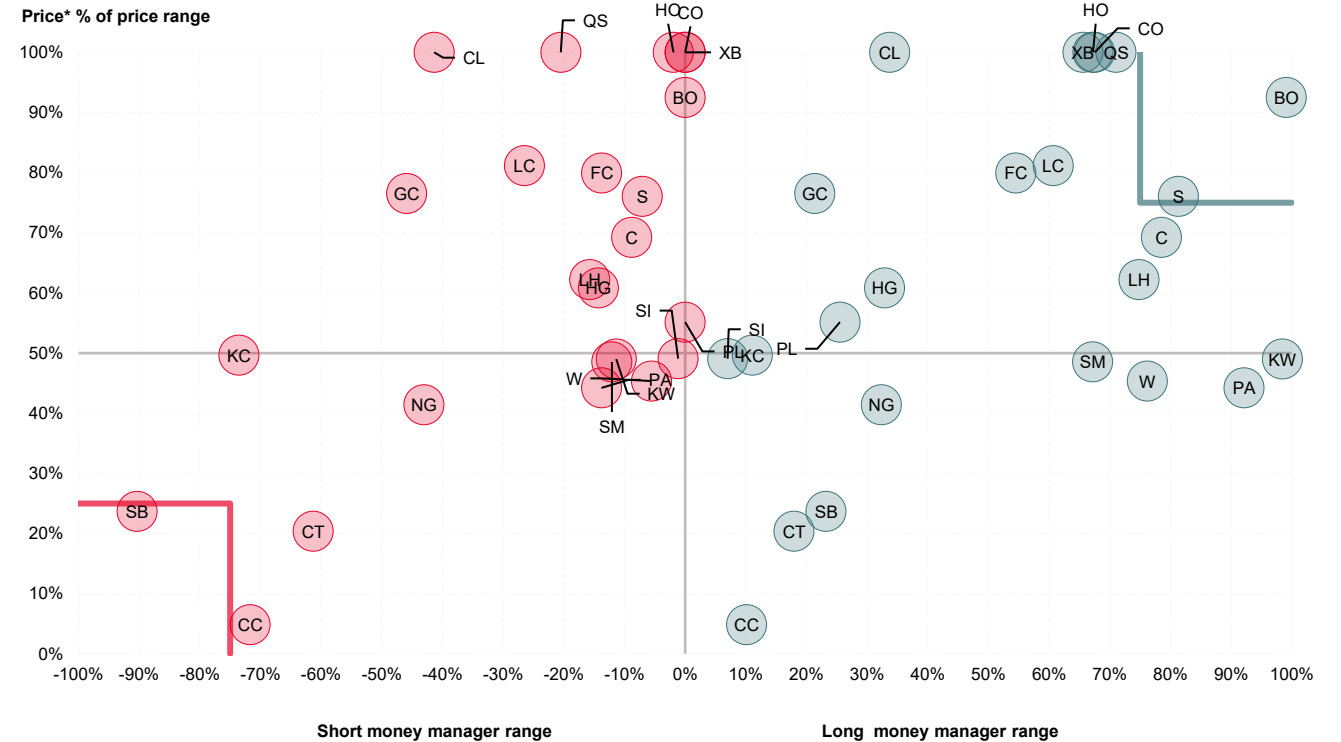
## 1-year OBOS indicator

[link to last week's OBOS](#)



## 2-year OBOS indicator

[link to last week's OBOS](#)



**Reading keys:** BO: CBOT Beanoil, C: CBOT Corn, CC: ICE Cocoa, CL: NYMEX WTI, CO: ICE Brent, CT: ICE Cotton, FC: CME Feeder Cattle, GC: COMEX Gold, HG: COMEX Copper, HO: NYMEX Heating Oil, KC: ICE Arabica Coffee, KW: KCBT Kansas Wheat, LC: CME Live Cattle, LH: CME Lean Hogs, NG: NYMEX Natural Gas, PA: NYMEX Palladium, PL: NYMEX Platinum, QS: ICE Gasoil, S: CBOT Soybean, SB: ICE Sugar #11, SI: COMEX Silver, SM: CBOT Soymeal, W: CBOT Wheat, XB: NYMEX Gasoline

\* Prices are as of last available data (last week's Friday close) whereas positioning matches CFTC CoT's end of reporting period (last week's Tuesday)

# FLOW ANALYSIS

The colour of each column in the chart below shows the trading activity into each commodity market for the week to Friday. Trading activities are defined by the Flow Cube introduced in [Commodity Compass – The “Flow Cube” & the “Construction Ratio”](#) (link) – understanding flow patterns, and are based on month-on-month changes in average price, aggregate volume and aggregate open interest. The height of each column represents the current construction ratio (CR) – the absolute change in aggregate open interest expressed as percentage of total volume traded during the week. A low CR could be a sign of heightened intraday trading activity. To provide some context for the (CR), it is compared to its one-year average, represented by the black dots in the chart.

Trading activity and construction ratio (CR) of average **weekly** flows into commodity markets.



**Reading key:**

**BO:** CBOT Beanoil, **C:** CBOT Corn, **CC:** ICE Cocoa, **CL:** NYMEX WTI, **CO:** ICE Brent, **CT:** ICE Cotton, **FC:** CME Feeder Cattle, **GC:** COMEX Gold, **HG:** COMEX Copper, **HO:** NYMEX Heating Oil, **KC:** ICE Arabica Coffee, **KW:** KCBT Kansas Wheat, **LA:** LME Aluminium, **LC:** CME Live Cattle, **LH:** CME Lean Hogs, **LL:** LME Lead, **LN:** LME Nickel, **LP:** LME Copper, **LX:** LME Zinc, **NG:** NYMEX Natural Gas, **PA:** NYMEX Palladium, **PL:** NYMEX Platinum, **QS:** ICE Gasoil, **S:** CBOT Soybean, **SB:** ICE Sugar #11, **SI:** COMEX Silver, **SM:** CBOT Soymeal, **W:** CBOT Wheat, **XB:** NYMEX Gasoline

Source: SG Cross Asset Research/Commodities, Bloomberg.

> [Link to last week's flow analysis](#)

## LATEST PUBLICATIONS

**Commodities Outlook**  
**Wildcard realised**

**Oil** prices stay elevated in the short to medium term after the Hormuz shock, and we expect the geopolitical premium to stay very high in the short term. It will eventually fade, sliding towards the low-\$70s by year-end as supply normalises and inventories rebuild. The curve stays in backwardation but compresses through Q2-Q3. The level of risk to this outlook is high, supply constraints through April could lift prices considerably higher.

**Gold** remains firmly bid on ETF inflows, persistent geopolitical risk and declining real yields. We look for spot to climb from \$5,100/oz toward \$6,000/oz by late-2026, with investment demand outweighing modest mine-supply growth. The macro backdrop (Fed easing, sticky inflation) supports further upside.

**Copper** stays capped near \$13,000/t in the short run given very high inventories, which mute upside. Tightening should emerge in 2H26 as demand strengthens from China and globally from AI investments. As stocks start to draw, we see prices rising towards \$14,000-14,250/t into 3Q-4Q.

Published 13 March 2026 – [link](#)

## Commodity Outlook

### Wildcard realised

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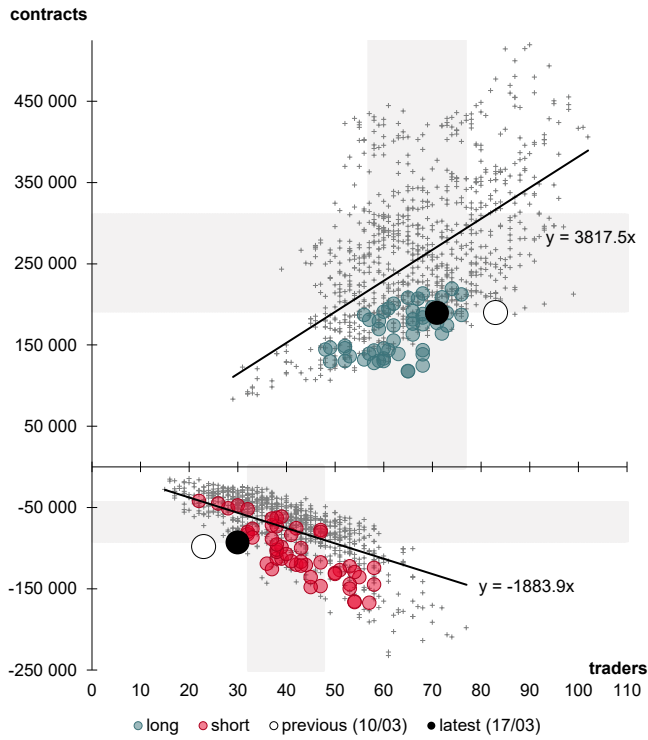
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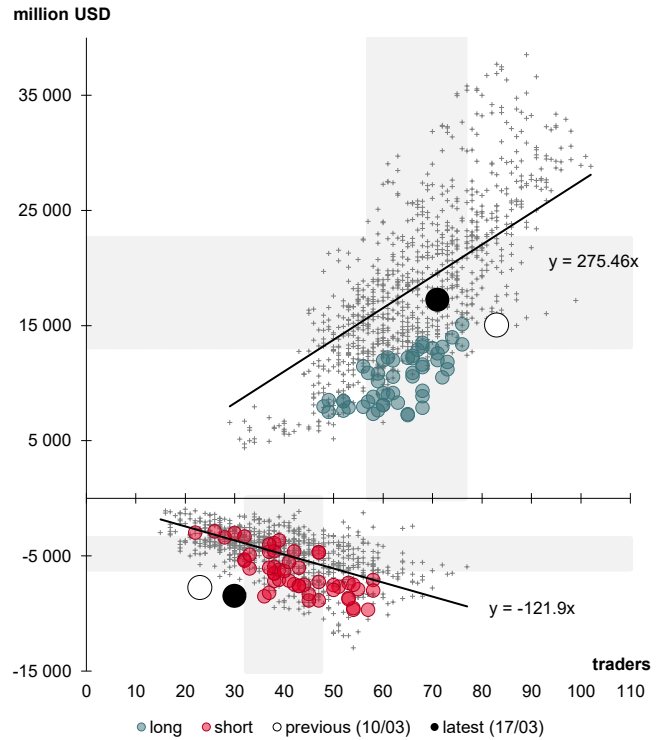
Published 13 March 2026 – [link](#)

# NYMEX WTI

Money manager dry powder analysis (open interest)

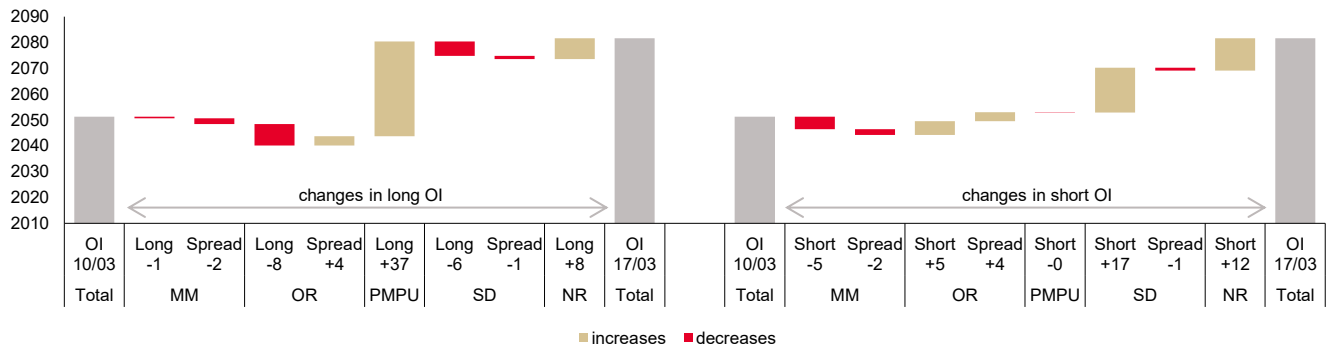


Money manager dry powder analysis (notional)

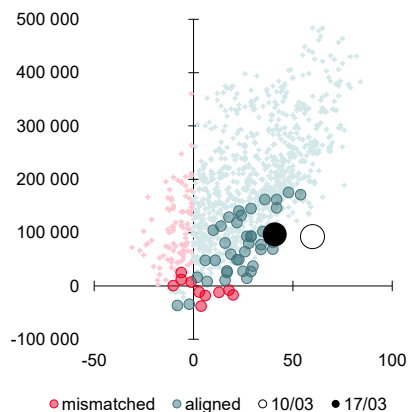


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

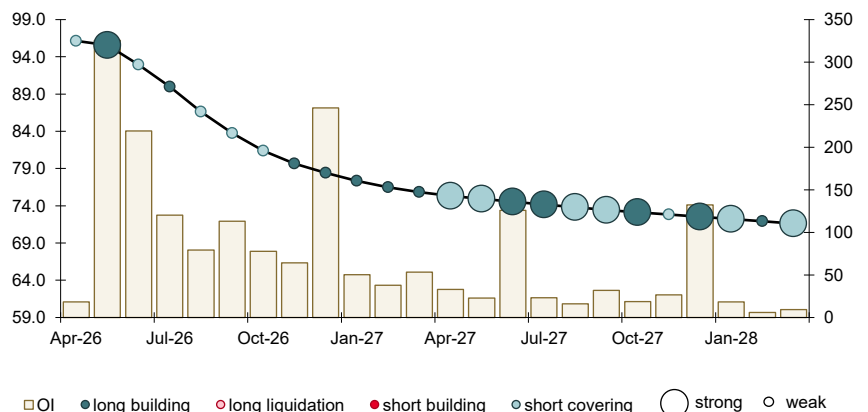
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

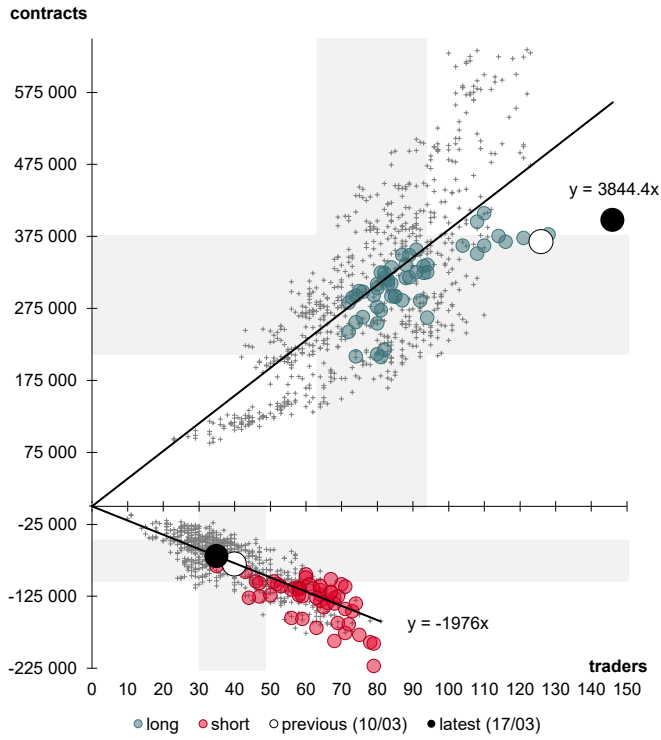


Source: SG Cross Asset Research/Commodities

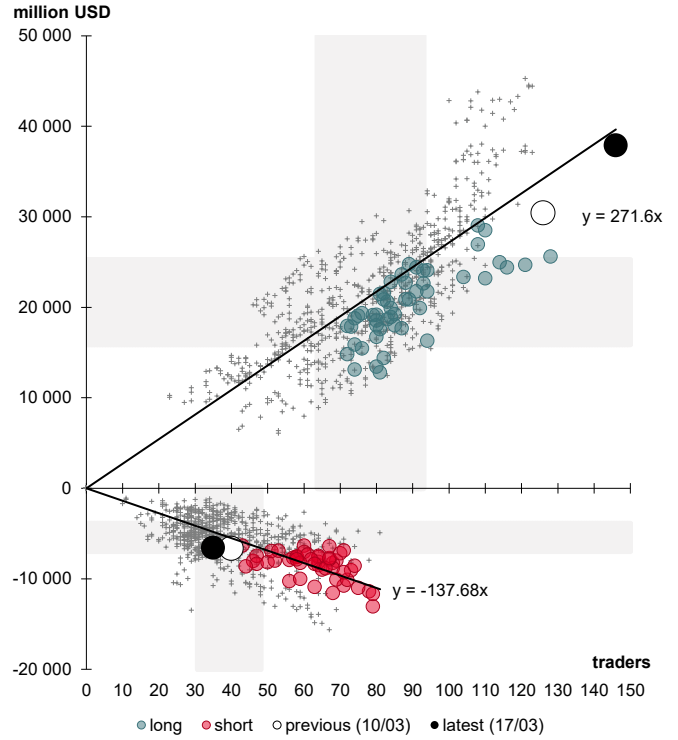
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# ICE Brent

Money manager dry powder analysis (open interest)

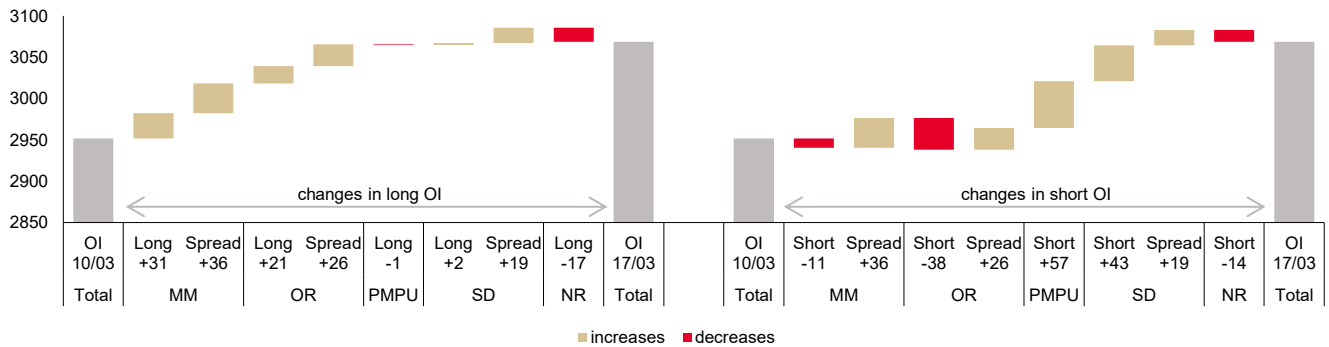


Money manager dry powder analysis (notional)

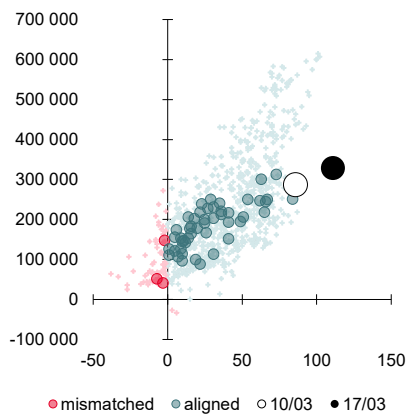


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

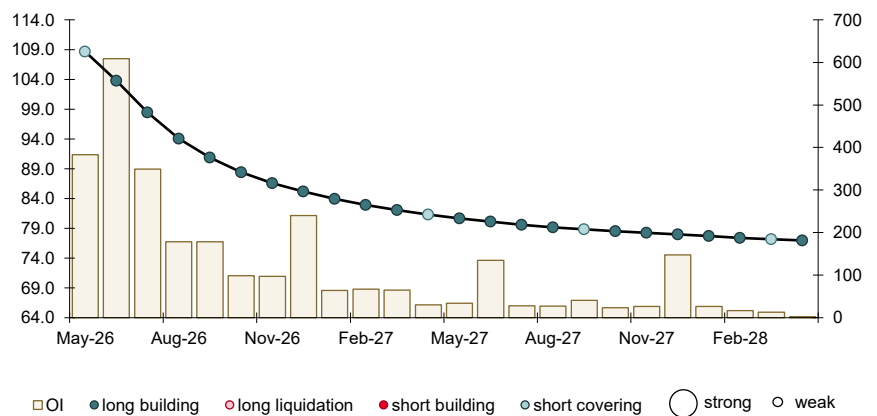
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

