

## Market Commentary

**Recap:** The oil market posted an inside trading day on Tuesday after breaking a three-day losing streak on Monday. Traders weighed the bearish effect of the decline in Russian refinery demand and the bullish effect from the cut in Russia's oil exports. Also, the market was supported by a slightly weaker U.S. dollar, which kept the market from retracing much of its previous gains seen on Monday. The crude market posted the day's trading range by mid-morning, posting a high of \$82.36 and a low of \$81.43. The market later traded within its early trading range as it attempted to retest its lows ahead of the close. The May WTI contract settled down 33 cents at \$81.62 before further selling in the post settlement period pushed the market to a new low of \$81.38. The May Brent contract settled down 50 cents at \$86.25. The product markets ended the session in negative territory with the heating oil market settling down 5.68 cents at \$2.6218 and the RB market settling down 4.78 cents at \$2.7006.

**Technical Analysis:** The crude market will continue to trend sideways within its recent trading range from about \$80-\$83. It will look to the weekly petroleum stocks reports for further direction as it remains range bound. The market is expecting crude stocks to have declined by about 2 million barrels in the latest week. The oil market is seen finding support at its low of \$81.38, \$80.59, \$80.42 and \$80.30 followed by \$80.01, \$79.78, \$79.15 and \$78.99. Resistance is seen at \$82.36, \$82.48, \$82.65, \$83.12 and \$83.87.

**Fundamental News:** A freight ship crashed into a bridge while sailing out of Baltimore early on Tuesday, sending cars and people into the Patapsco River and closing one of the busiest ports on the U.S. Eastern seaboard. Rescuers pulled out two survivors and were searching for more after the Francis Scott Key Bridge collapsed. Andy Lipow, President of Lipow Oil Associates said the bridge collapse could impact gasoline availability in Baltimore. He said virtually all gasoline arriving there by pipeline is blended with ethanol that comes by barge from the Philadelphia and New York Harbor areas.

On Tuesday, Israel accused Hamas of posing "delusional" demands in indirect negotiations on a Gaza truce, saying in a statement by Prime Minister Benjamin Netanyahu's office that these showed the Palestinian militants were not interested in a deal. In the Qatari- and Egyptian-mediated talks, Hamas has sought to parlay any ceasefire into an end to the war and withdrawal of Israeli forces.

Yemen's Houthis said that they had mounted six attacks on ships with drones and missiles in the last 72 hours in the Gulf of Aden and the Red Sea. The group also attacked two U.S. destroyers in the Red Sea as well as Israel's city of Eilat. It was not immediately clear which if any of the targets were struck by the drones or missiles. Later, Denmark's Maersk denied a claim by Yemen's Houthi militants that the shipping company's Saratoga vessel had been attacked.

According to the AAA automobile club, U.S. gasoline prices, which are currently at about \$3.53/gallon, are likely to increase to the highest level since the summer of 2022 to \$4/gallon as oil prices increase amid supply concerns. Futures and pump prices have increased in the past few weeks by the transition to summer-grade gasoline and as inventories fall to the lowest level since December. Attacks on Russian refineries have shut in about 600,000 bpd of capacity, further supporting market concerns.

Ahead of next week's OPEC+ meeting, three sources said OPEC+ is unlikely to make any oil output policy changes until a full ministerial gathering in June. The sources said they did not expect action until June and the April meeting could be swift and straightforward.

**Early Market Call - as of 8:40 AM EDT**

WTI - May \$81.02, down 60 cents  
 RBOB - April \$2.6993, down 13 points  
 HO - April \$2.6060, down 1.58 cents

## All NYMEX | Prior Settlements

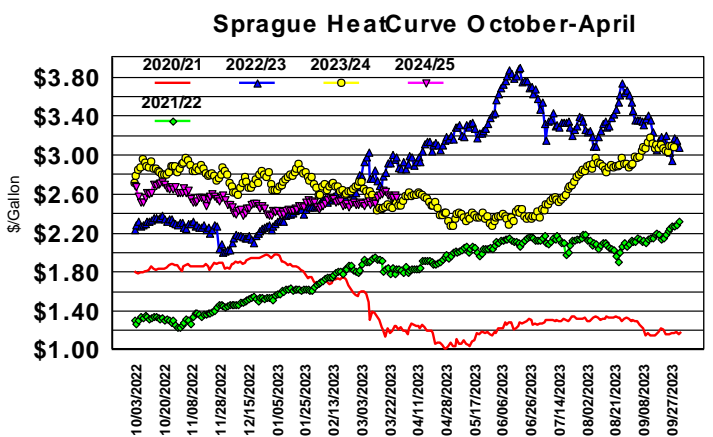
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-24	2.6218	-0.0568	-0.1389
May-24	2.6159	-0.0483	-0.1227
Jun-24	2.6467	0.0280	-0.0853
Jul-24	2.6375	0.0293	-0.0758
Aug-24	2.6327	0.0295	-0.0686
Sep-24	2.6320	0.0290	-0.0645
Oct-24	2.6294	0.0279	-0.0617
Nov-24	2.6207	0.0278	-0.0587
Dec-24	2.6046	0.0279	-0.0560
Jan-25	2.5917	0.0274	-0.0539
Feb-25	2.5746	0.0263	-0.0523
Mar-25	2.5532	0.0259	-0.0510
Apr-25	2.5266	0.0253	-0.0482
May-25	2.5079	0.0252	-0.0428
Jun-25	2.4925	0.0256	-0.0368
Jul-25	2.4815	0.0258	-0.0336
Aug-25	2.4725	0.0255	-0.0315

Sprague HeatCurve October 2024-April 2025			\$2.5595
		Close	Change
Crude - WTI	May Brent-WTI Spread \$4.63	\$81.6200	-\$0.3300
Crude - Brent		\$86.2500	-\$0.5000
Natural Gas		\$1.5750	-\$0.0400
Gasoline		\$2.7006	-\$0.0478

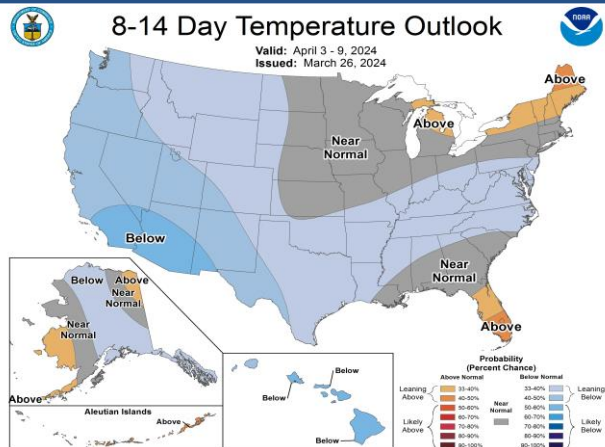
### API Report for the Week Ending March 22, 2024

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Up 9.3 million barrels	Down 2 million barrels
Gasoline Stocks	Down 4.4 million barrels	Down 1.7 million barrels
Distillate Stocks	Up 531,000 barrels	Down 300,000 barrels
Refinery Runs		Up 0.5%, at 88.3%

## Sprague HeatCurve October-April



## 8-14 Day Weather Forecast



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