

Market Commentary

Recap: The oil market posted an inside trading day on Friday and settled higher but still posted its fourth consecutive week of losses. The market retraced some of its sharp losses posted on Thursday, when it fell almost 5% to a four month low on concerns over demand. The market posted a low of \$72.75 in overnight trading and traded sideways before it gradually retraced little more than 50% of its recent move from a high of \$79.77 to Thursday's low of \$72.16. The crude market extended its gains to over \$3 and posted a high of \$75.99 ahead of the close. The market was well supported by a Financial Times Report stating that Saudi Arabia was planning to extend its voluntary output cut into next year and that an additional OPEC+ cut of up to 1 million bpd could be on the table at the group's meeting November 26th. The December WTI contract settled up \$2.99 or 4.1% at \$75.89 and the January Brent contract settled up \$3.19 or 4.12% at \$80.61. However, the WTI market was down 1.7% on the week. The product markets ended the session higher as well following Thursday's sharp losses, with the heating oil market settling up 2.23 cents at \$2.7725 and the RB market settling up 8.34 cents at \$2.1845.

Technical Analysis: The crude market will continue to trade within its recent trading range from \$72-\$80 as stochastics are trending sideways. The market will seek further direction from any economic news amid the concerns over the global economy and demand. The market will also look for further indication on what OPEC+ producers will likely decide at their next meeting at the end of the month. The market is seen finding support at its low of \$72.75, \$72.16 \$72.10, \$71.74, \$70.55-\$70.50 followed by more distant support at \$69.91. Meanwhile, resistance is seen at its high of \$75.99, \$76.20, \$76.63, \$76.72, \$76.86 followed by \$78.77 and \$79.77.

Fundamental News: Three OPEC+ sources said OPEC+ is set to consider whether to make additional oil supply cuts when the group meets later this month following an almost 20% decline in prices since late September. Saudi Arabia, Russia and other members of OPEC+ have already pledged total oil output cuts of 5.16 million bpd or about 5% of daily global demand, in a series of steps that started in late 2022. The cuts include 3.66 million bpd by OPEC+ and additional voluntary cuts by Saudi Arabia and Russia. One OPEC+ source said the existing cuts might not be enough and the group will likely analyze if more could be implemented when it meets. Two other OPEC+ sources said deeper cuts could be discussed. Ministers from OPEC+ are scheduled to meet on November 26th.

Goldman Sachs expects Brent prices to average at \$92/barrel in 2024 and expects the oil market to tighten at a moderate pace amid solid demand while core OPEC supply remains low. The bank said it expects a 700,000 bpd deficit and a solid 1.6 million bpd demand growth in 2024.

Baker Hughes reported that the oil and gas rig count increased by two to 618 in the week ending November 17th. U.S. oil rigs increased by six to 500 this week, while gas rigs fell by four to 114, their lowest since early September.

Shiptracking data from LSEG and Kpler showed that three oil tankers, newly sanctioned by the U.S., regularly shipped Russian Sokol crude to India in recent months. On Thursday, the U.S. imposed sanctions on maritime companies and vessels for shipping Russian oil sold above the Group of Seven's price cap, as Washington seeks to close loopholes in the mechanism designed to punish Moscow for its war in Ukraine.

IIR Energy reported that U.S. oil refiners are expected to shut in 784,000 bpd of capacity in the week ending November 17th, increasing available refining capacity by 605,000 bpd.

China's National Bureau of Statistics reported that the country's crude oil output in October increased by 0.50% on the year to 17.325 million tons, with output in the January-October period increasing by 1.7% on the year to 174.026 million tons.

Early Market Call - as of 8:15 AM EDT

WTI - December \$77.42, up \$1.53

RBOB - December \$2.2263, up 4.18 cents

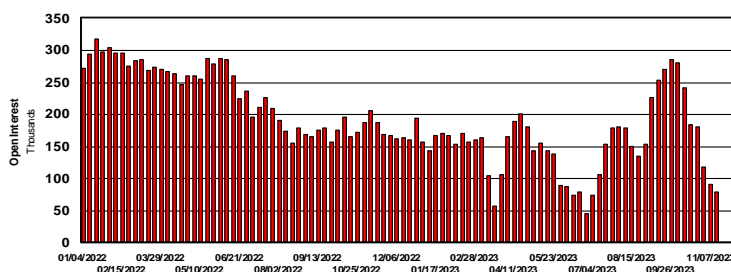
HO - December \$2.8118, up 3.96 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Dec-23	2.7725	0.0223	0.0294
Jan-24	2.7139	0.0417	0.0164
Feb-24	2.6843	0.0467	0.0148
Mar-24	2.6505	0.0493	0.0139
Apr-24	2.6095	0.0511	0.0106
May-24	2.5828	0.0536	0.0077
Jun-24	2.5633	0.0551	0.0026
Jul-24	2.5558	0.0551	-0.0007
Aug-24	2.5547	0.0545	-0.0012
Sep-24	2.5604	0.0539	0.0006
Oct-24	2.5639	0.0538	0.0025
Nov-24	2.5588	0.0534	0.0022
Dec-24	2.5477	0.0534	0.0019
Jan-25	2.5375	0.0542	0.0035
Feb-25	2.5255	0.0552	0.0057
Mar-25	2.5093	0.0550	0.0068
Apr-25	2.4880	0.0552	0.0069

Sprague HeatCurve October 2024-April 2025		\$2.5327
	Close	Change
Crude - WTI	\$76.0400	\$2.9500
Crude - Brent	\$80.6100	\$3.1900
Natural Gas	\$2.9600	-\$0.1020
Gasoline	\$2.1845	\$0.0834

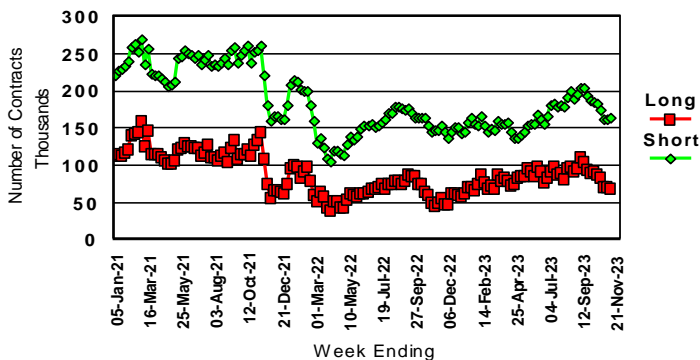
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending November 14, 2023

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

