

Market Commentary

Recap: Oil prices fell further on Friday, weighed down by overflowing inventories, ahead of the upcoming OPEC meeting. November was the weakest month in ten years for oil prices, falling more than 20%, as global supplies overshadowed demand. Oil prices traded lower on the initial opening, and then fell into a period of sideways trading before a resumption of the down move continued. January WTI fell as much as 3.4%, to a low of \$49.65 a barrel, with Brent losing as much as 3.1%, hitting a low of \$58.05 a barrel. An early morning rebound pushed prices briefly above unchanged but the inability to recapture the day's highs prompted additional selling. January WTI fell 52 cents, or 1.01%, to settle at \$50.93 a barrel, while Brent for January delivery going off the board at \$58.71 a barrel, down 80 cents, or 1.34%. December RBOB fell 0.9% to \$1.441 a gallon, while December heating oil rose 0.1% to \$1.846 a gallon. The December contracts for both products, which expired at Friday's settlement, saw monthly losses of around 18%.

Technical Analysis: WTI settled higher on the week for the first time in 8 weeks, and above the pivot level of \$50.79. With this in mind, we would look for a higher move at the onset of next week. The short term outlook is to the upside; however, we would not look for a major shift to the upside until we see a trade above \$54.48. Initial resistance is set at \$51.93 and above that at the 10-day moving average of \$52.50. Above this level, additional resistance is set at \$52.93. To the downside, support is set at \$49.79 and \$48.65.

Fundamental News: Russia's Energy Minister, Alexander Novak, said producers and consumers were comfortable with current oil prices. He also stated that producers would reach an agreement on the output cut accord for next year at OPEC's meeting next week. He added that Russia planned to maintain average October oil output levels until year-end and that Russian oil companies agreed to change oil output levels in 2019, if needed.

Oil Movements reported that OPEC oil shipments are expected to fall by 130,000 bpd to 25.51 million bpd in the four week period ending December 15th compared with the previous four week period ending November 17th.

Baker Hughes reported that US energy firms added oil rigs for a third week in four and increased the rig count for the fifth consecutive month. Drillers added two oil rigs in the week ending November 30th, bringing the total count to 887. For the month, the rig count was up 12 in November.

Britain's Buzzard oilfield is expected to remain shut for at least two weeks for repairs and possibly until late December or early January if the work is prolonged. The Buzzard oilfield, which pumps 150,000 bpd, has been closed temporarily after the discovery of pipe corrosion.

Libya's National Oil Corp said bad weather in Libya forced the shutdown of four oil export terminals, and production has already fallen by 150,000 bpd. The ports of Ras Lanuf, Es Sider, Zawia and Zueitina have been shut, causing delays to loading schedules. Production is likely to fall by a further 50,000 bpd due to a lack of storage capacity. Production from the country's Sharara oilfield is expected to fall by 150,000 bpd should the bad weather persist. Separately, Libya's National Oil Corp expects its income from crude and oil product sales to reach \$23.7 billion in 2018, up 73% on the year.

IIR Energy reported that US oil refiners are expected to shut in 175,000 bpd of capacity in the week ending November 30th, increasing available refining capacity by 130,000 bpd from the previous week.

Bloomberg reported that global refinery outages totaled 2.82 million bpd as of November 29th, compared with 3.23 million bpd a week earlier.

Early Market Call - as of 9:00 AM EDT

WTI - Jan \$53.27, up \$2.34

RBOB - Dec \$1.4604, up 5.85 cents

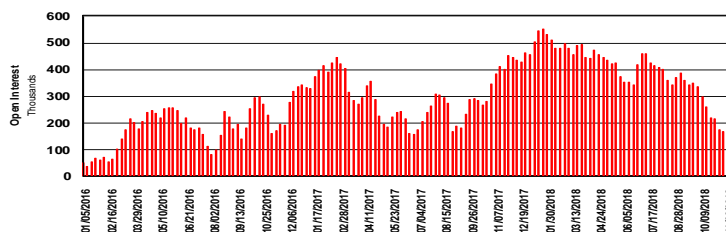
HO - Dec \$1.8939, up 6.44 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Dec-18	\$1.8455	\$0.0019	-\$0.0307
Jan-19	\$1.8294	-\$0.0100	-\$0.0408
Feb-19	\$1.8224	-\$0.0100	-\$0.0384
Mar-19	\$1.8153	-\$0.0106	-\$0.0369
Apr-19	\$1.8067	-\$0.0115	-\$0.0337
May-19	\$1.8079	-\$0.0130	-\$0.0309
Jun-19	\$1.8125	-\$0.0150	-\$0.0287
Jul-19	\$1.8215	-\$0.0170	-\$0.0281
Aug-19	\$1.8315	-\$0.0189	-\$0.0287
Sep-19	\$1.8420	-\$0.0207	-\$0.0305
Oct-19	\$1.8511	-\$0.0225	-\$0.0327
Nov-19	\$1.8597	-\$0.0236	-\$0.0340
Dec-19	\$1.8667	-\$0.0246	-\$0.0354
Jan-20	\$1.8728	-\$0.0250	-\$0.0346
Feb-20	\$1.8755	-\$0.0246	-\$0.0315
Mar-20	\$1.8752	-\$0.0237	-\$0.0289
Apr-20	\$1.8665	-\$0.0238	-\$0.0263

Other Front Month NYMEX		Close	Change
Crude - WTI	Jan Brent-	\$50.9300	-\$0.5200
Crude - Brent	WTI Spread	\$58.7100	-\$0.8000
Natural Gas	\$7.78	\$4.6120	-\$0.0340
Gasoline		\$1.4413	-\$0.1340

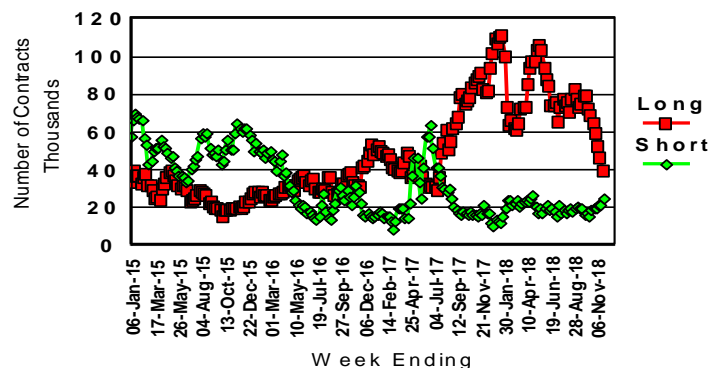
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending November 27, 2018

Managed Money Heat Positons

CFTC Commitment of Traders Report



Managed Money RBOB Positons

CFTC Commitment of Traders Report

