

Market Commentary

Recap: Oil prices steadied on Tuesday, as exports from Iran and Venezuela continued to slide and as fighting in Libya increased, raising concern over tightening global supplies. After slipping 41 cents to a session low of \$62.99 a barrel, May WTI bounced to a mid-session high of \$63.83 before falling into a period of sideways trading. A pre-settlement rally occurred, taking this spot contract to a fresh session high of \$64.11 a barrel, which remained in place until the release of the API report, which drove prices up another 25 cents to a new high of \$64.35. Trading lacked luster with prices holding within a tight range, as this market continues to consolidate between \$63.00 and \$65.00. May WTI finished up 65 cents, or 1.03%, to settle at \$64.05 a barrel, while June Brent settled at \$71.72 a barrel up 54 cents, or 0.76%. May RBOB rose 2 cents, or 1%, to \$2.032 a gallon, while May heating oil added 2.1 cents, or 1%, to \$2.082 a gallon

Technical Analysis: WTI remains in a period of consolidation just below \$65.00, a key resistance. Should WTI break this level, which could prove to be difficult, we could see quick jump toward \$67.50, with \$70.00 in the realm of possibilities. Support set at \$63.22 and below that at \$62.00.

Fundamental News: Gazprom Neft expects the global oil deal between OPEC and its allies to end in the first half of the year. The first deputy CEO of Gazprom Neft, Vadim Yakovlev, said the global oil alliance should still remain in place, at least in the form of coordination between OPEC and non-OPEC producers. He said Gazprom's long-term investment plans assume average oil price of \$50/barrel.

Iraq has exported about 3.25 million bpd from its southern ports so far this month. Iraq's oil exports averaged 3.377 million bpd in March, down from the previous month's 3.62 million bpd, as poor weather interrupted loadings and OPEC continued to cut supplies.

Iran's crude oil exports have fallen in April to the lowest daily level this year, suggesting buyers are cutting purchases before the US imposes further sanctions as expected next month. Shipments are averaging below 1 million bpd so far this month, according to Refinitiv Eikon data and two other companies that track such exports. It is lower than at least 1.1 million bpd estimated for March.

According to preliminary tanker arrival data, India imported 4.31 million bpd in March, up 3% on the year but down 10% on the month. The data showed that India imported 479,500 bpd of Iranian oil, up from 458,000 bpd a year ago.

Delek reported that an electrical fault upset several units at its 73,000 bpd Big Spring, Texas refinery on Monday. However normal operations were restored within 12 hours. Its 25,000 bpd fluid catalytic cracking unit and 12,000 bpd low sulfur gasoline hydrotreater resumed operations on Monday evening after they were shut down earlier in the morning.

Exxon Mobil Corp restored production on a 110,000 bpd crude distillation unit at its 502,000 bpd Baton Rouge, Louisiana refinery which shut down following a restart on Sunday. The unit underwent a two-month overhaul that finished on Sunday when the unit restarted for the first time.

A 14,000 bpd hydrocracker unit at Valero's 88,000 bpd Adrmore refinery resumed operations on April 15th after it was shut on April 6th.

The Phillips to Borger pipeline resumed flows to nearly 15,000 bpd after it was shut for 9.5 hours. Initial increased power consumption was observed on Monday morning. Pipeline flow is currently averaging an estimated 17,000 bpd this week so far.

Early Market Call - as of 8:25 AM EDT

WTI - May \$64.40, up 35 cents
RBOB - May \$2.0448, up 1.32 cents
HO - May \$2.0868, up 44 points

All NYMEX | Prior Settlements

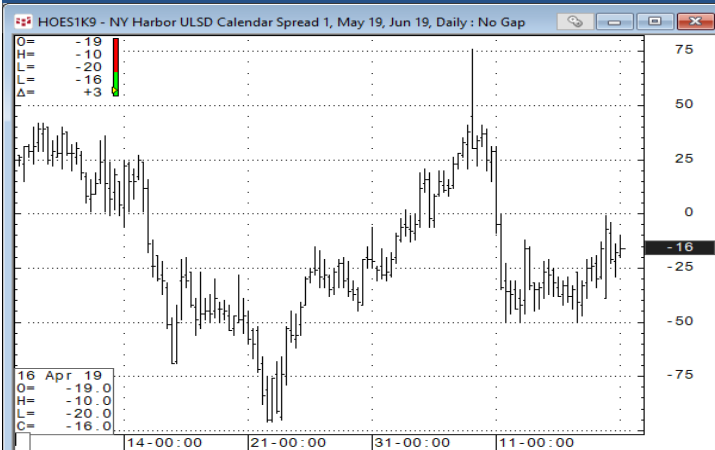
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-19	\$2.0822	\$0.0212	\$0.0373
Jun-19	\$2.0840	\$0.0211	\$0.0360
Jul-19	\$2.0889	\$0.0206	\$0.0355
Aug-19	\$2.0954	\$0.0201	\$0.0350
Sep-19	\$2.1049	\$0.0198	\$0.0353
Oct-19	\$2.1134	\$0.0193	\$0.0352
Nov-19	\$2.1205	\$0.0189	\$0.0348
Dec-19	\$2.1255	\$0.0185	\$0.0341
Jan-20	\$2.1293	\$0.0180	\$0.0334
Feb-20	\$2.1265	\$0.0176	\$0.0328
Mar-20	\$2.1182	\$0.0174	\$0.0326
Apr-20	\$2.1034	\$0.0175	\$0.0329
May-20	\$2.0921	\$0.0177	\$0.0338
Jun-20	\$2.0841	\$0.0178	\$0.0349
Jul-20	\$2.0801	\$0.0179	\$0.0347
Aug-20	\$2.0773	\$0.0178	\$0.0341
Sep-20	\$2.0762	\$0.0173	\$0.0338

Sprague HeatCurve Oct 2019-Apr 2020		\$2.1220
Other Front Month NYMEX	Close	Change
Crude - WTI	\$64.1900	\$0.6300
Crude - Brent	\$71.7200	\$0.5400
Natural Gas	\$2.5720	-\$0.0180
Gasoline	\$2.0317	\$0.0199

API Weekly Report for the Week Ending April 12, 2019

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Down 3.1 million barrels	Up 1.8 million barrels
Cushing, OK Crude Stocks	Down 1.6 million barrels	
Gasoline Stocks	Down 3.6 million barrels	Down 2.5 million barrels
Distillate Stocks	Up 2.3 million barrels	Down 1.6 million barrels
Refinery Runs	Down 35,000 bpd	Up 0.9% at 88.4%

NYMEX Heating Oil May-June Spread



NYMEX RBOB May-June Spread

