

Market Commentary

Recap: Oil prices were mixed on Monday, with WTI spending most of the session trading to the downside, while Brent, which opened lower, reversed to the upside, never to look back. An update on the timeline for the restart of the Syncrude oil sands facility kept a lid on WTI, while Brent continued to gain support from the U.S. request that Iranian oil exports be reduced to zero by November. August WTI posted a strong finish going into the settlement phase of the session, picking up momentum above \$73.70, to peak the day's trading at \$74.28. Gains were pared, with this spot contract settling at \$73.85 a barrel, up 5 cents, or .07%. September Brent tacked on 96 cents, or 1.24%, to settle at \$78.07 a barrel.

August RBOB rose 1.9% to settle at \$2.149 a gallon, while August heating oil ended at \$2.196 a gallon, up 1.3%.

Fundamental News: Genscape reported that crude oil stocks held in Cushing, Oklahoma in the week ending July 6th fell by 772,515 barrels on the week and by 75,091 barrels from Tuesday, July 3rd to 29,185,146 barrels.

According to data from cFlow, S&P Global Platts trade software, about 1.87 million barrels of crude oil traveled by vessel from the US Gulf Coast to the US Atlantic Coast for the week ending June 29th. Averaging about 267,000 bpd last week, waterborne crude volumes were up considerably from the 50,000 bpd the week before.

According to Thomson Reuters data, Venezuelan crude sales to the US recovered in June from May as PDVSA exported more of its oil to its customers and drained inventories from two Caribbean islands affected by assets seizures. PDVSA exported 563,962 bpd of crude to the US in June, up 5% on the month.

Kuwait Petroleum Corp's Chief Executive Officer, Nizar al-Adsani, said Asian refiners have increased oil buying from Saudi Arabia, Kuwait, the UAE and Iraq after the US pledged to renew sanctions on Iran. He confirmed that KPC increased its output by 85,000 bpd as part of last month's OPEC agreement.

A member of Iran's Parliament's energy commission, Ali Bakhtiar, said the country's oil exports will not fall to zero but added that a reduction of 500,000 to 1 million bpd will impact the market.

Iranian crude cargoes loadings in September are set to be the final shipments for Japanese buyers if the Asian country does not receive a waiver from the US on sanctions. September loadings of Iranian condensate will also be the last cargoes to Japan before the November 4th deadline set by the US for buyers to reduce imports from Iran.

Suncor Energy Inc said preliminary investigation results indicate that the cause of the disruption at its Syncrude oil sands project was a transformer trip. It will resume some production in July, which is sooner than expected, and will reach full capacity in September. Pipeline shipments of treated product are estimated to be about 60-70% of capacity for August.

The chairman of Libya's National Oil Corp, Mustafa Sanalla, said the country's oil production will continue declining if major ports remain closed following clashes last month that led to a political deadlock. He said production was currently 527,000 bpd. The country was producing twice that amount before fighting in February forced an oil field in western Libya to shut down.

Early Market Call - as of 9:26 AM EDT

WTI - Aug \$74.38 up 53 cents

RBOB - Aug \$2.1687 up 2.02 cents

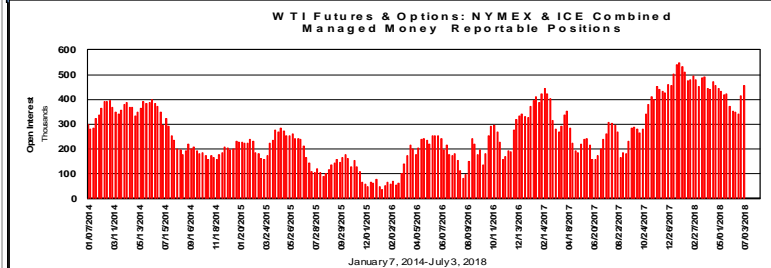
HO - Aug \$2.2277 up 3.20 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Aug-18	\$2.1957	\$0.0273	\$0.0399
Sep-18	\$2.2013	\$0.0262	\$0.0383
Oct-18	\$2.2072	\$0.0261	\$0.0374
Nov-18	\$2.2122	\$0.0259	\$0.0365
Dec-18	\$2.2171	\$0.0262	\$0.0359
Jan-19	\$2.2225	\$0.0263	\$0.0357
Feb-19	\$2.2211	\$0.0260	\$0.0362
Mar-19	\$2.2126	\$0.0252	\$0.0365
Apr-19	\$2.1956	\$0.0237	\$0.0364
May-19	\$2.1893	\$0.0225	\$0.0359
Jun-19	\$2.1843	\$0.0214	\$0.0351
Jul-19	\$2.1895	\$0.0212	\$0.0354
Aug-19	\$2.1956	\$0.0211	\$0.0347
Sep-19	\$2.2037	\$0.0206	\$0.0333
Oct-19	\$2.2095	\$0.0199	\$0.0336
Nov-19	\$2.2169	\$0.0205	\$0.0355
Dec-19	\$2.2280	\$0.0197	\$0.0372

Sprague HeatCurve Oct 2018-April 2019 \$2.2153

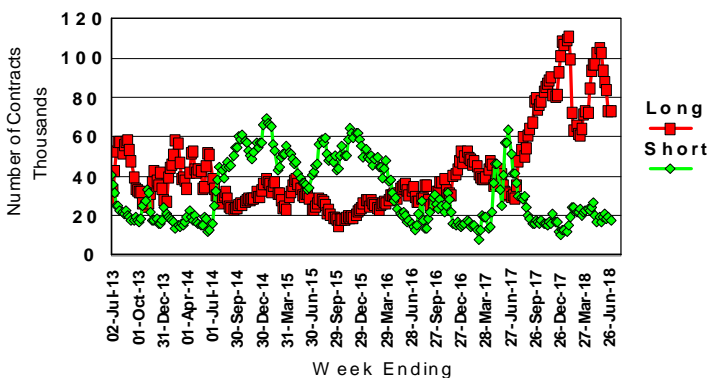
Other Front Month NYMEX		Close	Change
Crude - WTI	Sep Brent- WTI Spread \$6.09	\$71.9800	\$0.4100
Crude - Brent		\$78.0700	\$0.9600
Natural Gas		\$2.8280	-\$0.0300
Gasoline		\$2.1485	\$0.0400



Commitment of Traders Report for the Week Ending July 3, 2018

Managed Money Heat Positons

CFTC Commitment of Traders Report



Producer/Merchant Heat Positons

CFTC Commitment of Traders Report

