

Market Commentary

All NYMEX | Prior Settlements

Recap: Oil futures traded higher in overnight trading, spurred by a report that showed China's crude oil throughput rose 2.6% in October from a year earlier to its highest-ever level as fuel demand firmed on strong holiday travel. A second boost came after Moderna announced that it too has a vaccine for Covid-19, this pushed December WTI back above \$42 a barrel, but this spot contract was unable to hold above it. December WTI rose \$1.21, or 3%, to settle at \$41.34 a barrel, while Brent for January delivery settled at \$43.82 a barrel, up \$1.04, or 2.43%. December heating oil added 2.47 cents, to settle at \$1.2289 a gallon, while December RBOB settled at \$1.1468 a gallon, up 2.14 cents.

Technical Analysis: Right out of the gate, December WTI bounced off of the 10-day moving average and gained enough momentum to overtake \$41.69 the 200-day moving average, but not enough strength to hold above it. Despite the higher move, there is not enough demand to sop up the excess barrels and with COVID-19 still a major issue, we believe that this rally will be short lived. A settlement above \$42 will shift the minor trend to the upside, giving this market the potential to reach toward \$44. On the flipside, a settlement below the 50-day moving average will open up the opportunity for this market to test support down around \$36.25.

Fundamental News: OPEC and its allies discussed weaker compliance with pledged oil output cuts on Monday and weighed further action to support the market as the second wave of coronavirus hits demand. OPEC+ producers are due to increase output by 2 million bpd in January as part of a steady easing of record supply cuts implemented earlier this year. However, with demand for fuel weakening, OPEC+ has been considering delaying that increase or even making further cuts. OPEC sources stated that OPEC and its allies finished a technical meeting with most countries supporting a three-month extension of current oil supply cuts from January. The Joint Technical Committee meeting also discussed figures showing OPEC+ compliance with pledged curbs in October was 96%, which was less than previously thought.

The U.S. EIA said U.S. oil output from shale formations is expected to fall by about 139,000 bpd in December to about 7.51 million bpd, the lowest level since June.

Moderna Inc said its experimental vaccine was 94.5% effective in preventing COVID-19 based on interim data from a late-stage clinical trial, becoming the second U.S. company in a week to report results that far exceed expectations. Together with Pfizer Inc's vaccine, also shown to be more than 90% effective, and pending more safety data and regulatory review, the United States could have two vaccines authorized for emergency use in December with as many as 60 million doses of vaccine available by the year's end. Next year, the U.S. government could have access to more than 1 billion doses just from the two vaccine makers, more than needed for the country's 330 million residents. Moderna, part of the U.S. government's Operation Warp Speed program, expects to produce around 20 million doses of the vaccine for the United States this year, millions of which the company has already made, and is ready to ship if it receives FDA authorization. Moderna expects to have enough safety data required for U.S. authorization in the next week or so and the company expects to file for emergency use authorization in the coming weeks.

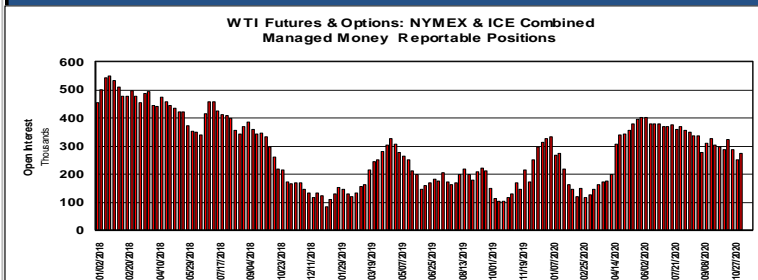
IIR Energy said U.S. oil refiners are expected to shut in 3.9 million bpd of capacity offline in the week ending November 20th, increasing available refining capacity by about 167,000 bpd from the previous week. Offline capacity is expected to fall further to 3.6 million bpd in the week ending November 27th.

Early Market Call - as of 8:20 AM EDT

WTI - Dec \$40.86, down 48 cents
 RBOB - Dec \$1.1326, down 1.42 cents
 HO - Dec \$1.2186, down 1.03 cents

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Dec-20	1.2289	0.0247	-0.0122
Jan-21	1.2404	0.0245	-0.0133
Feb-21	1.2533	0.0241	-0.0163
Mar-21	1.2641	0.0236	-0.0188
Apr-21	1.2694	0.0225	-0.0194
May-21	1.2772	0.0212	-0.0188
Jun-21	1.2861	0.0202	-0.0182
Jul-21	1.2966	0.0198	-0.0182
Aug-21	1.3072	0.0196	-0.0183
Sep-21	1.3185	0.0196	-0.0184
Oct-21	1.3296	0.0193	-0.0183
Nov-21	1.3395	0.0189	-0.0172
Dec-21	1.3476	0.0187	-0.0164
Jan-22	1.3577	0.0183	-0.0155
Feb-22	1.3642	0.0179	-0.0144
Mar-22	1.3668	0.0176	-0.0134
Apr-22	1.3657	0.0173	-0.0130

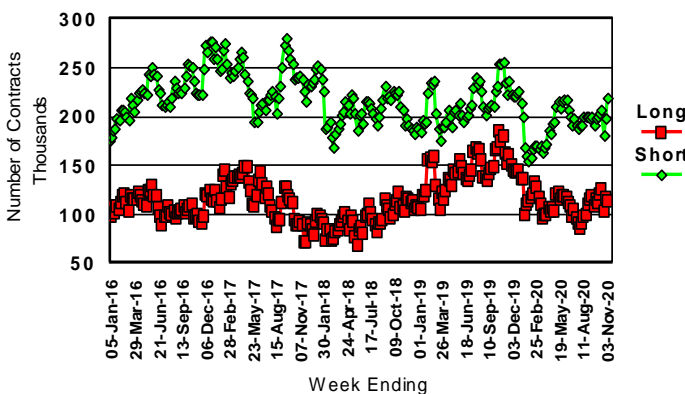
		Close	Change
Crude - WTI	Jan Brent- WTI Spread \$2.25	\$41.5700	\$1.1700
Crude - Brent		\$43.8200	\$1.0400
Natural Gas		\$2.6970	-\$0.2980
Gasoline		\$1.1468	\$0.0214



Commitment of Traders Report for the Week Ending November 10, 2020

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

