

Market Commentary

Recap: The big news on Friday was the fire at Philadelphia Energy Solution's refinery that was ignited by a series of explosions shortly after 3 a.m. The refinery processes 335,000 barrels of crude oil every day at two plants in the complex — Girard Point and Point Breeze. The fire broke out at the Girard Point portion. Gasoline, diesel, jet fuel and petrochemicals are also produced at the plant. This sparked an impressive move in gasoline, with the July RBOB contract moving as much as 8.11 cents, or 4.5%, to a session high of \$1.8674 a gallon. July RBOB settled at \$1.856 a gallon, up almost 7 cents or 3.9%. This is the highest settlement for a spot contract since late May and a weekly rise of 7.1%. July heating oil rose 3.2 cents, or 1.7%, to \$1.916 a gallon, ending 4.7% higher for the week.

Oil futures rallied on Friday, a day after settling at their highest level in a month, as tensions between the U.S. and Iran heated amid expectations for economy-boosting central bank policy by the U.S. August WTI stopped just short of \$58.00 a barrel, as this now spot contract rose to a high of \$57.98, up 91 cents, or 1.5%. Gains were pared, with August WTI settling at \$57.43 a barrel, up 36 cents, or 0.63%. Brent for August delivery reached a session high of \$65.76 a barrel, for a gain of \$1.31, or 2%, before it too trimmed gains to settle at \$65.20 a barrel, up 75 cents, or 1.16%.

Technical Analysis: August WTI continues to gain momentum to the upside, as this spot contract settled just below \$57.63, the 38% retracement established by the October high of \$79.78 and the December low of \$43.91. At the onset of trading for the week, we would look for continued upside movement, with attempts to take out \$58.00. Above this level, additional resistance is set at \$59.30. Support is set at \$56.60 and \$55.00.

Fundamental News: A massive fire was burning out of control in Philadelphia at the largest and oldest refinery on the US East Coast that has resulted in several explosions. The fire broke out at the Girard Point section of the 335,000 bpd Philadelphia Energy Solutions refinery early on Friday in a butane vat. Genscape reported that the fire shut down the crude section at Girard Point. A worker at the refinery said there were two separate explosions. One explosion occurred at a 30,000 bpd alkylation unit.

Iranian officials said that Iran had received a message from US President Donald Trump warning that a US attack on Iran was imminent but saying he was against war and wanted talks on a range of issues. News of the message, delivered through Oman overnight, came shortly after The New York Times reported that President Trump had approved military strikes against Iran on Friday over the downing of a US surveillance drone but called them off at the last minute. US President, Donald Trump, said he called off a planned military strike against Iran because it would have been a disproportionate response to Iran's downing of an unmanned US surveillance drone. Separately, Iran has told the US via the Swiss ambassador that the US will be responsible for the consequences of any military action against Iran.

Meanwhile, Russia accused the US of deliberately stoking dangerous tensions around Iran and pushing the situation to the brink of war and urged all sides to show restraint.

The US Special Representative for Iran, Brian Hook, said the US is "very pleased" that Saudi Arabia is making sure that the global oil market is well supplied, amid fears of energy disruption because of increasing military tension in the Middle East.

Data analytics firm, Vortexa, stated that crude and condensate in long-term floating storage reached its highest level since August 2017 in May at 24 million barrels, as US sanctions against Venezuela and Iran impacted the ability of the OPEC members to export their crude. Floating storage increased 15 million barrels in May compared with the average levels of May 2018, and levels this month have already reached 26 million barrels.

Early Market Call - as of 8:35 AM EDT

WTI - Aug \$57.94, up 51 cents

RBOB - July \$1.8854, up 3.03 cents

HO - July \$1.9206, up 56 points

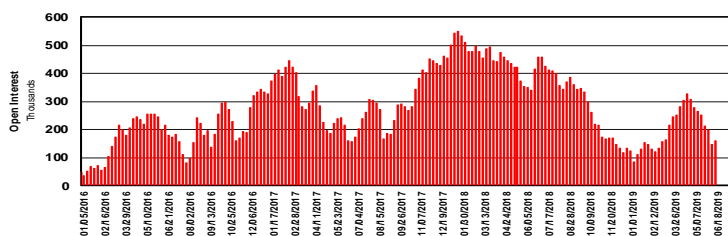
All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jul-19	\$1.9158	\$0.0315	\$0.0864
Aug-19	\$1.9221	\$0.0307	\$0.0863
Sep-19	\$1.9298	\$0.0291	\$0.0872
Oct-19	\$1.9370	\$0.0275	\$0.0866
Nov-19	\$1.9429	\$0.0264	\$0.0857
Dec-19	\$1.9471	\$0.0250	\$0.0853
Jan-20	\$1.9489	\$0.0231	\$0.0838
Feb-20	\$1.9445	\$0.0216	\$0.0824
Mar-20	\$1.9358	\$0.0200	\$0.0807
Apr-20	\$1.9217	\$0.0185	\$0.0789
May-20	\$1.9116	\$0.0175	\$0.0768
Jun-20	\$1.9055	\$0.0167	\$0.0751
Jul-20	\$1.9057	\$0.0159	\$0.0734
Aug-20	\$1.9069	\$0.0152	\$0.0717
Sep-20	\$1.9086	\$0.0145	\$0.0702
Oct-20	\$1.9094	\$0.0139	\$0.0686
Nov-20	\$1.9106	\$0.0138	\$0.0676

Sprague HeatCurve Oct 2019-Apr 2020 \$1.9418

Other Front Month NYMEX		Close	Change
Crude - WTI	Aug Brent-	\$57.4300	\$0.7800
Crude - Brent	WTI Spread	\$65.7600	\$1.3100
Natural Gas	\$8.33	\$2.1860	\$0.0010
Gasoline		\$1.8561	\$0.0698

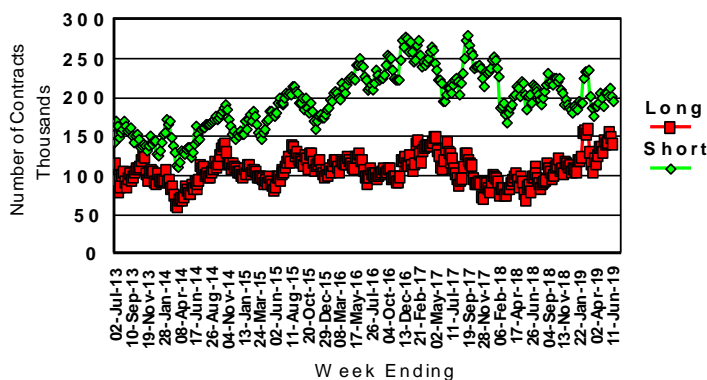
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending June 18, 2019

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

