

Market Commentary

Recap: Trading in crude oil was choppy on Monday, with prices trading mostly to the downside. A significant sell-off came as the equity markets fell, putting traders into panic mode, which in turn pushed May WTI down 1.6% to a low of \$61.36 a barrel, while May Brent slipped 1.2%, bottoming at \$65.39 a barrel. Saving grace came by the way of tensions between Saudi Arabia and Iran, which aided in lifting prices off of the lows of the day. After recouping some of their losses, May WTI settled at \$62.06, down 28 cents, or 0.45% and May Brent finishing the session at \$66.05, down 16 cents, or 0.24%. April RBOB fell 1.1% to \$1.925 a gallon, while April heating oil lost 0.3% at \$1.907 a gallon. It rose 1.3% last week.

April WTI remains wedged between \$61.47 and \$62.62, the 10 and 50-day moving averages respectively, as it trends within a symmetrical triangle that can be depicted on a daily spot continuation chart. For the second straight trading session, this spot contract tested the upper trend line of this formation but failed to settle above it. With moving oscillators pointing to the upside, we should see continued strength. A break above the aforementioned line sets up for a run at January's high of \$66.66. Prior to this level, resistance \$63.28, with support set at \$61.47 and \$60.96.

Fundamental News: OPEC's Secretary General, Mohammed Barkindo, said that conditions on the oil market have been improving but that global inventories remain above the 5-year average. He said that he hoped a global deal to reduce oil production would help restore stability to global oil markets in the course of the year.

Russia's Energy Minister, Alexander Novak, said Russia is committed to seeing its pact with OPEC through to completion, whether that means starting discussions about a phase-out at the next meeting in June or prolonging its output cuts into 2019.

The Joint Organization Data Initiative reported that Saudi Arabia's crude output in January increased by 3,000 bpd on the month to 9.983 million bpd. Saudi Arabia exported 7.17 million bpd of crude in January, up from 7.045 million bpd in December. The country's domestic refinery crude throughput fell by 206,000 bpd to 2.622 million bpd in January. Its crude stocks fell by 4.201 million barrels to 240.808 million barrels in January.

The Director General of Basra Oil, Ihsan Abdul Jabbar, said Iraq's Basra oil production will reach 3.5 million bpd by the end of the year from its current level of 3.15 million bpd.

IIR reported that US oil refiners are expected to shut in 799,000 bpd of capacity in the week March 23rd, increasing available refining by 84,000 bpd from the previous week. IIR expects offline capacity to fall to 790,000 bpd in the week ending March 30th.

Japan's Ministry of Finance reported that the country's customs-cleared crude imports in February fell by 13.8% on the year to 3.16 million bpd. Japan's imports of liquefied natural gas totaled 8.294 million tons in February, up 6.5% on the year.

Early Market Call - as of 9:00 AM EDT

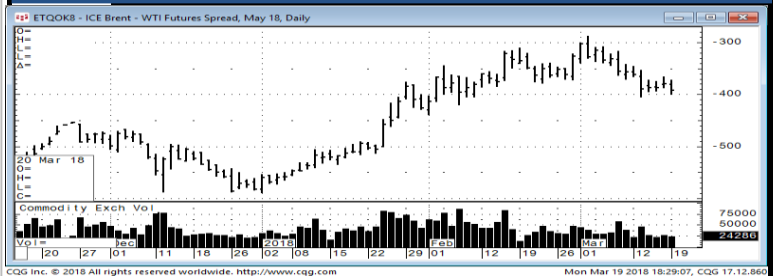
WTI - Apr \$63.23, up \$1.21
 RBOB - Apr \$1.9590, up 3.43 cents
 HO - Apr \$1.9433, up 3.64 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-18	\$1.9070	-\$0.0048	-\$1.8647
May-18	\$1.9116	-\$0.0056	-\$1.8687
Jun-18	\$1.9156	-\$0.0058	-\$1.8746
Jul-18	\$1.9182	-\$0.0054	-\$1.8803
Aug-18	\$1.9204	-\$0.0051	-\$1.8846
Sep-18	\$1.9229	-\$0.0045	-\$1.8891
Oct-18	\$1.9248	-\$0.0046	-\$1.8933
Nov-18	\$1.9258	-\$0.0048	-\$1.8965
Dec-18	\$1.9259	-\$0.0049	-\$1.8975
Jan-19	\$1.9277	-\$0.0051	-\$1.8996
Feb-19	\$1.9265	-\$0.0053	-\$1.8993
Mar-19	\$1.9196	-\$0.0058	-\$1.8942
Apr-19	\$1.9041	-\$0.0061	-\$1.8797
May-19	\$1.8927	-\$0.0065	-\$1.8692
Jun-19	\$1.8847	-\$0.0062	-\$1.8621
Jul-19	\$1.8831	-\$0.0061	-\$1.8610
Aug-19	\$1.8841	-\$0.0060	-\$1.8634
Sep-19	\$1.8884	-\$0.0059	-\$1.8689

		Close	Change
Crude - WTI	May Brent-WTI Spread \$3.82	\$62.1300	-\$0.2800
Crude - Brent		\$66.0500	-\$0.1600
Natural Gas		\$2.6510	-\$0.0370
Gasoline		\$1.9249	-\$0.0210

ICE May WTI-Brent Spread



8-14 Day Temperature Outlook

45 Day Temperature Outlook

