

Market Commentary

Recap: The oil market ended the session lower, despite a bullish EIA petroleum stock report. The crude market continued to trend higher in overnight trading following the API report showing an unexpected draw of over 3.2 million barrels in crude stocks. The market rallied to a high of \$83.71. However, the market erased some of its gains as traders positioned themselves ahead of the release of the EIA inventory report. The market later traded back over the \$83.50 level as it attempted to test its overnight high in light of the EIA report showing an unexpected draw in crude stocks of over 6.3 million barrels on the week. However, as the market failed to test its high, the market erased its gains and traded lower during the remainder of the session. The market posted a low of \$82.44 ahead of the close. The June WTI contract settled down 55 cents at \$82.81, while the June Brent contract settled down 40 cents at \$88.02. The product markets ended the session lower, with the heating oil market settling down 2.93 cents at \$2.5499 and the RB market settling down 90 points at \$2.7343.

Technical Analysis: On Thursday, the crude market is seen trading mostly sideways as it failed to maintain its early strength following the supportive inventory report. The market's losses will however, remain limited as the market focuses on the Israel-Hamas conflict, with Israel preparing to evacuate the city of Rafah ahead of an assault on the city. The market is seen finding support at its low of \$82.44, \$82.00, \$81.13, \$80.70 followed by \$79.99, \$79.91 and \$79.51. Resistance is seen at its high of \$83.71, \$83.84, \$84.57, \$85.64 and \$86.97.

Fundamental News: The EIA reported that U.S. crude oil inventories unexpectedly fell sharply last week as exports increased, while gasoline stocks fell less than forecast. Crude stocks fell by 6.4 million barrels to 453.6 million barrels in the week ending April 19th. Crude inventories fell amid the largest weekly increase this year in exports of 453,000 bpd to 5.18 million bpd.

An analyst at GasBuddy.com said that gasoline prices are likely to "gently fall" in the week ahead of the Memorial Day holiday on May 29th. Financial investors also cut their exposure to gasoline and most other petroleum contracts last week, highlighting doubts about the sustainability of higher energy prices. Hedge funds and other money managers sold an equivalent of 5 million barrels of U.S. gasoline futures and options in the week ending April 16th.

The IEA this week in its annual Global Electric Vehicle Outlook raised its estimates for global oil demand displacement from electric vehicles as a result of booming sales and growing policy impetus in key markets. The agency noted that new emissions standards adopted by the U.S., EU and Canada over the past year mean oil demand displacement from EVs will amount to 6 million b/d by 2030 and 11 million b/d by 2035 based on these current policies. The IEA estimates if the countries fully meet their announced energy and climate pledges, the amount of oil displaced by electric vehicles will rise to 12 million b/d. Currently the IEA estimates that half of all cars sold globally by 2035 will be electric, a figure that could grow to 66% if countries meet all their announced energy and climate pledges.

Goldman Sachs said a perceived de-escalation between Iran and Israel could remove another \$5-\$10/barrel in coming months.

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.2 million bpd of capacity in the week ending April 26th, increasing available refining capacity by 283,000 bpd. Offline capacity is expected to fall to 848,000 bpd in the week ending May 3rd.

S&P Global is forecasting global refinery outages are expected to peak at 9.1 million b/d in April before easing to around 8.4 million b/d in May.

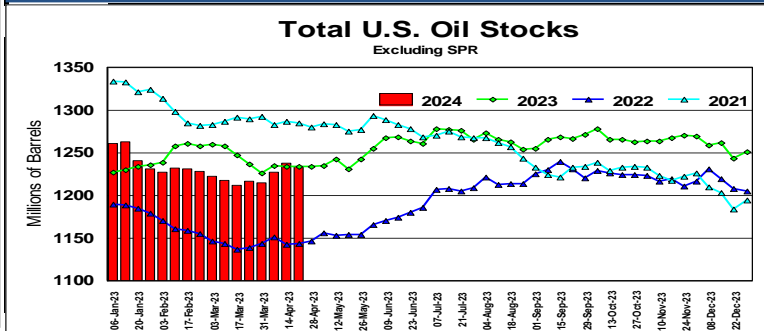
Early Market Call - as of 8:15 AM EDT

WTI - June \$83.20, up 39 cents
 RBOB - May \$2.7526, up 1.83 cents
 HO - May \$2.5666, up 1.67 cents

All NYMEX | Prior Settlements

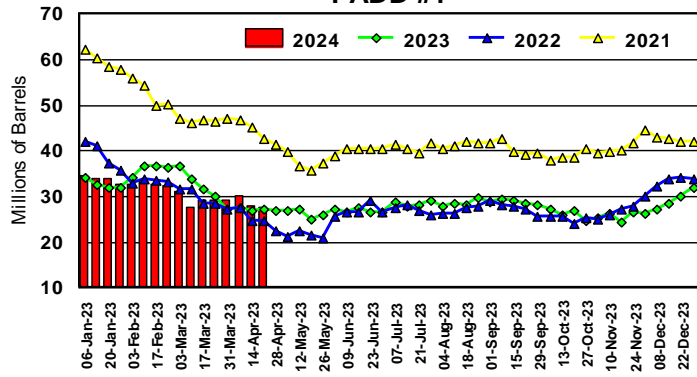
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-24	2.5499	-0.0293	-0.0248
Jun-24	2.5597	-0.0263	-0.0212
Jul-24	2.5680	-0.0247	-0.0187
Aug-24	2.5760	-0.0230	-0.0157
Sep-24	2.5831	-0.0212	-0.0125
Oct-24	2.5883	-0.0195	-0.0075
Nov-24	2.5861	-0.0175	-0.0048
Dec-24	2.5778	-0.0153	-0.0031
Jan-25	2.5733	-0.0136	-0.0012
Feb-25	2.5607	-0.0122	-0.0015
Mar-25	2.5417	-0.0109	-0.0025
Apr-25	2.5164	-0.0103	-0.0045
May-25	2.4986	-0.0105	-0.0085
Jun-25	2.4838	-0.0104	-0.0110
Jul-25	2.4750	-0.0098	-0.0109
Aug-25	2.4686	-0.0091	-0.0093
Sep-25	2.4645	-0.0089	-0.0075

Sprague HeatCurve October 2024-April 2025		Close	Change
Crude - WTI	June Brent-WTI Spread \$5.21	\$82.8100	-\$0.5500
Crude - Brent		\$88.0200	-\$0.4000
Natural Gas		\$1.6530	-\$0.1590
Gasoline		\$2.7343	-\$0.0090



Weekly EIA Petroleum Status Report for the Week Ending April 19, 2024

Distillate Stocks PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 6.368 million barrels
 Cushing, OK Crude Stocks Down 659,000 barrels
Gasoline Stocks Down 634,000 barrels
Distillate Stocks Up 1.614 million barrels
Refinery % Operated 88.5%, up 0.4%

PADD #1

	Week Ending Apr 19, 2024	Week Ending Apr 12, 2024	Week Ending Apr 20, 2023
Distillate Stocks (in million bbl)			
New England	3.9	3.9	4.0
Central Atlantic	13.6	14.2	12.6
Total PADD #1	27.5	27.7	27.1
Distillate Imports (thousands b/d)	111	138	79