

## Market Commentary

**Recap:** Oil prices fell on Monday, halting the rise that has occurred over the past 3 weeks. A failed attempt to take out the January high of \$66.66 in May WTI lead to an early session sell-off on technical profit taking. After a brief stint above unchanged, May WTI slipped to a low of \$65.08. Prices regained traction as the stock market rebounded. Despite the bounce, prices could not gain enough momentum to recapture all of the day's losses, and as a result remained below \$66.00 for the balance of the session. Today's profit taking selloff pushed May WTI down 33 cents, or 0.50%, to settle at \$65.55 a barrel, while Brent for June delivery settled at \$70.12 a barrel, down 33 cents, or 0.47%.

April RBOB fell 1.1% to \$2.0104 a gallon, while April heating oil slipped 0.16% to \$2.015 a gallon.

**Fundamental News:** Vitol said its traded crude and products volumes fell slightly in 2017 as it focused on its mid and downstream acquisitions and added assets in the US by acquiring Noble Group's oil business. The total volume was 349 million tons, down from 351 million tons the previous year. Vitol added that crude continued to represent the majority of its volume, with a slight increase to 3.6 million bpd while gasoline volumes fell to 34 million tons from 44 million tons.

Diesel imports into Europe from the US and the East were expected to reach up to 2.6 million tons in April, while March imports were pegged at around 2.4 million tons. At least nine 80,000 and 90,000 ton tankers were booked in recent days to carry diesel from India and the Middle East to the Mediterranean and northwest Europe. The cargoes will arrive in April.

Several tankers were booked in recent days to deliver gasoline to the US East Coast and Mexico from Europe.

China's General Administration of Customs reported that the country's crude oil imports in February increased by 1.51% on the year to 32.262 million tons while its crude exports fell by 30.59% on the year to 36,615 tons. China's refined oil products imports in February increased by 9.5% on the year to 2.61 million tons while its exports fell by 17.9% on the year to 3.48 million tons. It also reported that China's crude imports from Iran fell by 28% on the year to 1.82 million tons in February. It is down 43% on the month and the lowest level since January 2017.

Iraq's President, Fuad Masum, said the country supports OPEC's agreement to cut oil output. Iraq's President, who met with OPEC's Secretary General, Mohammad Barkindo, stressed the need to support the deal to cut crude oil production.

Oil production at the Kashagan oilfield fell to 180,000 bpd from 300,000 bpd around March 20<sup>th</sup>. It was not immediately clear what the reason was for the sharp decline in daily production.

IIR reported that US oil refiners are expected to shut in 903,000 bpd of capacity in the week ending March 30<sup>th</sup>, leaving available refining capacity unchanged from the previous week. IIR expects offline capacity to increase to 1.082 million bpd in the week ending April 6<sup>th</sup>.

The US Bankruptcy Court of Delaware approved Philadelphia Energy Solutions' plan for Chapter 11 bankruptcy on Monday. The approval removes the biggest hurdle for the Philadelphia refiner as it seeks to rebound from financial difficulty after filing in January, citing the high cost of complying with the country's biofuels obligations.

**Early Market Call - as of 9:00 AM EDT**

WTI - May \$66.20, up 65 cents  
 RBOB - Apr \$2.0277, up 1.68 cents  
 HO - Apr \$2.0372, up 2.20 cents

## All NYMEX | Prior Settlements

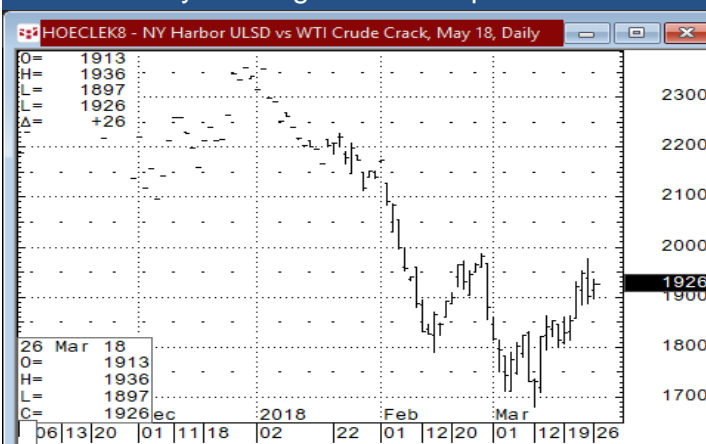
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-18	\$2.0150	-\$0.0034	\$0.1080
May-18	\$2.0180	-\$0.0030	\$0.1064
Jun-18	\$2.0204	-\$0.0038	\$0.1048
Jul-18	\$2.0209	-\$0.0052	\$0.1027
Aug-18	\$2.0212	-\$0.0058	\$0.1008
Sep-18	\$2.0234	-\$0.0060	\$0.1005
Oct-18	\$2.0245	-\$0.0061	\$0.0997
Nov-18	\$2.0244	-\$0.0060	\$0.0986
Dec-18	\$2.0223	-\$0.0061	\$0.0964
Jan-19	\$2.0217	-\$0.0063	\$0.0940
Feb-19	\$2.0184	-\$0.0062	\$0.0919
Mar-19	\$2.0086	-\$0.0056	\$0.0890
Apr-19	\$1.9906	-\$0.0046	\$0.0865
May-19	\$1.9779	-\$0.0038	\$0.0852
Jun-19	\$1.9721	-\$0.0019	\$0.0874
Jul-19	\$1.9716	-\$0.0009	\$0.0885
Aug-19	\$1.9714	-\$0.0009	\$0.0873
Sep-19	\$1.9747	-\$0.0009	\$0.0863

		Close	Change
Crude - WTI	May Brent-WTI Spread \$4.57	\$65.5500	-\$0.3300
Crude - Brent		\$70.1200	-\$0.3300
Natural Gas		\$2.6180	\$0.0270
Gasoline		\$2.0104	-\$0.0232

### ICE May WTI-Brent Spread



### May Heating Oil Crack Spread



### May RBOB Crack Spread

