

Market Commentary

Recap: On Friday, the oil market traded mostly sideways and looked ready to post an inside trading day. However, the market continued on its upward trend in mid-day trading as it breached its previous high. The market, which had sold off more than \$2 early in the session as it posted a low of \$88.38, reversed its earlier move and rallied over a \$1.5 to a high of \$92.09. It breached a trendline and retraced little more than 38% of its move from a low of \$85.73 to a high of \$101.88. The crude market was supported as the U.S. Federal Reserve signaled a more subdued rate increase path that helped to ease fears about an economic slowdown. Richmond Federal Reserve President, Thomas Barkin, said Fed officials have "a lot of time still" before they need to decide how large an interest rate increase to approve at the September policy meeting. The September WTI contract later erased some of its gains in afternoon trading and settled up 27 cents at \$90.77, while the October Brent contract settled up 13 cents at \$96.72. The product markets ended the session in mixed territory, with the heating oil market settling up 5.08 cents at \$3.7005 and the RB market settling down 86 points at \$3.0175.

Technical Analysis: The crude market is still seen remaining in its recent trading range ahead of the September contract's expiration at the close of business on Monday. The market is still awaiting to hear on further developments on the Iranian nuclear deal. The market is seen finding resistance, basis the October contract, at its high of \$91.69, \$92.44 basis a trendline, \$92.56, its 50% retracement level off a low of \$85.37 to a high of \$99.75 followed by \$94.02, \$94.17 and \$94.26, its 62% retracement level. Meanwhile, support is seen at its low of \$87.95, \$86.92, \$85.48 and \$85.37. More distant support is seen at \$84.79, \$84.40 and \$84.10.

Fundamental News: U.S. energy firms this week cut the number of oil and natural gas rigs for a third consecutive week. Baker Hughes reported that the U.S. oil and gas rig count fell by one to 762 in the week ending August 19th. It was the first time drillers cut the rig count for three consecutive weeks since July 2020. U.S. oil rigs were unchanged at 601 this week, while gas rigs fell by one to 159.

IIR Energy reported that U.S. oil refiners are expected to shut in 529,000 bpd of capacity in the week ending August 19th, cutting available refining capacity by 106,000 bpd. Offline capacity is expected to fall to 441,000 bpd in the week ending August 26th and further decline to 392,000 bpd in the week ending September 2nd.

Euroilstock reported that Europe's refinery output in July fell by 2.9% on the month and by 0.8% on the year at 9.579 million bpd. European refinery crude intake fell by 1% on the month but increased by 3.4% on the year to 9.433 million bpd. Euroilstock reported that European gasoline output in July fell by 3% on the month but increased by 0.3% on the year to 2.347 million bpd, while middle distillates output fell by 1.6% on the month but increased by 4.2% on the year to 4.986 million bpd. Fuel oil output increased by 1.2% on the month and by 9.9% on the year to 925,000 bpd and naphtha output fell by 0.9% on the month but increased by 2% on the year to 860,000 bpd.

Colonial Pipeline Co is allocating space for Cycle 48 shipments on Line 20, which carries distillates from Atlanta, Georgia to Nashville, Tennessee.

Roberto Spranzi, director of the DTG shipping cooperative, said water levels on Germany's Rhine River are so low that some vessels cannot sail even when empty, although long-awaited rain has begun to ease bottlenecks on one of the country's main commercial routes. A spokesperson for the Federal Waterways and Shipping Administration said expected rain in the coming days is forecast to increase levels in the Rhine by 50-to-80 centimeters in the coming days, adding they would have to increase by 1-1.5 meters to reach levels typical for this time of the year.

Early Market Call - as of 8:20 AM EDT

WTI - September \$90.35, down 42 cents

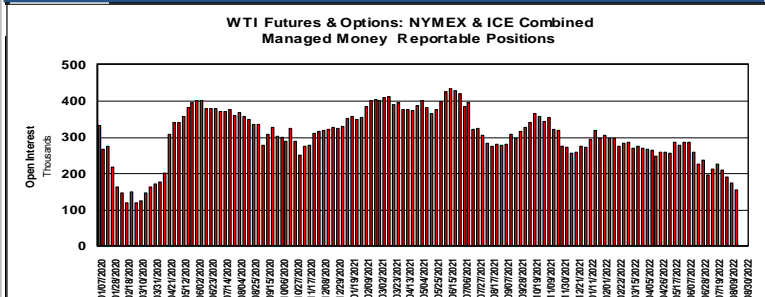
RB0B - September \$3.0003, down 1.72 cents

HO - September \$3.7579, up 5.74 cents

All NYMEX | Prior Settlements

Month	ULSD (HO) Close	Prior Settle Change	Change In One Week
Sep-22	3.7005	0.0508	0.1827
Oct-22	3.6609	0.0576	0.1747
Nov-22	3.6044	0.0578	0.1604
Dec-22	3.548	0.0553	0.1479
Jan-23	3.4951	0.0519	0.132
Feb-23	3.4261	0.0485	0.1127
Mar-23	3.3432	0.045	0.0986
Apr-23	3.2593	0.0418	0.09
May-23	3.2006	0.0395	0.0839
Jun-23	3.1533	0.0368	0.0767
Jul-23	3.117	0.0328	0.0664
Aug-23	3.0817	0.0295	0.0572
Sep-23	3.0499	0.0277	0.0526
Oct-23	3.0206	0.0282	0.0517
Nov-23	2.9966	0.0285	0.0527
Dec-23	2.9725	0.0291	0.0515
Jan-24	2.9476	0.0298	0.0492

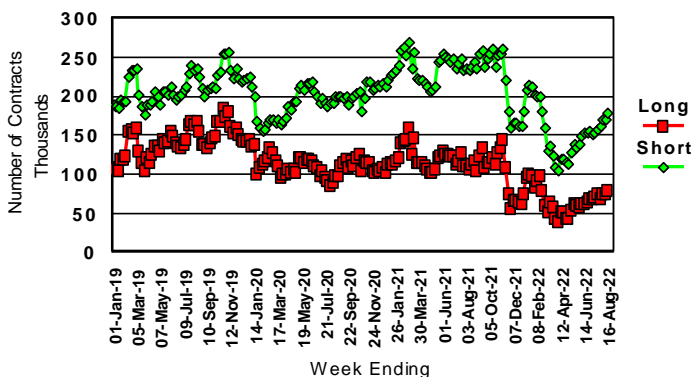
Sprague HeatCurve October 2022-April 2023			\$3.4717
		Close	Change
Crude - WTI	Oct Brent-	\$90.4400	\$0.3300
Crude - Brent	WTI Spread	\$96.7200	\$0.1300
Natural Gas	\$6.28	\$9.3360	\$0.1480
Gasoline		\$3.0175	-\$0.0086



Commitment of Traders Report for the Week Ending August 16, 2022

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

