

Market Commentary

Recap: After falling 1.4 percent, to a session low of \$71.11, June Brent rose \$1.39, to \$72.50 a barrel by 13:30 p.m. ET, while June WTI bounced a \$1.23 to a session high of \$63.69. Prices were driven higher due to uncertainty over OPEC's response to U.S. President Donald Trump's request for OPEC to ramp up production in an effort to keep prices down. Monday's up move follows the almost 3 percent drop on Friday. Gains were pared, with June Brent settling at \$72.04 a barrel, down 11 cents, or 0.15 percent. In contrast, June WTI tacked on 20 cents, or 0.23 percent, to settle at \$63.50 a barrel. May RBOB fell 1.2% to \$2.0744 a gallon before paring losses to settle at 42.083 a gallon, down 0.9%. May heating oil added 0.2 percent to settle at \$2.593 a gallon. The May contracts expire at Tuesday's settlement.

Technical Analysis: WTI remains within the upward channel that began to form back in January. With moving oscillators pointing to the downside, we would look for a bit of downward pressure, with June WTI testing the 200-day moving average, which is currently set at \$61.79. Below that, additional support is set at \$60.78, the channel bottom. Resistance is set at \$64.55 and above that at the psychological level of \$65.00.

Fundamental News: Amir Hossein Zamaninia, a Deputy Oil Minister, was quoted as saying that US sanctions against Iran's oil industry will damage the stability of global oil markets. He said other countries cannot fill Iran's place in the oil market.

Deputy head of Belarus state oil company, Belneftkhim, Vladimir Sizov, said that negotiations with Russia on contaminated Russian oil are ongoing and no decision has yet been reached.

Exports of two Nigerian crude grades are suffering significant disruptions following a turbulent week in the country's oil-producing Delta region. Royal Dutch Shell has declared force majeure on exports of Nigeria's Bonny Light crude following the closure of one of two export pipelines. Amenam, operated by Total is also under force majeure. The Bonny Light-exporting Nemebe Creek Trunk Line closed on April 21st following a fire and Shell said it declared force majeure on April 25th. Bonny Light crude exports had been expected to total 222,000 bpd in June and 184,000 bpd in May but trading sources said they were awaiting new loading plans.

A project manager at BP said production at Iraq's Rumaila oilfield has reached 1.5 million bpd. The oilfield was previously producing 1.45 million bpd.

Two oil officials said crude oil exports from Iraq's southern ports on the Gulf have averaged 3.33 million bpd in April. Iraq exported 3.254 million bpd from its southern Basra terminal in March, as poor weather interrupted loadings and OPEC continued to cut its supplies.

North Sea Ekofisk crude oil loadings will fall to one cargo in June from 12 planned in May due to planned oilfield maintenance. The work will start on June 2nd.

IIR Energy reported that US oil refiners are expected to shut in an estimated 885,000 bpd of capacity in the week ending May 3rd, increasing the available refining capacity by 325,000 bpd from the previous week. The offline capacity is expected to fall to about 837,000 bpd in the week ending May 10th.

Early Market Call - as of 8:50 AM EDT

WTI - June \$64.71 up \$1.21

RBOB - May \$2.1264 up 4.36 cents

HO - May \$2.0953 up 1.21 cents

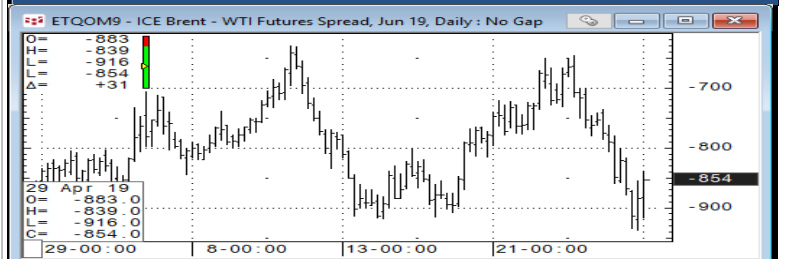
All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-19	2.0549	0.0037	-0.0491
Jun-19	2.0539	0.0017	-0.0527
Jul-19	2.0585	0.0014	-0.0538
Aug-19	2.0654	0.0014	-0.0538
Sep-19	2.0755	0.001	-0.0532
Oct-19	2.0853	0.0008	-0.0528
Nov-19	2.0926	0.0006	-0.0528
Dec-19	2.0977	0.0007	-0.0527
Jan-20	2.1014	0.001	-0.0521
Feb-20	2.0983	0.0012	-0.0511
Mar-20	2.0898	0.0017	-0.05
Apr-20	2.075	0.0021	-0.0486
May-20	2.0644	0.0027	-0.0465
Jun-20	2.0572	0.0033	-0.0442
Jul-20	2.0531	0.0039	-0.0423
Aug-20	2.0497	0.0043	-0.0407
Sep-20	2.0475	0.0047	-0.0398

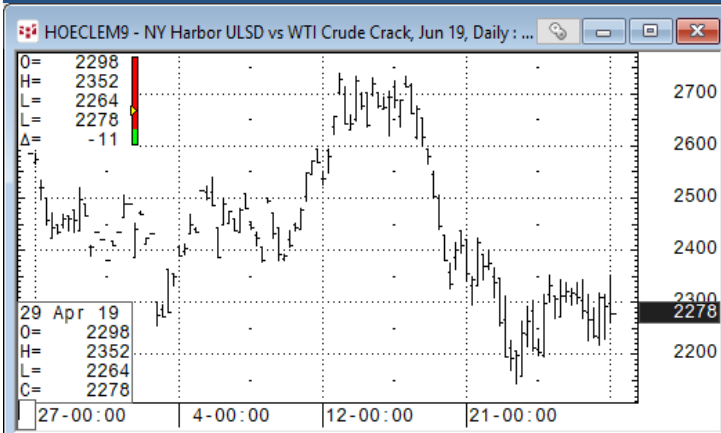
Sprague HeatCurve Oct 2019-Apr 2020 \$2.0939

Other Front Month NYMEX		Close	Change
Crude - WTI	June Brent-	\$63.5000	\$0.2000
Crude - Brent	WTI Spread	\$72.0400	-\$0.1100
Natural Gas	\$8.54	\$2.5930	\$0.0130
Gasoline		\$2.0828	-\$0.0178

ICE June Brent-WTI Spread



June Heating Oil Crack Spread



June RBOB Crack Spread

