
Oil: Non-Commercial Market Participants

Dominic Haywood – Apr 2023

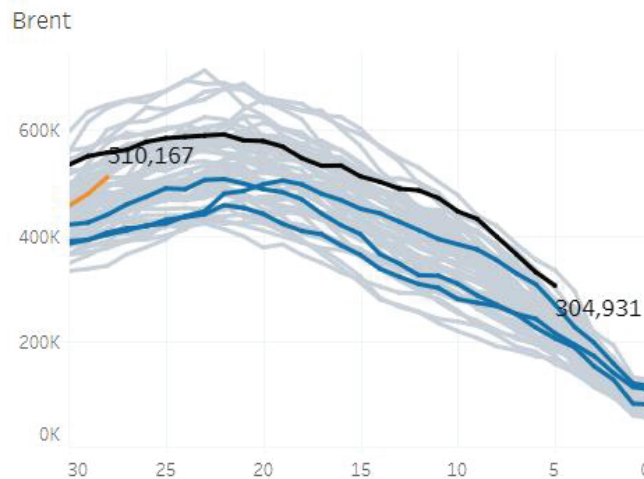
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The pattern of open interest is a function of non-commercial traders

Non-commercial traders rolling positions and rebalancing portfolios is a key driver of oil price

Brent M1 Open Interest by Days to Expiry



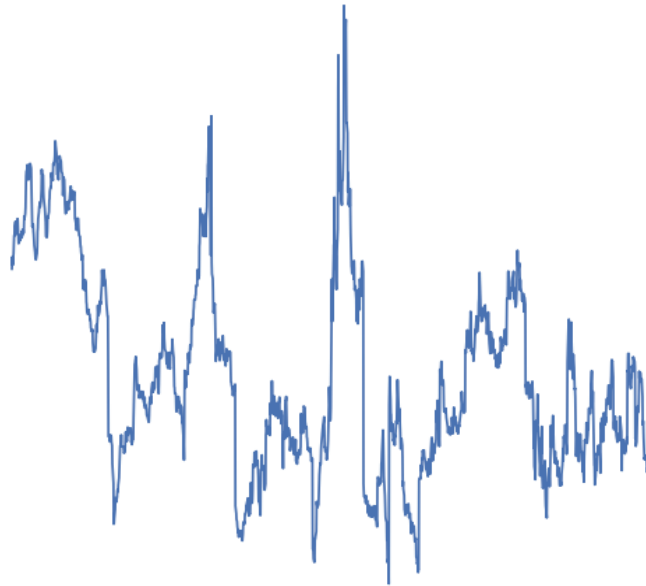
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Commodity Index: aim to provide exposure to baskets of commodities

Commodity only, Long only.

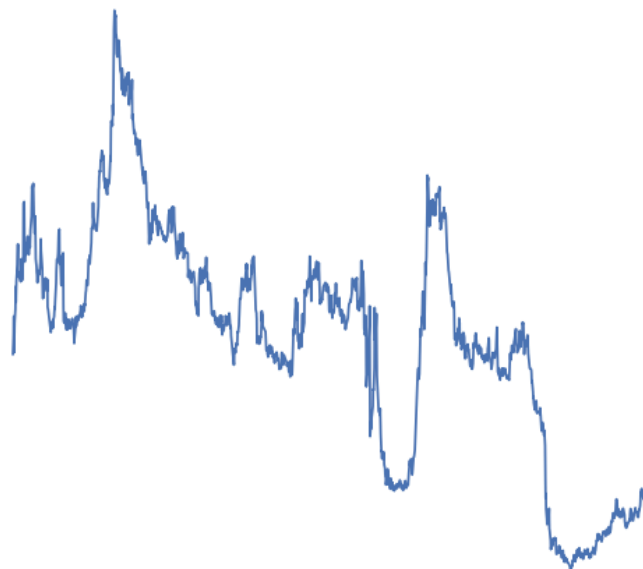
Commodity Index (BCOM + GSCI) - ICE Brent Holdings, lots



Risk Parity: aim to allocate across markets based on relative volatilities

Cross-Asset, Long only.

Risk Parity - ICE Brent Holdings, lots



Oil ETF: aim to mirror the performance of oil futures

Oil only, Leveraged Long/Short.

Oil ETF - Brent & WTI Holdings, lots