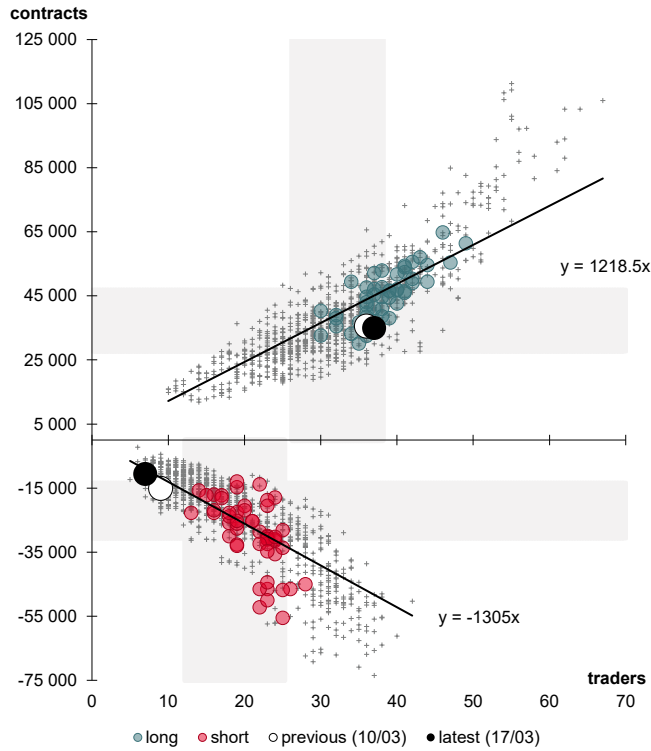


Source: SG Cross Asset Research/Commodities

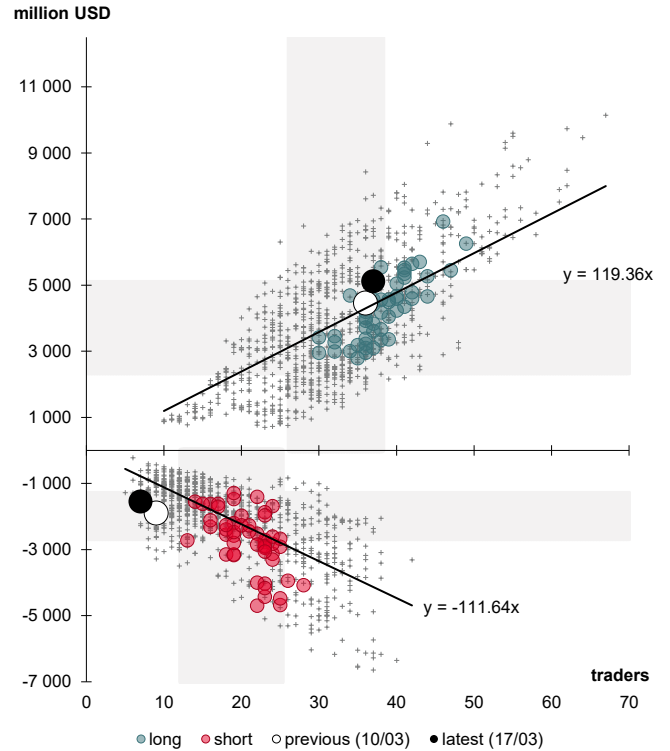
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# NYMEX ULSD Heating Oil

Money manager dry powder analysis (open interest)

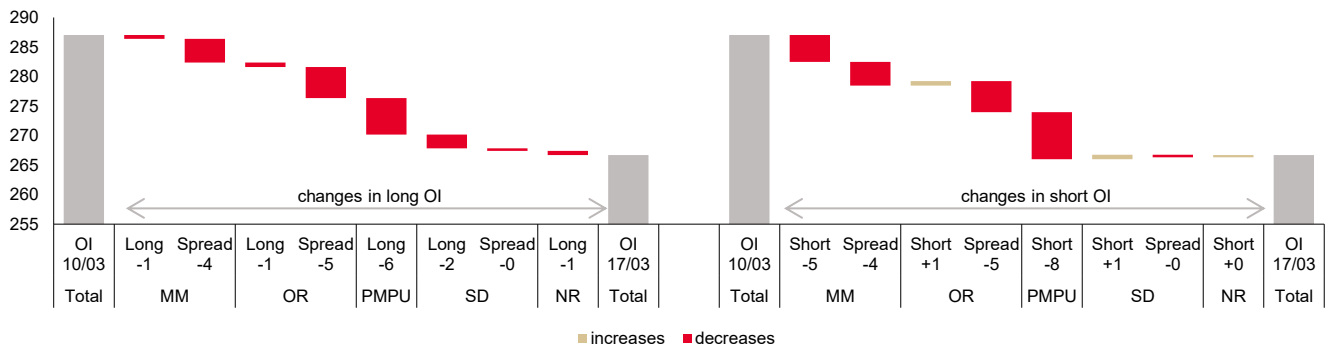


Money manager dry powder analysis (notional)

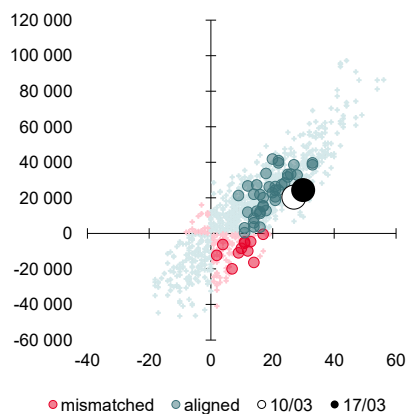


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

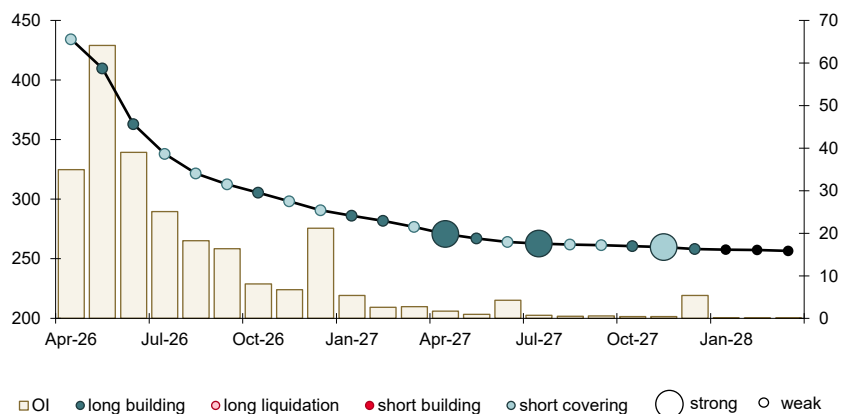
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

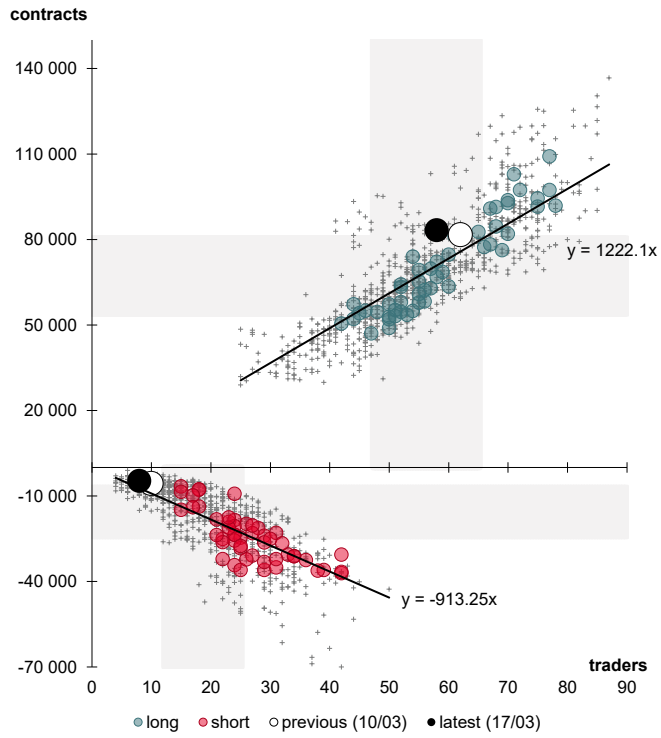


Source: SG Cross Asset Research/Commodities

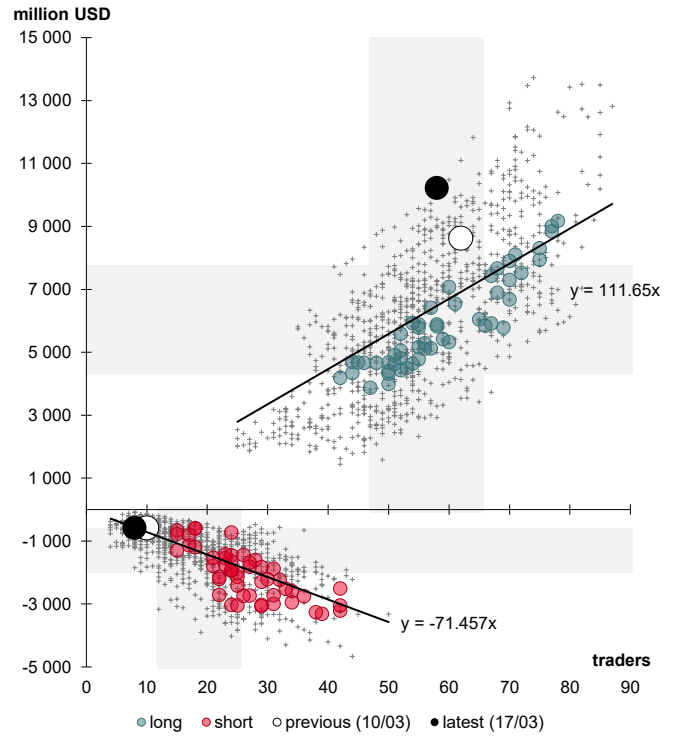
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# NYMEX RBOB Gasoline

Money manager dry powder analysis (open interest)

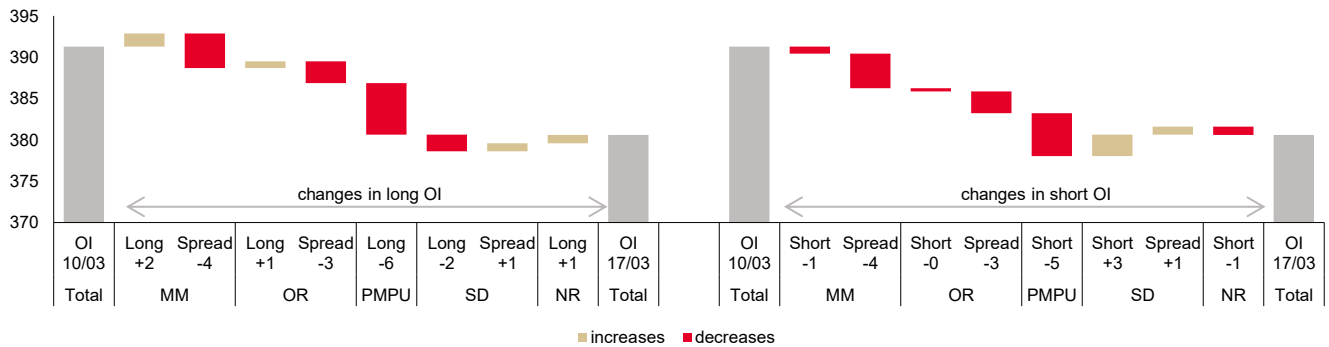


Money manager dry powder analysis (notional)

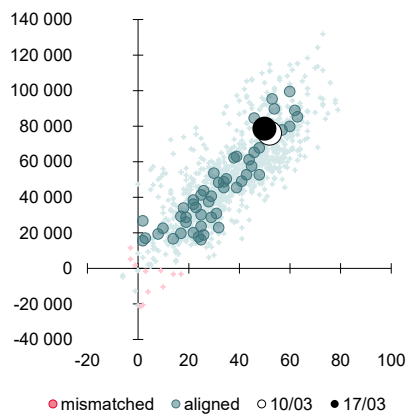


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

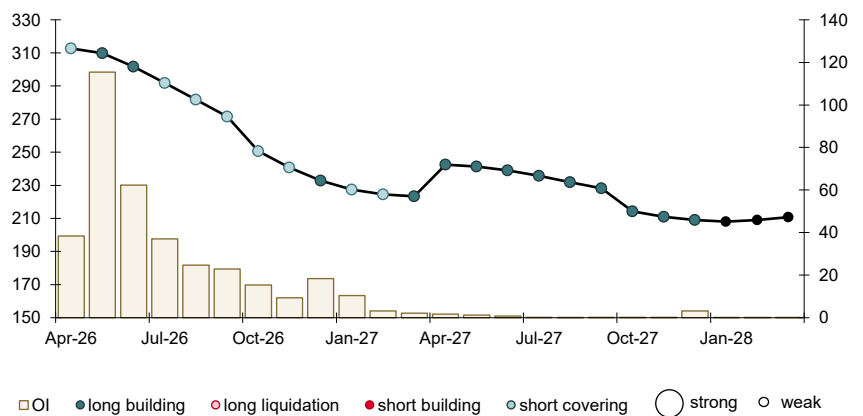
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

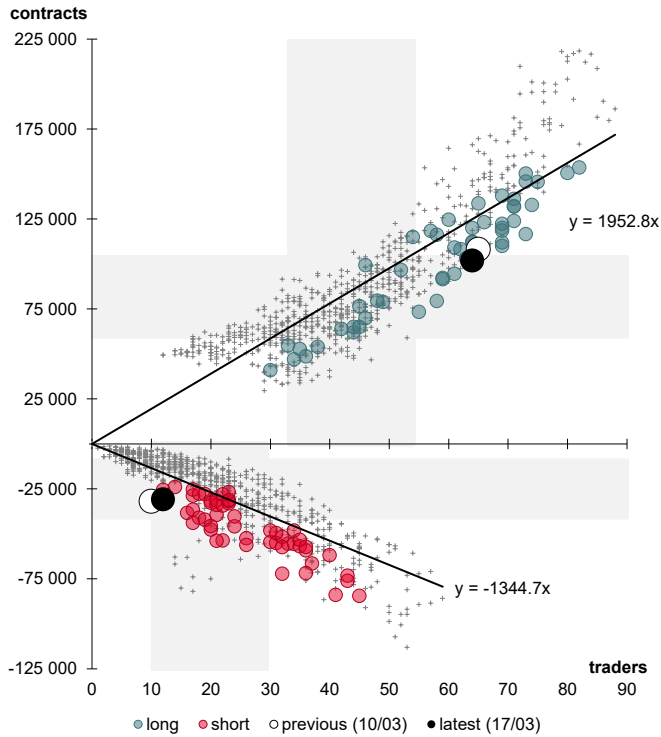


Source: SG Cross Asset Research/Commodities

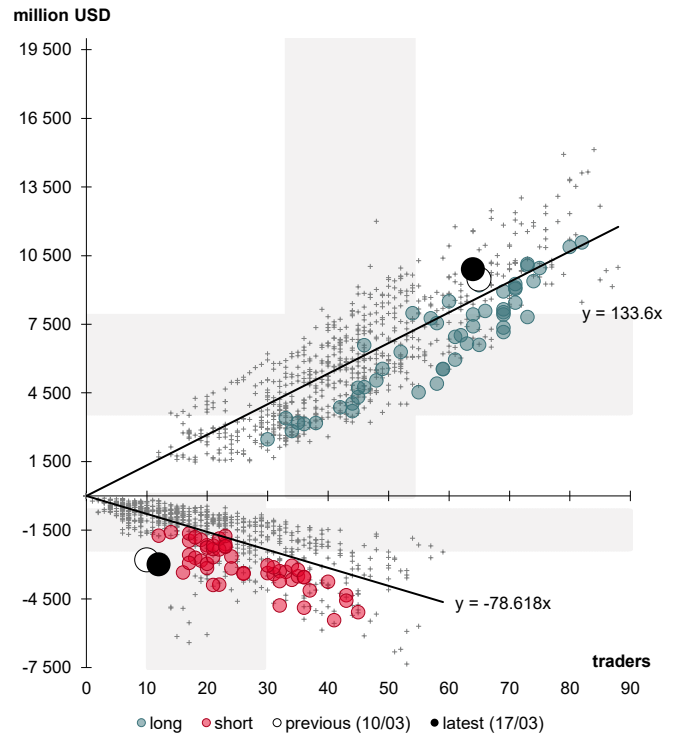
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# ICE Gasoil

Money manager dry powder analysis (open interest)

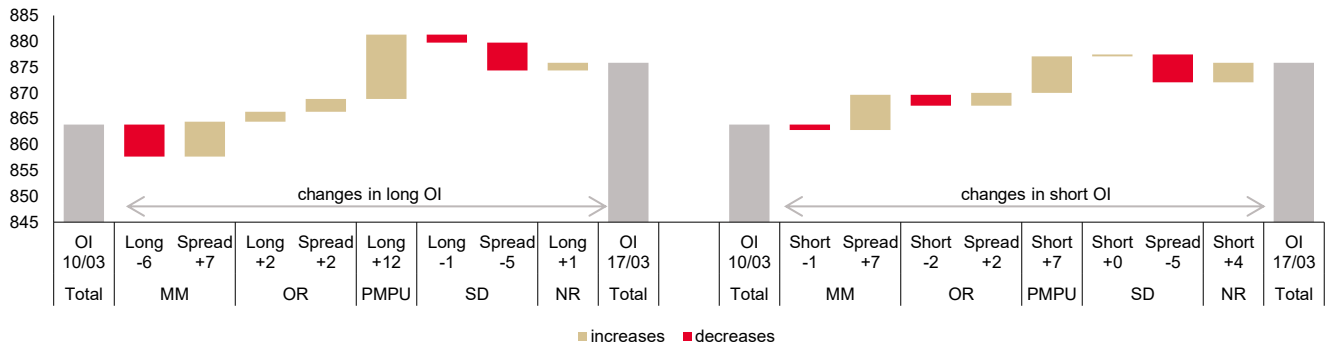


Money manager dry powder analysis (notional)

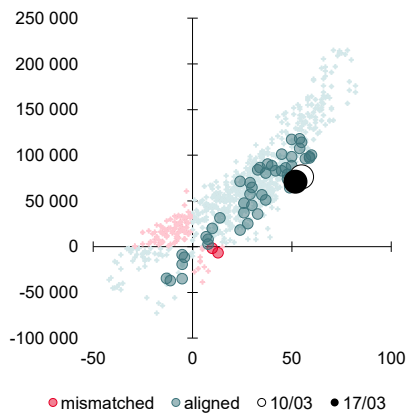


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

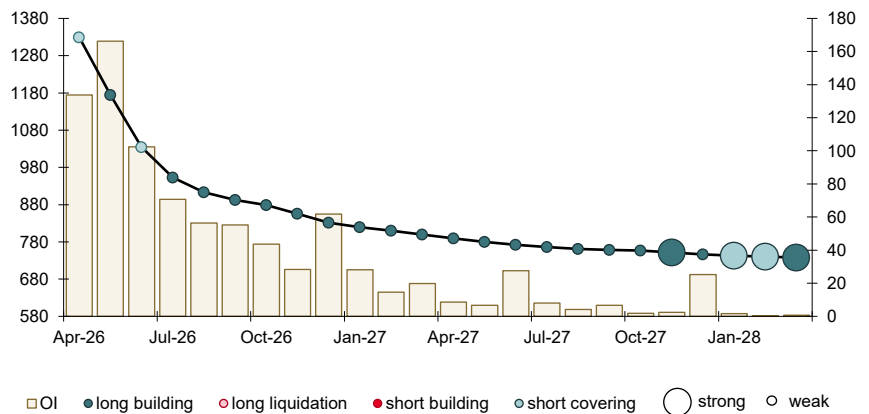
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

