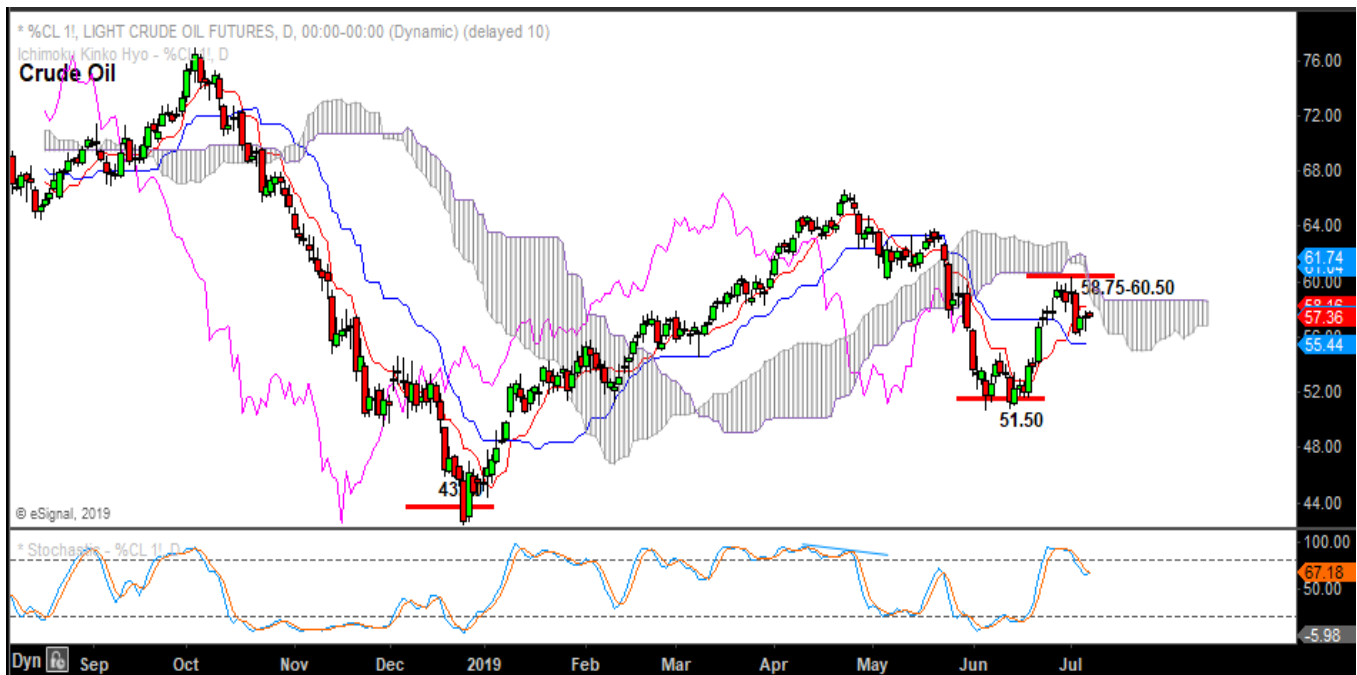


Long & Short

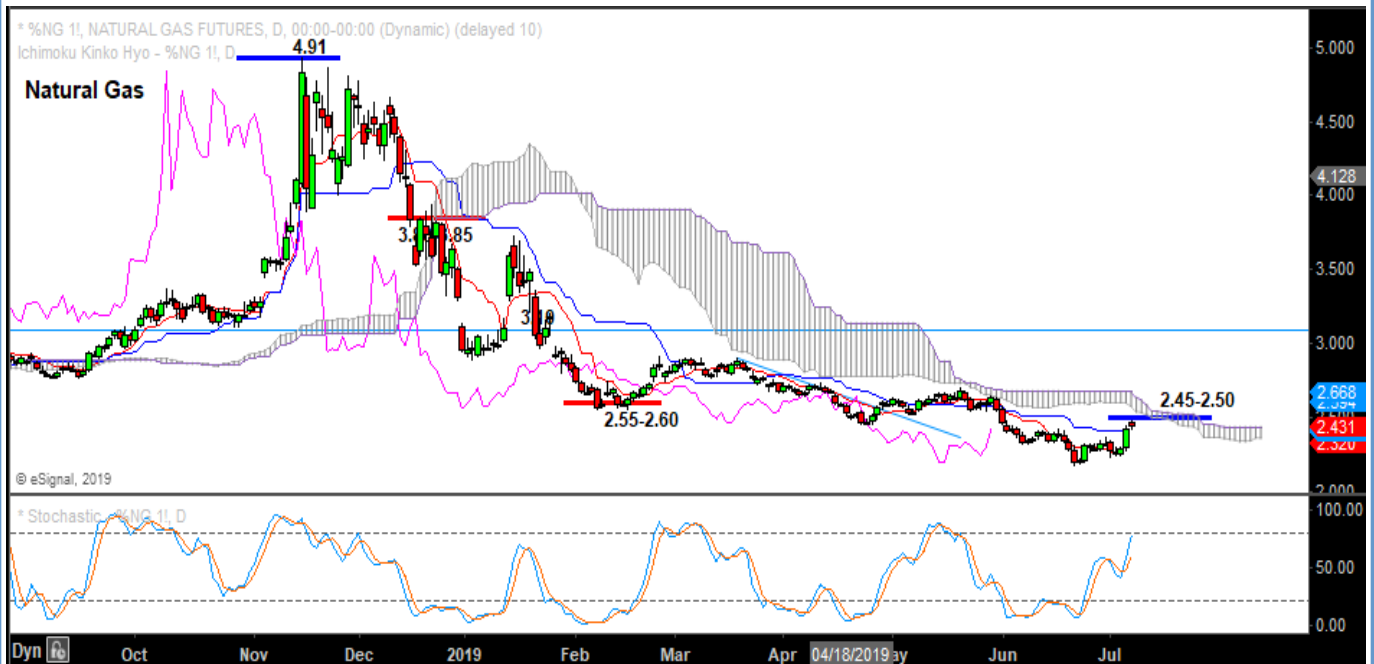
In the news:

