

## Market Commentary

**Recap:** The crude market on Thursday rallied to its highest level in more than a year on concern of tight supply before it erased its gains by the end of the session on profit taking. The market traded mostly sideways before it rallied over the \$95 level for the first time since August 2022. It posted a high of \$95.03 in overnight trading, where it held resistance during the remainder of the session as it erased its earlier gains. The market retraced more than 50% of its move seen in the last few days from a low of \$88.19 to its high of \$95.03 as traders took profits and pushed the market to a low of \$91.39 in afternoon trading. The November WTI contract snapped a two day winning streak and settled down \$1.97 at \$91.71. The November Brent contract settled down \$1.17 at \$95.38. The product markets ended the session mixed, with the heating oil market settling up 33 points at \$3.3180 and the RB market settled down 9.33 cents at \$2.5053.

**Technical Analysis:** The oil market on Friday will likely retrace some of its losses ahead of the weekend as it continues to trade within its upward trend channel. It is seen finding some support at its low of \$91.39, \$90.80, \$90.40 and \$90.32. More distant support is seen at \$88.19 and \$88.04. Meanwhile, resistance is seen at \$93.25, \$93.90, its high of \$95.03 and \$96.25.

**Fundamental News:** Russian Energy Minister, Nikolai Shulginov, said that the ban on fuel exports will not be lifted soon and will remain in place until the domestic market stabilizes. He also said that some additional measures could be taken in order to tackle the fuel shortages. On Wednesday, President Vladimir Putin ordered his government to make sure retail fuel prices stabilize and urged additional measures to balance the domestic market following the introduction of the ban on gasoline and diesel exports.

Russia's Deputy Prime Minister Alexander Novak is scheduled to meet representatives of Russian oil companies on Thursday.

Barclays said "We maintain our recommendation to go long the Feb 2024 WTI minus Brent spread."

The U.S. Commerce Department said the economy maintained a fairly strong pace of growth in the second quarter and appears to have gathered momentum this quarter amid a strong labor market. It reported that GDP increased at an unrevised 2.1% annualized rate last quarter. Growth for the first quarter was revised up to a 2.2% rate from the previously reported 2.0% pace.

Chicago Fed President, Austan Goolsbee, said the U.S. Federal Reserve may be on the cusp of "something rare" by lowering inflation without a major blow to jobs and growth and must be "extra careful" about relying too much on the history of past inflation fights in plotting further policy moves. He said that longstanding views about what it will take to finish the inflation battle may no longer apply, and he cited recent Chicago Fed staff research indicating inflation could reach the U.S. central bank's 2% target "soon," and without any further rate increases. He also said that "well-anchored" public expectations about inflation can allow the pace of price increases to fall "with less economic pain than was needed in the past."

### Early Market Call - as of 8:50 AM EDT

WTI - October \$93.00, up \$1.29

RBOB - October \$2.5138, up 85 points

HO - October \$3.4042, up 8.62 cents

## All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Sep-23	3.3180	0.0033	-0.0500
Oct-23	3.2704	0.0083	-0.0216
Nov-23	3.1535	0.0052	-0.0037
Dec-23	3.0803	0.0000	-0.0041
Jan-24	3.0244	-0.0051	-0.0130
Feb-24	2.9557	-0.0093	-0.0208
Mar-24	2.8756	-0.0130	-0.0279
Apr-24	2.8246	-0.0156	-0.0330
May-24	2.7890	-0.0169	-0.0353
Jun-24	2.7685	-0.0173	-0.0372
Jul-24	2.7564	-0.0165	-0.0372
Aug-24	2.7513	-0.0157	-0.0354
Sep-24	2.7446	-0.0155	-0.0328
Oct-24	2.7326	-0.0160	-0.0299
Nov-24	2.7165	-0.0162	-0.0265
Dec-24	2.6992	-0.0162	-0.0238
Jan-25	2.6777	-0.0160	-0.0211

### Sprague HeatCurve October 2023-April 2024

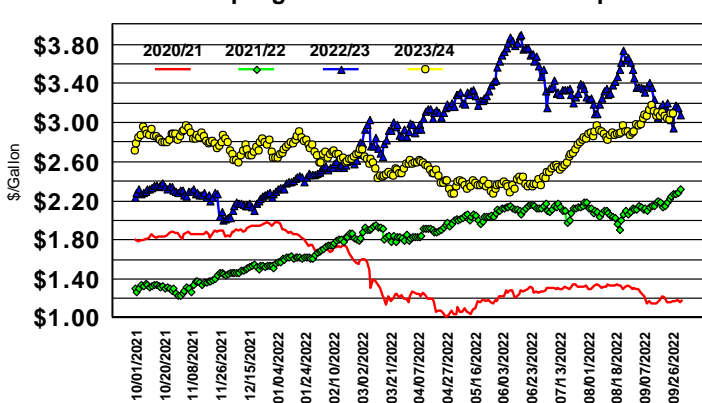
		Close	Change
Crude - WTI	Nov Brent- WTI Spread \$3.67	\$91.7100	-\$1.9700
Crude - Brent		\$95.3800	-\$1.1700
Natural Gas		\$2.9450	\$0.0460
Gasoline		\$2.5053	-\$0.0933

### EIA Working Gas Storage Report

	22-Sep-23	15-Sep-23	Change	22-Sep-22
East	821	793	28	717
Midwest	962	931	31	874
Mountain	234	228	6	175
Pacific	271	263	8	242
South Central	1071	1053	18	955
Salt	250	242	8	203
Nonsalt	821	811	10	751
Total	3359	3269	90	2,962

## Sprague HeatCurve October-April

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## 8-14 Day Weather Forecast