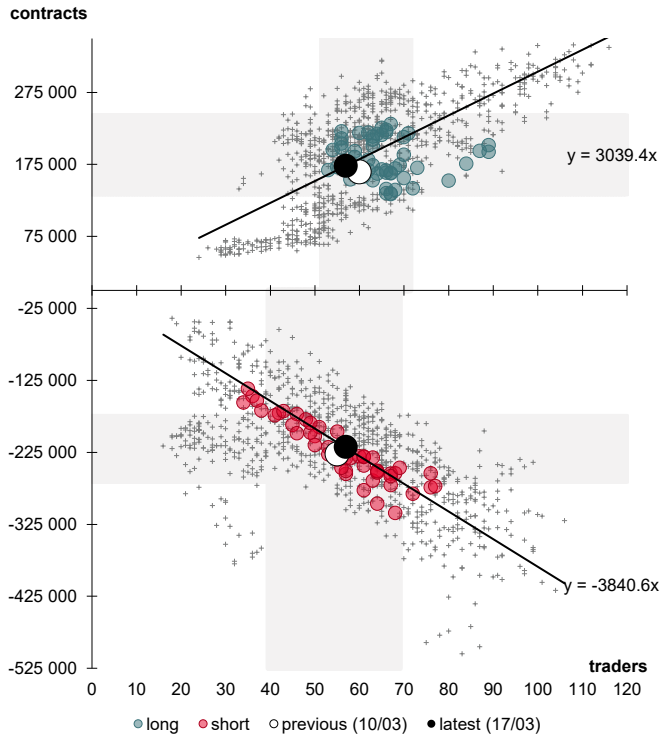


Source: SG Cross Asset Research/Commodities

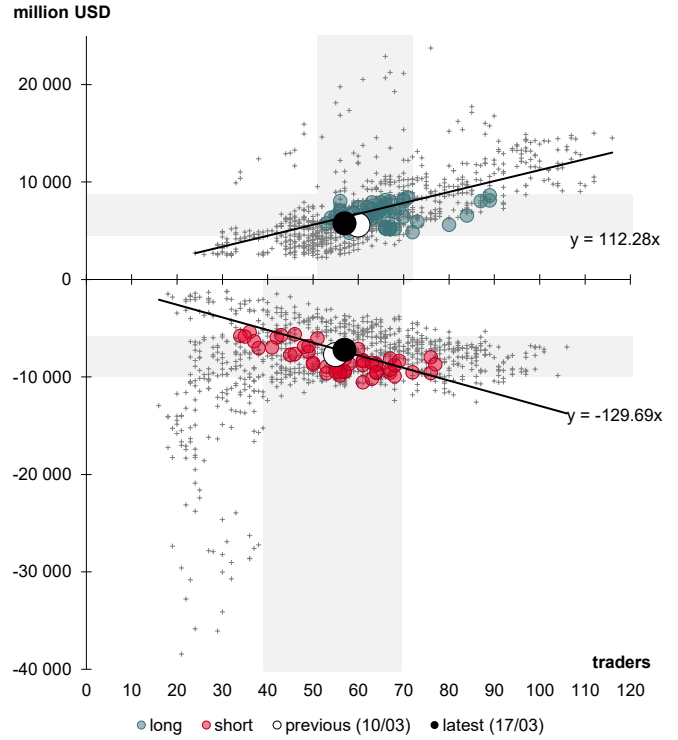
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# NYMEX Natural Gas (Henry Hub)

Money manager dry powder analysis (open interest)

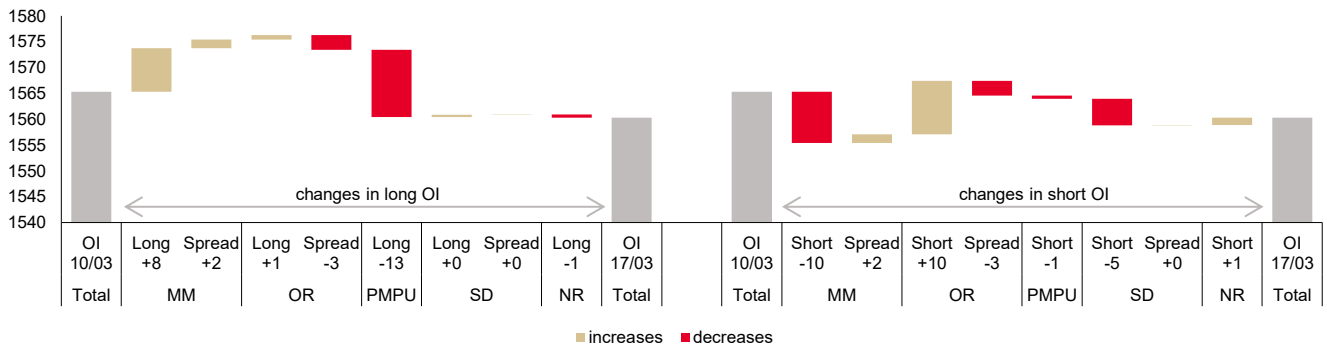


Money manager dry powder analysis (notional)

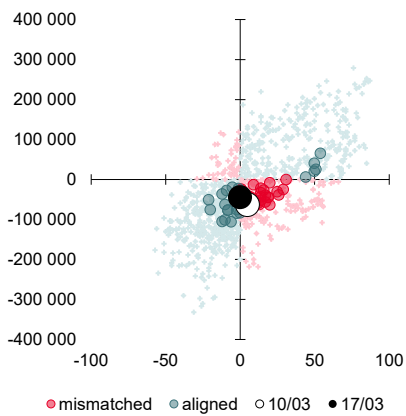


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

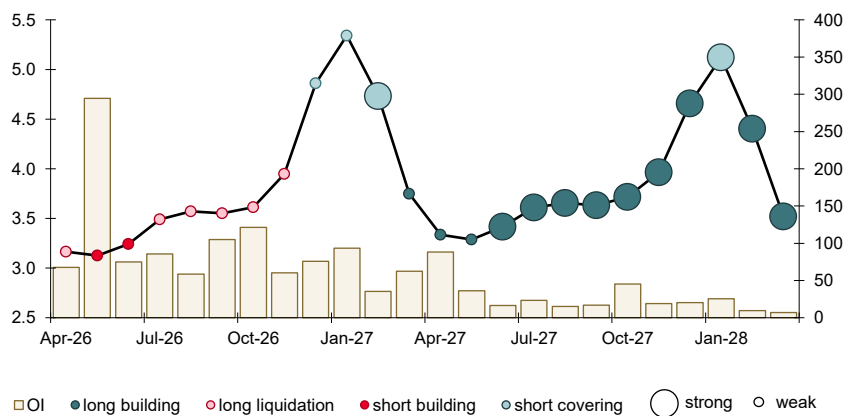
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

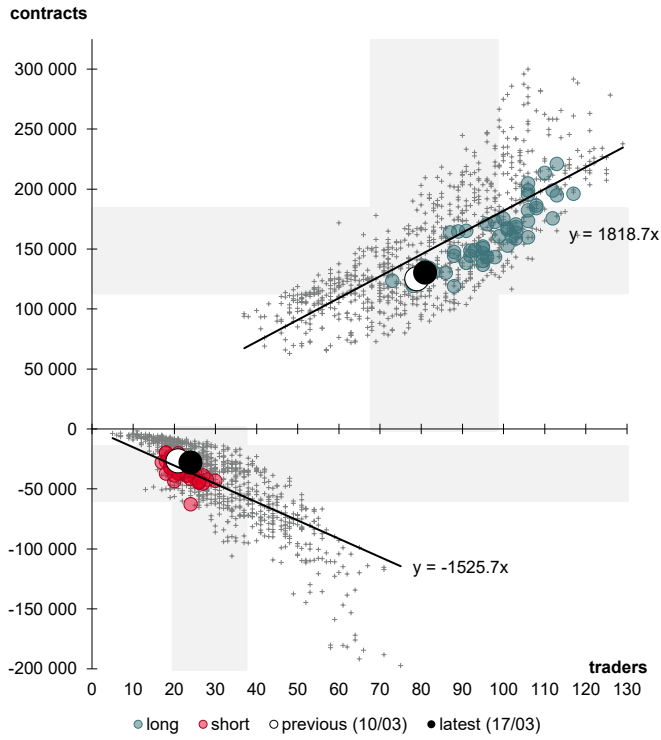


Source: SG Cross Asset Research/Commodities

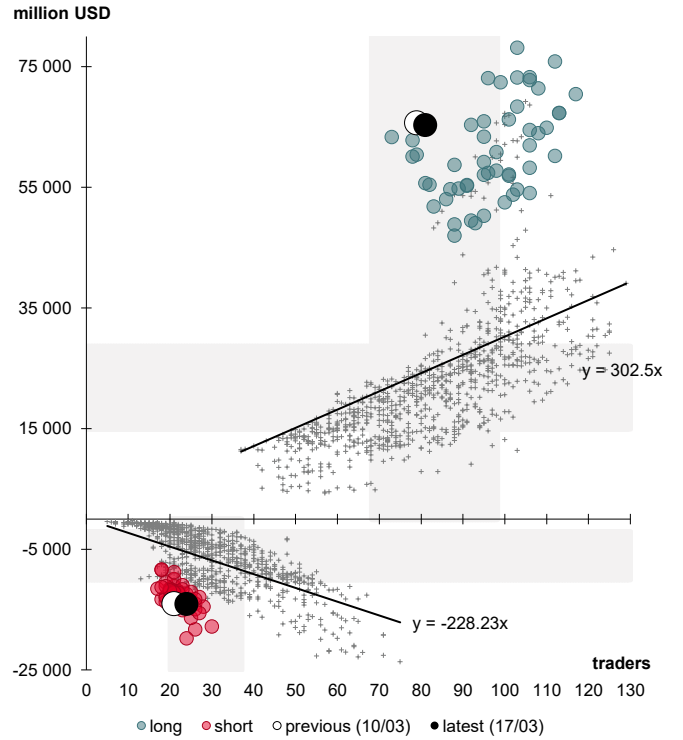
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# COMEX Gold

Money manager dry powder analysis (open interest)

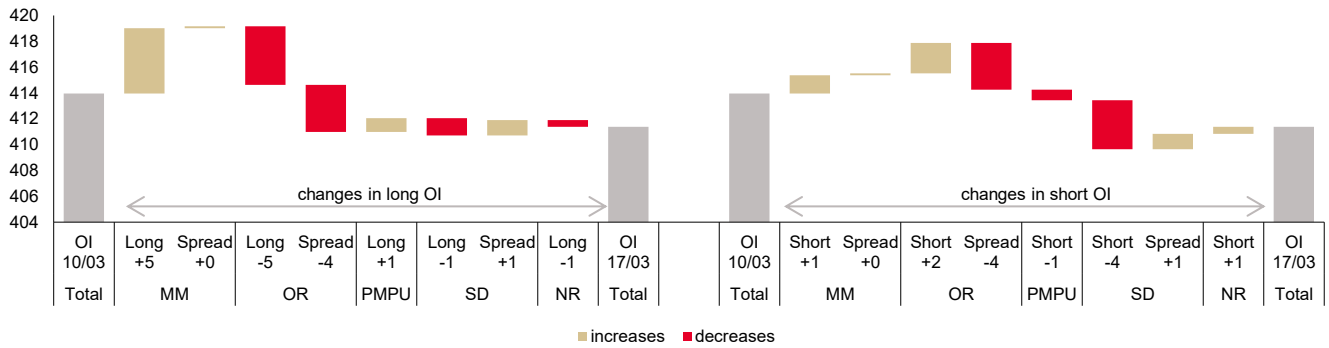


Money manager dry powder analysis (notional)

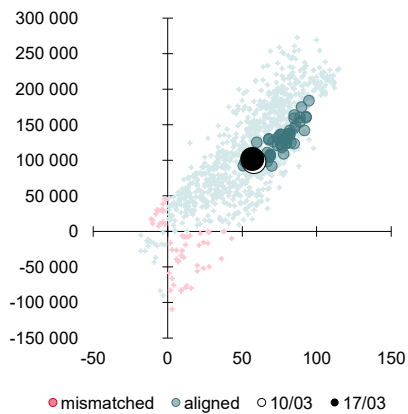


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

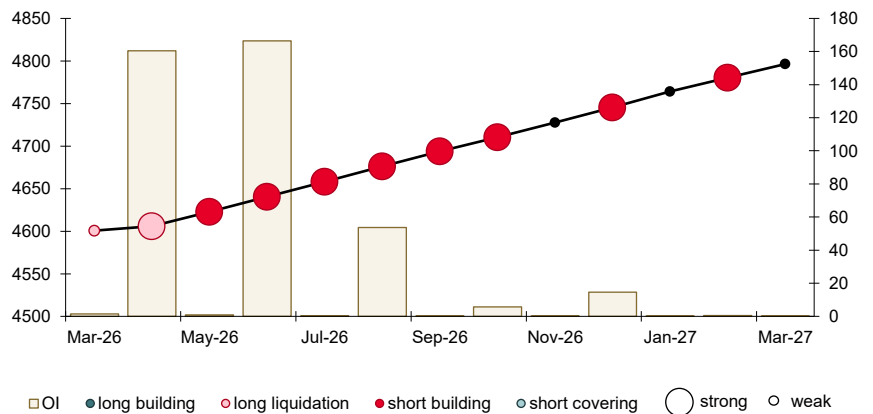
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

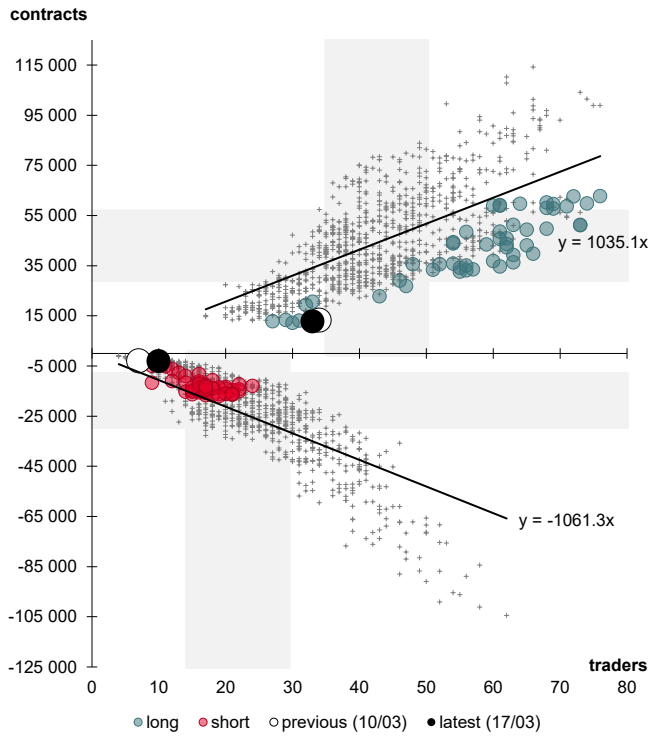


Source: SG Cross Asset Research/Commodities

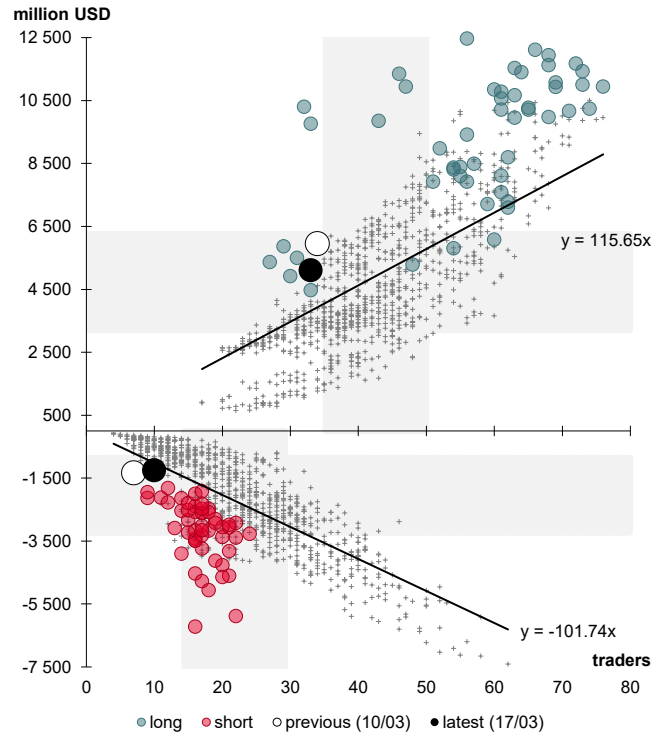
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# COMEX Silver

Money manager dry powder analysis (open interest)

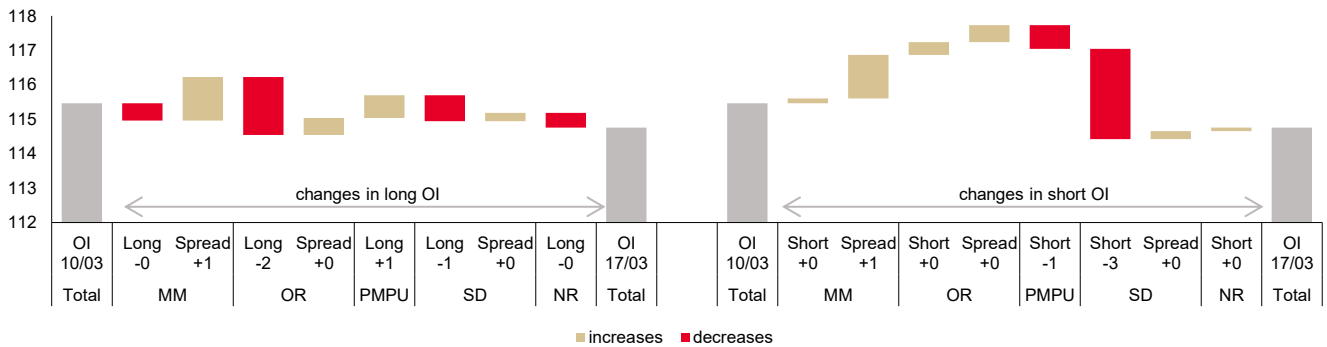


Money manager dry powder analysis (notional)

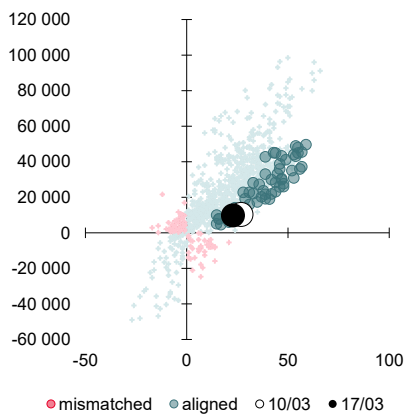


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

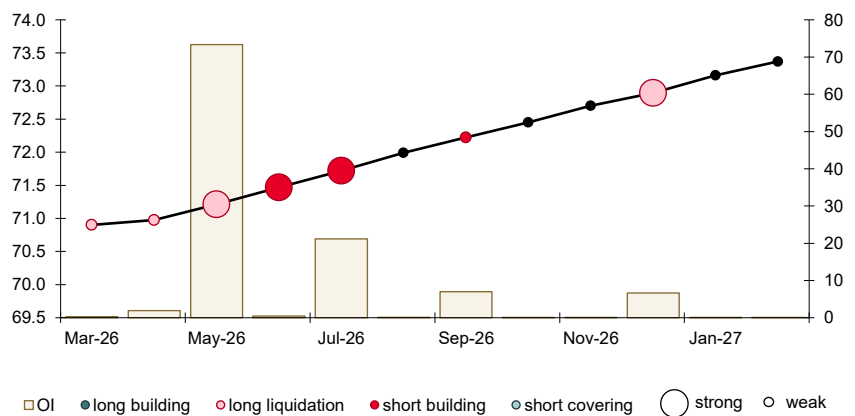
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

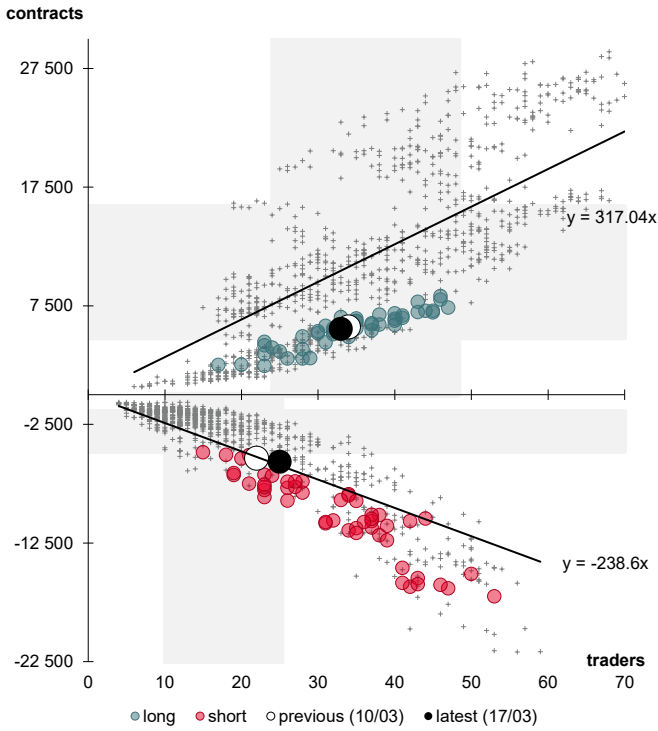


Source: SG Cross Asset Research/Commodities

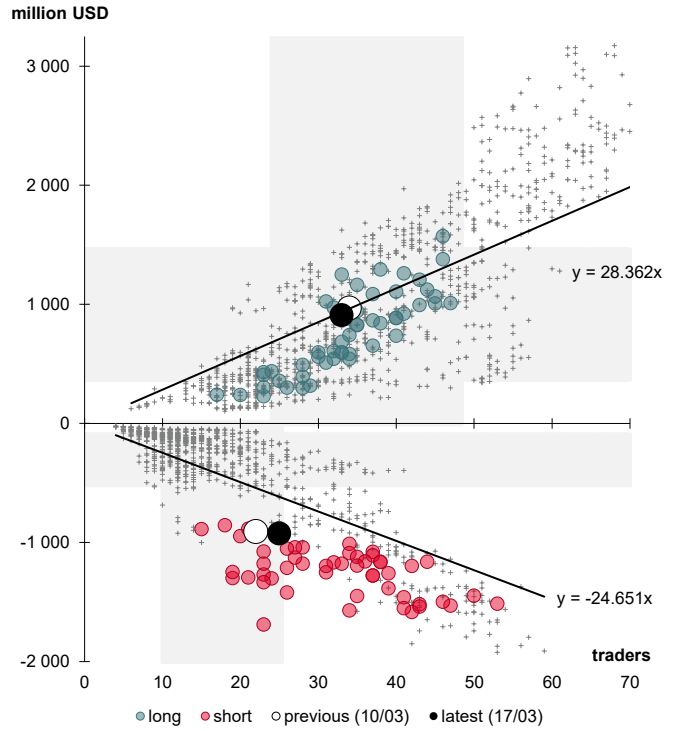
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# NYMEX Palladium

