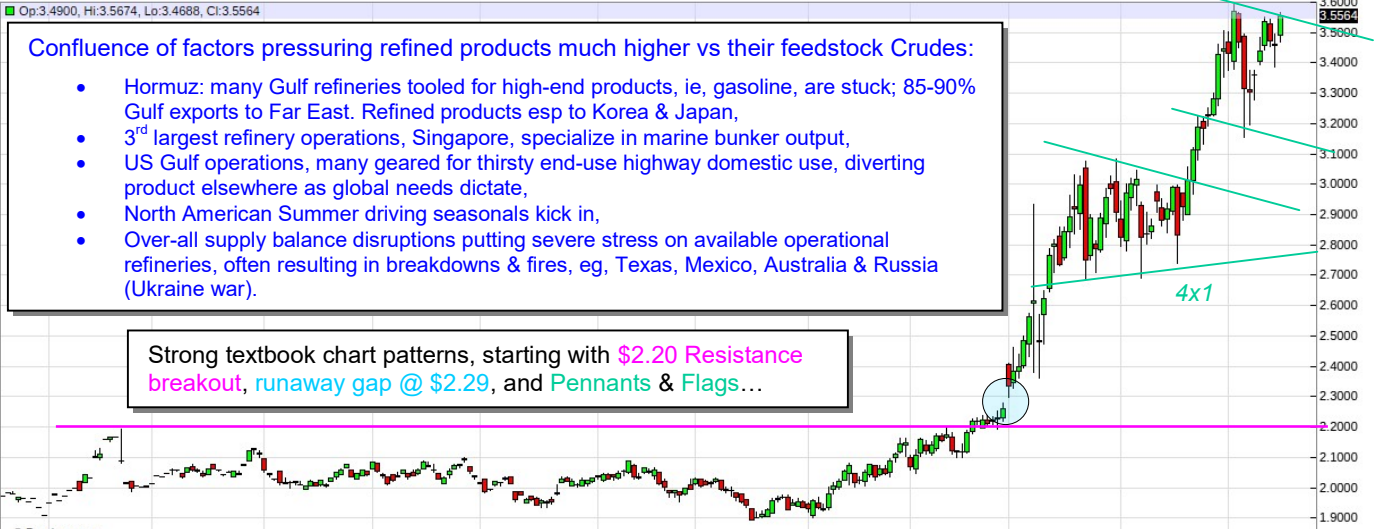


Gasoline: Daily (July): Crackin up!

RBN26 - Gasoline RBOB - Daily Candlestick Chart



Confluence of factors pressuring refined products much higher vs their feedstock Crudes:

- Hormuz: many Gulf refineries tooled for high-end products, ie, gasoline, are stuck; 85-90% Gulf exports to Far East. Refined products esp to Korea & Japan,
- 3rd largest refinery operations, Singapore, specialize in marine bunker output,
- US Gulf operations, many geared for thirsty end-use highway domestic use, diverting product elsewhere as global needs dictate,
- North American Summer driving seasonals kick in,
- Over-all supply balance disruptions putting severe stress on available operational refineries, often resulting in breakdowns & fires, eg, Texas, Mexico, Australia & Russia (Ukraine war).

Strong textbook chart patterns, starting with **\$2.20 Resistance** breakout, runaway gap @ **\$2.29**, and **Pennants & Flags...**

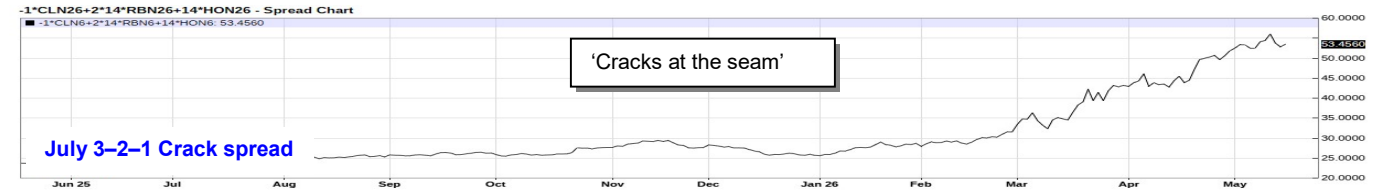
Open Interest: note the huge drop after the upside price breakout – short-covering?!

Did the **Commercials** get caught short?

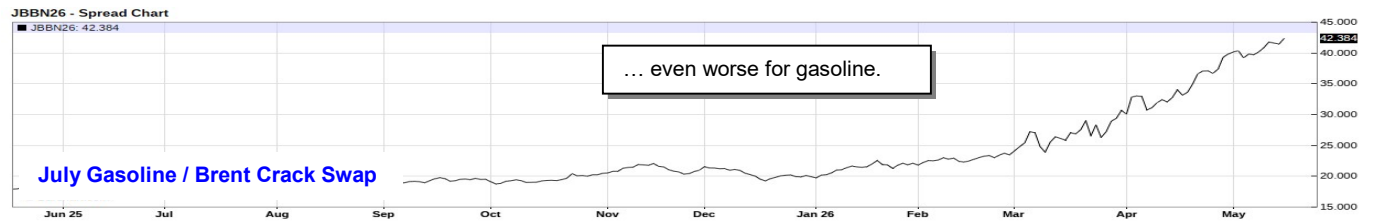
'Stochs' & RSI: more pennants forming...?

Spreads: extreme needs push **Backwardization** onto nearbys.

July – Dec Gasoline



July 3–2–1 Crack spread



July Gasoline / Brent Crack Swap