

Market Commentary

Recap: The oil market on Monday breached its downward trend channel and traded higher after China announced further measures to support its economy. China cut its stamp duty on stock trading in its latest attempt to support struggling markets. The market was also supported by Tropical Storm Idalia, which strengthened into a hurricane on Monday and is expected to make landfall in the Gulf coast of Florida, causing a day or two of power outages. The market traded mostly sideways overnight and posted a low of \$79.61 early in the morning. However, the market bounced off its low and rallied to a high of \$80.87 by mid-morning. The market later settled in a sideways trading range during the remainder of the session. The October WTI contract settled up 27 cents at \$80.10 and the October Brent contract settled down 6 cents at \$84.42. Meanwhile, the product markets ended the session sharply lower, with the heating oil market settling down 10.38 cents at \$3.2037 and the RB market settling down 8.07 cents at \$2.7957.

Technical Analysis: The oil market will remain driven by economic news as the market remains concerned over the pace of economic growth in China and further U.S. interest rate hikes that could cut demand. The market is seen finding support at its low of \$79.61 followed by \$78.14 and \$77.59. Meanwhile, resistance is seen at its high of \$80.87, \$81.75, \$82.33, \$82.51, \$83.16 and \$84.16.

Fundamental News: Turkey's Energy Minister, Alparslan Bayraktar, said maintenance operations on a pipeline that runs from Iraq's Kurdistan region to the Turkish port of Ceyhan are almost complete. Speaking to state broadcaster TRT Haber, Turkey's Energy Minister said Turkey aims for the pipeline to become operational as soon as possible.

Exxon Mobil Corp said oil and natural gas are still projected to meet more than half of the world's energy needs in 2050, or 54%. It projects the world will reach 25 billion metric tons of energy related CO2 emissions in 2050. That is more than twice of the 11 billion metric tons the United Nations Intergovernmental Panel on Climate Change say would be needed on average in its Lower 2°C scenarios.

BP said the world must invest in the production of oil and gas to avoid sharp price spikes while accelerating the energy transition to combat greenhouse gas emissions. BP CEO, Bernard Looney, said BP would invest 40% of its capital on energy transition projects by the middle of this decade and 50% by the end of the decade.

IIR Energy reported that U.S. oil refiners are expected to shut in about 912,000 bpd of capacity in the week ending September 1st, cutting available refining capacity by 410,000 bpd.

Marathon Petroleum is preparing a plan to begin restarting units at its 596,000 bpd Garyville, Louisiana refinery. The units were shut because they were closest to two giant storage tanks filled with naphtha that caught fire after a chemical leak on Friday at the refinery.

Valero reported a partial power outage affected pumps in complex 3 at its 195,000 bpd McKee, Texas refinery on August 25th, which resulted in management of vent gas in its flare system.

Exxon Mobil Corp reported emissions at its 619,024 bpd Beaumont, Texas refinery. It is working to restore normal operations at the refinery.

PBF Energy reported maintenance activity at its 160,000 bpd Torrance, California refinery.

Early Market Call - as of 8:25 AM EDT

WTI - October \$80.59, up 50 cents

RBOB - September \$2.7945, down 12 points

HO - September \$3.2128, up 91 points

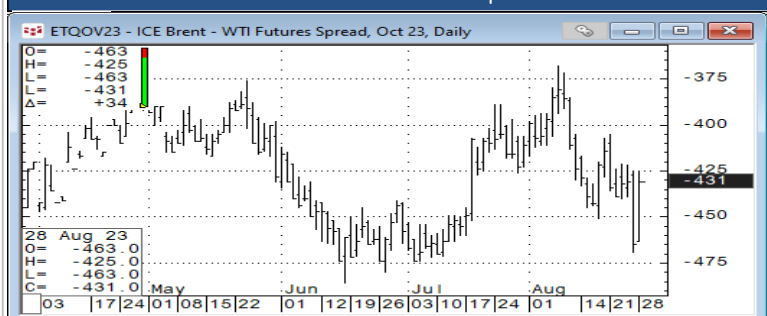
All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Sep-23	3.2037	-0.1038	0.0875
Oct-23	3.1711	-0.0962	0.0799
Nov-23	3.0741	-0.0820	0.0624
Dec-23	2.9562	-0.0676	0.0390
Jan-24	2.8858	-0.0596	0.0243
Feb-24	2.8380	-0.0516	0.0211
Mar-24	2.7857	-0.0449	0.0164
Apr-24	2.7276	-0.0398	0.0099
May-24	2.6904	-0.0367	0.0059
Jun-24	2.6640	-0.0346	0.0027
Jul-24	2.6523	-0.0329	0.0005
Aug-24	2.6434	-0.0315	-0.0012
Sep-24	2.6351	-0.0303	-0.0029
Oct-24	2.6239	-0.0290	-0.0052
Nov-24	2.6092	-0.0274	-0.0068
Dec-24	2.5911	-0.0267	-0.0092
Jan-25	2.5738	-0.0255	-0.0109

Sprague HeatCurve October 2023-April 2024

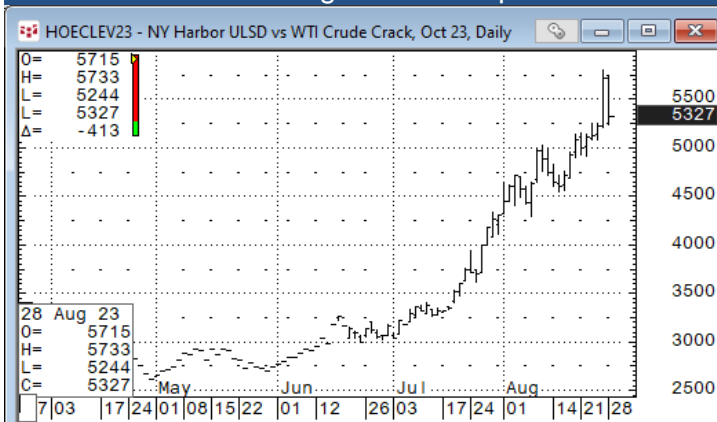
		Close	Change
Crude - WTI	Oct Brent-	\$80.1000	\$0.2700
Crude - Brent	WTI Spread	\$84.4200	-\$0.0600
Natural Gas	\$4.32	\$2.5790	\$0.0390
Gasoline		\$2.7957	-\$0.0807

ICE October Brent-WTI Spread



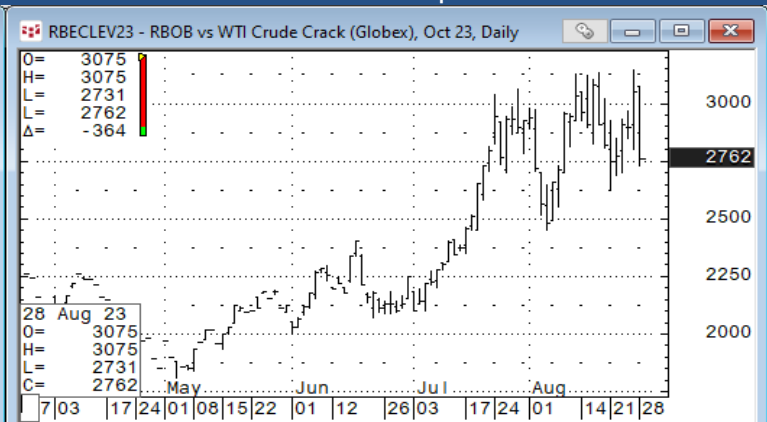
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October Heating Oil Crack Spread



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October RBOB Crack Spread



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