

Market Commentary

Recap: The past week was a wild ride for crude oil prices, with WTI crashing into \$93.53 before reverting to the upside. Despite the higher move on Friday, oil futures fell more than 4% for the week. Market participants are a bit confused on what to make of the Russian oil exports volumes, with all eyes on Russian exports for April and May, which so far have found very few buyers. April WTI rose \$1.72, or 1.7%, to \$104.70 a barrel. WTI has fallen 9.5%, or \$11, over the past two weeks. May Brent tacked on \$1.29, or 1.21%, to end the week at \$107.93, for a weekly loss of 4.21%. April RBOB rose 2.22 cents or 0.69% to \$3.2288 a gallon, for a weekly loss of 2.21%, while April heating oil added 11.07 cents, or 3.17%, to settle at \$3.5981 a gallon, up 5.28% on the week.

Technical Analysis: A lot of the war premium has been taken out of the market, and now we are focusing on the continued supply issues. Although oil futures showed signs of exhaustion during the week, WTI hammered out a bottom down around the 50-day moving average. Coming into the week's trading session, we expect to see prices work higher, with a near term objective of \$110, with resistance above that at \$114.88. Support is set at \$100 and \$96.47.

Fundamental News: The International Energy Agency unveiled a 10-point plan to reduce oil use focused mostly on reducing transportation as Russia's invasion of Ukraine deepens concerns about supply. The IEA said recommendations could reduce oil demand by 2.7 million bpd within four months, with measures including lower speed limits, working from home, car-free days in cities, cheaper public transport and more carpooling.

On Friday, the Kremlin accused Ukraine of trying to drag out peace talks, saying that Russia's delegation was showing readiness to work faster than the Ukrainian side. Earlier, the Kremlin said Russian President Vladimir Putin told German Chancellor Olaf Scholz during a phone call on Friday that Kyiv was attempting to stall peace talks with Russia but that Moscow was still keen to continue negotiations. Separately, a German government spokesperson said German Chancellor Olaf Scholz called for a ceasefire in Ukraine during a phone call with Russian President Vladimir Putin on Friday. In their nearly hour-long conversation, Chancellor Scholz also stressed that the humanitarian situation needed to be improved and progress needed to be made in finding a diplomatic solution as soon as possible.

Later, Russian negotiator, Vladimir Medinsky, said Russia and Ukraine are "halfway there" in agreeing on the issue of Ukraine's demilitarization, and their views are most aligned on Ukraine's neutrality and giving up on joining NATO. Interfax news agency quoted Medinsky as saying negotiating teams trying to agree on ending hostilities in Ukraine were discussing nuances of security guarantees should Ukraine no longer attempt to join the Western military alliance.

Andrii Sybiha, the deputy chief of staff of Ukrainian President Volodymyr Zelenskiy said Ukraine will not abandon its bid to join the European Union to reach a compromise with Russia as part of an agreement to end the war. The chief of staff said negotiations with Russia were ongoing but difficult. Meanwhile, Ukrainian President, Volodymyr Zelenskiy, said he spoke with the head of the European Commission Ursula von der Leyen on Friday and Ukraine expects progress to be made on its application to join the European Union in the coming months.

IIR Energy reported that U.S. oil refiners are expected to shut in more than 1 million bpd of capacity in the week ending March 18th, decreasing available refining capacity by 55,000 bpd.

Early Market Call - as of 9:38 AM EDT

WTI - Apr \$109.50 up \$4.80

RBOB - Apr \$3.3588 up 12 cents

HO - Apr \$3.8248 up 22.67 cents

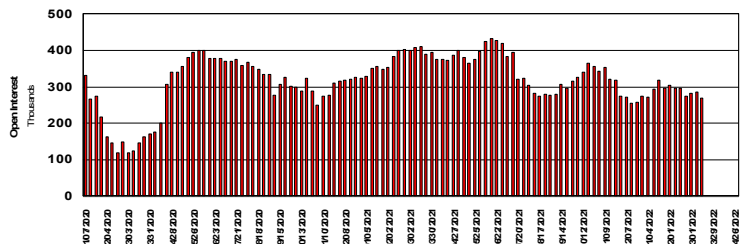
All NYMEX | Prior Settlements

| Month | ULSD (HO) | Prior Settle | Change In |
|--------|-----------|--------------|-----------|
| | Close | Change | One Week |
| Apr-22 | \$3.5981 | \$0.1107 | \$0.1805 |
| May-22 | \$3.3821 | \$0.0884 | \$0.0890 |
| Jun-22 | \$3.2051 | \$0.0650 | \$0.0136 |
| Jul-22 | \$3.0842 | \$0.0437 | -\$0.0416 |
| Aug-22 | \$3.0042 | \$0.0335 | -\$0.0648 |
| Sep-22 | \$2.9593 | \$0.0337 | -\$0.1097 |
| Oct-22 | \$2.9247 | \$0.0363 | -\$0.0435 |
| Nov-22 | \$2.8893 | \$0.0392 | -\$0.0325 |
| Dec-22 | \$2.8546 | \$0.0428 | -\$0.0246 |
| Jan-23 | \$2.8235 | \$0.0443 | -\$0.0201 |
| Feb-23 | \$2.7966 | \$0.0432 | -\$0.0173 |
| Mar-23 | \$2.7681 | \$0.0430 | -\$0.0124 |
| Apr-23 | \$2.7376 | \$0.0423 | -\$0.0075 |
| May-23 | \$2.7135 | \$0.0413 | -\$0.0030 |
| Jun-23 | \$2.6949 | \$0.0407 | \$0.0008 |
| Jul-23 | \$2.6830 | \$0.0396 | \$0.0041 |
| Aug-23 | \$2.6730 | \$0.0383 | \$0.0085 |

Sprague HeatCurve October 2022-April 2023 \$2.8226

| | Close | Change |
|---------------|------------|-----------|
| Crude - WTI | \$104.7000 | \$1.7200 |
| Crude - Brent | \$107.9300 | \$1.2900 |
| Natural Gas | \$4.8630 | -\$0.1270 |
| Gasoline | \$3.2388 | \$0.0222 |

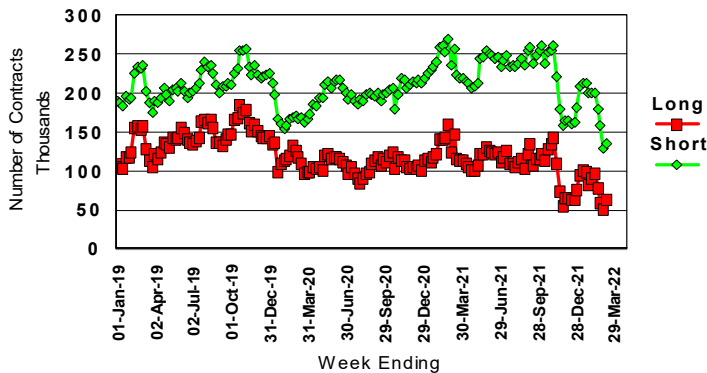
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending March 15, 2022

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

