

Market Commentary

Recap: The oil market on Friday continued to trend lower and posted a weekly decline of 6.85%, its largest weekly decline since February 2nd, as traders weighed weaker than expected U.S. jobs data and the timing of a Federal Reserve interest rates cut. The market sold off this week on concerns over economic growth amid possible delays to rate cuts by the Federal Reserve. The oil market traded sideways in overnight trading and posted a high of \$79.63 early in session. This followed the release of a softer than expected employment report, a sign the labor market was softening, which Fed Chair Jerome Powell has deemed necessary to put inflation on a sustainable downward path. However, the market erased its gains and continued to trend lower throughout the session. It sold off to a low of \$78.02 ahead of the close. The June WTI contract settled down 84 cents at \$78.11 and continued to trade lower in the post settlement period to a low of \$78.00. The July Brent contract settled down 71 cents at \$82.96. The product markets ended mixed, with the heating oil market settling up 3 ticks at \$2.4434 and the RB market settling down 4.14 cents at \$2.5551.

Technical Analysis: The crude market on Monday will likely retrace some of its losses before it tests Friday's low of \$78.00 and continues to trend lower on concerns over economic growth. Technically, while its daily stochastics are low, they are still trending lower. The market is seen finding support at \$77.39, its 62% retracement level off a low of \$71.47 to a high of \$86.97, followed by \$76.98, \$76.67, \$76.07 and \$75.10. However, resistance is seen at \$79.63, \$79.90, \$80.10 followed by \$81.57, \$82.39, \$82.95, \$83.30 and \$83.46.

Fundamental News: Baker Hughes reported that U.S. energy firms this week cut the number of oil and natural gas rigs operating for a second consecutive week to the lowest level since January 2022. The oil and gas rig count fell by eight to 605 in the week ending May 3rd. Baker Hughes said oil rigs fell by seven to 499 this week, the largest decline since November 2023 and the number of gas rigs fell by three to 102.

In a statement, OPEC+ said Iraq and Kazakhstan have agreed to compensate for producing over their oil output quotas by making additional cuts to their production over the rest of the year. In the first three months of 2024, Iraq and Kazakhstan overproduced by a cumulative 602,000 bpd and 389,000 bpd, respectively.

IIR Energy said U.S. oil refiners are expected to shut about 1.01 million bpd of capacity in the week ending May 3rd, increasing available refining capacity by 144,000 bpd. Offline capacity is expected to fall to 724,000 bpd in the week ending May 10th and further to 545,000 bpd in the week ending May 17th.

U.S. job growth slowed more than expected in April and annual wage gains slowed. The Labor Department's Bureau of Statistics said in its employment report that nonfarm payrolls increased by 175,000 jobs in April. Data for March was revised up to show payrolls increasing by 315,000 jobs instead of 303,000 as previously reported. Economists had forecast payrolls advancing by 243,000. The unemployment rate increased to 3.9% from 3.8%, still staying below 4% for the 27th consecutive month.

Chicago Fed President, Austan Goolsbee, said the April U.S. jobs report showed "solid" job growth that nevertheless slowed to a point that could make Federal Reserve officials more confident the economy is not overheating.

Early Market Call - as of 8:15 AM EDT

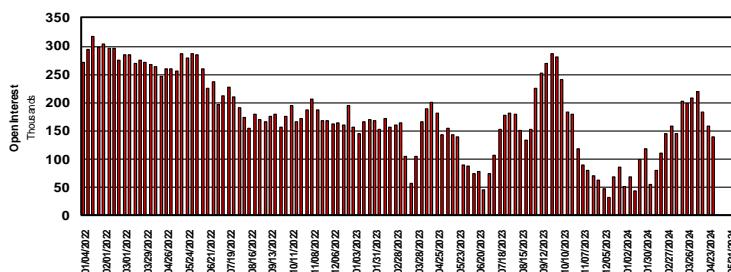
WTI - June \$78.83, up 73 cents
 RBOB - June \$2.5629, up 78 points
 HO - June \$2.4484, up 50 points

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jun-24	2.4434	0.0003	-0.1173
Jul-24	2.4570	-0.0006	-0.1146
Aug-24	2.4708	0.0002	-0.1103
Sep-24	2.4839	0.0010	-0.1050
Oct-24	2.4930	0.0017	-0.1018
Nov-24	2.4941	0.0020	-0.1003
Dec-24	2.4904	0.0020	-0.0985
Jan-25	2.4909	0.0023	-0.0945
Feb-25	2.4836	0.0026	-0.0903
Mar-25	2.4688	0.0023	-0.0870
Apr-25	2.4492	0.0020	-0.0822
May-25	2.4372	0.0019	-0.0778
Jun-25	2.4289	0.0024	-0.0719
Jul-25	2.4243	0.0030	-0.0675
Aug-25	2.4211	0.0040	-0.0637
Sep-25	2.4196	0.0047	-0.0607
Oct-25	2.4178	0.0050	-0.0577

Sprague HeatCurve October 2024-April 2025		Close	Change
Crude - WTI	July Brent-WTI Spread \$5.20	\$77.7600	-\$0.7200
Crude - Brent		\$82.9600	-\$0.7100
Natural Gas		\$2.1420	\$0.1070
Gasoline		\$2.5551	-\$0.0414

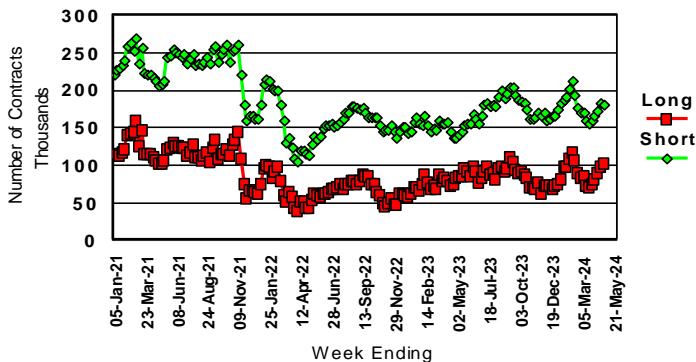
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending April 30, 2024

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

