

Market Commentary

Recap: The oil market traded mostly within Thursday trading range as concerns over the economy weighed on sentiment. The market remained supported in overnight trading and breached Wednesday's high of \$85.56 as it posted a high of \$85.59. However, the market erased its gains and sold off to a low of \$82.56 early in the morning as some of the war risk premium appears to have declined following the Wall Street Journal report on Wednesday stating that Israel has agreed to delay an expected invasion of Gaza for now. The market later bounced off its low and traded in a sideways trading range as the estimated GDP growth for the third quarter was slightly above expectations and September durable goods orders were also higher than expected, while weekly unemployment benefit claims increased more than expected. The December WTI contract settled down \$2.18 at \$83.21 and the December Brent contract settled down \$2.20 at \$87.93. The product markets ended the session in mixed territory once again, with the heating oil market settling up 1.34 cents at \$3.0439 and the RB market settling down 2.81 cents at \$2.2561.

Technical Analysis: The oil market is seen remaining in its recent trading range as the market awaits for further developments on the Israel-Hamas conflict, while the market also remains pressured by concerns over the economy. The market is seen finding support at \$82.56, \$82.37, \$82.08 followed by \$81.31 and \$80.20. Meanwhile, resistance is seen at its high of \$85.59, \$85.97, \$86.30, \$86.88 followed by \$88.29 and \$89.85.

Fundamental News: According to flows data and analysts, U.S. waterborne imports of crude from OPEC+ members including Saudi Arabia have dropped steadily over the last year, further tightening supplies in the U.S. while supporting other markets including Europe. Kpler estimated that total U.S. crude waterborne imports are set to average 2.47 million bpd in October, down from 2.92 million bpd in September, with shipments falling from OPEC+ producers including Nigeria, Algeria and Saudi Arabia. Saudi crude exports to the U.S. are set to fall to 241,000 bpd in October, down from 286,000 bpd in September and from 410,000 bpd in October 2022. Instead, Saudi Arabia is exporting more crude to China. Saudi crude exports to China increased to nearly 1.6 million bpd in September, up from 1.2 million bpd in August and 1.37 million bpd in July. Meanwhile, as the U.S. sees less crude imports, it has exported less oil to Europe. Kpler data showed U.S. crude exports to Europe fell to 1.86 million bpd in September and 1.84 million bpd in August, from 2.01 million bpd in July.

On Wednesday, Russia's President Vladimir Putin warned that Israel's conflict with Hamas could spread well beyond the Middle East and said it was wrong that innocent women, children and old people in Gaza were being punished for other people's crimes. He said bloodshed in the region had to stop. He said he told other world leaders in phone calls that if it did not, there was a risk of a much wider conflagration.

Iran's Foreign Minister, Hossein Amirabdollahian warned that if Israel's retaliation against Palestinian militants Hamas in the Gaza Strip does not end then the U.S. will "not be spared from this fire."

Hundreds of Iraqis protesting against Israel's attacks on Gaza are blocking oil tanker trucks from crossing into Jordan, saying they will not allow Iraqi oil to be exported to countries that have peace agreements with Israel. Last Friday, about 800 supporters of Iraq's Popular Mobilization Forces, an Iranian-backed umbrella group of mainly Shi'ite militia, began a sit-in at Iraq's main border crossing with Jordan, to express solidarity with Gaza and call for an end to Israel's bombardments and blockade. Iraq transports about 15,000 bpd of crude oil in tanker trucks to Jordan.

Early Market Call - as of 8:05 AM EDT

WTI - December \$84.57, up \$1.36

RBOB - November \$2.2817, up 2.56 cents

HO - November \$3.0648, up 2.09 cents

All NYMEX | Prior Settlements

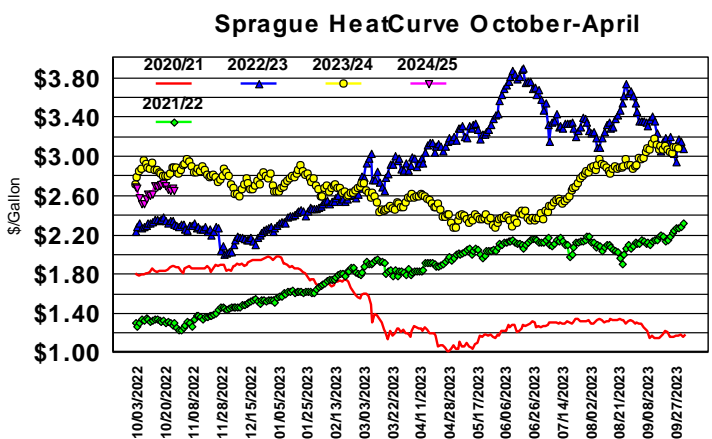
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Nov-23	3.0439	0.0134	-0.1291
Dec-23	2.9656	0.0065	-0.1118
Jan-24	2.9170	-0.0020	-0.1079
Feb-24	2.8790	-0.0091	-0.1029
Mar-24	2.8288	-0.0154	-0.0945
Apr-24	2.7698	-0.0202	-0.0880
May-24	2.7292	-0.0222	-0.0808
Jun-24	2.7028	-0.0232	-0.0752
Jul-24	2.6932	-0.0244	-0.0718
Aug-24	2.6887	-0.0244	-0.0686
Sep-24	2.6896	-0.0241	-0.0659
Oct-24	2.6893	-0.0239	-0.0650
Nov-24	2.6848	-0.0232	-0.0648
Dec-24	2.6739	-0.0228	-0.0654
Jan-25	2.6612	-0.0225	-0.0663
Feb-25	2.6440	-0.0222	-0.0655
Mar-25	2.6221	-0.0222	-0.0641

Sprague HeatCurve October 2024-April 2025		Close	Change
Crude - WTI	Dec Brent-WTI Spread \$4.72	\$83.2100	-\$2.1800
Crude - Brent		\$87.9300	-\$2.2000
Natural Gas		\$3.2140	\$0.2040
Gasoline		\$2.2561	-\$0.0281

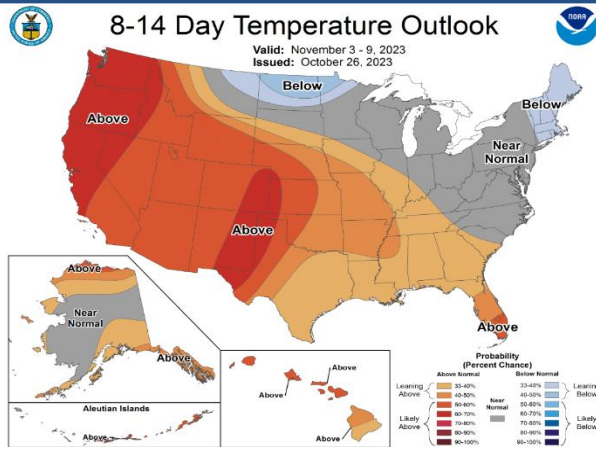
EIA Working Gas Storage Report

	20-Oct-23	13-Oct-23	Change	20-Oct-22
East	908	896	12	823
Midwest	1075	1050	25	1,004
Mountain	252	248	4	198
Pacific	283	280	3	248
South Central	1182	1152	30	1,114
Salt	299	285	14	276
Nonsalt	883	868	15	837
Total	3700	3626	74	3,387

Sprague HeatCurve October-April



8-14 Day Weather Outlook



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