

Market Commentary

Recap: WTI gave up early gains, ahead of Wednesday's EIA report, which on average is to show a 600,000 barrel decrease in U.S. inventory report. WTI has basically been trading in a range from 92.93 to 116.64 for the vast majority of the year, or the better part of the past three months, and is showing a greater tendency to consolidate in a range from \$100.00 to \$110.00. Oil prices posted a two sided trading session before turning lower on the day. WTI for July delivery lost 52 cents per barrel, or 0.47%, to settle at \$109.77. Front Month ICE Brent Crude for July delivery gained 14 cents per barrel, or 0.12% to \$113.56 per barrel. June RBOB gained 1.33 cents per gallon, or 0.35% to \$3.8110, while June heating oil for June delivery gained 1.30 cents per gallon, or 0.34% to \$3.7818.

Market Analysis: WTI inched lower, settling below the 10-day moving average, which we have been tracking. We have settled below this average before, only to capture ground above it. As we currently sit in this situation, we would like to see follow-through to the downside before looking for lower number. There is currently support at \$14.62 level, and \$100. To the upside, resistance sits at \$113 and \$116.65.

Fundamental News: U.S. Energy Secretary, Jennifer Granholm, said U.S. President Joe Biden has not ruled out using export restrictions to ease increasing domestic fuel prices.

The U.S. Department of Energy said it was selling up to 40.1 million barrels of crude oil from the U.S. SPR as part of a previous announcement by the administration to release 1 million bpd for six months.

Kpler shipping tracking service, estimates total gasoline exports from Northwest Europe to the U.S. Atlantic Coast in May has so far totaled 1.29 million mt, up 593,000 mt from April total exports.

Refinitiv reported that total gasoline exports from Europe to the U.S. in May are estimated to be over 1.3 million tons due to favorable arbitrage conditions in the lead-up to the U.S. summer driving season. Meanwhile, Refinitiv expects 3.83 million tons of diesel and gasoil to arrive in Europe from other regions in May, significantly lower than April's levels.

U.S. Memorial Day weekend travel is expected to be the busiest in two years as more American drivers hit the road despite high fuel prices. The AAA reported that some 39 million people will travel 50 miles or more by car during the Memorial Day Weekend, up 8.3% on the year and close to pre-pandemic volumes. According to EIA data, consumption of motor gasoline is set to reach 9.12 million bpd this month and reach a peak for this summer at 9.31 million bpd in July.

JP Morgan maintained its Brent price forecast of \$114/barrel for the second quarter of 2022, with prices increasing to over \$120/barrel in the interim and averaging \$104/barrel for 2022.

Saudi Arabia's Foreign Minister Prince Faisal bin Farhan Al Saud said Saudi Arabia does not expect an immediate shortage of oil and only a certain shortage of oil products.

Early Market Call - as of 9:10 AM EDT

WTI - June \$110.87, up \$1.10
 RBOB - June \$3.8605, up 4.95 cents
 HO - June \$3.8211, up 3.93 cents

All NYMEX | Prior Settlements

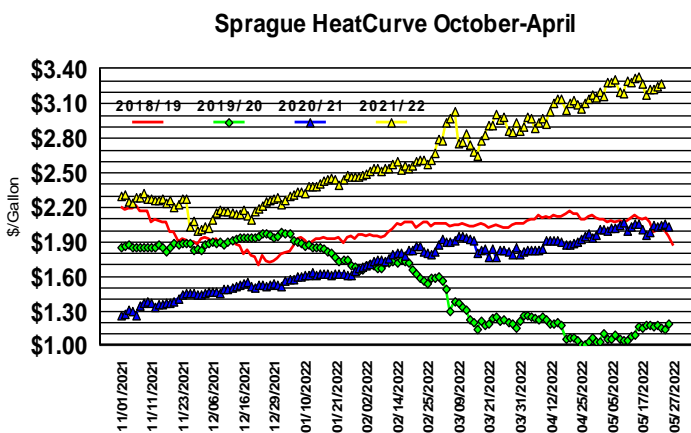
Month	USLD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jun-22	\$3.7818	\$0.0130	-\$0.0175
Jul-22	\$3.6543	\$0.0109	-\$0.0385
Aug-22	\$3.5793	\$0.0174	-\$0.0310
Sep-22	\$3.5260	\$0.0196	-\$0.0843
Oct-22	\$3.4683	\$0.0195	-\$0.0057
Nov-22	\$3.4063	\$0.0189	\$0.0012
Dec-22	\$3.3402	\$0.0185	\$0.0038
Jan-23	\$3.2812	\$0.0178	\$0.0033
Feb-23	\$3.2172	\$0.0171	\$0.0015
Mar-23	\$3.1473	\$0.0163	-\$0.0018
Apr-23	\$3.0733	\$0.0163	-\$0.0023
May-23	\$3.0226	\$0.0194	\$0.0104
Jun-23	\$2.9784	\$0.0218	\$0.0210
Jul-23	\$2.9499	\$0.0225	\$0.0232
Aug-23	\$2.9262	\$0.0228	\$0.0265
Sep-23	\$2.9080	\$0.0230	\$0.0282
Sep-23	\$2.8919	\$0.0234	\$0.0284

Sprague HeatCurve October 2022-April 2023		Close	Change
Crude - WTI	July Brent- WTI Spread \$3.79	\$109.7700	-\$0.5200
Crude - Brent		\$113.5600	\$0.1400
Natural Gas		\$8.7960	\$0.0520
Gasoline		\$3.8110	\$0.0133

API Report for the Week Ending May 20, 2022

	Actual	Mkt Expectations
Crude Oil Stocks(excl SPR)	Down 2.4 million barrels	Up 100,000 barrels
Gasoline Stocks	Down 5.1 million barrels	Down 500,000 barrels
Distillate Stocks	Up 1.1 million barrels	Up 600,000 barrels
Refinery Runs		Up 0.7% at 92%

Sprague HeatCurve October-April



WTI Continuation



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