

Market Commentary

Recap: Oil futures seesawed between gains and losses on Friday, in what was a choppy trading session, following a disappointing U.S. jobs report. Crude's advance this week comes amid strength in the broader commodities sector. The Organization of Petroleum Exporting Countries and its allies have been gradually restoring some output; with confidence the market can absorb the extra production. Fuel sales are starting to pick up in the U.K; while refiners in the U.S. get ready for the summer driving season. In China, data showed export growth accelerated unexpectedly in April while a private survey pointed to strong expansion in service sector activity. Also lending support was a weaker U.S. dollar. June WTI finished up 19 cents, or 0.29%, settling at \$64.90 a barrel, while June Brent added 19 cents, up 0.28%, to settle at \$68.28 a barrel. The two benchmarks rose by more than 1% on the week, their second consecutive weekly gain. June RBOB tacked on .0132 cents, to settle at \$2.1269 a gallon, while June heating oil settled at \$2.0106 a gallon, up .0211 cents.

Technical Analysis: Oil prices will continue to work higher as demand for crude oil picks up with the summer driving season approaching. We would look for WTI to work toward the top of the ascending triangle it has been trending in since March. There will be an awful lot of noise up above at this level, resulting in an upside battle. Dips down toward the lower line of this pattern will attract bottom fishers. Should we break below this line, we would look for technical stops to be trigger with a possibility of test \$62.27. Resistance is set at \$66.74 and \$67.98.

Fundamental News: U.S. energy firms added oil and natural gas rigs for a second consecutive week. Baker Hughes reported that the oil and gas rig count increased by eight to 448 in the week ending May 7th, its highest since April 2020. It reported that U.S. oil rigs increased by two to 344 this week, while gas rigs increased by seven to 103.

The U.S. said it had revoked a last-minute effort by the Trump Administration to loosen safety regulations for the oil industry in the Arctic Ocean off Alaska. The rule, which was proposed in December of last year, would have revised Obama-era rules crafted to improve safety in the extreme conditions of the Arctic, including eliminating a requirement that oil operators submit detailed operations plans before exploration and demonstrate they can quickly deploy containment equipment in case of spills.

IIR Energy said U.S. oil refiners are expected to shut in 736,000 bpd of capacity in the week ending May 7th, increasing available refining capacity by 230,000 bpd from the previous week. Offline capacity is expected to fall to 695,000 bpd in the week ending May 14th and to 441,000 bpd in the following week.

United Steelworkers union negotiators bargaining for a new contract at an Exxon Mobil's Beaumont, Texas refinery offered a six-year deal with no pay raise in the first year, shortly before 650 workers were locked out of their jobs. The Local 13-243 proposal would match raises in the second through sixth years to those set by national labor negotiations that have yet to be held. The two sides have not swapped new proposals since the May 1st lockout. A source stated that the two sides "remain far apart on many important items". The two sides have not met since April 30th, but another meeting has been discussed.

Early Market Call - as of 8:00 AM EDT

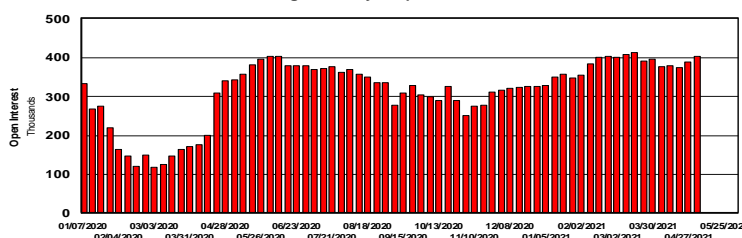
WTI - June \$65.54, up 62 cents
 RBOB - June \$2.1640, up 3.73 cents
 HO - June \$2.0389, up 2.83 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jun-21	\$ 2.0106	\$ 0.0211	\$ 0.0882
Jul-21	\$ 2.0118	\$ 0.0210	\$ 0.0874
Aug-21	\$ 2.0130	\$ 0.0204	\$ 0.0865
Sep-21	\$ 2.0161	\$ 0.0204	\$ 0.0857
Oct-21	\$ 2.0184	\$ 0.0204	\$ 0.0850
Nov-21	\$ 2.0199	\$ 0.0205	\$ 0.0844
Dec-21	\$ 2.0196	\$ 0.0205	\$ 0.0837
Jan-22	\$ 2.0200	\$ 0.0204	\$ 0.0833
Feb-22	\$ 2.0167	\$ 0.0203	\$ 0.0830
Mar-22	\$ 2.0090	\$ 0.0201	\$ 0.0826
Apr-22	\$ 1.9970	\$ 0.0201	\$ 0.0821
May-22	\$ 1.9905	\$ 0.0204	\$ 0.0815
Jun-22	\$ 1.9856	\$ 0.0202	\$ 0.0804
Jul-22	\$ 1.9850	\$ 0.0204	\$ 0.0795
Aug-22	\$ 1.9844	\$ 0.0204	\$ 0.0785
Sep-22	\$ 1.9847	\$ 0.0204	\$ 0.0788
Oct-22	\$ 1.9854	\$ 0.0204	\$ 0.0770

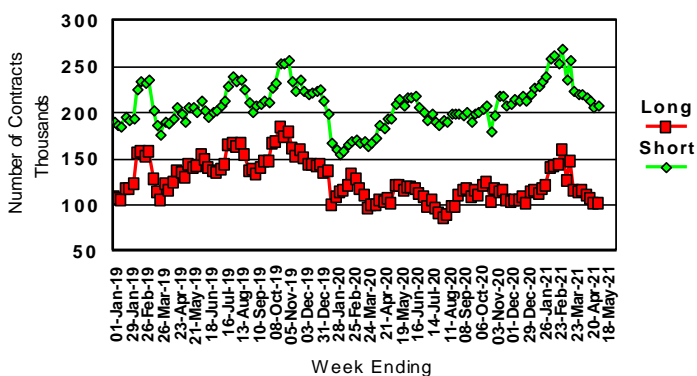
Sprague HeatCurve October 2021-April 2022		\$2.0155
	Close	Change
Crude - WTI	\$64.8800	\$0.2100
Crude - Brent	\$68.2800	\$0.1900
Natural Gas	\$2.9580	\$0.0300
Gasoline	\$2.1269	\$0.0132

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



Commitment of Traders Report for the Week Ending May 4, 2021

Producer/Merchant Heat Positons
 CFTC Commitment of Traders Report



Managed Money Heat Positons
 CFTC Commitment of Traders Report

