

Market Commentary

Recap: WTI fell below \$80 a barrel for the first time since January amid continued concerns over energy demand, as recession fears gripped financial markets, sinking equities and government bonds, while contributing to a further rise by the U.S. dollar. With inflation running at historically high levels, central banks around the world, including the Federal Reserve, the Bank of England and Swiss National Bank, have continued to increase the cost of borrowing in an attempt to fight rising prices. The moves could reduce demand for energy. The dollar index was also higher on Friday, which pushed down on oil prices.

Technical Analysis: The long awaited break below \$80 in WTI finally came, sparking technical traders into action. We expected momentum to the downside to pick up below \$80 and we were not disappointed. At this point in time we are looking for WTI to continue its downward spiral with \$77.86 the next level of support, with additional support seen at \$75 and below that at \$70.35. The \$80 level has now become a level of resistance with additional resistance set at \$84.65 and \$89.10.

Fundamental News: A senior U.S. State Department official said efforts to revive the 2015 Iran nuclear deal have hit a wall because of Iran's insistence on the closure of the IAEA's investigations. The official said nothing had happened this week to suggest Iran is willing to change its stance.

U.S. Energy Secretary, Jennifer Granholm, said the Biden administration is not considering any restrictions on U.S. oil product exports at this time. Late last month, she urged U.S. refiners to build inventories of oil products like gasoline and diesel given high oil prices, warning that if it did not happen the administration would need to consider federal actions and emergency measures.

According to Refinitiv analysts, diesel imports into Europe are set to reach 5.4 million tons so far in September, with flows from Asia and the Middle East increasing to a record high of 2.8 million tons.

Russia's Deputy Foreign Minister, Sergei Ryabkov, said that Moscow was not threatening anybody with nuclear weapons and that open confrontation with the United States and NATO was not in Russia's interests. Meanwhile, the Russian Security Council said "We hope that Washington is aware of consequences of its provocative actions."

U.S. energy firms this week added oil and natural gas rigs for a second consecutive week even as the rig count was on track to fall for a second consecutive month. Baker Hughes reported that the oil and gas rig count increased by 1 to 764 in the week ending September 23rd. It reported that U.S. oil rigs increased by 3 to 602 this week, while gas rigs fell two to 160.

IIR Energy reported that U.S. oil refiners are expected to shut in 1.03 million bpd of capacity in the week ending September 23rd, cutting available refining capacity by 347,000 bpd.

Early Market Call - as of 8:20 AM EDT

WTI - November \$78.18, down 5 cents

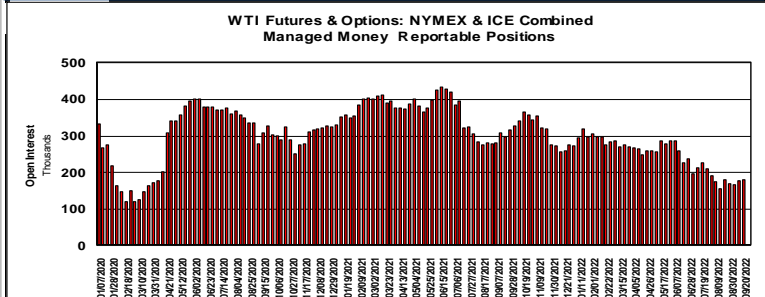
RBOB - October \$2.3492, down 33 points

HO - October \$3.1806, down 56 points

All NYMEX | Prior Settlements

Month	USLD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-22	3.2371	-0.1744	0.0646
Nov-22	3.1575	-0.1632	0.0212
Dec-22	3.0949	-0.1568	-0.0044
Jan-23	3.0498	-0.1515	-0.0163
Feb-23	3.0023	-0.1461	-0.0262
Mar-23	2.9432	-0.1406	-0.0347
Apr-23	2.875	-0.1355	-0.0409
May-23	2.8278	-0.1297	-0.048
Jun-23	2.7957	-0.1216	-0.0524
Jul-23	2.7831	-0.1133	-0.055
Aug-23	2.7715	-0.1053	-0.0572
Sep-23	2.7572	-0.0982	-0.0604
Oct-23	2.7413	-0.0931	-0.0641
Nov-23	2.7243	-0.0876	-0.0678
Dec-23	2.7102	-0.0799	-0.0665
Jan-24	2.692	-0.0761	-0.0684
Feb-24	2.6787	-0.0724	-0.0682

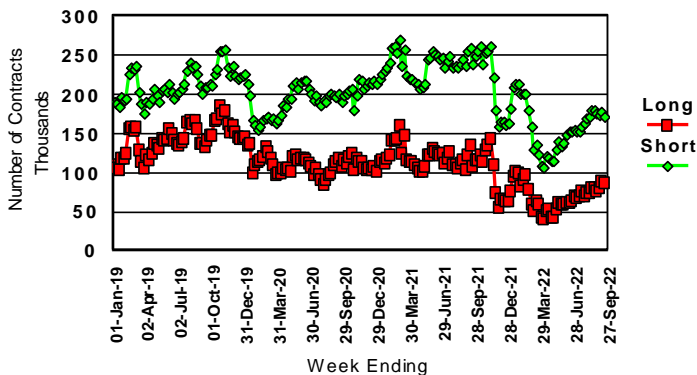
Sprague HeatCurve October 2022-April 2023			\$3.0428
		Close	Change
Crude - WTI	Nov Brent- WTI Spread \$7.41	\$78.7400	-\$4.7500
Crude - Brent		\$86.1500	-\$4.3100
Natural Gas		\$6.8280	-\$0.2610
Gasoline		\$2.3830	-\$0.1327



Commitment of Traders Report for the Week Ending September 20, 2022

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