- The U.S. added 224,000 jobs in June, well above the expected 170,000. We are now in the “good news is bad news” phase in the financial media with the good employment numbers dampening hopes of a rate cut. This is why it helps to ignore the noise and just focus on underlying data, which has continued to remain healthy. The U.S. has grown for 121 straight months now to continue the longest expansion on record.
- The forecasts on the Street still , crazily, show 100% expectations of a 25 basis point rate cut and 8% chance of a 50 basis point cut in the July 30-31 Fed meeting. It will be difficult to justify that with a 3.7% unemployment and wages growing at 3.1%.

Market Analysis



Crude Oil: Prices hit the wall right at the level we were looking to sell. Short now with stop on a close above \$60.50. We may see one more attempt to breach that level but failure of that would further confirm a move to take out recent lows. Note that the rejection at the \$60.50 level happened despite OPEC's decision to keep production at current levels at least through July.

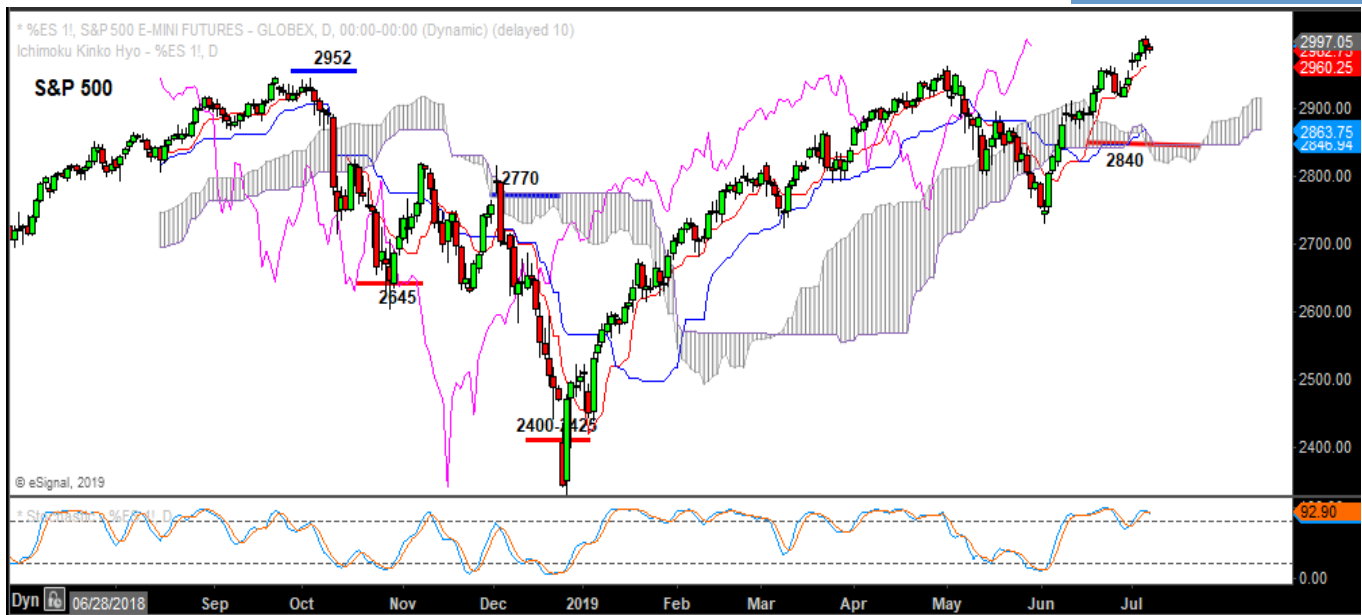


Natural Gas: The bounce from the overextended levels is right at the 2.45-2.50 resistance level. This level is the moment of truth for this contract if it wants to break above. There is support in the spot market with above normal temperatures across the US for the next couple of weeks. I however still expect prices to be rejected here.

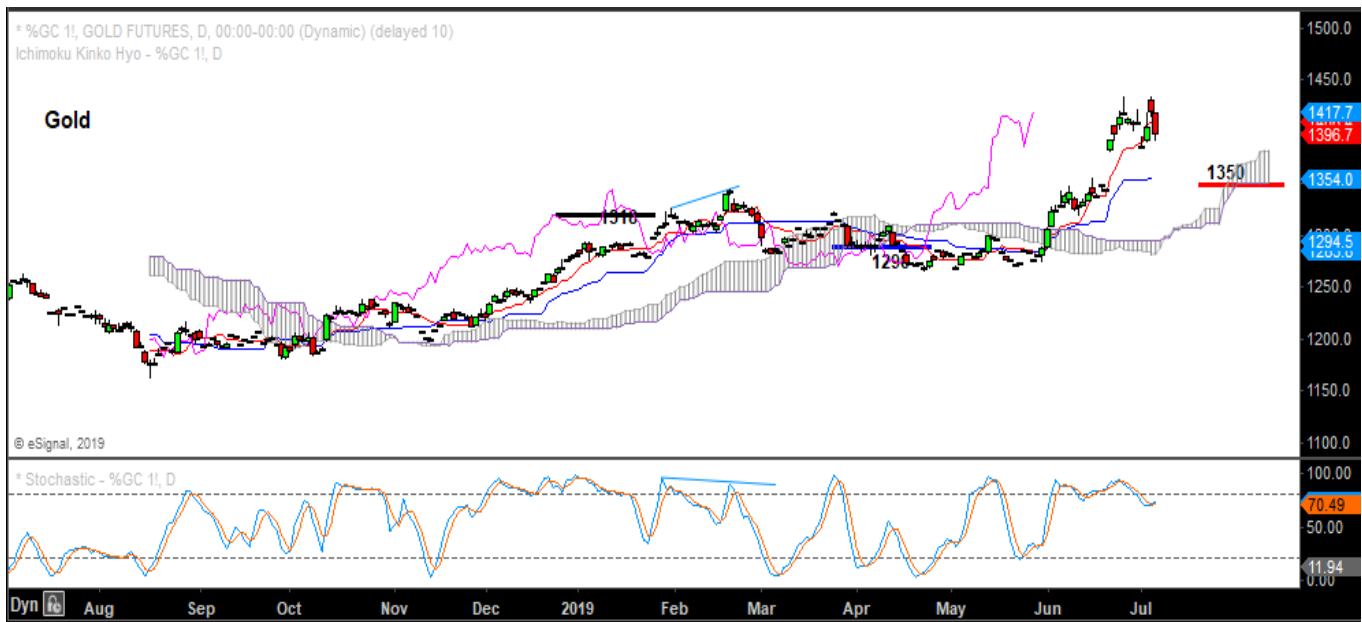
Storage currently at 2,390 Bcf after a bullish below expectations 89 Bcf injection for the week ending June 28, 2019. Natural gas storage level is now 249 Bcf above last year's level and 152 Bcf below the 5-year average.

Power:

