

Market Commentary

Recap: The oil market on Friday retraced some of its recent sharp gains as traders took profits and as the U.S. dollar strengthened following its previous losses earlier in the week. This was despite the supportive news of supply outages in Libya and Nigeria. Some oilfields in Libya were shut down because of a local tribe's protest against the kidnapping of a former minister, while Shell suspended loadings of Nigeria's Forcados crude due to a potential leak at a terminal. The oil market quickly posted a high of \$77.30 in overnight trading and failed to test Thursday's high of \$77.33 as it began to erase its previous gains. The market sold off to a low of \$75.11 by mid-morning. The market then settled in a sideways trading range during the remainder of the session, remaining near its lows. The August WTI contract settled down \$1.47 at \$75.42 and the September Brent contract settled down \$1.49 at \$79.87. Meanwhile, the product markets ended the session lower, with the heating oil market settling down 1.25 cents at \$2.5979 and the RB market settling down 3.49 cents at \$2.6437.

Technical Analysis: The crude market is seen retracing some of its losses early next week, especially if the shut ins continue in Libya and Nigeria. The market's losses will also remain limited if Russian oil exports, which have declined recently, continues to fall as Russian oil exports are set to fall by 500,000 bpd in August. The oil market is seen finding support at its low of \$75.11, \$74.67, \$73.92, followed by \$73.40, \$72.98, \$72.67, \$72.19, \$71.19 and \$70.98. Meanwhile, resistance is seen at \$75.94, \$76.50, \$76.90, its highs of \$77.30-\$77.33. More distant upside is seen at \$78.52-\$78.62, \$80.00 and \$80.39.

Fundamental News: Three sources stated that the OPEC+ alliance's Joint Ministerial Monitoring Committee will convene virtually on August 3rd to assess the impact of the group's production cuts on the oil market. The committee, co-chaired by Saudi Arabia and Russia, is empowered to make policy recommendations and call for emergency meetings of the wider group, if needed. The full alliance is next scheduled to meet on November 26th.

Two sources said Russian oil exports from western ports are set to fall by 100,000-200,000 bpd next month from July levels, a sign Moscow is making good on its pledge for fresh supply cuts in tandem with Saudi Arabia. July oil loadings from western ports, such as Primorsk and Ust-Luga in the Baltic Sea and Novorossiisk in the Black Sea, are set to fall to 1.9 million bpd this month compared to 2.3 million bpd in June and 2.4 million bpd in May.

Bloomberg is reporting that a second Libyan oil field was closed Thursday. Libya's oil minister confirmed that production at the Sharara field was also shut down in the wake of political protest surrounding the arrest of a leading candidate for Libya's central bank. This follows the news of other protests earlier Thursday that had led to the closure of the smaller El Feel production field. The Sharara field has been producing around 250,000-260,000 b/d recently while the El Feel field handles approximately 60,000-70,000 b/d.

IIR Energy reported that U.S. oil refiners are expected to shut in about 480,000 bpd of capacity in the week ending July 14th, increasing available refining capacity by 10,000 bpd on the week. Offline capacity is expected to fall to 401,000 bpd in the week ending July 21st and fall further to 247,000 bpd in the week ending July 28th.

Colonial Pipeline Co is allocating space for Cycle 42 on Line 1, its main gasoline line from Houston, Texas to Greensboro, North Carolina. The current allocation is for the pipeline segment north of Collins, Mississippi.

Early Market Call - as of 9:20 AM EDT

WTI - August \$74.58, down 84 cents

RBOB - August \$2.6145, down 2.92 cents

HO - August \$2.5598, down 3.93 cents

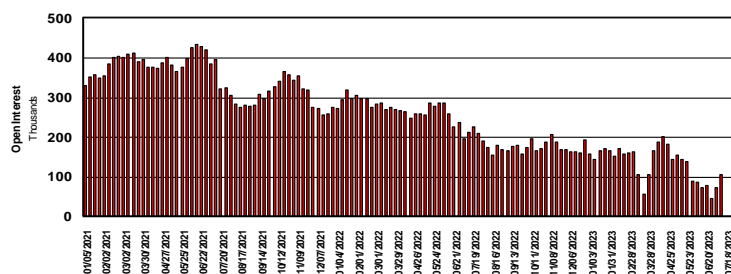
All NYMEX | Prior Settlements

Month	ULSD (HO) Close	Prior Settle Change	Change In One Week
Aug-23	2.5979	-0.0125	0.0388
Sep-23	2.5894	-0.0152	0.0474
Oct-23	2.5816	-0.0168	0.0527
Nov-23	2.5689	-0.0187	0.0538
Dec-23	2.5530	-0.0206	0.0526
Jan-24	2.5426	-0.0215	0.0525
Feb-24	2.5283	-0.0221	0.0517
Mar-24	2.5076	-0.0223	0.0515
Apr-24	2.4801	-0.0225	0.0515
May-24	2.4597	-0.0228	0.0500
Jun-24	2.4431	-0.0231	0.0478
Jul-24	2.4354	-0.0231	0.0463
Aug-24	2.4301	-0.0237	0.0445
Sep-24	2.4264	-0.0238	0.0434
Oct-24	2.4242	-0.0239	0.0433
Nov-24	2.4202	-0.0236	0.0441
Dec-24	2.4145	-0.0231	0.0450

Sprague HeatCurve October 2023-April 2024

		Close	Change
Crude - WTI	Sep Brent-	\$75.3200	-\$1.4400
Crude - Brent	WTI Spread	\$79.8700	-\$1.4900
Natural Gas	\$4.55	\$2.5390	-\$0.0060
Gasoline		\$2.6437	-\$0.0349

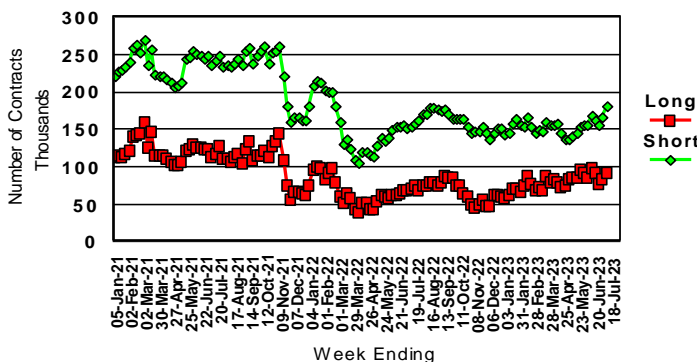
WTI Futures & Options: NYMEX & ICE Combined
Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending July 11, 2023

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

