

Market Commentary

Recap: Oil prices slipped Friday after sharp rises earlier in the session on concern over potential global supply disruptions from sanctions on major crude exporter Russia. On Thursday, Russia's invasion of Ukraine boosted prices above \$100 a barrel for the first time since 2014, with Brent touching \$105, before paring gains by the close of trade. The panic buying that we saw during the week ebbed on Friday, as it appears that the flow of oil is not going to be interrupted, and after news reports, citing a summary of a call between Russian President Vladimir Putin and Chinese leader Xi Jinping provided by China's Foreign Ministry, said Russia was ready to conduct negotiations with Ukraine. April WTI fell \$1.22, or 1.3%, to settle at \$91.59 a barrel, while April Brent declined \$1.15, or 1.2%, to settle at \$97.93 a barrel. March RBOB fell 1.6% to \$2.727 a gallon and March heating oil 18 lost 1.6% to about \$2.85 a gallon. The contracts, which expire at the end of Monday's session, scored weekly gains of over 2%.

Technical Analysis: Oil futures experienced another week of wild swings with the initial but later deflated threat of Russian supplies being curbed due to sanctions driving Brent crude oil above \$105 and WTI above \$100 for the first time in seven years. After surging 15 dollars in a matter of days, crude oil then gave back more than half of those gains ahead of the weekend after US sanctions stayed clear of targeting Russia's ability to export crude oil. In addition, traders had to deal with the potential impact of another release of oil from US strategic reserves as well as ongoing Iran nuclear talks where an agreement would increase supply. There is plenty of demand out there as we reopen the economy globally, and therefore it is likely that we will see a "buy on the dips" type of market going forward, with \$85 being a potential region of support. The main trend of this market remains to the upside. A push through \$100.54 will trigger a resumption of the uptrend and will trigger a round of fresh buying.

Fundamental News: The International Energy Agency pledged to protect global energy security after convening a meeting to discuss Russia's invasion of Ukraine. On Thursday, U.S. President Joe Biden said the United States is working with other countries on a combined release of additional oil from global strategic crude reserves.

Iranian news agencies quoted the country's nuclear chief, Mohammad Eslam, as saying that Iran will continue to enrich uranium to 20% purity even after sanctions on it are lifted and a 2015 nuclear deal with world powers is revived. The 2015 deal restricts the purity to which Iran can enrich uranium to 3.67%, far below the roughly 90% that is weapons-grade or the 20% Iran reached before the deal. Iran is now enriching to various levels, the highest being around 60%.

Missiles pounded the Ukrainian capital as Russian forces pressed their advance and Ukrainian President Volodymyr Zelenskyy pleaded with the international community to do more, saying sanctions announced so far were not enough. An adviser to the Ukrainian presidential office, Mykhailo Podolyak, said Ukraine wants peace and is ready for talks with Russia, including on adopting a neutral status regarding NATO. In response, the Kremlin noted Ukrainian President Volodymyr Zelenskyy's willingness to discuss a possible neutrality pledge by Ukraine, but said it could not say anything about possible talks between the two countries' leaders.

Iraq has halted over a tenth of its oil output due to maintenance and protests. Iraq has temporarily shut down its southern 400,000 barrel a day West Qurna 2 oilfield from March 2nd until March 10th. Separately, Iraq's state-owned Dhi Qar Oil Company said Iraq has also halted a further 80,000 bpd of oil production and exports from its Nassiriya oil field due to worker safety concerns, on Friday. Iraq's 480,000 bpd of crude outages make up nearly 0.5% of global oil supply and come at a fragile time for oil markets.

Early Market Call - as of 8:05 AM EDT

WTI - Apr \$95.67 Up \$34.120

RBOB - Mar \$2.8029 Up .0276

HO - Mar \$2.9671 Up .1176

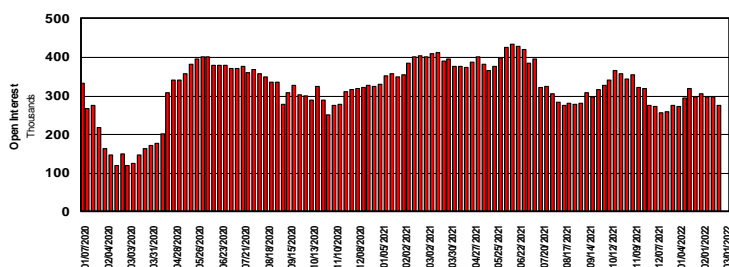
All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Mar-22	2.8495	-0.0474	0.0680
Apr-22	2.8058	-0.0489	0.0565
May-22	2.7451	-0.0464	0.0468
Jun-22	2.6993	-0.0448	0.0397
Jul-22	2.6634	-0.0437	0.0331
Aug-22	2.6400	-0.0421	0.0269
Sep-22	2.6320	-0.0395	0.0189
Oct-22	2.6223	-0.0376	0.0228
Nov-22	2.6099	-0.0359	0.0210
Dec-22	2.5959	-0.0348	0.0197
Jan-23	2.5816	-0.0336	0.0186
Feb-23	2.5642	-0.0320	0.0180
Mar-23	2.5434	-0.0310	0.0164
Apr-23	2.5182	-0.0305	0.0139
May-23	2.4979	-0.0301	0.0119
Jun-23	2.4830	-0.0301	0.0103
Jul-23	2.4754	-0.0300	0.0111

Sprague HeatCurve October 2022-April 2023 \$2.5775

	Close	Change
Crude - WTI	\$91.5900	\$1.2200
Crude - Brent	\$97.9300	\$1.1500
Natural Gas	\$4.4700	-\$0.1710
Gasoline	\$2.7273	-\$0.0437

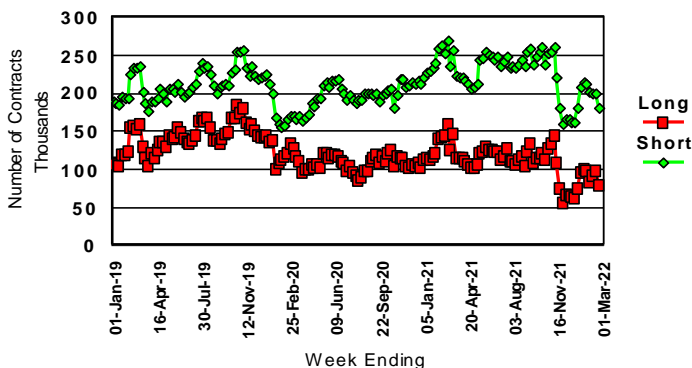
WTI Futures & Options: NYMEX & ICE Combined
Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending February 22, 2022

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

