

Market Commentary

Recap: Oil futures settled higher on Friday, recouping some of the week's losses on strong U.S. job growth data, but finished the week at their lowest levels since February, rattle by worries a recession could hit fuel demand. September WTI added 47 cents to settle at \$89.01 a barrel, off 8% on the week, while October Brent settled up 80 cents, at \$94.92 a barrel, down 11% from last Friday. This market continues to come under pressure by inflation fears, economic growth and demand woes however, tight supply kept a floor under prices. September RBOB added .0621 cents, to finish the week at \$2.8556 a gallon, while September heating oil fell .1213 cents, to settle at \$3.2159 a gallon.

Technical Analysis: WTI plunged below \$90 during the trading week, in a sign that prices are still heading lower. If we get a settlement below \$88.43; the 62% retracement set by the December low of \$62.43 and the March high of \$130.50, we could see this market down at the \$80 level. Resistance is set at \$92.70, \$93.98 and \$95.29.

Fundamental News: A spokesperson for the European Commission, Peter Stano, said that Iran and the U.S. should make "one last effort" to salvage a 2015 nuclear deal in talks that resumed in Vienna on Thursday, saying that political decisions are needed to overcome their impasse. Meanwhile, Russia's envoy to talks on reviving Iran's 2015 nuclear deal said they had resumed in a "serious" atmosphere. After meeting Iran's negotiator on Friday, Russian envoy Mikhail Ulyanov was quoted by Iran's state news agency IRNA as saying that reaching the finish line "may not be so easy, and time will tell whether we will succeed or not." But in general, the atmosphere of the talks is serious."

Baker Hughes reported that the total number of oil and gas rigs fell by three to 764 in the week ending August 5th. The total rig count was up 273 or 56% on the year. The number of oil rigs fell by seven to 598 in the week ending August 5th, the first weekly decline in 10 weeks, while the number of gas rigs increased by four to 161, the highest level since August 2019.

IIR Energy reported that U.S. oil refiners are expected to shut in 445,000 bpd of capacity in the week ending August 5th, increasing available refining capacity by 47,000 bpd. Offline capacity is expected to increase to 481,000 bpd in the week ending August 12th and to 541,000 bpd in the subsequent week.

Valero reported unplanned flaring at its 85,000 bpd Wilmington, California refinery.

U.S. employers hired more workers than expected in July, with the unemployment rate falling to a pre-pandemic low of 3.5%. The U.S. Labor Department reported that nonfarm payrolls increased by 528,000 jobs in July. Data for June was revised higher to show 398,000 jobs created instead of the previously reported 372,000. That marked the 19th consecutive month of payrolls expansion. The unemployment rate was at 3.6% in June.

Early Market Call - as of 8:20 AM EDT

WTI - September \$88.03, down 98 cents

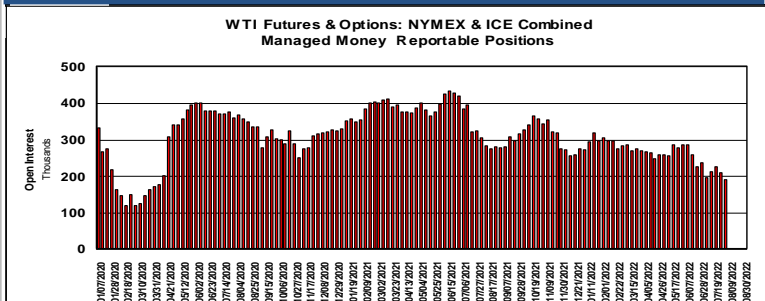
RBOB - September \$2.8589, up 33 points

HO - September \$3.1988, down 1.71 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Sep-22	3.2159	-0.1213	-0.3331
Oct-22	3.1856	-0.1136	-0.3131
Nov-22	3.1546	-0.1069	-0.2963
Dec-22	3.1266	-0.0983	-0.2766
Jan-23	3.1052	-0.0911	-0.2527
Feb-23	3.0746	-0.0836	-0.2293
Mar-23	3.023	-0.0769	-0.2141
Apr-23	2.9651	-0.0701	-0.2044
May-23	2.9244	-0.0612	-0.1969
Jun-23	2.8914	-0.0503	-0.1885
Jul-23	2.8744	-0.0438	-0.1832
Aug-23	2.8582	-0.0388	-0.1766
Sep-23	2.8378	-0.0348	-0.1693
Oct-23	2.8217	-0.0299	-0.1568
Nov-23	2.8069	-0.0246	-0.1462
Dec-23	2.7934	-0.0199	-0.1368
Jan-24	2.7743	-0.0189	-0.1362

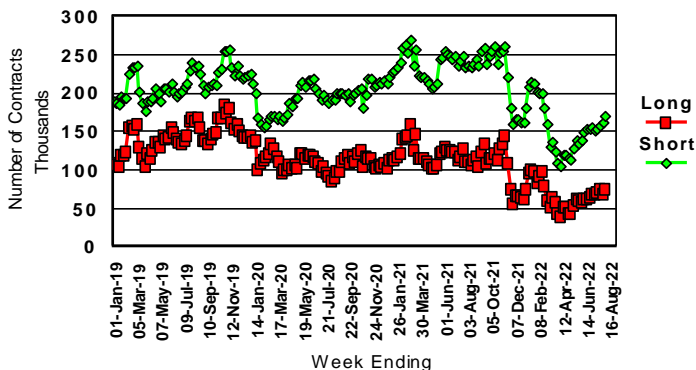
Sprague HeatCurve October 2022-April 2023		Close	Change
Crude - WTI	Oct Brent- WTI Spread \$6.84	\$88.0800	\$0.5200
Crude - Brent		\$94.9200	\$0.8000
Natural Gas		\$8.0640	-\$0.0580
Gasoline		\$2.8556	\$0.0621



Commitment of Traders Report for the Week Ending August August 2, 2022

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