Money manager dry powder analysis (open interest)

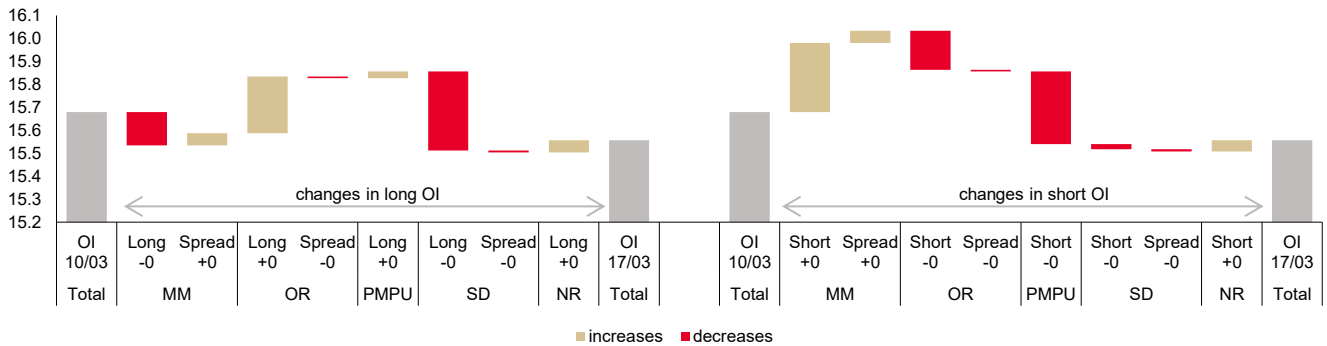


Money manager dry powder analysis (notional)

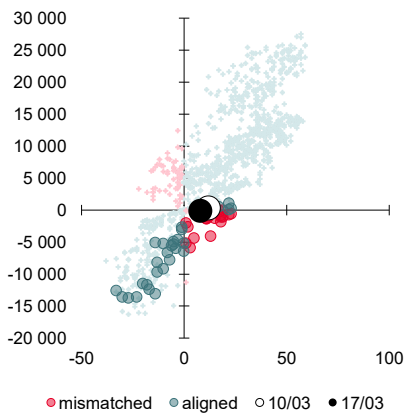


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

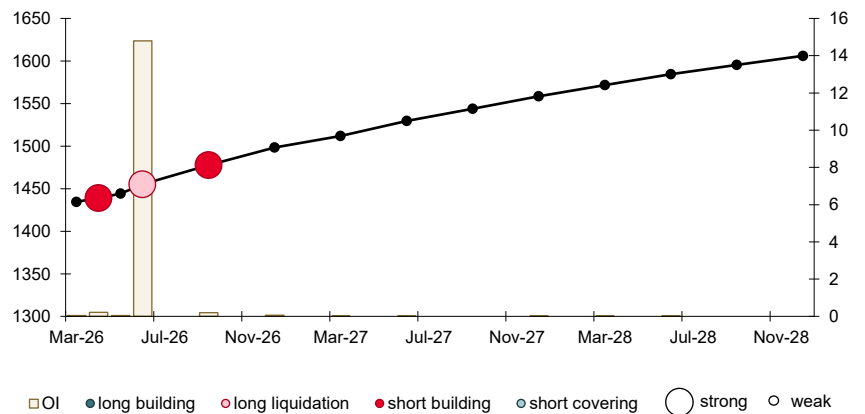
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

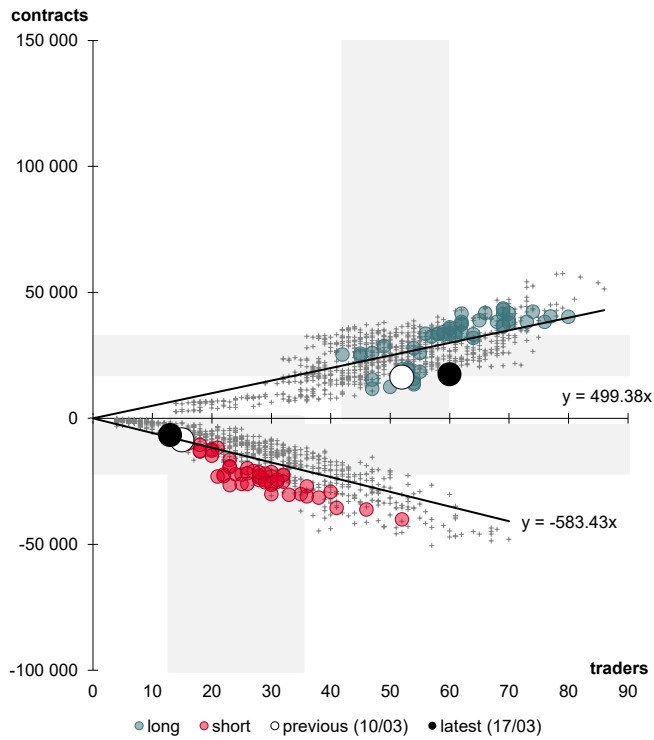


Source: SG Cross Asset Research/Commodities

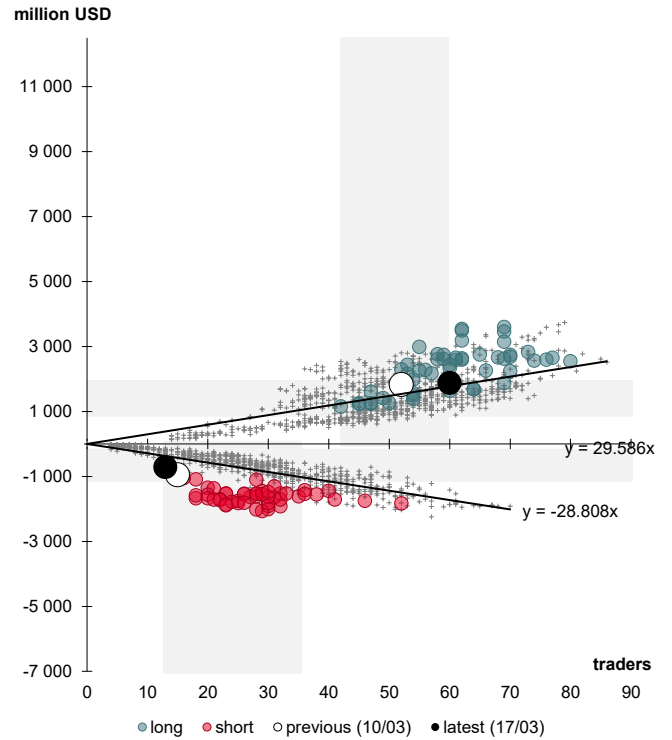
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# NYMEX Platinum

Money manager dry powder analysis (open interest)

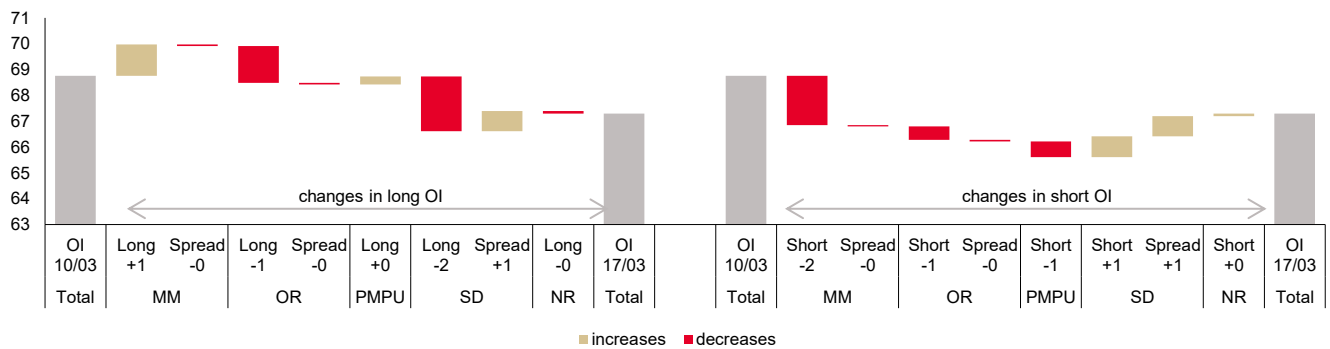


Money manager dry powder analysis (notional)

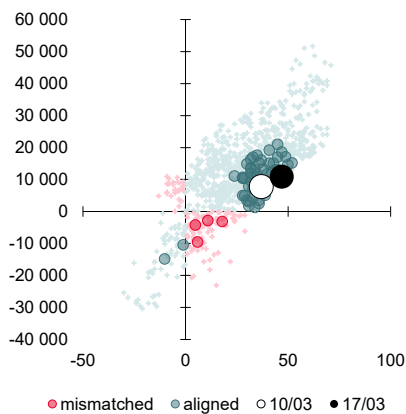


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

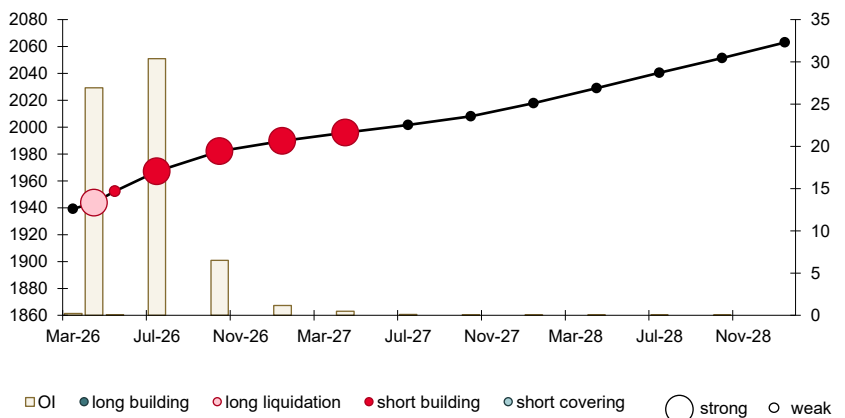
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

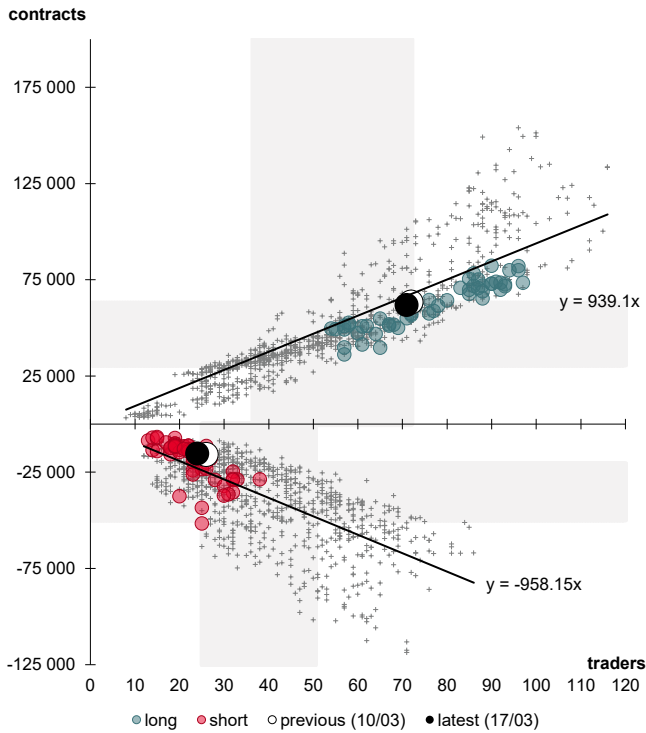


Source: SG Cross Asset Research/Commodities

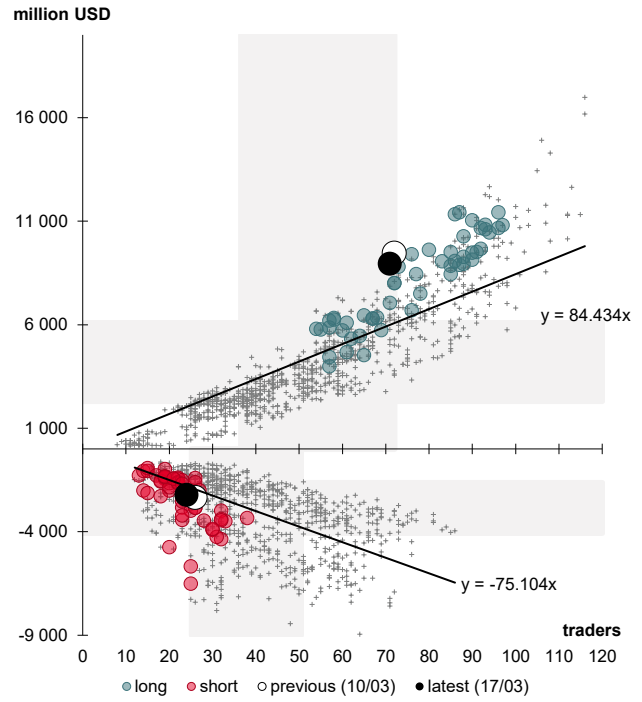
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# COMEX Copper

Money manager dry powder analysis (open interest)

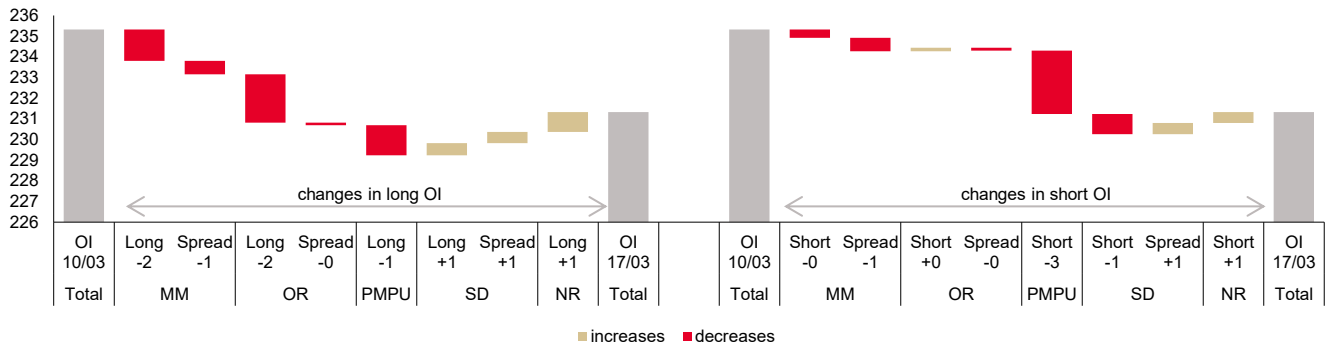


Money manager dry powder analysis (notional)

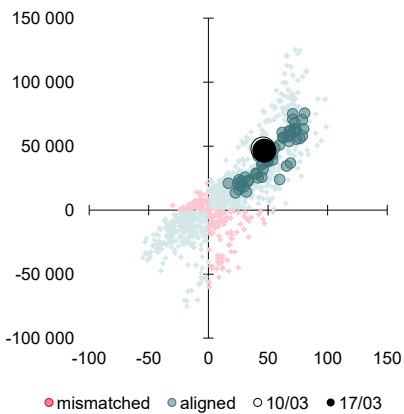


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

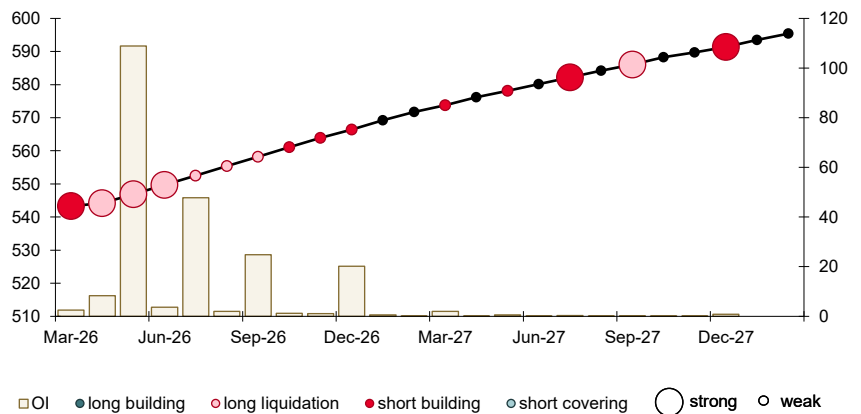
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

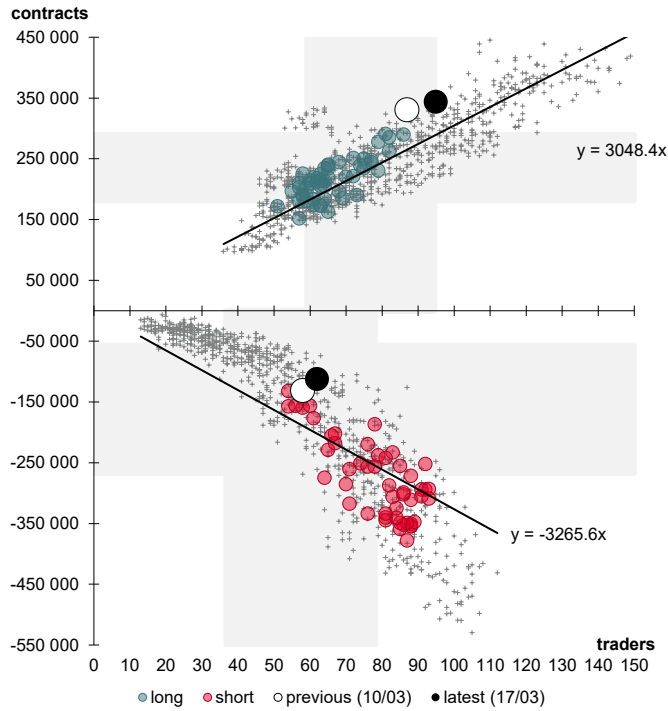


Source: SG Cross Asset Research/Commodities

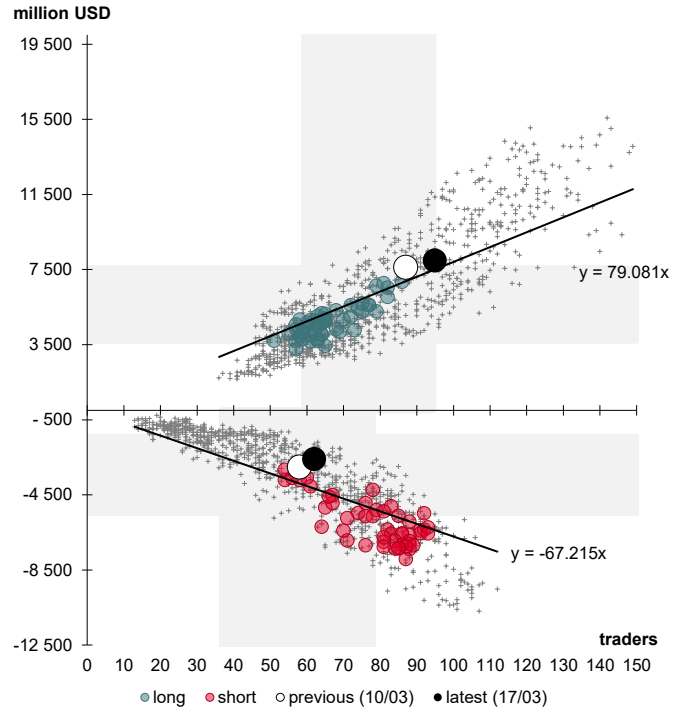
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CBOT Corn

Money manager dry powder analysis (open interest)

