

Market Commentary

Recap: The crude market on Friday posted an inside trading day as traders positioned themselves ahead of the weekend amid the possibility of a ceasefire in Gaza. On Thursday, U.S. Secretary of State Antony Blinken said he believed talks in Qatar could reach a Gaza ceasefire agreement between Israel and Hamas. He met Arab foreign ministers and Egypt's President Abdel Fattah El-Sisi in Cairo as negotiations in Qatar centered on a truce of about six weeks. The oil market posted a low of \$80.42 in overnight trading, holding its support at Thursday's low of \$80.30. However, the market bounced off its low and retraced its previous losses and posted a high of \$81.45 by mid-morning. The crude market later gave up some of its gains and trade back towards the \$80.50 level ahead of the close. The May WTI contract settled down 44 cents or 0.54% at \$80.63 and the May Brent contract settled down 35 cents or 0.41% at \$85.43. However, the WTI and Brent contracts settled up 0.06% and 0.11% on the week, respectively. The product markets ended the session in mixed territory, with the heating oil market settling down 1.54 cents at \$2.6534 and the RB market settling up 1.27 cents at \$2.7398.

Technical Analysis: The oil market is seen continuing on its sideways trading range barring any major announcement over the weekend regarding a possible ceasefire between Israel and Hamas. Currently, this seems unlikely as the U.S. Secretary of State is expected to continue talks with Israeli officials on next week following his talks with Israel's Prime Minister Benjamin Netanyahu on Friday, which ended with the Prime Minister stating that Israel remained determined to send troops into the southern Gaza city of Rafah and would do so without the support of the U.S., if necessary. The crude market is seen finding support at its lows of \$80.42 and \$80.30 followed by \$80.01, \$79.78, \$79.15 and \$78.99. Meanwhile, resistance is seen at its highs of \$81.45 and \$81.92 followed by \$82.65, \$83.12 and \$83.87.

Fundamental News: Israel's Prime Minister Benjamin Netanyahu said that Israel remained determined to send troops into the southern Gaza city of Rafah, where more than 1 million Palestinians are sheltering, and would do so without U.S. backing, if necessary. The Israeli Prime Minister said in a statement he had told visiting U.S. Secretary of State Antony Blinken that there was no way to defeat the Islam movement Hamas without going into Rafah. Separately, U.S. Secretary of State Antony Blinken said that an offensive on the southern Gaza city of Rafah would risk "further isolating" Israel and damage its long-term security. Speaking as he departed Israel, the Secretary of State said he had "candid conversations," referring to meetings with officials including Prime Minister Benjamin Netanyahu.

On Thursday, the U.S. military said it had destroyed two anti-ship ballistic missiles and an unmanned surface vessel launched by Houthis from Yemen.

The head of Ukraine's state energy company said an overnight Russian attack was the largest strike on energy facilities of the entire war. Separately, the White House on Friday condemned Russian strikes overnight targeting Ukrainian cities and infrastructure, including its energy grid and renewed its call for urgent additional air defenses as soon as possible.

The Financial Times reported that the U.S. has urged Ukraine to halt strikes on Russian energy infrastructure, warning that drone strikes risk provoking retaliation and driving up global oil prices.

Baker Hughes reported that U.S. energy firms this week cut the number of oil and gas rigs by five to 624 in the week ending March 22nd. The number of oil rigs fell by one to 509 this week, while gas rigs decreased by four to 112, their lowest level since mid-January 2022.

IIR Energy said U.S. oil refiners are expected to shut in about 817,000 bpd of capacity in the week ending March 22nd, increasing available refining capacity by 331,000 bpd. Offline capacity is expected to fall to 809,000 bpd in the week ending March 29th, but is seen rising to 882,000 bpd in the subsequent week.

Early Market Call - as of 8:30 AM EDT

WTI - May \$80.91, up 29 cents

RBOB - April \$2.7332, down 66 points

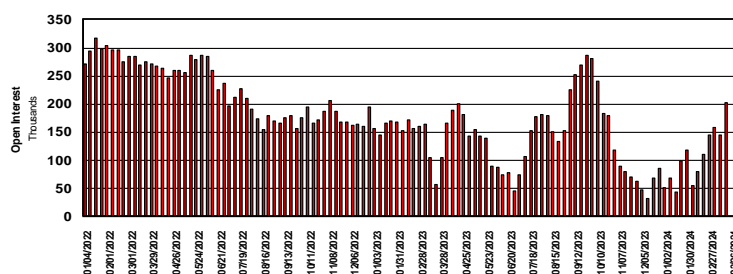
HO - April \$2.6755, up 2.21 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-24	2.6534	-0.0154	-0.0736
May-24	2.6385	-0.0131	-0.0573
Jun-24	2.6187	-0.0166	-0.0492
Jul-24	2.6082	-0.0186	-0.0453
Aug-24	2.6032	-0.0188	-0.0420
Sep-24	2.6030	-0.0184	-0.0405
Oct-24	2.6015	-0.0190	-0.0388
Nov-24	2.5929	-0.0195	-0.0375
Dec-24	2.5767	-0.0202	-0.0370
Jan-25	2.5643	-0.0208	-0.0365
Feb-25	2.5483	-0.0211	-0.0359
Mar-25	2.5273	-0.0218	-0.0360
Apr-25	2.5013	-0.0221	-0.0351
May-25	2.4827	-0.0210	-0.0329
Jun-25	2.4669	-0.0200	-0.0311
Jul-25	2.4557	-0.0197	-0.0300
Aug-25	2.4470	-0.0196	-0.0292

Sprague HeatCurve October 2024-April 2025		Close	Change
Crude - WTI	May Brent-WTI Spread \$4.80	\$80.6300	-\$0.4400
Crude - Brent		\$85.4300	-\$0.3500
Natural Gas		\$1.6590	-\$0.0240
Gasoline		\$2.7398	\$0.0127

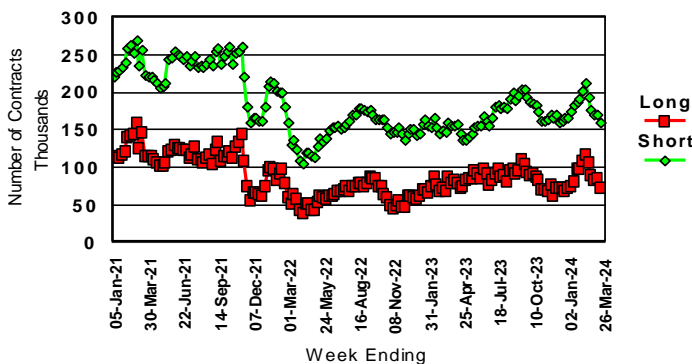
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending March 19, 2024

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

