

## Market Commentary

**Recap:** After rising overnight on signs of economic growth in China, oil futures fell on Monday after another rise in the U.S. rig count. Market activity was quiet due to the long Easter weekend. May WTI settled at \$52.65 a barrel, down 53 cents, or 1%, while Brent for June delivery slipped 53 cents, or 0.95%.

May RBOB rose 0.1% to \$1.737 a gallon, while May heating oil lost 0.2% to \$1.646 a gallon.

**Fundamental News:** Genscape reported that crude stocks held in Cushing, Oklahoma in the week ending Friday, April 14<sup>th</sup> fell by 481,391 barrels on the week and by 32,394 barrels from Tuesday, April 11<sup>th</sup> to 70,979,514 barrels.

Saudi Arabia's Energy Minister, Khalid al-Falih, said the level of compliance among OPEC and non-OPEC producers with a global deal to cut output is very good, above 100%, but added that it is premature to talk about extending the deal. He said he saw a consensus within OPEC on stabilizing the oil market, and that producers would do whatever was necessary to achieve that goal, whether it took six months or more. He said producers will look at the expected condition of the market over the next two years, and will be cautious when making their decision on any extension.

Saudi Arabian Oil Co. chief executive, Amin Nasser, said the global oil market is moving closer to balance even as increases in US oil production push prices down in the short-term. He said this is not a good indication of where the market is likely to be headed, as the large new production capacity and investment we will need in the future are lagging.

Iran's Oil Minister, Bijan Namdar Zanganeh, said compliance by OPEC and non-OPEC producers with an agreement to reduce oil production is improving month after month and the oil market is showing that by its favorable reaction. He also stated that "OPEC's decision to cut production has been a good one and we fully comply with its decision."

Libya's National Oil Corp indefinitely delayed its Sharara oilfield output target. The goal to increase output from the oilfield to 280,000 bpd, which was supposed to happen next week, will be delayed indefinitely.

A well operated by BP Exploration Alaska Inc on Alaska's North Slope is no longer leaking oil after leaks were discovered Friday morning. The well was venting gas, which caused a spray of crude oil to impact the well pad.

Officials at Iraq's South Oil Co said repair work at a Basra oil jetty damaged by a tanker collision last month were completed on Sunday. A one-million barrel vessel was anchored at the berth early on Monday, loading a cargo of light crude.

According to the EIA, US shale production in May is expected to increase 123,000 bpd to 5.19 million bpd. In the Permian, oil production is forecast to increase by 76,000 bpd to 2.36 million bpd while in the Eagle Ford region, output is set to increase by 39,000 bpd to 1.22 million bpd. Production in the Bakken region is forecast to fall by 1,400 bpd to 1.02 million bpd.

IIR reported that US oil refiners are expected to shut in 586,000 bpd of capacity in the week ending April 21<sup>st</sup>, increasing available refining capacity by 146,000 bpd in the previous week. IIR expects offline capacity to increase to 646,000 bpd in the week ending April 28<sup>th</sup>.

**Early Market Call - as of 9:00 AM EDT**

WTI - May \$52.43, down 22 cents

RBOB - May \$1.7046, down 1.54 cents

HO - May \$1.6239, down 89 points

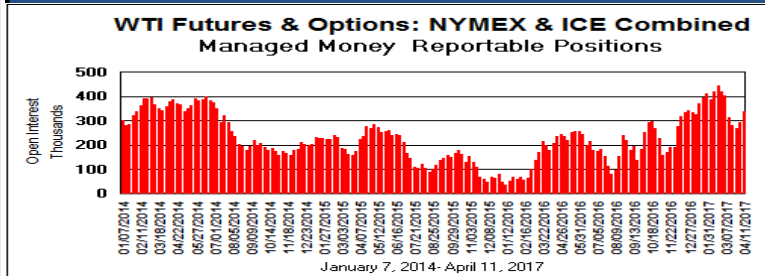
## All NYMEX | Prior Settlements

Month	USLD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-17	\$1.6329	(\$0.0166)	0.0045
Jun-17	\$1.6421	(\$0.0154)	0.0077
Jul-17	\$1.6518	(\$0.0144)	0.0102
Aug-17	\$1.6621	(\$0.0135)	0.0123
Sep-17	\$1.6740	(\$0.0128)	0.0142
Oct-17	\$1.6852	(\$0.0122)	0.0152
Nov-17	\$1.6954	(\$0.0119)	0.0157
Dec-17	\$1.7047	(\$0.0116)	0.0169
Jan-18	\$1.7140	(\$0.0113)	0.0176
Feb-18	\$1.7182	(\$0.0111)	0.0181
Mar-18	\$1.7157	(\$0.0112)	0.0180
Apr-18	\$1.7066	(\$0.0108)	0.0183
May-18	\$1.7000	(\$0.0101)	0.0197
Jun-18	\$1.6960	(\$0.0096)	0.0199
Jul-18	\$1.6963	(\$0.0094)	0.0197
Aug-18	\$1.6992	(\$0.0092)	0.0198

**Sprague HeatCurve Oct 2017-April 2018\*** \$1.7086

\* Degree Day weighted NYMEX strip (no differentials)

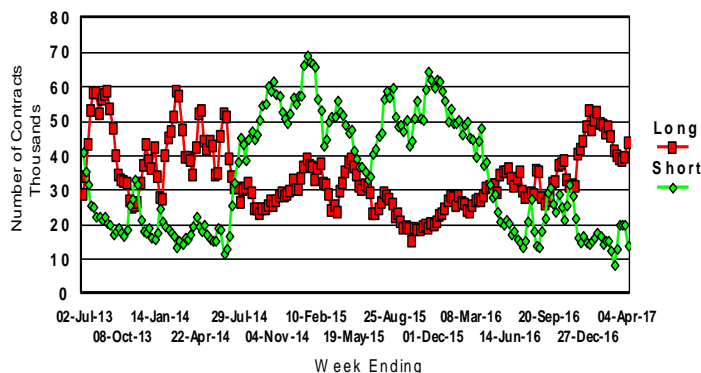
Other Front Month NYMEX		Close	Change
Crude - WTI	June Brent- WTI Spread	\$53.1100	-\$0.4900
Crude - Brent		\$55.3600	-\$0.5300
Natural Gas	\$2.25	\$3.1630	-\$0.0640
Gasoline		\$1.7196	-\$0.0153



## Commitment of Traders Report for the Week Ending April 11th

### Managed Money Heat Positons

CFTC Commitment of Traders Report



### Producer/Merchant Heat Positons

CFTC Commitment of Traders Report

