

Market Commentary

All NYMEX | Prior Settlements

Recap: The oil market held steady as it continued to trade within Tuesday's trading range ahead of the long Easter holiday weekend. The market posted a third weekly gain as it continued to weigh the OPEC+ output cuts and a fall in U.S. crude oil inventories against concerns over the global economic outlook. While the latest labor market data showed that the number of initial unemployment benefit claims fell last week, annual revisions to the data showed applications were higher this year than initially thought, further evidence that the labor market may be slowing. The oil market posted a low of \$79.65 in overnight trading before it retraced some of its losses and traded to a high of \$80.96 early Thursday morning. The market later traded mostly sideways, trading in and out of positive territory. The May WTI contract settled up 9 cents at \$80.70 and the June Brent contract settled up 13 cents at \$85.12. The WTI market ended the week up 6.65% and the Brent market ended the week up 6.55%. Meanwhile, the product markets ended the session in negative territory, with the heating oil market settling down 7.05 cents at \$2.6605 and the RB market settling down 68 points at \$2.8133.

Technical Analysis: The crude market is seen remaining in its recent trading range from \$79.00 to \$82.00. The market is seen finding support at \$79.87, its lows of \$79.65-\$79.61, its gap from \$79.00 to \$75.72 and \$75.07. More distance support is seen at \$73.77, \$73.03, \$72.61, \$72.19 and \$70.98. Meanwhile, resistance is seen at \$80.54 followed by its highs of \$80.96, \$81.24 and \$81.81. Further resistance is seen at \$82.64, \$83.34, \$85.45 and \$87.51.

Fundamental News: Genscape reported that crude oil stocks held in Cushing, Oklahoma in the week ending Tuesday, April 4th totaled 36,291,494 barrels, down 717,292 barrels on the week and by 47,955 barrels from Friday, March 31st.

Citi raised its forecast for Brent crude by \$5, projecting an average price of \$84/barrel for 2023 after OPEC+ targeted further production cuts, with a relatively balanced market keeping prices below \$100 for the rest of the year. It also raised its WTI price forecast for 2023 to \$79/barrel. It said expectations of \$100+ oil are exaggerated in the short term as risks of lower demand and higher supplies have increased.

U.S. and Canadian refiners have turned to North Sea Forties crude oil for the first time in seven years. According to customs data on Refinitiv Eikon, nearly 2.6 million barrels of crude oil are set to arrive at the U.S. East coast ports since February. The light, low sulfur Forties crudes are blended with others to replace Russian crudes that have been barred from the U.S. and Canada.

Chevron reportedly is planning to load 2.1 million barrels of Venezuelan crude for export to the United States in April.

Baker Hughes reported that U.S. energy firms cut the number of oil and natural gas rigs operating for a second consecutive week. It reported that the oil and gas rig count fell by four to 751 in the week ending April 6th. U.S. oil rigs fell by two to 590 this week, while gas rigs dropped by two to 158.

Colonial Pipeline Co is allocating space for Cycle 22 shipments on Line 20, which carries distillates from Atlanta, Georgia to Nashville, Tennessee.

Early Market Call - as of 8:30 AM EDT

WTI - May \$80.50, down 20 cents

RBOB - May \$2.7941, down 1.94 cents

HO - May \$2.6661, up 45 points

Month	ULSD (HO) Close	Prior Settle Change	Change In One Week
May-23	2.6605	-0.0705	0.0967
Jun-23	2.6122	-0.0595	0.0999
Jul-23	2.6044	-0.0533	0.1024
Aug-23	2.6053	-0.0488	0.1060
Sep-23	2.6074	-0.0454	0.1076
Oct-23	2.6069	-0.0429	0.1075
Nov-23	2.5995	-0.0412	0.1047
Dec-23	2.5885	-0.0399	0.1012
Jan-24	2.5800	-0.0384	0.0979
Feb-24	2.5691	-0.0364	0.0948
Mar-24	2.5516	-0.0338	0.0910
Apr-24	2.5260	-0.0323	0.0847
May-24	2.5096	-0.0321	0.0774
Jun-24	2.4950	-0.0305	0.0696
Jul-24	2.4869	-0.0318	0.0632
Aug-24	2.4796	-0.0331	0.0575
Sep-24	2.4732	-0.0332	0.0540

Sprague HeatCurve October 2023-April 2024			\$2.5745
		Close	Change
Crude - WTI	May Brent- WTI Spread \$4.44	\$80.6800	\$0.0500
Crude - Brent		\$85.1200	\$0.1300
Natural Gas		\$2.0110	-\$0.1440
Gasoline		\$2.8133	-\$0.0068

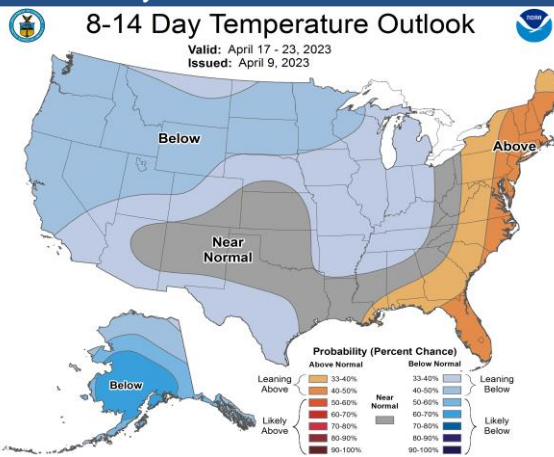
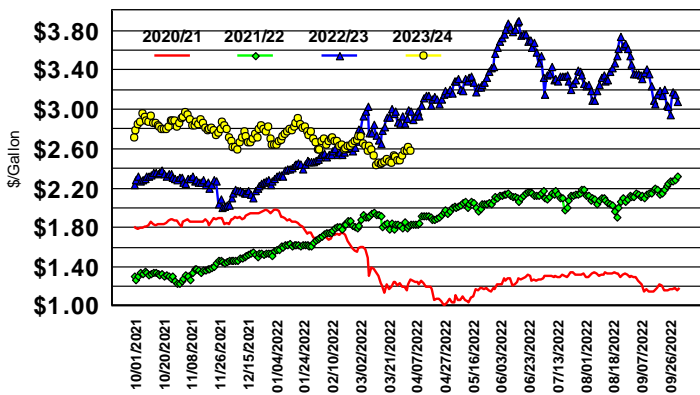
EIA Working Gas Storage Report

	31-Mar-23	24-Mar-23	Change	31-Mar-22
East	335	343	-8	245
Midwest	421	437	-16	299
Mountain	80	82	-2	91
Pacific	73	73	0	164
South Central	921	917	4	588
Salt	263	262	1	172
Nonsalt	658	655	3	415
Total	1830	1853	-23	1,387

Sprague Heat Curve October-April

8-14 Day Weather Forecast

Sprague HeatCurve October-April



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