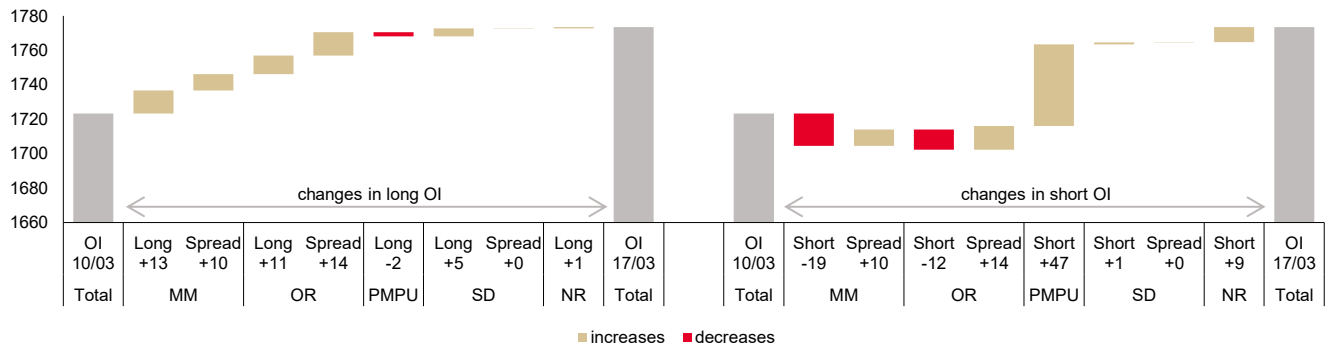


Money manager dry powder analysis (notional)

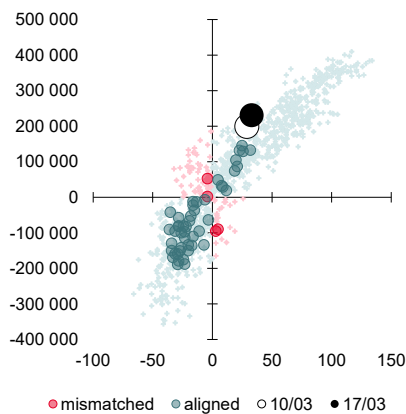


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

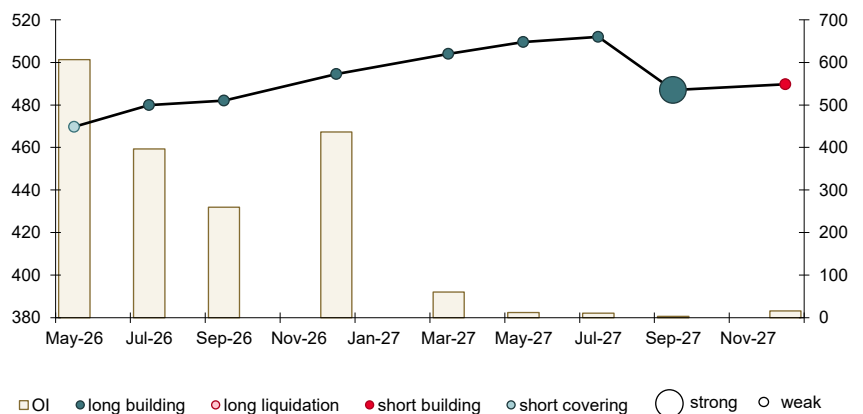
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

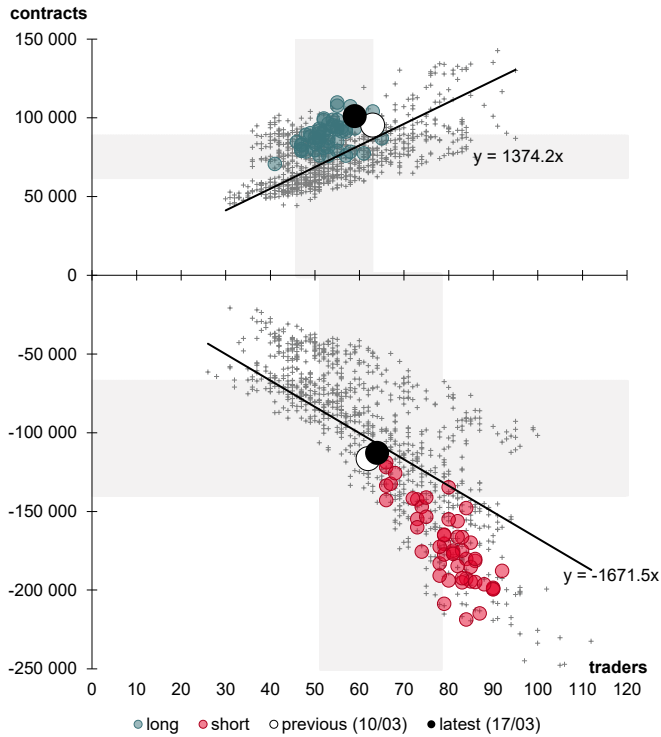


Source: SG Cross Asset Research/Commodities

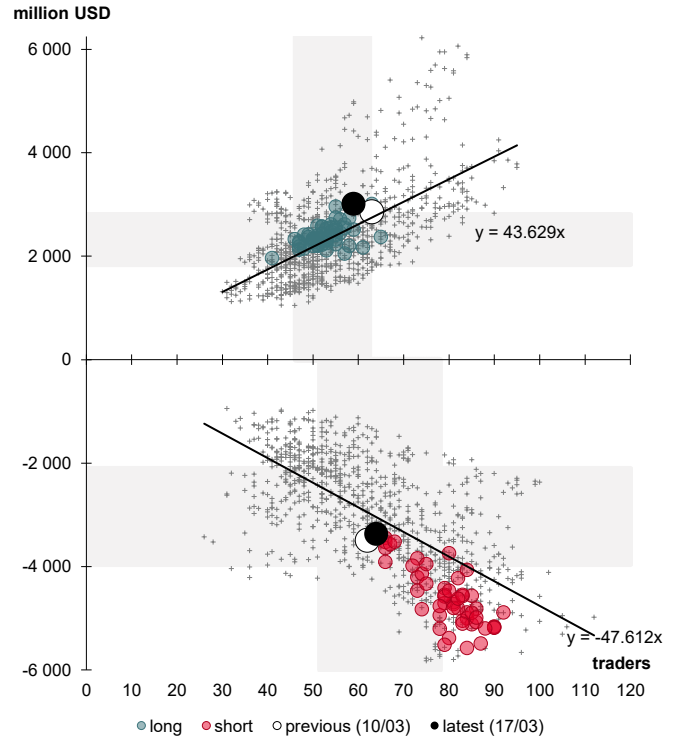
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CBOT Wheat (Chicago)

Money manager dry powder analysis (open interest)

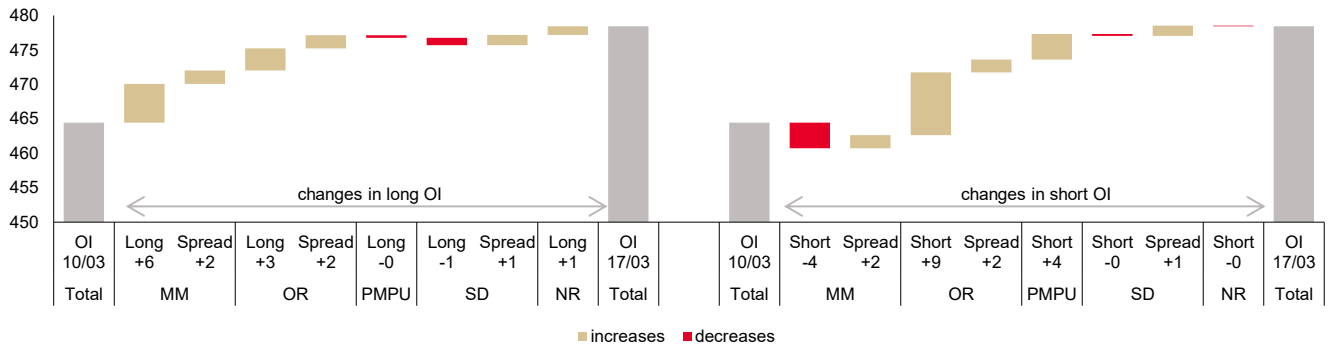


Money manager dry powder analysis (notional)

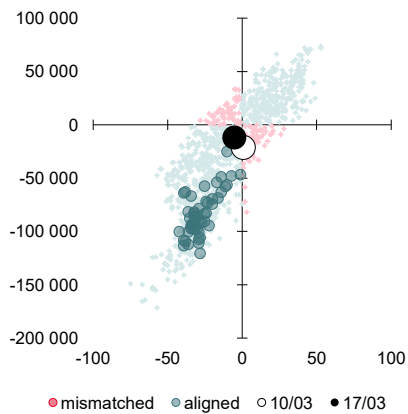


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

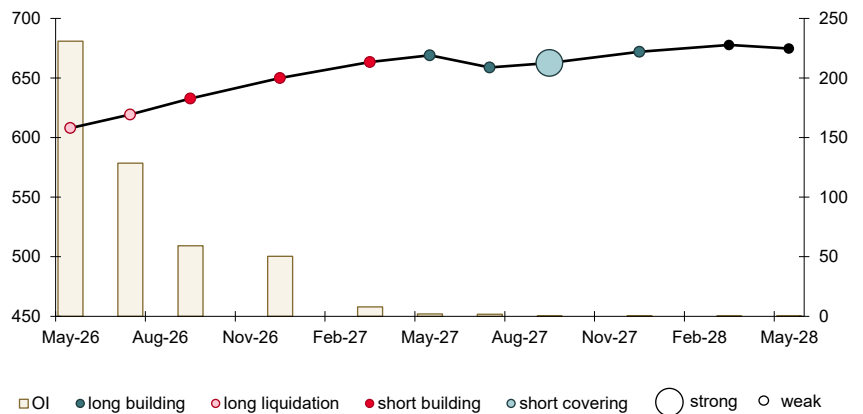
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

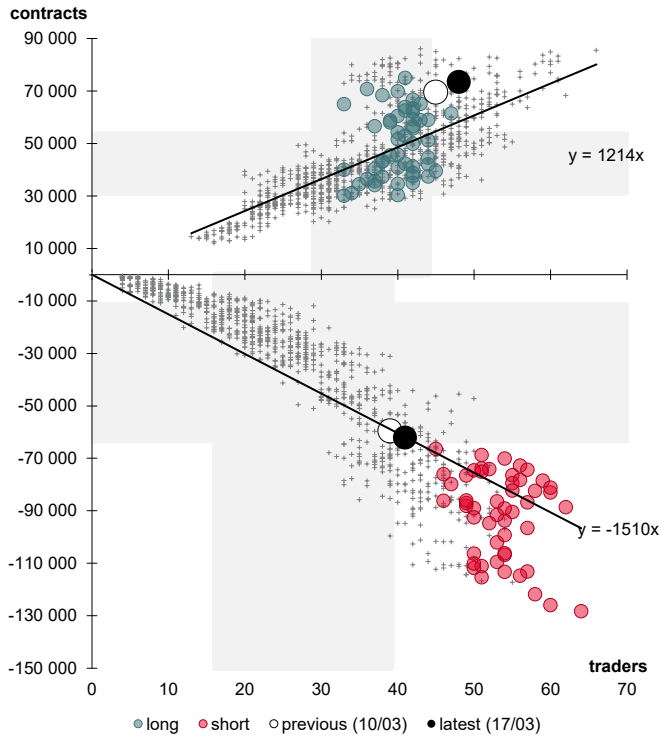


Source: SG Cross Asset Research/Commodities

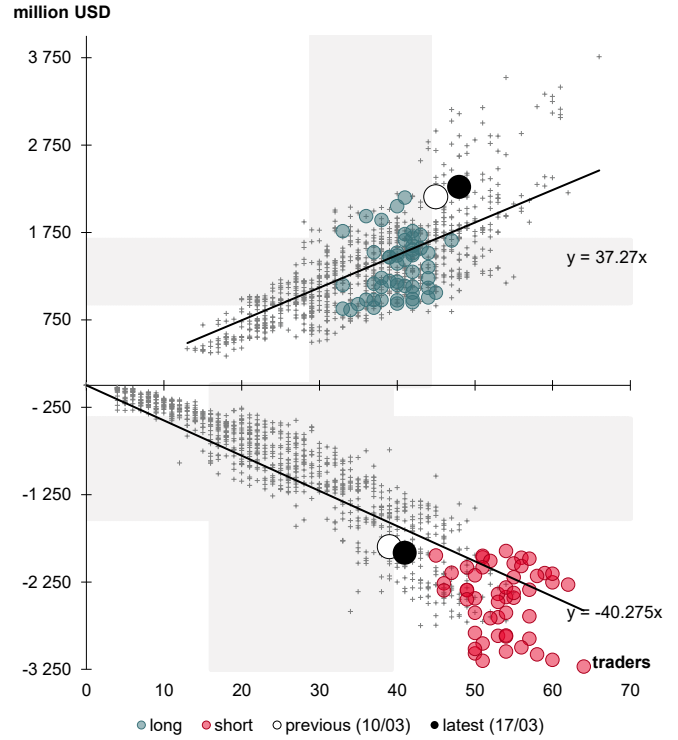
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# KCBT Wheat (Kansas)

Money manager dry powder analysis (open interest)

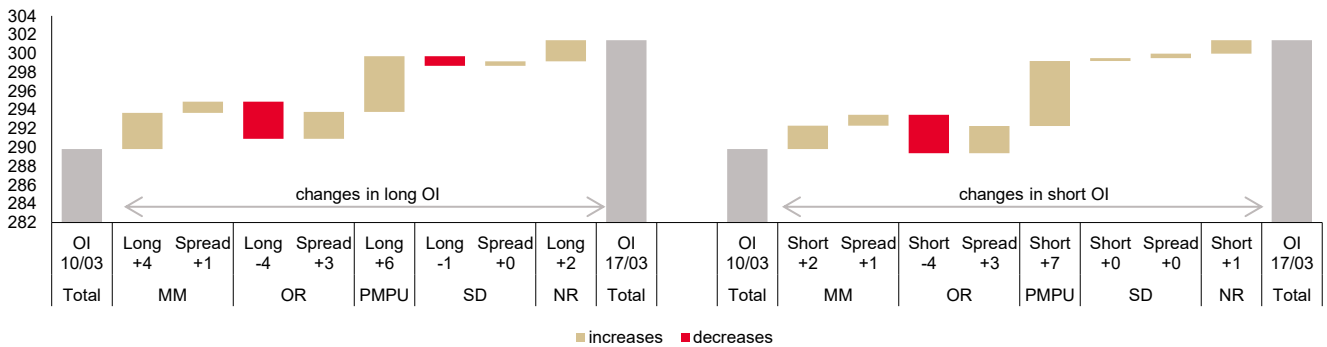


Money manager dry powder analysis (notional)

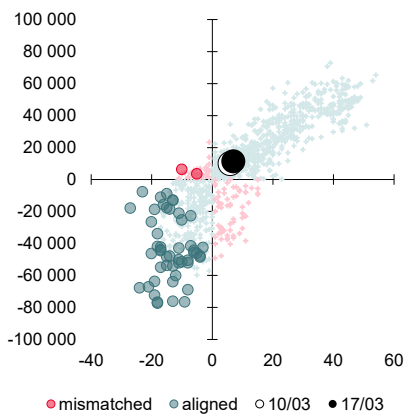


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

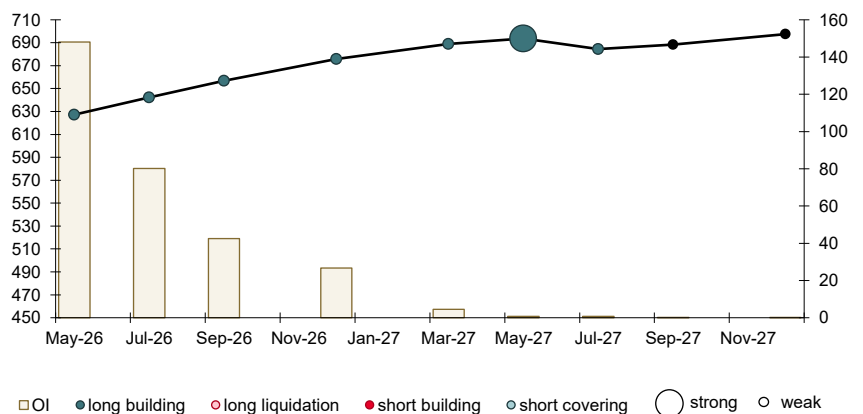
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

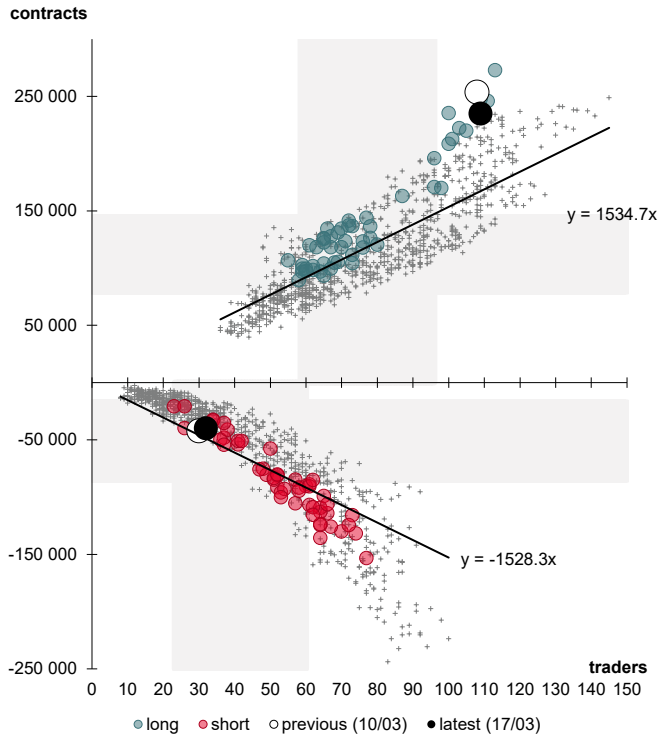


Source: SG Cross Asset Research/Commodities

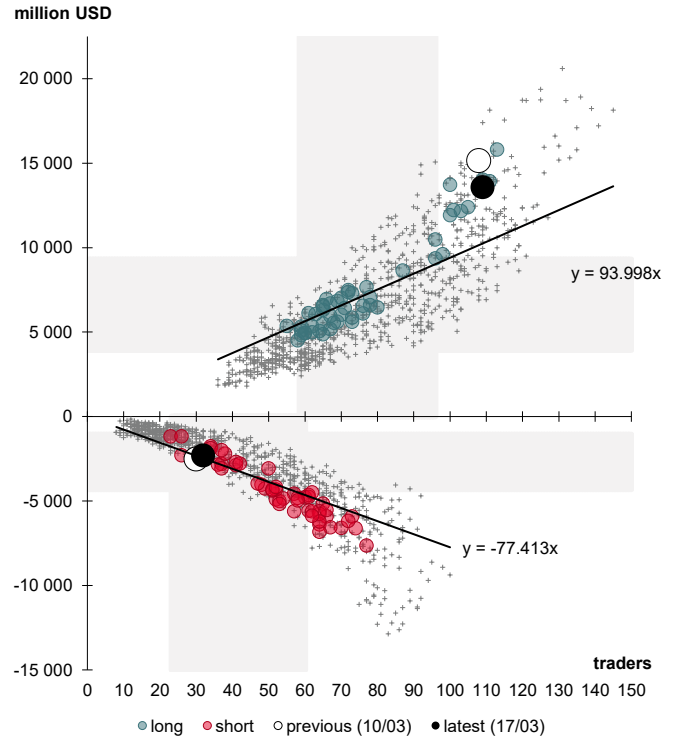
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CBOT Soybean

Money manager dry powder analysis (open interest)

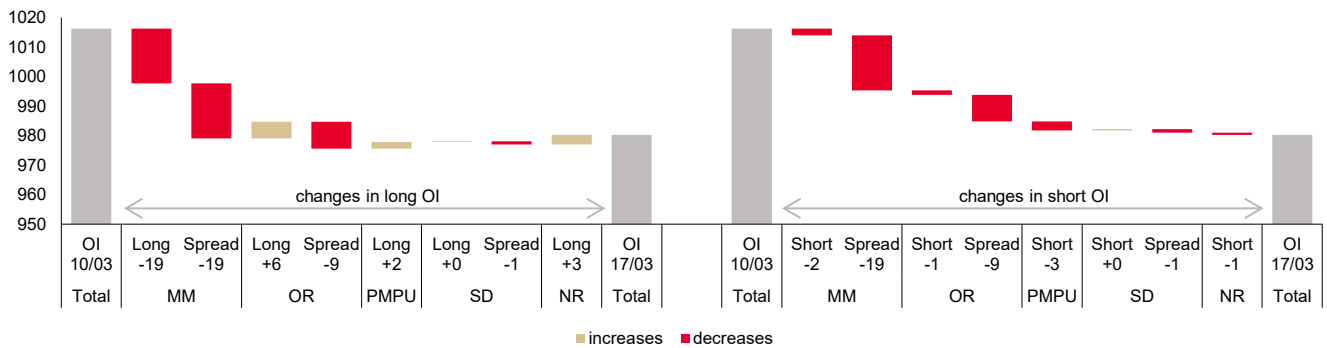


Money manager dry powder analysis (notional)

