

Market Commentary

All NYMEX | Prior Settlements

Recap: Oil prices recouped some of this week's losses on Friday after hitting six-month lows on Thursday. However, this was not enough to stem prices from falling for the fourth straight week. July WTI gained 28 cents, or 0.63%, to settle at \$44.74 a barrel, a fresh seven-month low, while Brent for August delivery settled at \$47.37 a barrel, up 45 cents, or 0.96%.

July RBOB rose 1.9 cents, or 1.3%, at \$1.455 a gallon—though finishing down about 3.1% on the week, and July heating added 1.2 cents, or 0.9%, to \$1.427 a gallon, paring its weekly loss to about 0.3%.

Fundamental News: Baker Hughes reported that oil companies added oil rigs for a record 22nd week in a row. Drillers added six oil rigs in the week ending June 16th, bringing the total count up to 747, the most since April 2015. This is compared with 337 rigs in the same week a year ago.

Oil Movements reported that OPEC shipments are set to increase by 270,000 bpd to 24.39 million bpd in the four weeks ending July 1st compared with the four week period ending June 3rd.

Russia's oil production in June stood at 10.94 million bpd, which was in line with the OPEC/non-OPEC output cut agreement.

Kazakhstan's Energy Minister, Kanat Bozumbayev, will comply with the global oil output reduction deal in June and July after overproducing for three consecutive months.

Libya's National Oil Co said the country's oil output is expected to reach 900,000 bpd in two days. The country's oil production will then reach 1 million bpd by the end of July, the first time it has reached that milestone since 2013.

According to Bloomberg, waterborne crude imports to the US East Coast reached their highest level since at least 2013 in May. The bills of lading show that Padd 1 imports increased to nearly 1.05 million bpd. This increase is likely to further erode demand for domestic grades such as Bakken and WTI.

Diesel exports from the US to Europe are expected to see a sharp increase in June to levels not seen in nearly two years, as refineries on the Gulf Coast pump at near record levels. A stream of tankers is set to cross the Atlantic from US' refining hubs in Texas and Louisiana in June, carrying more than 2 million tons of diesel, the highest level since July 2015.

Tanker firm, Frontline, expects an increasing number of supertankers to be used for storing crude in anticipation of higher oil prices.

IIR reported that US oil refiners are estimated to shut in 194,000 bpd of capacity in the week ending June 16th, increasing available refining capacity by 259,000 bpd from the previous week. IIR expects offline capacity to increase to 339,000 bpd in the week ending June 23rd but fall to 90,000 bpd in the following week.

Early Market Call - as of 9:00 AM EDT

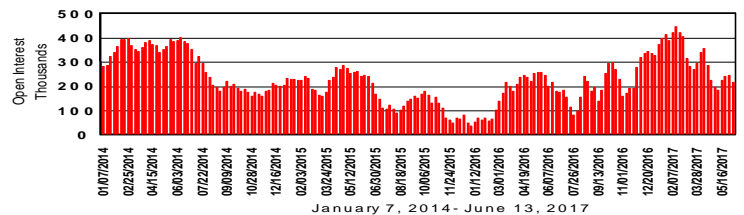
WTI - July \$44.90, up 15 cents
 RBOB - July \$1.4645, up 97 points
 HO - July \$1.4342, up 72 points

Month	USLD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jul-17	\$1.4270	\$0.0124	-0.0042
Aug-17	\$1.4340	\$0.0120	-0.0050
Sep-17	\$1.4435	\$0.0114	-0.0066
Oct-17	\$1.4537	\$0.0110	-0.0088
Nov-17	\$1.4655	\$0.0109	-0.0102
Dec-17	\$1.4766	\$0.0107	-0.0112
Jan-18	\$1.4877	\$0.0102	-0.0124
Feb-18	\$1.4946	\$0.0097	-0.0133
Mar-18	\$1.4958	\$0.0091	-0.0137
Apr-18	\$1.4911	\$0.0083	-0.0135
May-18	\$1.4916	\$0.0081	-0.0119
Jun-18	\$1.4954	\$0.0081	-0.0097
Jul-18	\$1.5012	\$0.0083	-0.0081
Aug-18	\$1.5073	\$0.0084	-0.0069
Sep-18	\$1.5135	\$0.0086	-0.0061
Oct-18	\$1.5206	\$0.0087	-0.0047

Sprague HeatCurve Oct 2017-April 2018* **\$1.4836**
 * Degree Day weighted NYMEX strip (no differentials)

Other Front Month NYMEX		Close	Change
Crude - WTI	Aug Brent- WTI Spread \$2.40	\$44.9700	\$0.2900
Crude - Brent		\$47.3700	\$0.4500
Natural Gas		\$3.0370	-\$0.0190
Gasoline		\$1.4548	\$0.0191

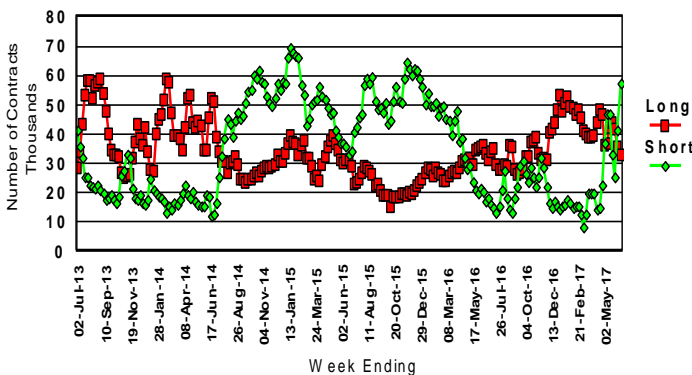
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Trader Report for the Week Ending June 13th

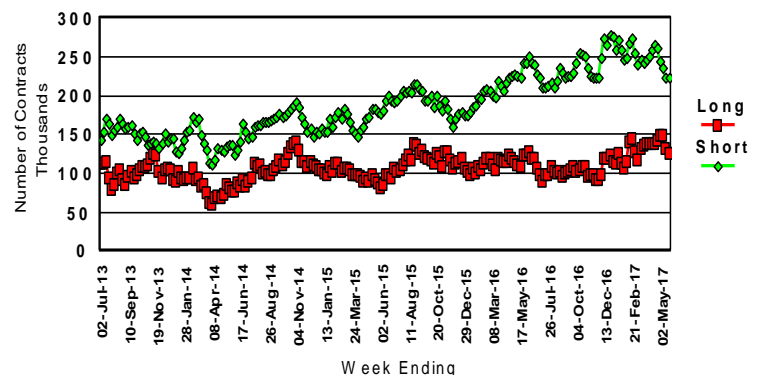
Managed Money Heat Positons

CFTC Commitment of Traders Report



Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



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