

Market Commentary

Recap: The crude market on Monday continued to retrace last week's losses after OPEC issued a report that countered concerns over declining demand in the U.S. and China. In its monthly report, OPEC said oil market fundamentals remained strong and blamed speculators for a fall in prices. It increased its global demand growth forecast for 2023 by 20,000 bpd from its previous forecast to 2.46 million bpd and stuck to its relatively high 2024 demand forecast. The oil market was initially pressured in overnight trading and traded to a low of \$76.21 on worries over the global economy. Moody's downgraded its outlook on the U.S. credit rating this weekend, citing large deficits, increasing interest costs and political instability ahead of a possible government shutdown on Friday. However, the oil market bounced off its low and traded higher following the OPEC report. The crude market retraced more than 38% of its move from a high of \$83.60 to a low of \$74.91 as it traded to a high of \$78.53 by mid-day. The market traded in a sideways trading range during the remainder of the session, with the December contract settling up \$1.09 at \$78.26. The January Brent contract settled up \$1.09 at \$82.52. The product markets ended the session higher, with the heating oil market settling up 9.62 cents at \$2.8393 and the RB market settling up 4.64 cents at \$2.2359.

Technical Analysis: The oil market will likely retrace some of its gains and trade sideways as the market seeks further direction from a few market reports. The IEA's monthly report is scheduled to be released on Tuesday morning, while the API report is scheduled to be released on Tuesday afternoon and the EIA is scheduled to release two weeks' worth of data on Wednesday morning. The crude inventory reports are expected to show builds in crude stocks of 1.4 million barrels on the week. The crude market is seen finding resistance at \$78.53, \$79.26, \$80.28 and \$81.05-\$81.10. Meanwhile, support is seen at \$77.00, \$76.21, \$75.31, \$75.21 and \$74.91. More distant support is seen at \$73.96, \$73.88, \$73.84 and \$72.98.

Fundamental News: OPEC said oil market fundamentals remained strong and blamed speculators for a decline in prices as it slightly raised its 2023 forecast for global oil demand growth and stuck to its relatively high 2024 prediction. OPEC increased its forecast for world oil demand growth in 2023 to 2.46 million bpd, up 20,000 bpd from the previous forecast. In 2024, OPEC sees demand rising by 2.25 million bpd, unchanged from last month. OPEC also cited a strong physical crude markets as a further sign of market health. The OPEC report also said OPEC oil production increased in October by 80,000 bpd on the month to 27.9 million bpd despite the pledged supply cuts, driven by increases in Iran, Angola and Nigeria.

Iraq's Oil Minister Hayan Abdel-Ghani expects to reach an agreement with the Kurdistan Regional Government and foreign oil companies to resume oil production from the Kurdish region's oilfields within three days.

Goldman Sachs expects increased returns on commodities over the next 12 months, buoyed by higher spot prices amid easing monetary policy and recession fears while the asset class also strengthens on hedging against geopolitical supply risks. The bank expects "ongoing resilience" in demand to drive a recovery in oil prices, though factors including the possibility of a warmer fourth quarter and rising supply from some producers prompted it to cut its 2024 average Brent price forecast to \$92/barrel from a previous estimate of \$98/barrel.

The EIA reported that U.S. total shale regions oil production for December is seen down about 1,200 bpd at 9.652 million bpd following a decline of 4,100 bpd in November.

IIR Energy said U.S. oil refiners are expected to shut in 649,000 bpd of capacity in the week ending November 17th, increasing available refining capacity by 663,000 bpd.

Early Market Call - as of 8:20 AM EDT

WTI - December \$78.09, down 18 cents

RB0B - December \$2.2344, down 15 points

HO - December \$2.8147, down 2.46 cents

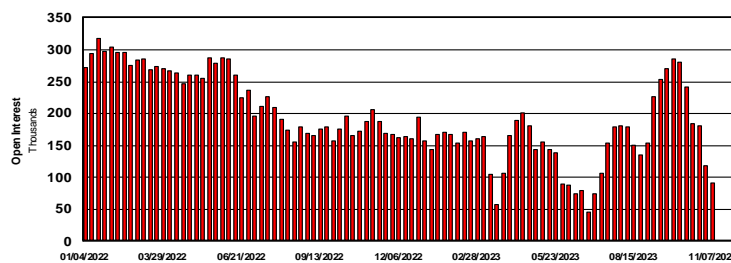
All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Dec-23	2.8393	0.0962	-0.1131
Jan-24	2.7765	0.0790	-0.1127
Feb-24	2.7425	0.0730	-0.1052
Mar-24	2.7036	0.0670	-0.0993
Apr-24	2.6577	0.0588	-0.0907
May-24	2.6267	0.0516	-0.0821
Jun-24	2.6054	0.0447	-0.0775
Jul-24	2.5965	0.0400	-0.0769
Aug-24	2.5939	0.0380	-0.0749
Sep-24	2.5971	0.0373	-0.0725
Oct-24	2.5978	0.0364	-0.0709
Nov-24	2.5913	0.0347	-0.0709
Dec-24	2.5790	0.0332	-0.0715
Jan-25	2.5665	0.0325	-0.0715
Feb-25	2.5525	0.0327	-0.0696
Mar-25	2.5358	0.0333	-0.0665
Apr-25	2.5145	0.0334	-0.0620

Sprague HeatCurve October 2024-April 2025 \$2.5618

	Close	Change
Crude - WTI	\$78.1900	\$1.0400
Crude - Brent	\$82.5200	\$1.0900
Natural Gas	\$3.1970	\$0.1640
Gasoline	\$2.2359	\$0.0464

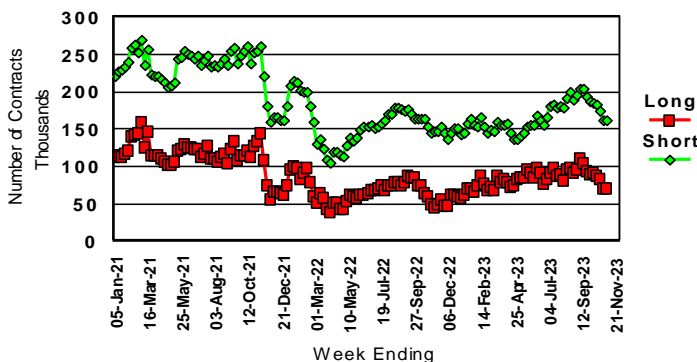
WTI Futures & Options: NYMEX & ICE Combined
Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending November 7, 2023

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