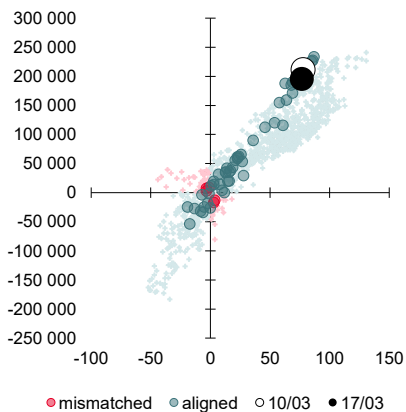


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

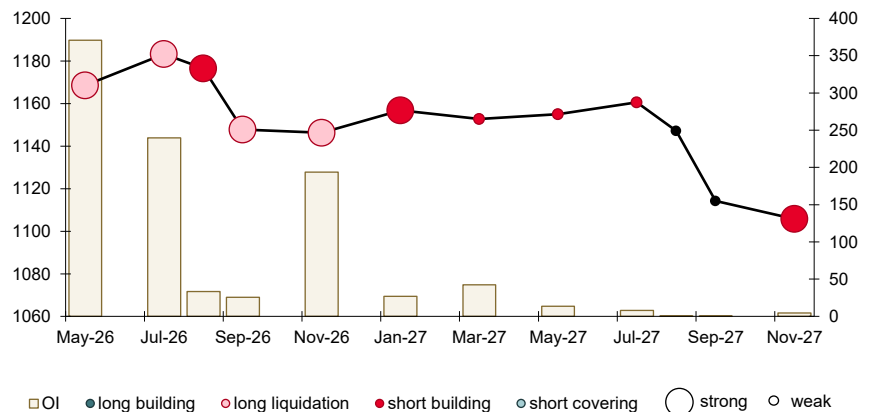
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

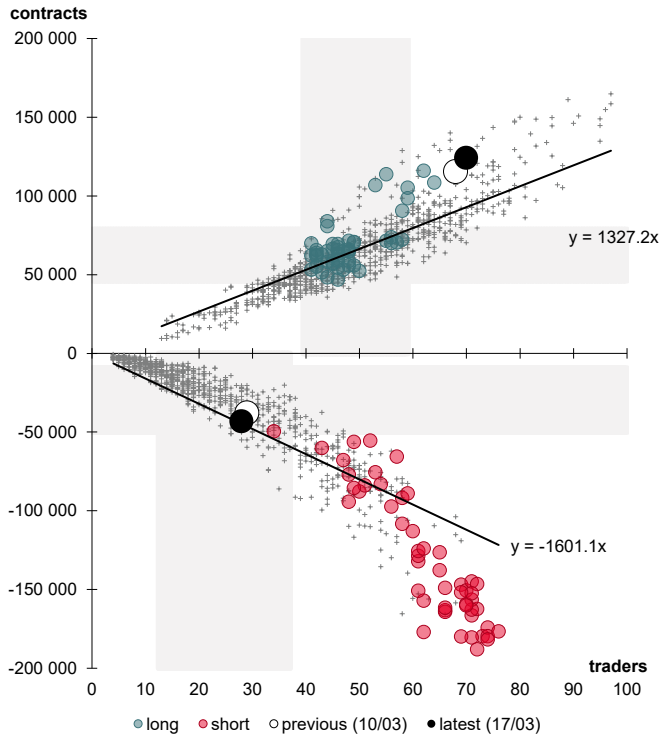


Source: SG Cross Asset Research/Commodities

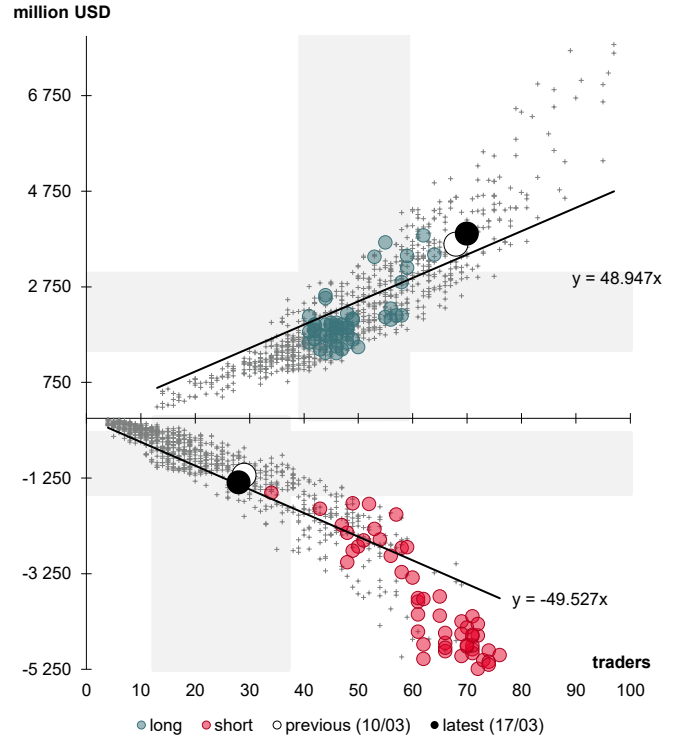
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CBOT Soybean Meal

Money manager dry powder analysis (open interest)

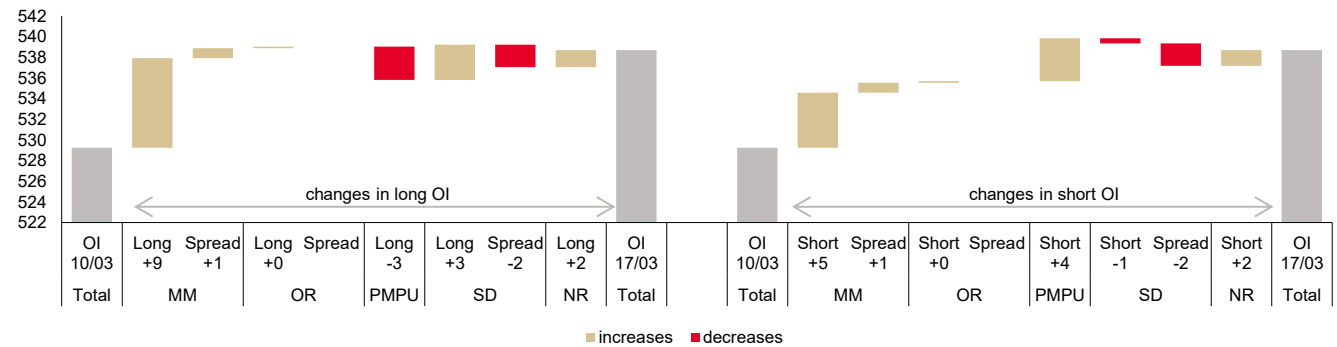


Money manager dry powder analysis (notional)

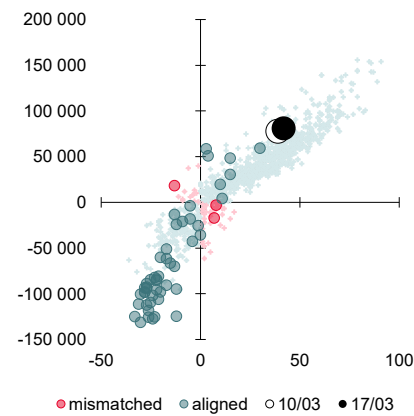


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

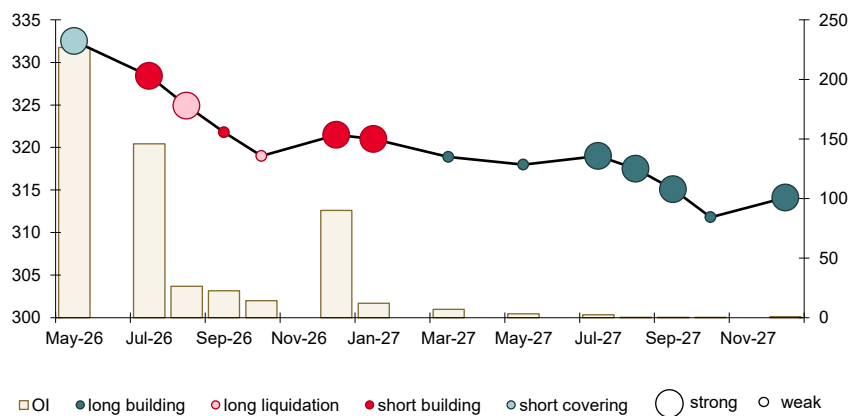
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

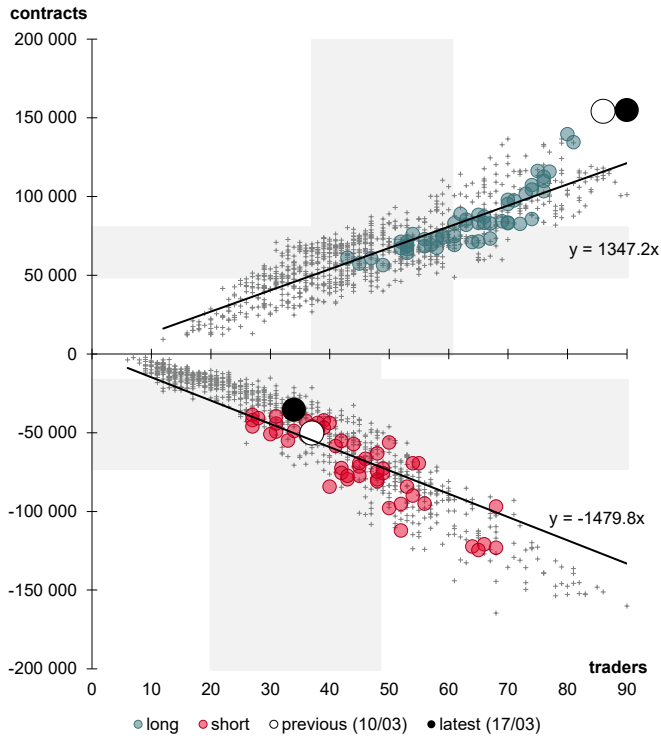


Source: SG Cross Asset Research/Commodities

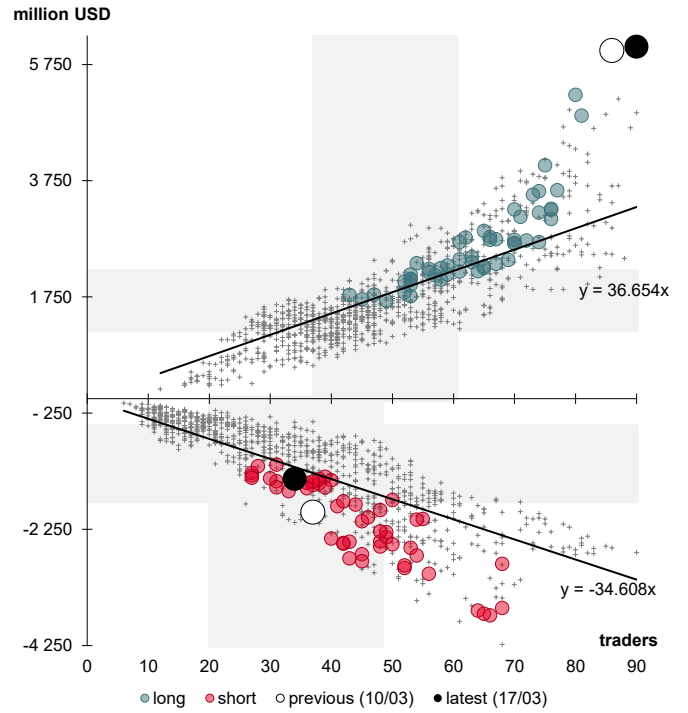
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CBOT Soybean Oil

Money manager dry powder analysis (open interest)

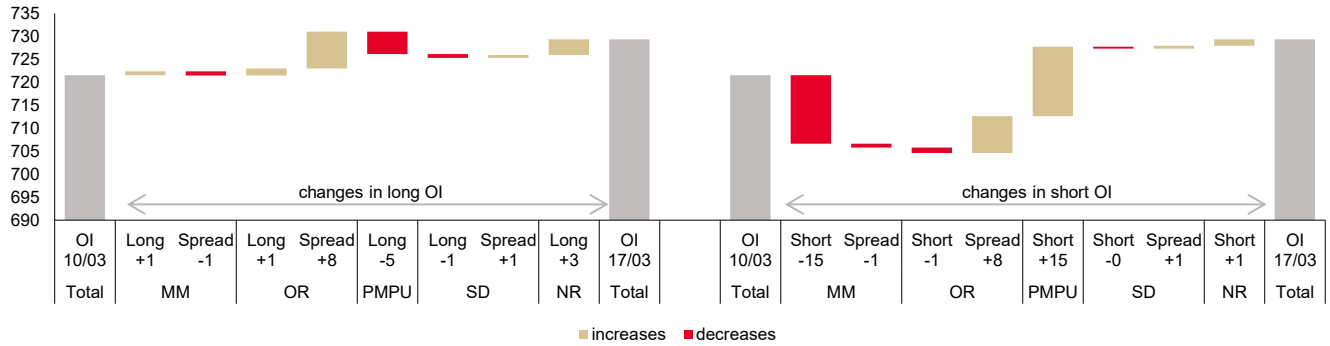


Money manager dry powder analysis (notional)

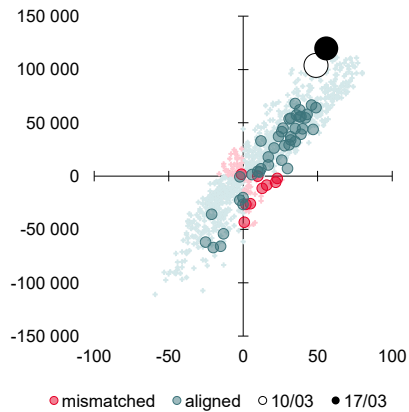


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

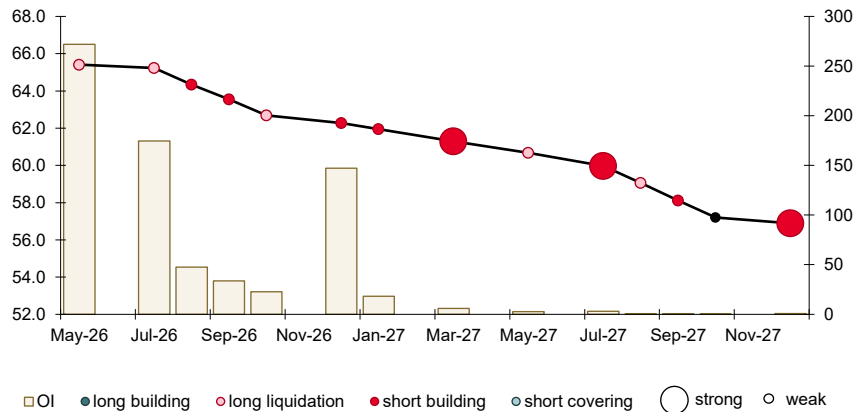
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

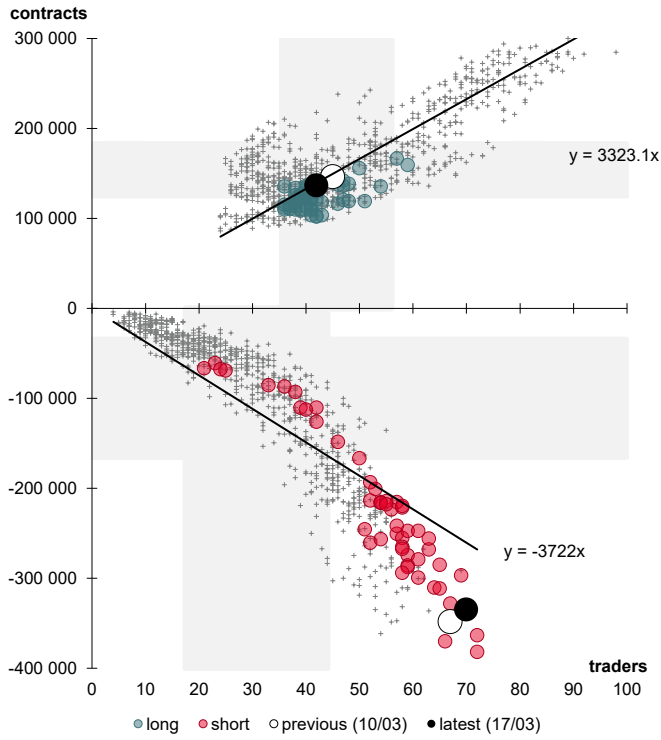


Source: SG Cross Asset Research/Commodities

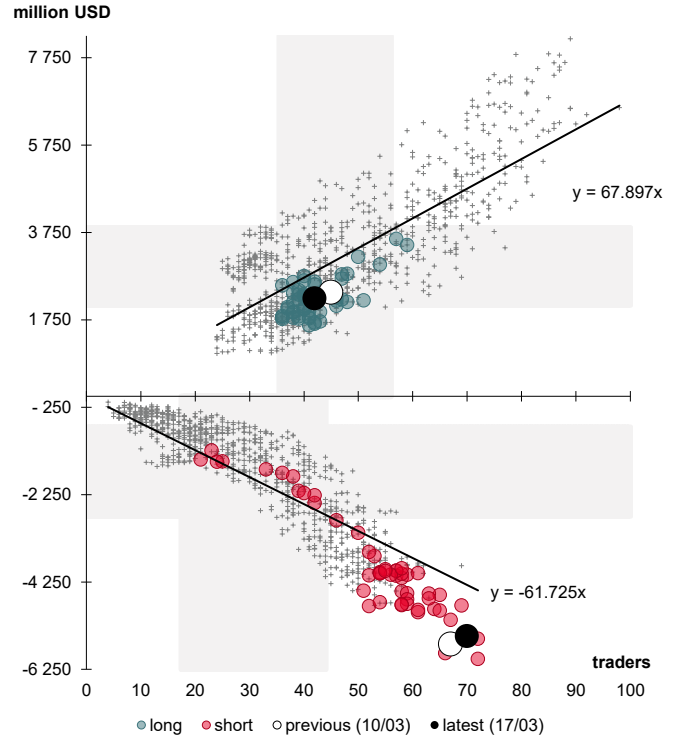
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# ICE Sugar #11

Money manager dry powder analysis (open interest)

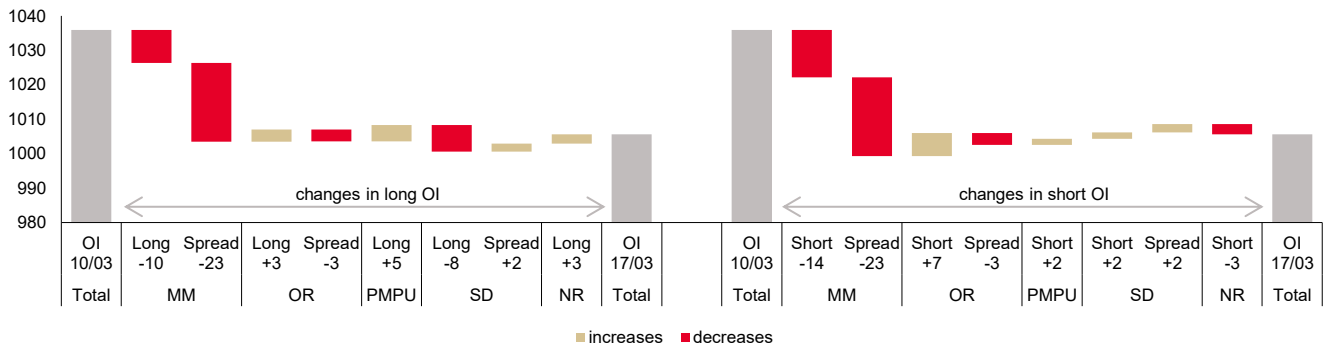


Money manager dry powder analysis (notional)

