

Market Commentary

Recap: Oil prices seesawed on Friday, falling more than 2% early in the session following comments from U.S. President Donald Trump that he has not agreed to roll back tariffs on China. December WTI slipped \$1.39, or 2.4%, to a session low of \$55.76 a barrel, while January Brent peeled off \$1.63, or 2.6%, hitting a low of \$60.66 a barrel. Prices rebounded as traders covered shorts ahead of the week as uncertainty over the U.S. and China trade talks loomed over the market. WTI for December delivery rose 9 cents, or 0.2%, to settle at \$57.24 a barrel. Front-month contract prices settled at their highest since Sept. 24, according to Dow Jones Market Data. For the week, U.S. benchmark oil prices rose almost 1.9%. January Brent climbed 22 cents, or 0.4%, to \$62.51 a barrel, following a 0.9% gain on Thursday. For the week, Brent rose 1.3%. December RBOB declined by 0.1% to \$1.6337 a gallon, with prices ending about 1.3% lower for the week, while December heating oil lost 0.1% to \$1.9181 a gallon, for a weekly loss of 0.8%.

Technical Analysis: December WTI finished the week on a strong note, having closed above the 200-day moving average and \$56.82 the 50% retracement provided by the September high of \$62.74 and the October low of \$50.89. At the onset of this week's trading we would look for a run at \$58.21, the 62% retracement of the aforementioned range. Above this level additional resistance is set at \$58.46 and above that at \$59.11 and \$60.00. Support is set at \$56.82 and below that at \$56.35 and \$55.42.

Fundamental News: Baker Hughes reported that US energy firms reduced the number of oil rigs operating for a third consecutive week as producers cut spending on new drilling. It said drillers cut seven oil rigs in the week ending November 8th, bringing the total count down to 684, the lowest since April 2017.

IIR Energy reported that US oil refiners are expected to shut in 951,000 bpd of capacity in the week ending November 15th, increasing available refining capacity by 393,000 bpd from the previous week. Offline capacity is expected to fall to 511,000 bpd in the week ending November 22nd.

Libya's National Oil Corp has increased the production capacity at its Nafoora oil field after a workover of one its wells. The output of well Y-01 increased to 3,800 bpd from about 200 bpd before the work.

Many tankers are expected to transport ULSD from Europe and the west coast of India to the US Atlantic Coast through the end of 2019 to offset the absence of the Philadelphia Energy Solutions refinery in the market. A fire at an alkylation unit at the 335,000 bpd PES refinery in June and subsequent shut down of the site resulted in the loss of some 150,000 bpd gasoline capacity and around 100,000 bpd of distillates output.

TC Energy Corp estimates the Keystone oil pipeline can be partially restarted anytime from Sunday to Tuesday, pending regulatory approval, following a leak of more than 9,000 barrels in rural North Dakota. Repairs are likely to be completed by Sunday, which will allow the company to be prepared for a restart. Meanwhile, the Keystone pipeline has been transporting oil from Canada to the US at a higher than standard level of pressure since it started operating in 2010, thanks to a special permit granted by US regulators on the condition that TC Energy Corp would monitor the pipeline closely. However, after four significant leaks, including one of the largest of the decade in North Dakota last week, this exemption is in the spotlight and users of the line are concerned it may be at risk. The special permit for the line is meant to remain in effect for the life of the pipeline unless suspended, modified or terminated by the US Pipeline and Hazardous Materials Safety Administration.

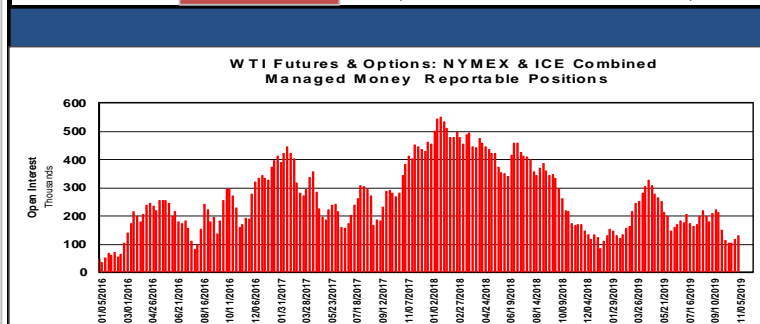
Early Market Call - as of 8:20 AM EDT

WTI - Dec \$56.67, down 57 cents
 RBOB - Dec \$1.6257, down 85 points
 HO - Dec \$1.9113, down 69 points

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Dec-19	1.9181	-0.0022	0.0150
Jan-20	1.9132	-0.0014	0.0115
Feb-20	1.9059	-0.0005	0.0206
Mar-20	1.8922	0.0012	0.0030
Apr-20	1.8747	0.0032	-0.0008
May-20	1.8636	0.0046	-0.0025
Jun-20	1.8561	0.0055	-0.0024
Jul-20	1.8541	0.0058	-0.0020
Aug-20	1.8530	0.0056	-0.0008
Sep-20	1.8537	0.0051	0.0001
Oct-20	1.8550	0.0046	0.0008
Nov-20	1.8563	0.0043	0.0013
Dec-20	1.8568	0.0037	0.0022
Jan-21	1.8585	0.0038	0.0017
Feb-21	1.8539	0.0041	0.0018
Mar-21	1.8439	0.0045	0.0018
Apr-21	1.8266	0.0047	0.0021

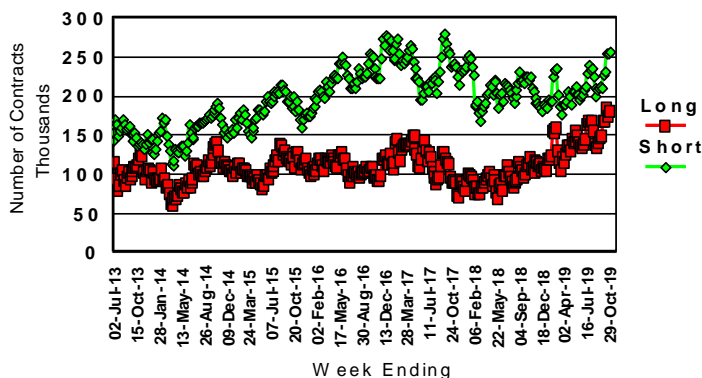
Other Front Month NYMEX		Close	Change
Crude - WTI	Jan Brent- WTI Spread	\$57.2600	\$0.1100
Crude - Brent	WTI Spread	\$62.5100	\$0.2200
Natural Gas	\$5.25	\$2.7890	\$0.0170
Gasoline		\$1.6337	-\$0.0018



Commitment of Traders Report for the Week Ending November 5, 2019

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

