

Market Commentary

Recap: Oil prices recovered on Thursday after falling 2 percent on Wednesday, bolstered by a falling OPEC output, which fell to its lowest level in nearly four years. WTI for April delivery briefly shot up to a high of \$56.99 before settling into trading range between \$56.35 and \$56.76 for the remainder of the session. April WTI settled at \$56.66 a barrel, up 44 cents, or 0.78 percent, while Brent for May delivery tacked on 31 cents, or 0.47 percent, to settle at \$66.30 a barrel.

RBOB futures continued to advance; reaching a fresh 4 month high of \$1.816 a gallon. April RBOB added 0.9% at \$1.805 a gallon, after climbing 1.2% Wednesday. It finished at the highest for a most-active contract since Oct. 30. April heating oil settled at \$2.013 a gallon, down 0.2%.

Technical Analysis: For the second straight session, April WTI dipped below the bottom trend line of the ascending channel that can be depicted on a daily spot continuation chart, but failed to settle below it. With short term technical indicators pointing to the downside, we would look for continued attempts to settle below the aforementioned line. Should spot WTI settle below this line, we would look for a run at the 50-day moving average, which is currently set at \$53.52. Resistance is set at \$57.19 and above that at \$57.88.

Fundamental News: Genscape reported that crude oil stocks held in Cushing, Oklahoma in the week ending Tuesday, March 5th fell by 306,301 barrels on the week and by 672,284 barrels from Friday, March 1st to 49,287,502 barrels.

The US special representative for Venezuela, Elliot Abrams, said that the US would "expand the net" of sanctions on Venezuela, including on more banks supporting President Nicolas Maduro's government. He said he has been asking European banks to take steps to shield individual Venezuelans' assets from Maduro's government.

Venezuela's opposition leader, Juan Guaido, urged Europe to tighten financial sanctions against the government of Nicolas Maduro after it expelled Germany's ambassador. Germany is among the many nations supporting Guaido's plan to install a transition government ahead of free elections.

Libya's NOC said the country's El Sharara oilfield is producing 135,000 bpd with output rising. An NOC spokesman said the 315,000 bpd field had not yet reached full output due to technical and manpower issues.

Iran's Oil Minister, Bijan Zanganeh, said production from the West Karoun oilfields increased to 300,000 bpd from 70,000 bpd five years ago. Production from the Azar oilfield in western Iran is expected to increase to 60,000 bpd from 30,000 bpd by March 2020.

The US EPA quietly changed the way they assess applications from refineries for waivers from the 2017 federal biofuel law, making it possible to highly profitable plants to secure exemptions. According to court documents filed by the Advanced Biofuels Association, the EPA stopped considering whether compliance with the US Renewable Fuel Standard would prevent a refinery from making money and being competitive. Instead the agency considered primarily whether compliance would cause disproportionate impact on the facility.

Early Market Call - as of 8:45 AM EDT

WTI - Apr \$55.24, down \$1.42

RBOB - Apr \$1.7652, down 4.02 cents

HO - Apr \$1.9680, down 4.51 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-19	\$2.0127	-\$0.0035	-\$0.0146
May-19	\$2.0082	-\$0.0027	-\$0.0135
Jun-19	\$2.0057	-\$0.0016	-\$0.0127
Jul-19	\$2.0096	-\$0.0008	-\$0.0120
Aug-19	\$2.0165	-\$0.0006	-\$0.0119
Sep-19	\$2.0263	-\$0.0005	-\$0.0120
Oct-19	\$2.0347	-\$0.0005	-\$0.0125
Nov-19	\$2.0421	-\$0.0006	-\$0.0129
Dec-19	\$2.0490	-\$0.0003	-\$0.0128
Jan-20	\$2.0551	\$0.0000	-\$0.0125
Feb-20	\$2.0557	\$0.0004	-\$0.0126
Mar-20	\$2.0518	\$0.0005	-\$0.0131
Apr-20	\$2.0394	\$0.0000	-\$0.0145
May-20	\$2.0298	-\$0.0003	-\$0.0155
Jun-20	\$2.0240	-\$0.0007	-\$0.0163
Jul-20	\$2.0237	-\$0.0010	-\$0.0172
Aug-20	\$2.0237	-\$0.0013	-\$0.0178

Sprague HeatCurve Oct 2019-Apr 2020

\$2.0493

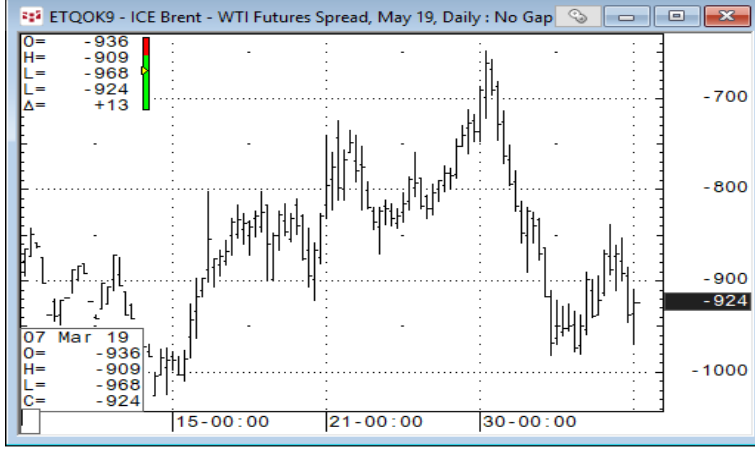
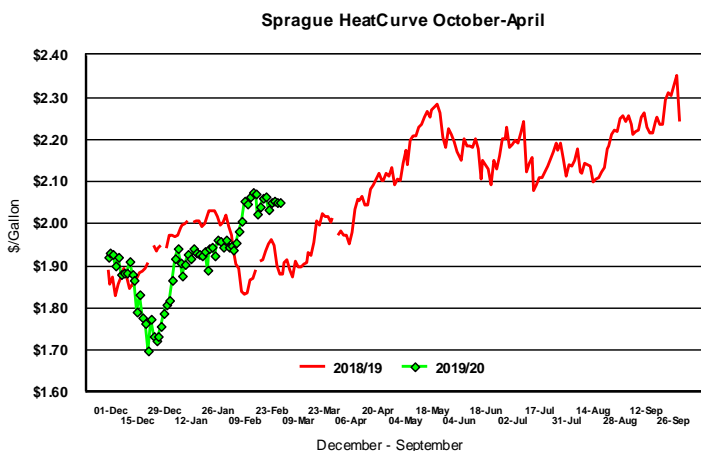
Other Front Month NYMEX		Close	Change
Crude - WTI	May Brent-	\$57.0300	\$0.4100
Crude - Brent	WTI Spread	\$66.3000	\$0.3100
Natural Gas	\$9.27	\$2.8660	\$0.0250
Gasoline		\$1.8054	\$0.0164

EIA Working Gas Storage Report

	01-Mar-19	22-Feb-19	Change	Year Ago
East	311	354	-43	362
Midwest	338	385	-47	383
Mountain	73	79	-6	98
Pacific	112	122	-10	179
South Central	557	598	-41	612
Salt	180	199	-19	188
Nonsalt	377	399	-22	424
Total	1,390	1,539	-149	1,633

Sprague HeatCurve Winter 2019/20

ICE May Brent-WTI Spread



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