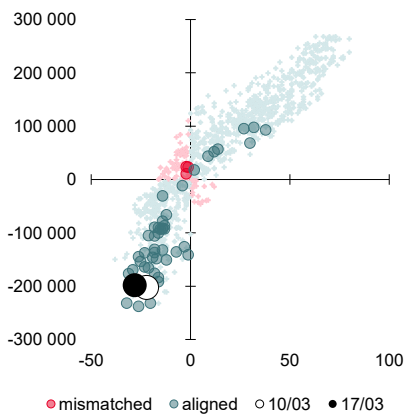


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

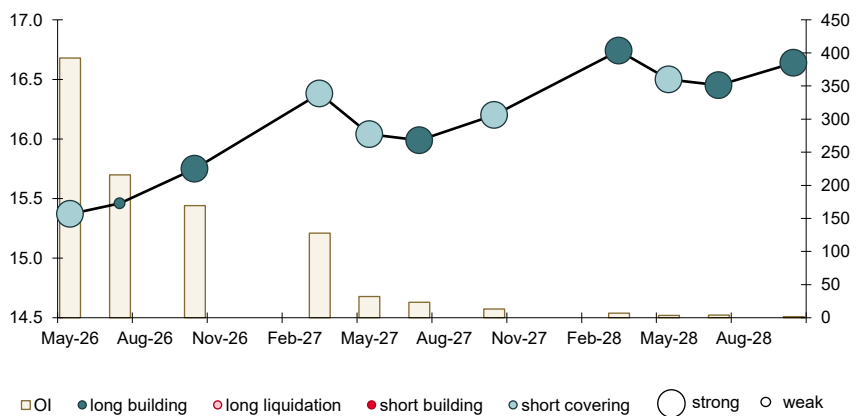
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

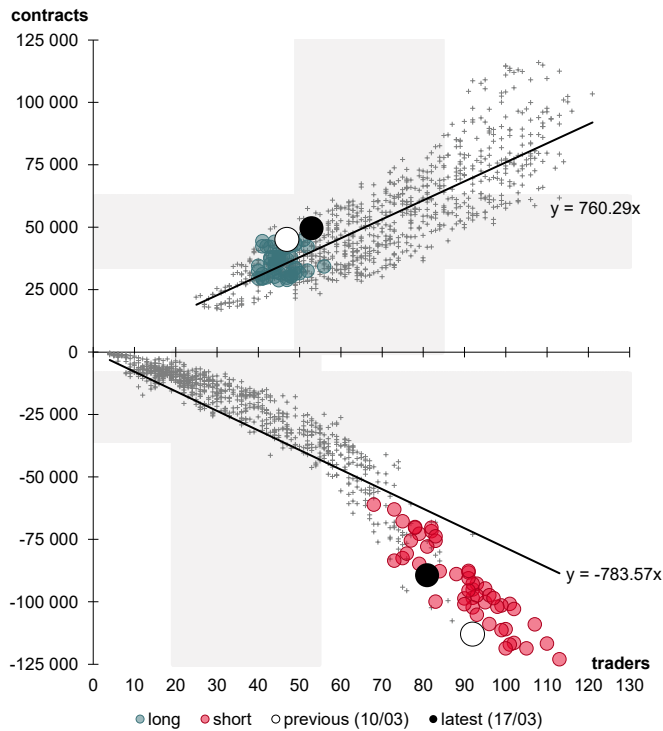


Source: SG Cross Asset Research/Commodities

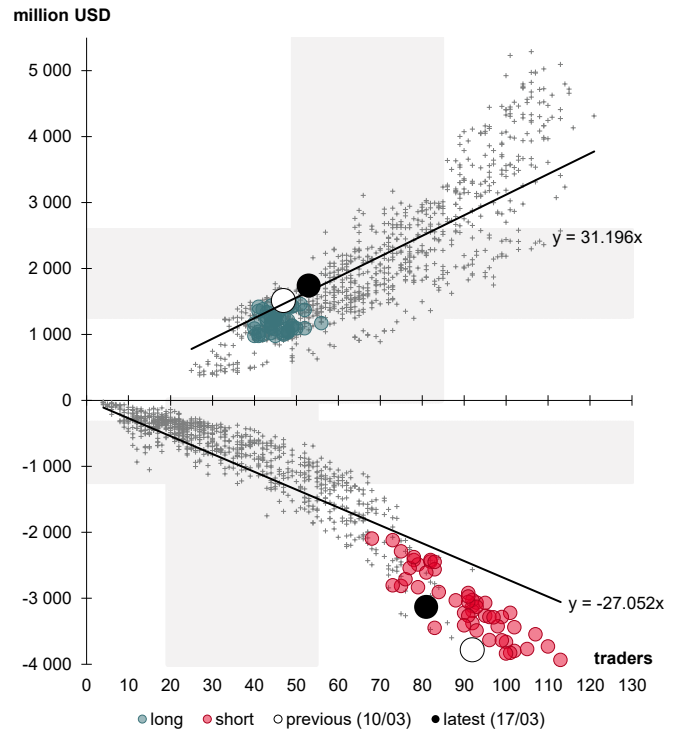
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# ICE Cotton

Money manager dry powder analysis (open interest)

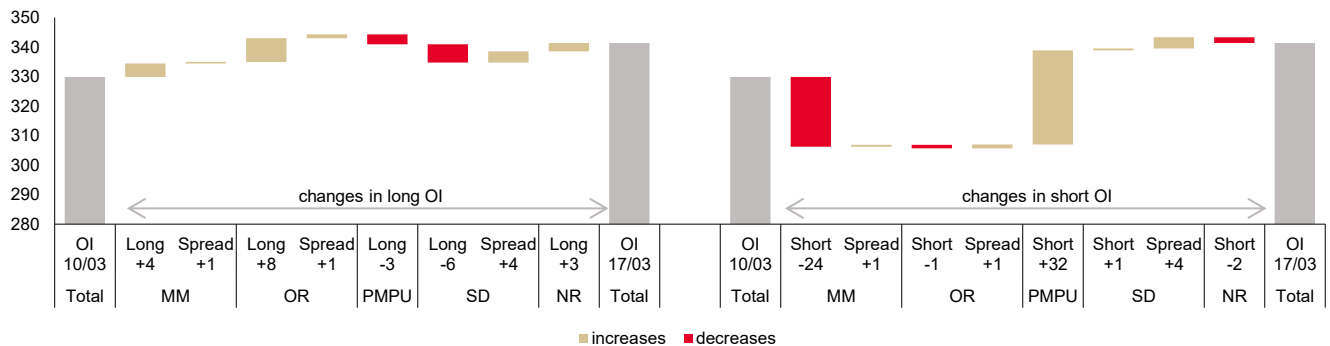


Money manager dry powder analysis (notional)

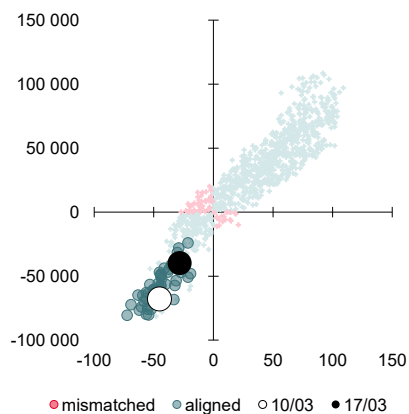


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

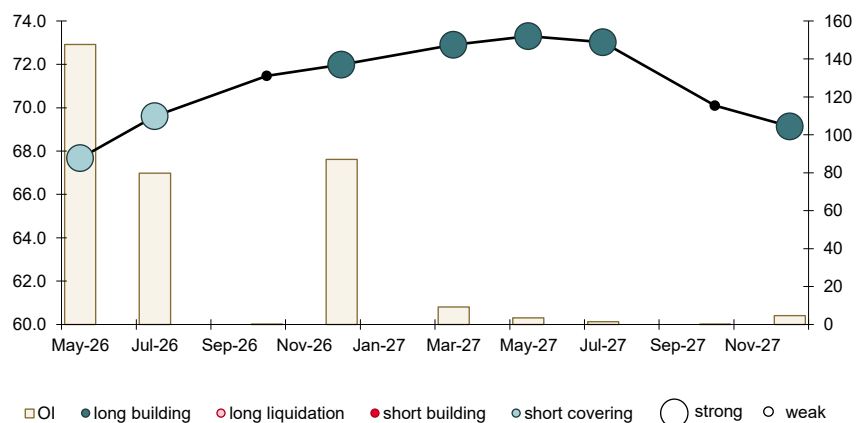
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

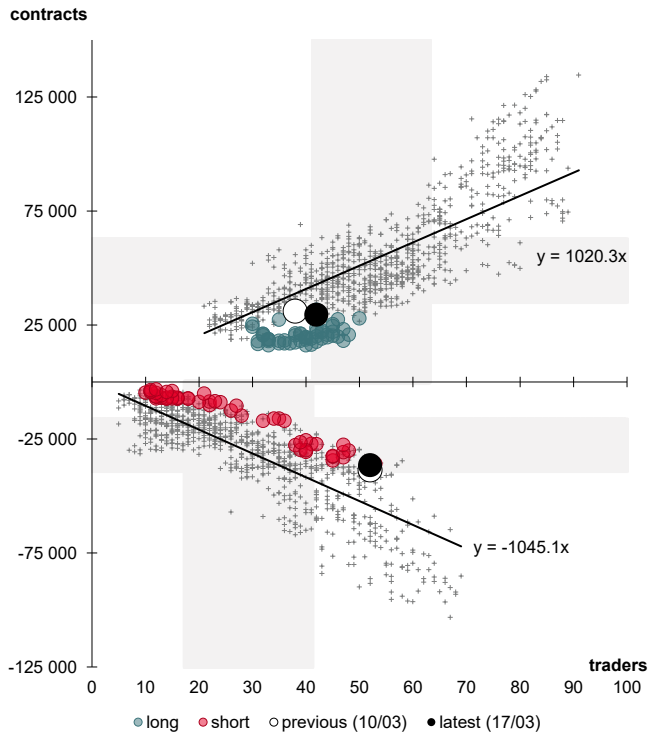


Source: SG Cross Asset Research/Commodities

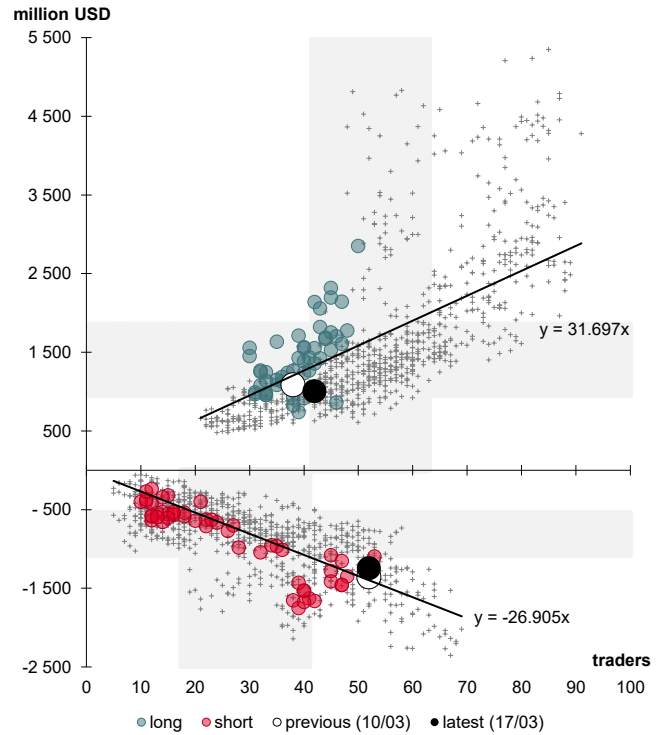
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# ICE Cocoa (New York)

Money manager dry powder analysis (open interest)

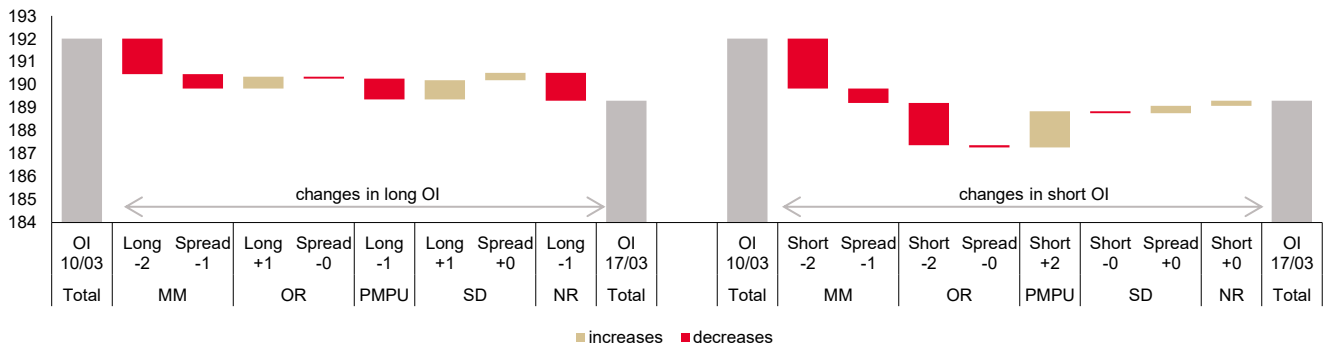


Money manager dry powder analysis (notional)

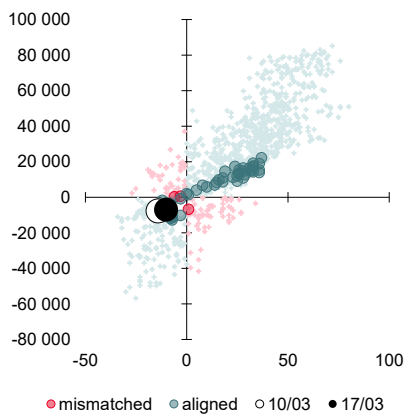


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

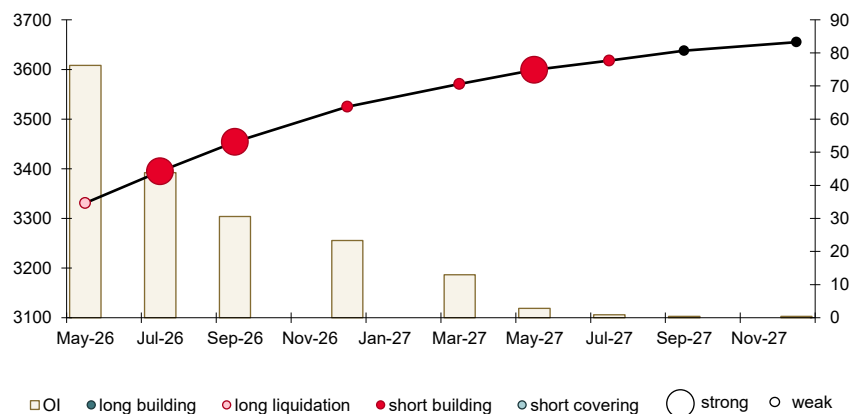
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

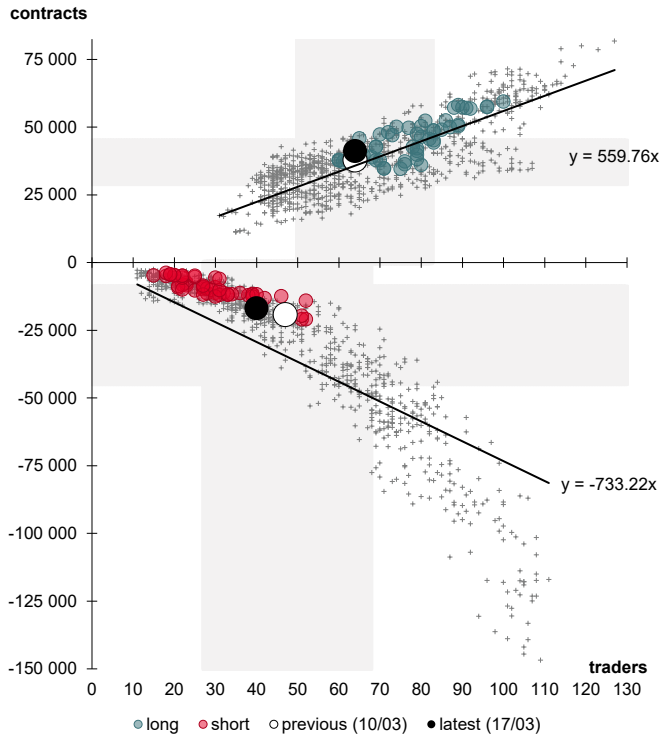


Source: SG Cross Asset Research/Commodities

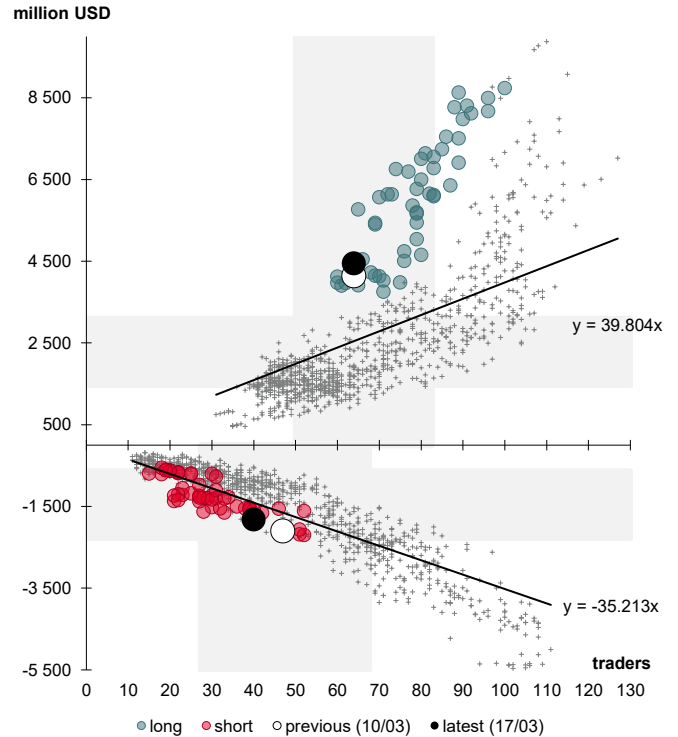
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# ICE Arabica Coffee

Money manager dry powder analysis (open interest)

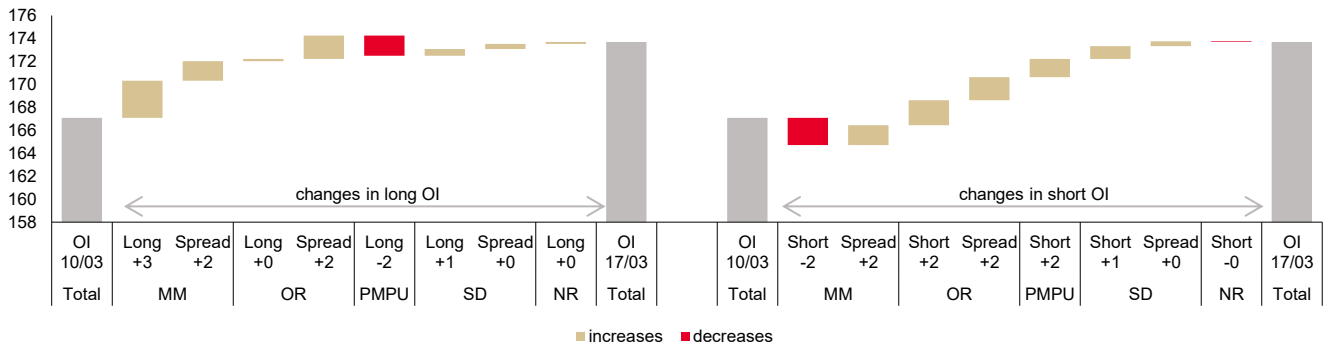


Money manager dry powder analysis (notional)

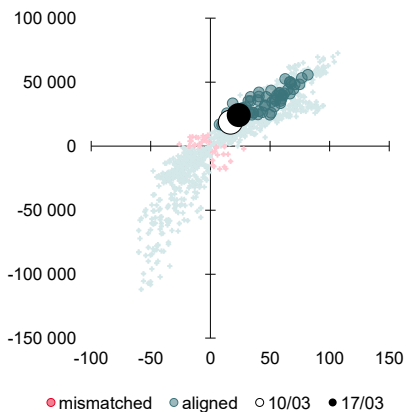


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

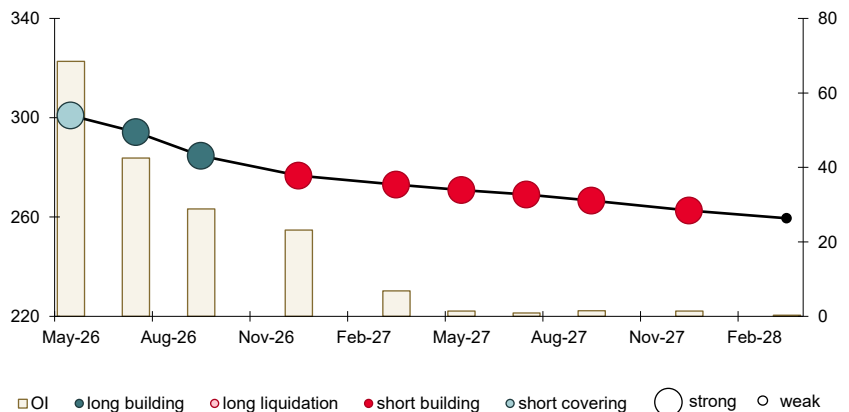
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

