

Market Commentary

Recap: Oil futures rose on Friday, but declined for the week as traders weighed headlines around Russia and Iran suggesting more possible supply disruptions, versus those promising remedies in a tight market. Oil futures have been rocked by Russia's invasion of Ukraine. U.S. President Joe Biden said the G7 industrialized nations will revoke Russia's "most favored nation" trade status, and announced a U.S. ban on Russian seafood, alcohol and diamonds. The United States had banned Russian oil purchases earlier in the week. Meanwhile, talks to revive the 2015 Iran nuclear deal on Friday faced the threat of collapse after a last-minute Russian demand forced world powers to pause negotiations for an undetermined time despite having a largely completed April WTI ended the session up \$3.31, or 3.12%, to settle at \$109.33 a barrel. For the week, however, prices based on the front-month lost roughly 5.5%. Brent for May delivery added \$3.34, or 3.05%, at \$112.67 a barrel. Petroleum products ended the session higher, with April RBOB tacking on .1508 cents, to end the session at \$3.3121 per gallon, while April heating oil added .1159 cents, or 6.5% to \$4.176 a gallon.

Technical Analysis: The main trend for WTI is up, with a trade above \$126.42 signaling resumption to the up move. A push below \$85.81 shifts the trend toward the downside. Bias to the upside will remain as long as we get a sustained move above \$106.12 with \$112.99 to the \$116.16. Should we see this market move below \$101.32, we will see a slight shift in bias to the downside, with enough oomph to push toward the \$99.50 area.

Fundamental News: The European Union's Foreign Policy Chief, Josep Borrell, said a final text regarding the revival of the 2015 nuclear agreement between Iran and world powers is "essentially ready and on the table" but a pause is needed in the talks due to "external factors". He said that he hoped parties negotiating a revival of the 2015 nuclear would be able to resume negotiations very soon. He said that all sides were still working in a spirit of compromise and that they were almost there in reaching a deal to revive the agreement. A senior EU official said there were still two or three technical issues that need to be resolved between Washington and Tehran but those could be resolved quickly. He said he hoped talks would resume before the Iranian New Year on March 21st. On Thursday, an Iranian official said there were still two to three difficult questions to resolve and that Tehran was now also demanding a change in the sequencing of how an accord should be implemented. Iran's Foreign Minister Hossein Amirabdollahian appeared to suggest one of the stumbling blocks remained the extent to which sanctions on Iran's elite revolutionary guards would be rolled back. Iran has also said it wants guarantees that no future U.S. president will again abandon a nuclear deal.

Baker Hughes reported U.S. energy firms this week added to the number of drilling rigs search for oil and gas by 13 to a total of 663 frigs, the highest level since April 2020 and some 65% higher than a year ago. The number of oil rigs increased by 8 on the week while natural gas drilling totals increased by 5.

IIR Energy reported that U.S. oil refiners are expected to shut in 943,000 bpd of capacity in the week ending March 11th, cutting available refining capacity by 237,000 bpd. Offline capacity is expected to increase to 1.02 million bpd in the week ending March 18th and then fall to 882,000 bpd in the week ending March 25th.

Goldman Sachs downgraded their forecasts for U.S. economic growth for this year, noting that spikes in oil and other commodities since Russia's invasion of Ukraine will hurt spending. The investment bank cut its annualized growth forecast to 2.9% from a previous expectation of 3.1%. It expects fourth-quarter real GDP growth of 1.75%, down from a previous forecast of 2%. Goldman analysts, led by Jan Hatzius, said there are additional downside risks if shortages of key metals constrain U.S. production, and put the chance of a recession during the next year at 20%-35%.

Early Market Call - as of 8:05 AM EDT

WTI - Apr \$104.8Down 4.55

RBOB - Apr \$3.2280 Down0.0841

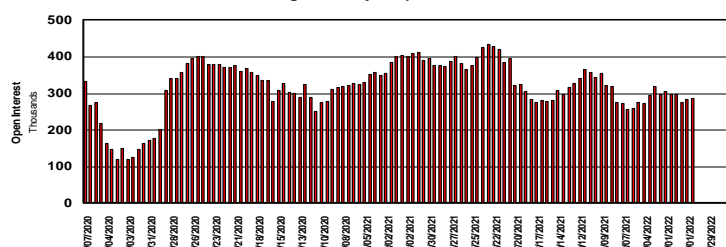
All NYMEX | Prior Settlements

Month	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-22	3.4176	0.1214	-0.3587
May-22	3.2931	0.0974	-0.2805
Jun-22	3.1915	0.0848	-0.1922
Jul-22	3.1258	0.0854	-0.0879
Aug-22	3.0690	0.0821	-0.0470
Sep-22	3.0182	0.0786	-0.0978
Oct-22	2.9682	0.0773	-0.0751
Nov-22	2.9218	0.0801	-0.0802
Dec-22	2.8792	0.0844	-0.0874
Jan-23	2.8436	0.0841	-0.0893
Feb-23	2.8139	0.0812	-0.0887
Mar-23	2.7805	0.0777	-0.0910
Apr-23	2.7451	0.0759	-0.0944
May-23	2.7165	0.0723	-0.0968
Jun-23	2.6941	0.0717	-0.0985
Jul-23	2.6789	0.0714	-0.1000
Aug-23	2.6645	0.0710	-0.1031

Sprague HeatCurve October 2022-April 2023

	Close	Change
Crude - WTI	\$106.3000	\$3.3100
Crude - Brent	\$112.6700	\$3.3400
Natural Gas	\$4.7250	\$0.0940
Gasoline	\$3.3121	\$0.1554

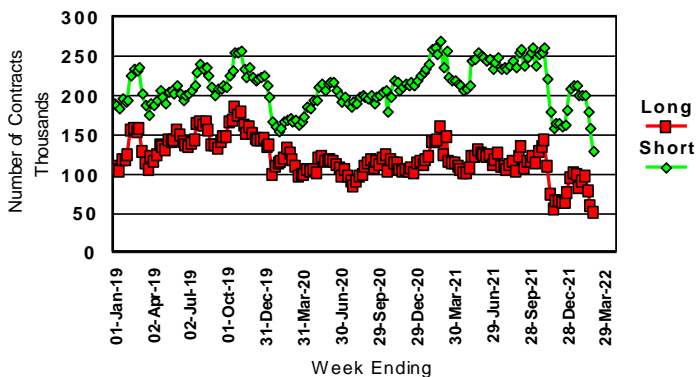
WTI Futures & Options: NYMEX & ICE Combined
Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending March 8, 2022

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

