

## Market Commentary

**Recap:** Oil futures fell in early trading on Friday after European Union countries failed to agree on a ban on imports of Russian crude oil and as exports from Kazakhstan's CPC crude terminal partially resumed. Once word broke of a missile strike and fire at Saudi Arabia's state run oil company Aramco's refinery, oil futures turned to the upside. The attack comes just five days after the Houthi group fired missiles and drones at Saudi energy and water desalination facilities, causing a temporary drop in output at a refinery but no casualties. Both benchmarks were heading for their first weekly gains in three weeks. Brent was on track for an 11% weekly jump and WTI for a rise of over 8%. May WTI \$1.56, or 1.39%, to settle at \$113.90 a barrel, up 10.49 on the week, snapping a two week losing streak. May Brent settled at \$120.65 a barrel, a gain of \$1.62, or 1.36%, up 11.79 on the week. Petroleum products closed mixed, with April RBOB settling at \$3.4700 a gallon, up 8.03 cents, or 2.37%, for a weekly gain of 7.145. Heating oil for April delivery closed at \$41.1146 a gallon, down 3.88 cents, or 0.93%, up 14.35% on the week.

**Technical Analysis:** Oil markets ended the week showing signs of support, as traders took advantage of buying on dips. The fact that market participants are still willing to buy this market on such dips leads us to believe that we will see higher prices coming into the week. A break above Thursday high of \$116.64 opens up the opportunity for a run at \$120. A push below Friday's low of \$108.68 could gather enough momentum to push this market tower \$104.59, the 38% retracement provided by the range of \$130.50 and \$62.43.

**Fundamental News:** The Caspian Pipeline Consortium terminal partially resumed oil loadings on Friday with the Seavoyager vessel loading from single mooring point 1 at the Black Sea port of Yuzhnaya Ozerreyevka. Seavoyager, which can carry 135,000 tons of CPC Blend, started loading oil from SPM-1 late on Thursday.

A Saudi Aramco storage facility has been hit by an attack in Jeddah. Saudi state media had reported several drone and rocket attacks by Yemen's Houthi movement and a large plume of black smoke was seen rising in Jeddah. Houthi military spokesman Yahya Sarea said that Yemen's Houthis had attacked Saudi Aramco's facilities in the port city of Jeddah with missiles and the Ras Tanura and Rabigh refineries with drones. He added that the attack also targeted vital facilities in the Saudi capital Riyadh.

White House National Security Adviser, Jake Sullivan, said the United States is still pursuing talks on Iran's nuclear program but will work with allies to increase pressure on Iran if diplomacy fails. The talks were close to an agreement until Russia made last-minute demands of the United States, insisting that sanctions imposed on Moscow over its invasion of Ukraine would not hurt its trade with Iran. On Thursday, Iran's Foreign Minister, Hossein Amirabdollahian, said that the vital issue of sanctions relief for Iran was not yet fully resolved.

IIR Energy reported that U.S. oil refiners are expected to shut in 1.015 million bpd of capacity in the week ending March 25<sup>th</sup>, increasing available refining capacity by 2,000 bpd from the previous week.

Baker Hughes reported that U.S. energy firms added oil and natural gas rigs for a record 20<sup>th</sup> consecutive month, with oil rigs alone increasing by seven this week after the United States urged producers to increase output. It said the oil and gas rig count increased by seven to 670 in the week to March 25<sup>th</sup>, its highest since March 2020. U.S. oil rigs increased by 7 to 531 this week, their highest since April 2020, while the number of gas rigs were unchanged at 137.

**Early Market Call - as of 8:45 AM EDT**

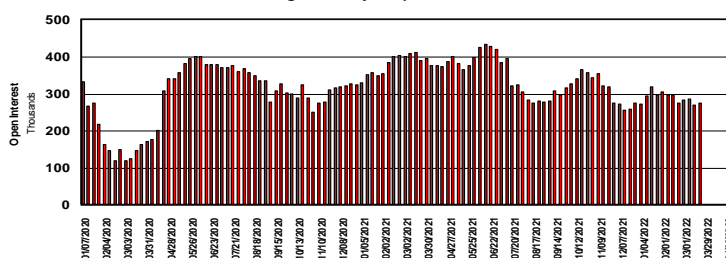
WTI - May \$108.14, down \$5.77  
 RBOB - Apr \$3.3303, down 13.6 cents  
 HO - Apr \$3.9172 down 20.03 cents

## All NYMEX | Prior Settlements

Month	USLD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-22	4.1146	-0.0388	0.5165
May-22	3.7512	-0.0518	0.3691
Jun-22	3.5259	-0.0109	0.3208
Jul-22	3.3774	0.0184	0.2932
Aug-22	3.2692	0.0285	0.2650
Sep-22	3.1935	0.0291	0.1893
Oct-22	3.1303	0.0275	0.2056
Nov-22	3.0706	0.0257	0.1813
Dec-22	3.0211	0.0247	0.1665
Jan-23	2.9794	0.0243	0.1559
Feb-23	2.9434	0.0242	0.1468
Mar-23	2.9048	0.0241	0.1367
Apr-23	2.8655	0.0242	0.1279
May-23	2.8305	0.0243	0.1170
Jun-23	2.8016	0.0245	0.1067
Jul-23	2.7802	0.0245	0.0972
Aug-23	2.7621	0.0245	0.0891

Sprague HeatCurve October 2022-April 2023		Close	Change
Crude - WTI	May Brent-WTI Spread \$6.75	\$113.9000	\$1.5600
Crude - Brent		\$120.6500	\$1.6200
Natural Gas		\$5.5710	\$0.1700
Gasoline		\$3.4700	\$0.0803

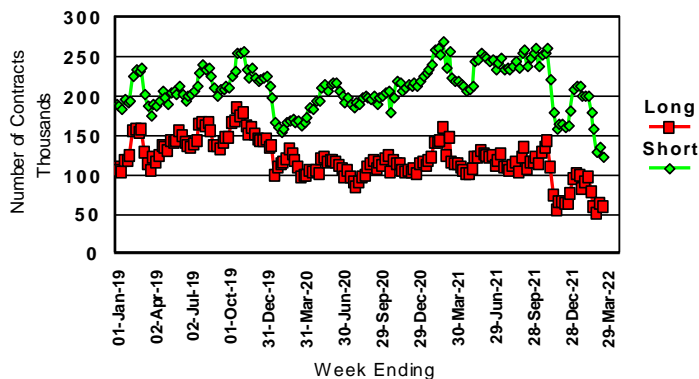
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



## Commitment of Traders Report for the Week Ending March 22, 2022

### Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



### Managed Money Heat Positons

CFTC Commitment of Traders Report

