

Market Commentary

Recap: Oil futures moved up on Wednesday, following a U.S. government report that showed domestic crude supplies up a fourth straight week, but by less than the six million-barrel jump reported by a trade group the day before. According to the EIA, U.S. crude oil inventories rose by 1.4 million barrels for the week ending November 15. December WTI added \$1.90, or 3.4%, to settle at \$57.11 a barrel. The day's dollar and percentage rise was the biggest since Nov. 1, according to Dow Jones Market Data. January Brent gained 1.49, or 2.5%, to settle at \$62.40 a barrel. December RBOB rose 3.3% to \$1.6563 a gallon and December heating oil added 1.9% to \$1.8921 a gallon.

Technical Analysis: Wednesday's break back into the ascending channel invalidated Tuesday's settlement below the channel. The January WTI blew through the aforementioned line and regained ground above the 10 and 50 day moving averages. Given this scenario, we would look for this spot contract to settle into the sideways trading range set between \$55.00 and \$58.00. Support is set at \$57.02 and \$56.84, the 50 and 10-day moving averages. Below this, additional support is set at \$55.00. Resistance is set at \$58.10 and above that at \$59.61.

Fundamental News: The EIA reported that US crude oil stocks increased by 1.4 million barrels in the week ending November 15th even as refineries increased runs. Crude stocks at Cushing, Oklahoma fell by 2.3 million barrels. Refinery runs increased by 519,000 bpd.

Saudi Arabia's King Salman said the country's oil policy aims to promote stability in global oil markets, and serves consumers and producers alike. He also stated that the ability of Saudi Aramco to quickly restore oil production capacity after attacks on its facilities in September had proven the country's ability to meet global demand during any shortage.

Russia's Energy Minister, Alexander Novak, said Russia plans to produce between 556 and 560 million tons or between 11.17 million bpd and 11.25 million bpd of oil this year. He said Russia will aim to comply with its commitment under the OPEC and non-OPEC output cut agreement in November. He however added that he was not yet ready to announce what his ministry's stance on a global oil output agreement would be at an upcoming OPEC+ meeting in Austria.

Russia's President, Vladimir Putin, said Russia and OPEC have "a common goal" of keeping the oil market balanced and predictable. He said Russia will continue its cooperation under the global supply cut deal.

The head of the Russian Direct Investment fund, Kirill Dmitriev, said global oil demand may increase as global trade wars subside, when asked what to expect from a meeting of OPEC and non-OPEC producers scheduled for December.

The head of Russia's Lukoil, Vagit Alekperov, expects a decision in March on whether OPEC and its allies will extend a deal to cut oil production until the end of 2020.

The head of Libya's National Oil Corp, Mustafa Sanalla, said the country is pumping 1.25 million bpd of oil and hopes to increase production to 1.5 million bpd next year.

IIR Energy reported that US oil refiners are expected to shut in 921,000 bpd of capacity in the week ending November 22nd, increasing available refining capacity by 339,000 bpd from the previous week. Offline capacity is expected to fall to 700,000 bpd in the week ending November 29th.

Early Market Call - as of 8:35 AM EDT

WTI - Jan \$57.35, up 34 cents

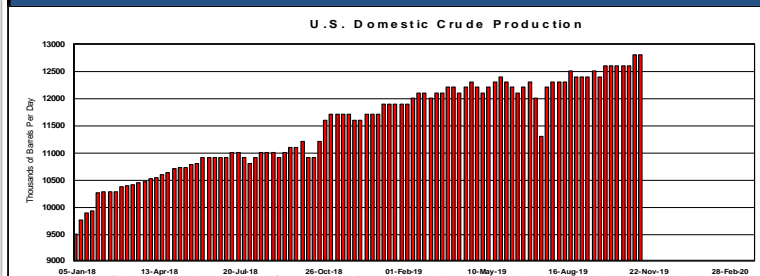
RBOB - Dec \$1.6548, down 18 points

HO - Dec \$1.9050, up 1.33 cents

All NYMEX | Prior Settlements

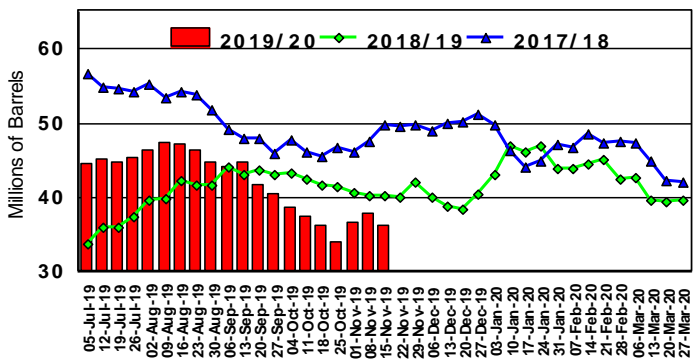
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Dec-19	1.8921	0.0347	0.0204
Jan-20	1.8904	0.0349	0.0191
Feb-20	1.8861	0.0350	0.0263
Mar-20	1.8767	0.0351	0.0146
Apr-20	1.8619	0.0347	0.0138
May-20	1.8516	0.0336	0.0136
Jun-20	1.8463	0.0328	0.0119
Jul-20	1.8450	0.0321	0.0116
Aug-20	1.8449	0.0319	0.0106
Sep-20	1.8464	0.0319	0.0097
Oct-20	1.8481	0.0317	0.0093
Nov-20	1.8500	0.0317	0.0090
Dec-20	1.8515	0.0316	0.0085
Jan-21	1.8534	0.0312	0.0078
Feb-21	1.8483	0.0308	0.0080
Mar-21	1.8382	0.0302	0.0083
Apr-21	1.8216	0.0297	0.0078

Other Front Month NYMEX		Close	Change
Crude - WTI	Jan Brent-	\$57.0100	\$1.6600
Crude - Brent	WTI Spread	\$62.4000	\$1.4900
Natural Gas	\$5.39	\$2.5590	\$0.0490
Gasoline		\$1.6563	\$0.0526



Weekly EIA Petroleum Status Report for the Week Ending November 15, 2019

Distillate Stocks PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 1.379 million barrels

Cushing, OK Crude Stocks Down 2.295 million barrels

Gasoline Stocks Up 1.756 million barrels

Distillate Stocks Down 974,000 barrels

Refinery % Operated 89.5%, up 1.7%

PADD #1

Distillate Stocks (in million bbls)	Week Ending Nov 15, 2019	Week Ending Nov 8, 2019	Week Ending Nov 16, 2018
New England	7.4	7.1	8.1
Central Atlantic	18.0	17.2	21.0
Total PADD #1	36.2	37.7	40.3
Distillate Imports (thousands b/d)	300	212	85