

Market Commentary

Recap: Oil prices slipped from 3-year highs after U.S. President Donald Trump expressed his concern over what he termed “artificially” high oil prices. In a quick response, OPEC members said that prices were responding to strong Asian demand, amidst output cuts by OPEC members and non-members. Early rises toward resistance set at \$68.74 were negated by the strong rhetoric, with the expiring May WTI falling back below \$68 a barrel. Despite experiencing early losses, prices rebounded on weekend jitters. May WTI went off the board at \$68.38 a barrel, up 9 cents, or 0.13%, while June Brent tacked on 28 cents, or 0.38%, to settle at \$74.06 a barrel.

May RBOB rose 0.9% to \$2.096 a gallon, up 1.5% for the week, while May heating oil added 0.6% to \$2.123 a gallon, for a weekly rise of 1.1%.

Fundamental News: U.S. President Trump tweeted early Friday morning “Looks like OPEC is at it again, with record amounts of Oil all over the place, including the fully loaded ships at sea, Oil prices are artificially Very High! No good and will not be accepted!” Global oil prices which had been in positive territory for the day quickly turned negative on the day only to drift back into positive territory by the end of the day.

Reuters was reporting that according to three industry sources, top oil exporter Saudi Arabia would be happy to see crude prices to rise to \$80.00 or even \$100 per barrel and thus the Saudis will seek no changes to an OPEC supply cutting agreement when the group meets in June. Meanwhile the Saudi energy minister said OPEC and non-OPEC producers will continue to look at oil inventories but also needs to look at oil investment. He said it was premature to discuss easing cuts at the June meeting.

Russia’s energy minister Novak said on Friday that oil prices could reach \$80 in April but said it would not be justified by underlying fundamentals. He said that OPEC and non-OPEC countries could change oil production quotas either in the direction of further cuts or by easing the curbs but any decision will be taken at the OPEC and non-OPEC meeting in June. Reuters reported that according to its sources, Russia told the Joint OPEC/non-OPEC ministerial monitoring committee which met in Jeddah, Saudi Arabia on Friday that Russia was committed to the deal on cutting output until the end of 2018.

IIR Energy estimated Friday that U.S. oil refiners should have 1.089 million b/d of refining capacity offline for the week ending April 20th, down 15,000 b/d from the prior week.

Bloomberg estimated that global refinery outages reached 5.301 million b/d in the week ended Thursday. This is down from 5.875 million b/d estimated for the previous week.

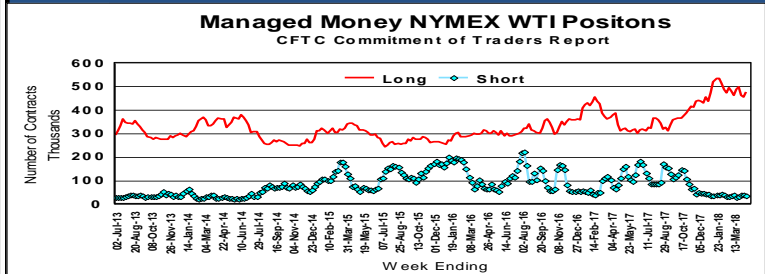
This afternoon’s Commitment of Traders Report showed that money managers raised their net long U.S. crude futures and options (ICE and NYMEX WTI) by 31,273 lots, while they increased their net long RBOB and heating oil positions by 9,269 lots and 12,424 lots respectively.

Early Market Call - as of 8:30 AM EDT
WTI - June \$67.33, down \$1.07
RBOB - May \$2.0744, down 2.14 cents
HO - May \$2.1008, down 2.21 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-18	\$2.1230	\$0.0136	\$0.0228
Jun-18	\$2.1152	\$0.0110	\$0.0247
Jul-18	\$2.1114	\$0.0104	\$0.0272
Aug-18	\$2.1101	\$0.0114	\$0.0293
Sep-18	\$2.1114	\$0.0120	\$0.0313
Oct-18	\$2.1130	\$0.0126	\$0.0350
Nov-18	\$2.1134	\$0.0132	\$0.0373
Dec-18	\$2.1109	\$0.0135	\$0.0377
Jan-19	\$2.1092	\$0.0137	\$0.0383
Feb-19	\$2.1033	\$0.0139	\$0.0392
Mar-19	\$2.0911	\$0.0141	\$0.0415
Apr-19	\$2.0732	\$0.0140	\$0.0428
May-19	\$2.0606	\$0.0139	\$0.0455
Jun-19	\$2.0516	\$0.0138	\$0.0480
Jul-19	\$2.0483	\$0.0135	\$0.0478
Aug-19	\$2.0483	\$0.0138	\$0.0486
Sep-19	\$2.0515	\$0.0139	\$0.0493

Sprague HeatCurve Oct 2018-April 2019		\$2.1032
Other Front Month NYMEX	Close	Change
Crude - WTI	June Brent- \$68.4000	\$0.0007
Crude - Brent	WTI Spread \$74.0600	\$0.2800
Natural Gas	\$5.66 \$2.7350	\$0.0490
Gasoline	\$2.0654	\$0.0108



Commitment of Traders Report for the Week Ending April 17, 2018