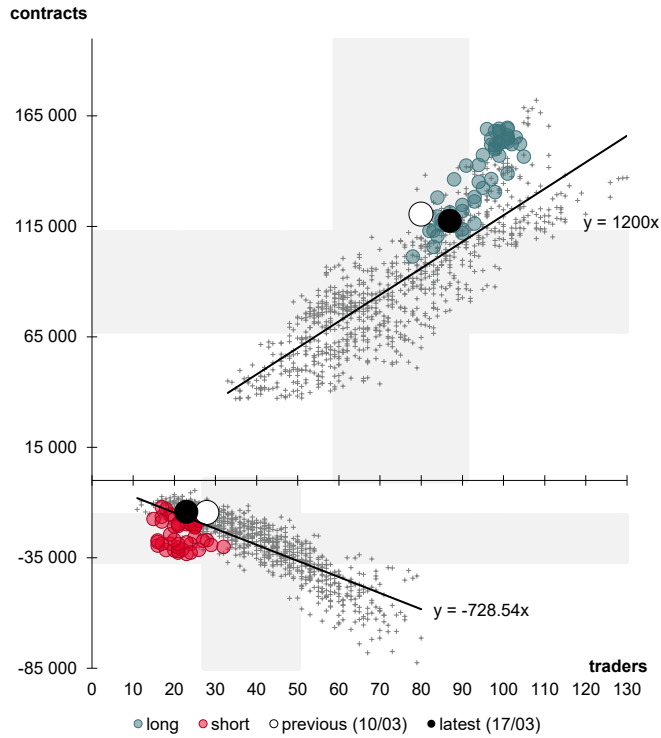


Source: SG Cross Asset Research/Commodities

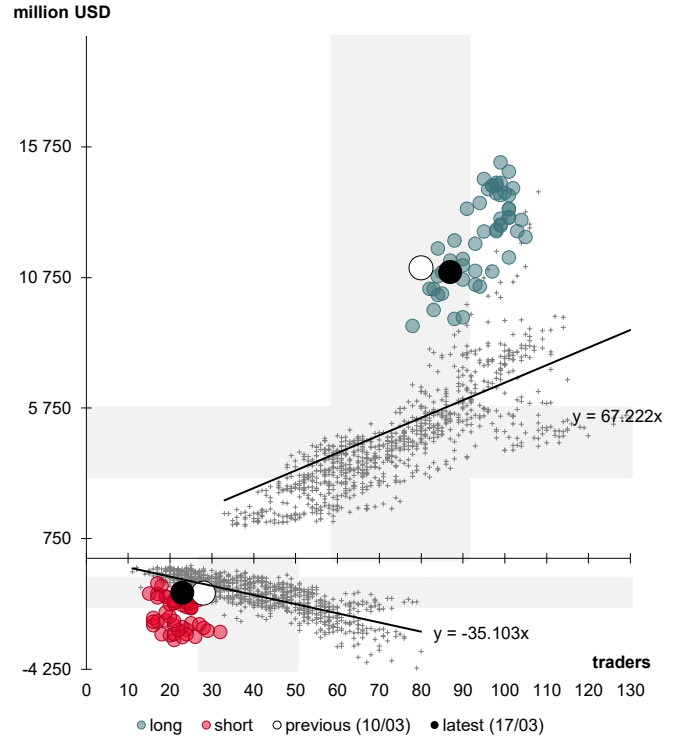
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CME Live Cattle

Money manager dry powder analysis (open interest)

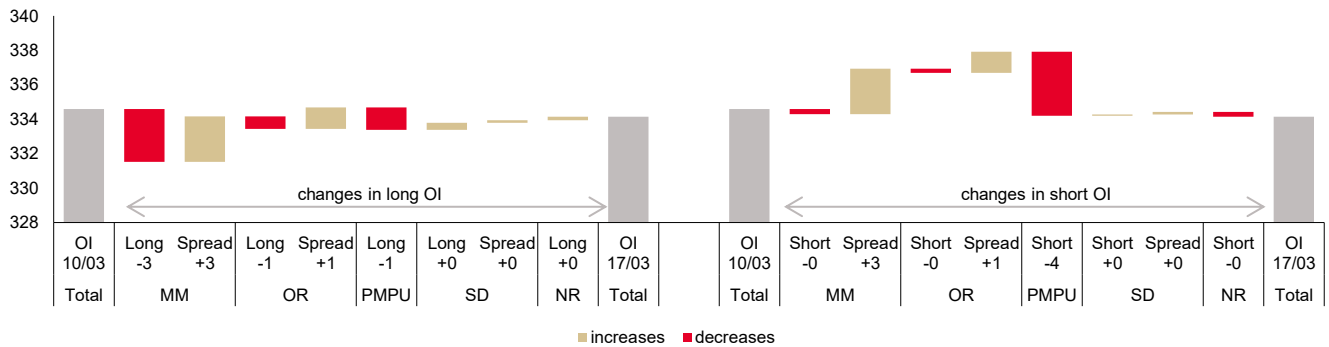


Money manager dry powder analysis (notional)

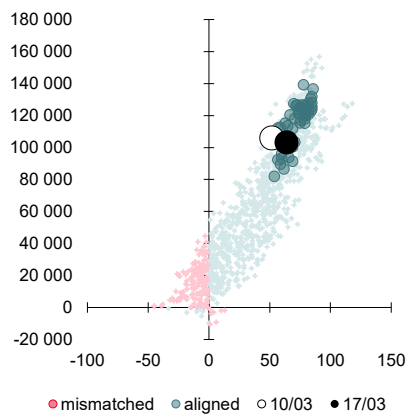


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

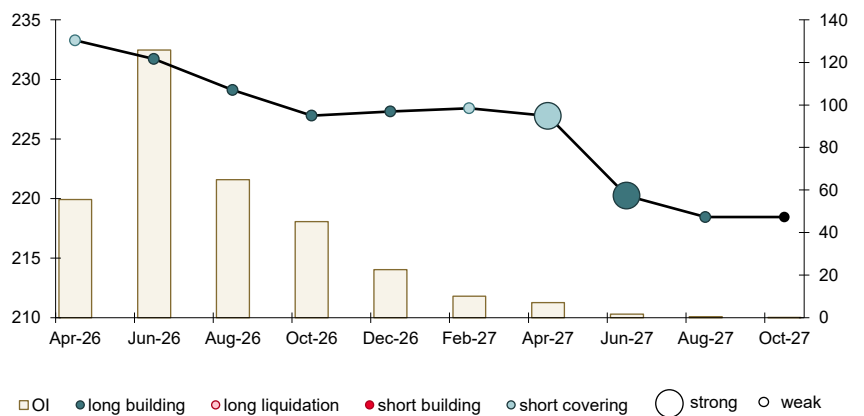
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

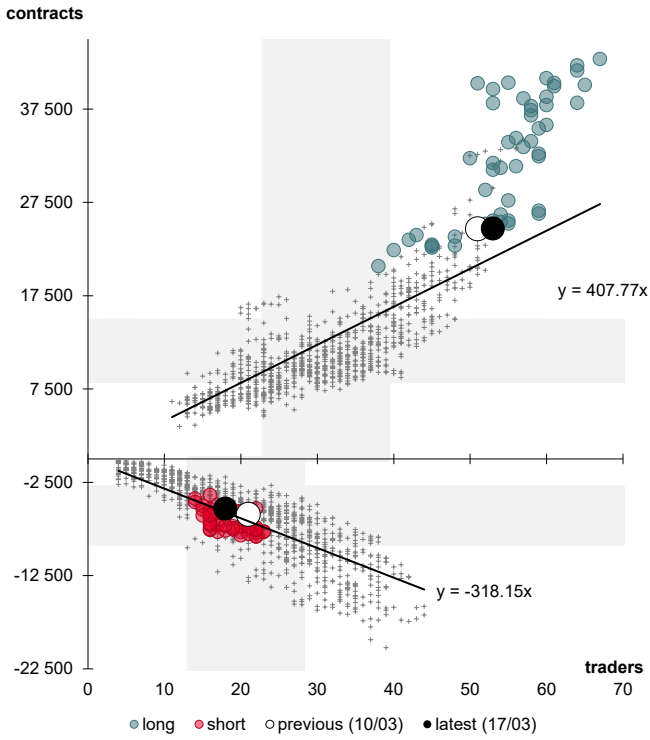


Source: SG Cross Asset Research/Commodities

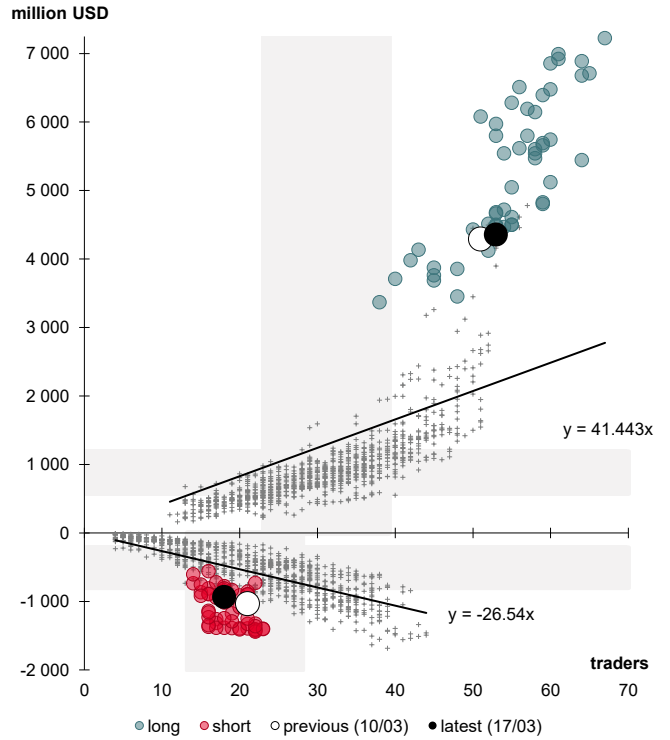
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CME Feeder Cattle

Money manager dry powder analysis (open interest)

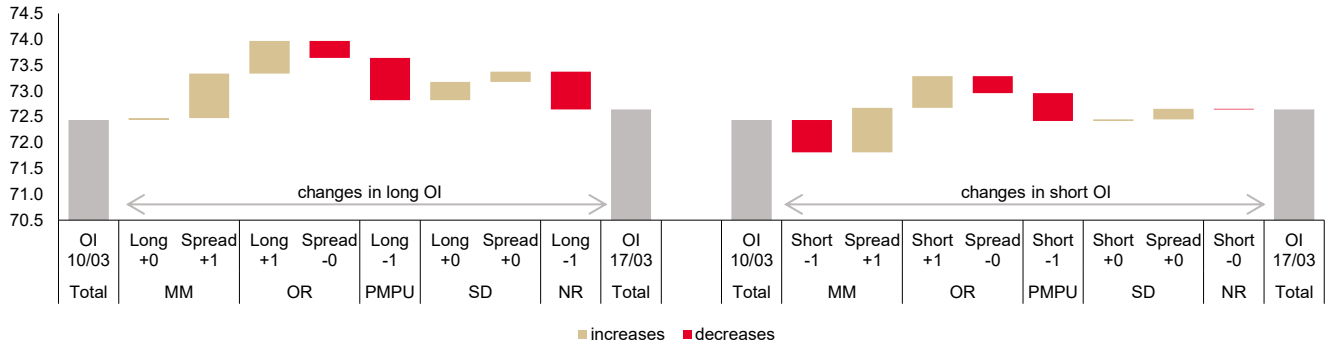


Money manager dry powder analysis (notional)

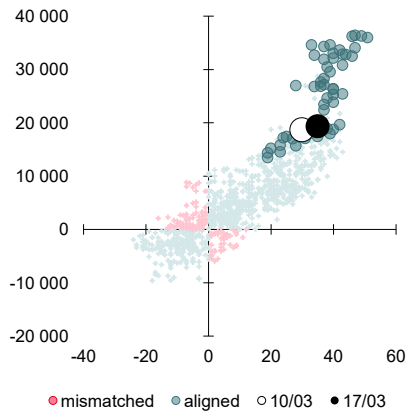


Coloured dots: last 52 weeks. Grey area: 25<sup>th</sup> to 75<sup>th</sup> percentile range, adjusted for total open interest

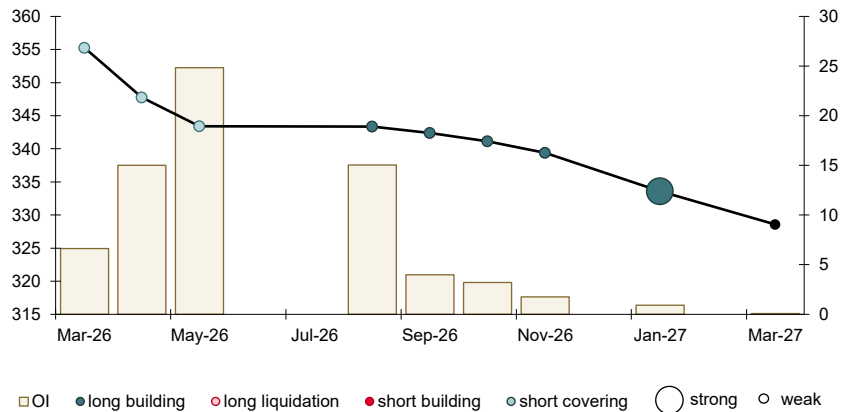
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)

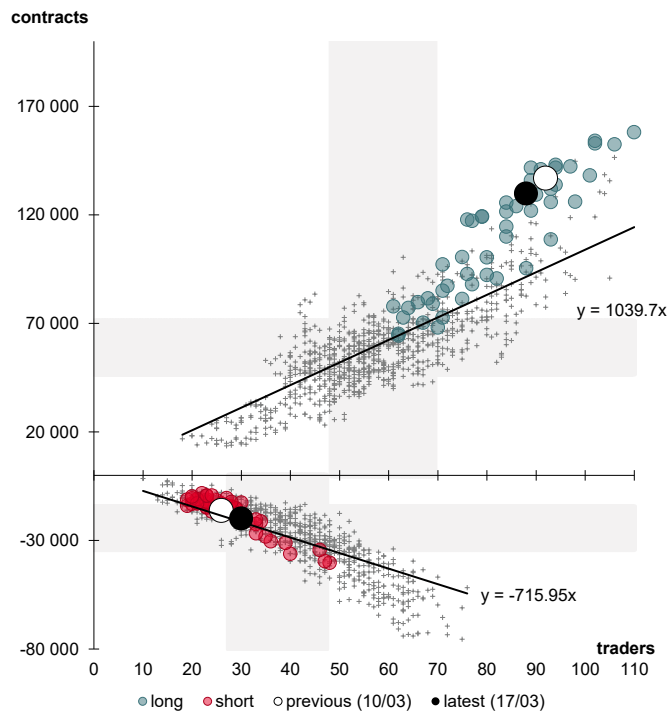


Source: SG Cross Asset Research/Commodities

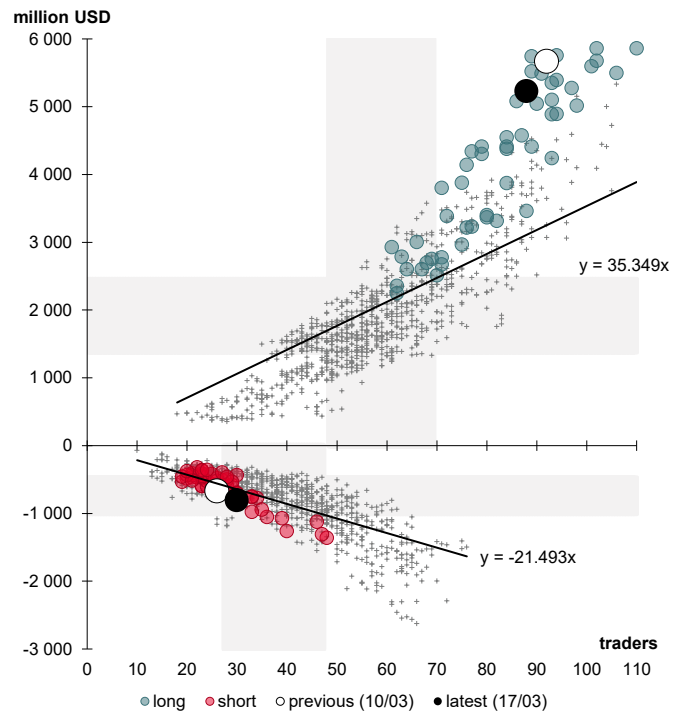
Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

# CME Lean Hogs

Money manager dry powder analysis (open interest)

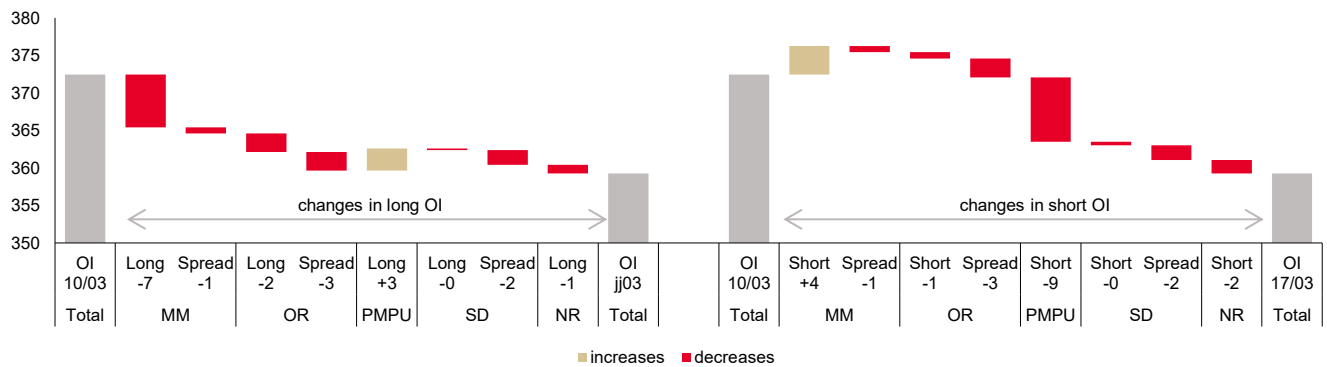


Money manager dry powder analysis (notional)

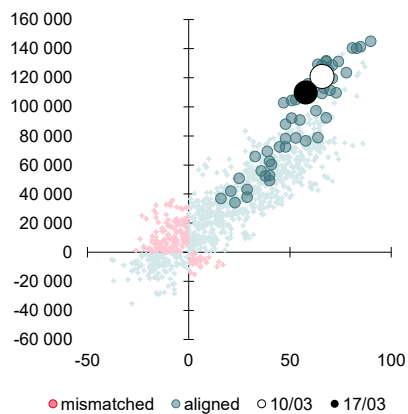


Coloured dots: last 52 weeks. Grey area: 25th to 75th percentile range, adjusted for total open interest

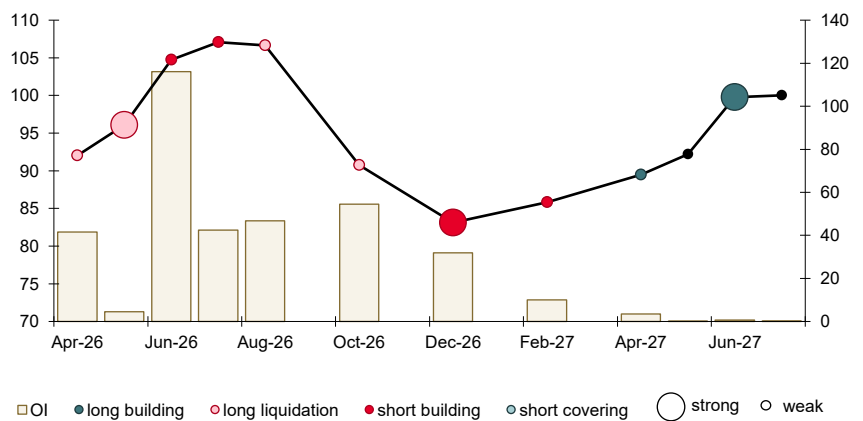
Position changes during the week, by trading group (thousand contracts)



Mismatch indicator



Curve flow profile (1 week)



Source: SG Cross Asset Research/Commodities

Price (lhs) vs open interest (rhs). Black dots show contracts with little trading volumes (daily average below 25 contracts)

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