Monthly Day-Ahead Peak Fixed Price Futures Settlements in \$/MWh															
Contract	PJM West Hub			MISO Indiana Hub			NYISO Zone J			ERCOT North			CAISO SP-15		
	07/03/19	06/20/19	Change	07/03/19	06/20/19	Change	07/03/19	06/20/19	Change	07/03/19	06/20/19	Change	07/03/19	06/20/19	Change
Aug-19	30.60	31.05	(0.45)	31.55	32.40	(0.85)	36.60	37.30	(0.70)	95.05	95.30	(0.25)	57.75	70.75	(13.00)
Sep-19	29.70	30.25	(0.55)	30.85	32.00	(1.15)	31.40	32.15	(0.75)	34.66	33.40	1.26	45.25	52.00	(6.75)
Oct-19	29.15	29.60	(0.45)	29.95	30.60	(0.65)	30.55	29.95	0.60	26.19	25.34	0.85	37.85	41.50	(3.65)
Nov-19	29.60	30.25	(0.65)	29.40	30.20	(0.80)	34.20	34.05	0.15	23.01	21.92	1.09	35.40	38.20	(2.80)
Dec-19	31.95	32.85	(0.90)	30.15	31.00	(0.85)	46.70	46.60	0.10	22.66	22.07	0.59	46.95	52.55	(5.60)
Jan-20	43.70	46.30	(2.60)	35.05	36.75	(1.70)	65.30	69.40	(4.10)	29.15	28.93	0.22	44.90	50.25	(5.35)
Feb-20	41.05	43.40	(2.35)	32.70	34.30	(1.60)	63.55	65.55	(2.00)	28.64	28.56	0.08	40.75	44.00	(3.25)
Mar-20	30.10	32.45	(2.35)	30.15	32.05	(1.90)	38.75	41.30	(2.55)	26.45	26.23	0.22	30.45	31.50	(1.05)
Apr-20	27.95	29.70	(1.75)	29.75	31.25	(1.50)	31.85	33.45	(1.60)	24.75	24.90	(0.15)	23.10	23.65	(0.55)
May-20	27.85	29.35	(1.50)	28.90	30.30	(1.40)	28.55	29.80	(1.25)	27.66	27.89	(0.23)	22.50	23.05	(0.55)
Jun-20	27.10	28.80	(1.70)	28.95	30.50	(1.55)	29.95	31.10	(1.15)	37.79	38.44	(0.65)	32.75	34.20	(1.45)
Jul-20	32.05	34.30	(2.25)	33.15	35.35	(2.20)	39.00	40.70	(1.70)	72.21	74.49	(2.28)	53.75	59.10	(5.35)



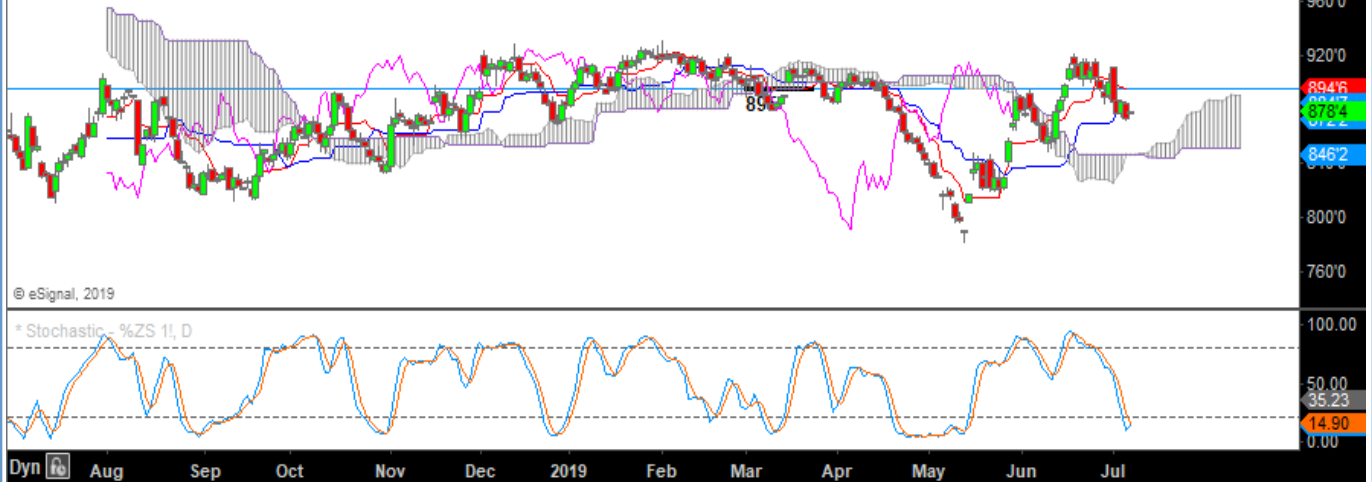
S&P 500: No change here. Ignore the noise around Fed rates and stay long with 2840 as the stop.



Gold: No change on this chart either. Bullish with a strong support at 1350. If you're not long, look for dips to buy into.

* %ZS 1!, SOYBEAN FUTURES - ECBT, D, 00:00-00:00 (Dynamic) (delayed 10)
Ichimoku Kinko Hyo - %ZS 1!, D

Soybean



Soybean: Despite the drop in prices over the past few days we are still in a bullish trend in Soybeans. Stay long with stop at 850.



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www.clonecap.com
anand@clonecap.com
(832) 969 3206