

## Market Commentary

**Recap:** The oil market on Monday traded lower and remained within last Wednesday's trading range as traders awaited this week's OPEC+ meeting. Last week, the market tumbled when OPEC+ decided to postpone its ministerial meeting until November 30<sup>th</sup> to iron out differences on production targets for African producers. While sources have stated that the group has moved closer to a compromise and OPEC+ is looking at increasing output cuts, the market's gains have been limited ahead of a formal announcement. The market continued to trend lower following Friday's shortened trading session and posted a low of \$74.06 in overnight trading. The market traded to a high of \$76.23 by mid-morning before it once again erased its gains. The January WTI contract traded in a sideways trading range during the remainder of the session and settled down 68 cents at \$74.86. The January Brent contract settled down 60 cents at \$79.98. The product markets ended the session in positive territory, with the heating oil market settling up 22 points at \$2.8379 and the RB market settling up 1.48 cents at \$2.1799.

**Technical Analysis:** The oil market will remain range bound within its recent trading range from \$73.75 to \$77.97 ahead of weekly petroleum stock reports on Tuesday and Wednesday, which are expected to show builds in crude stocks of about 2 million barrels on the week. The market will also remain range ahead of the OPEC+ meeting on Thursday. The crude market is seen finding support at its low of \$74.06, \$73.79 followed by \$72.91 and \$72.37. Meanwhile, resistance is seen at its high of \$76.23, \$77.09, \$77.97 and \$78.46-\$78.48. Further upside is seen at \$78.69 and \$79.65.

**Fundamental News:** The Organization of the Petroleum Exporting Countries and allies led by Russia, known as OPEC+, will begin its formal meetings to decide oil output levels at 1300 GMT on Thursday. Ministers on an advisory panel called the Joint Ministerial Monitoring Committee will hold talks, followed by a meeting of the full policy-making group of OPEC+ ministers at 1400 GMT. The meeting was delayed from November 26<sup>th</sup>. OPEC+ sources said the delay was due to a disagreement over output levels for African producers, although sources have since said the group has moved closer to a compromise on this issue.

An OPEC+ source said the producer group is looking at deepening oil production cuts despite its policy meeting being postponed to this Thursday amid a quota disagreement between some producers. An OPEC+ source said he expected there to be an option for a "collective further reduction" on Thursday, without providing details.

Bloomberg reported that efforts to fill the SPR are being slowed in part by companies delaying their return of borrowed barrels. Shell Plc, TotalEnergies Se and Chevron Corp were among nine companies that borrowed government oil as part of an exchange program the past two years. According to government documents seen by Bloomberg, the three companies received U.S. approval to delay about 5 million barrels until 2024 and 2025. Phillips 66 completed its repayment so far. However, the transaction did not add any barrels to the reserve. The company instead repaid its loan with government crude it purchased but had not yet received from a previous tender and reserve oil originally purchased by Saudi Aramco's U.S. trading unit. The Energy Department's attempts to directly purchase crude for the reserve have already been affected by disagreements over price and quality. So far, the U.S. has purchased only 7.5 million of the 12 million barrels it planned to purchase this year.

IIR Energy reported that U.S. oil refiners are expected to shut in 29,000 bpd of capacity in the week ending December 1<sup>st</sup>, increasing available refining capacity by 298,000 bpd.

### Early Market Call - as of 8:10 AM EDT

WTI - January \$75.71, up 85 cents

RBOB - December \$2.2010, up 2.11 cents

HO - December \$2.8535, up 1.56 cents

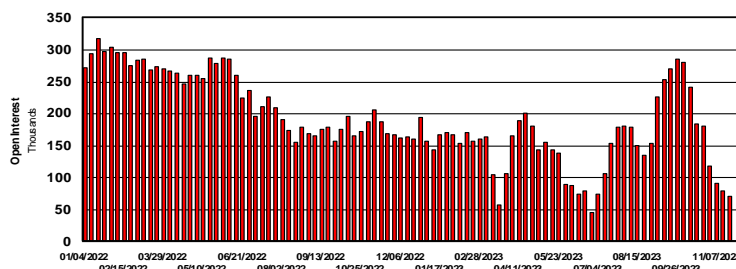
## All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Dec-23	2.8379	0.0022	-0.0116
Jan-24	2.7532	-0.0091	-0.0345
Feb-24	2.7122	-0.0131	-0.0430
Mar-24	2.6721	-0.0145	-0.0468
Apr-24	2.6239	-0.0148	-0.0503
May-24	2.5899	-0.0158	-0.0538
Jun-24	2.5669	-0.0170	-0.0546
Jul-24	2.5586	-0.0174	-0.0529
Aug-24	2.5565	-0.0179	-0.0522
Sep-24	2.5609	-0.0182	-0.0518
Oct-24	2.5627	-0.0188	-0.0515
Nov-24	2.5568	-0.0183	-0.0508
Dec-24	2.5449	-0.0178	-0.0501
Jan-25	2.5327	-0.0169	-0.0506
Feb-25	2.5183	-0.0150	-0.0517
Mar-25	2.5012	-0.0131	-0.0521
Apr-25	2.4790	-0.0123	-0.0525

### Sprague HeatCurve October 2024-April 2025

	Close	Change
Crude - WTI	\$74.8600	-\$0.6800
Crude - Brent	\$79.9800	-\$0.6000
Natural Gas	\$2.7940	-\$0.0610
Gasoline	\$2.1799	\$0.0148

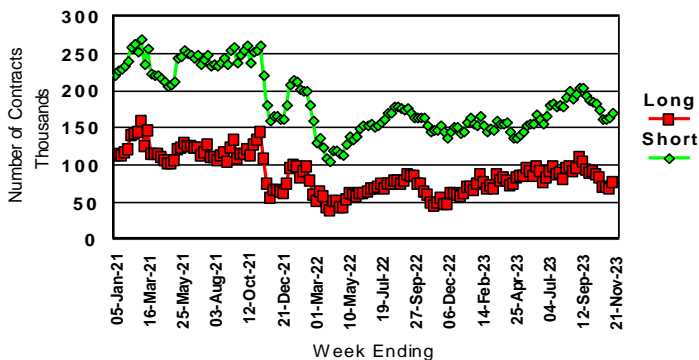
WTI Futures & Options: NYMEX & ICE Combined  
Managed Money Reportable Positions



## Commitment of Traders Report for the Week Ending November 21, 2023

### Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



### Managed Money Heat Positons

CFTC Commitment of Traders Report

