

Market Commentary

All NYMEX | Prior Settlements

Recap: After climbing to a fresh 2019 high on Thursday, oil prices turned lower as global trade tensions continue to loom over the market. May WTI rose to a high of \$60.39 a barrel, while May Brent peaked the session at \$68.70 a barrel. By 11:30 EST, gains were pared, with both WTI and Brent trading below unchanged. Prices struggled for most of the session, with May WTI fighting to hold above \$60.00 and May Brent vying to remain above \$68.00. A feeble attempt to recapture session highs was met with round of selling which pushed May WTI back below \$60.00. This spot contract settled at \$59.98 a barrel, down 25 cents, or 0.42 percent. Brent for May delivery lost 64 cents, or 0.9%, to \$67.86 a barrel. April gasoline rose 0.2% to \$1.920 a gallon, while April heating oil was off 1.1% to settle at \$1.987 a gallon.

Technical Analysis: The technical outlook for WTI has not changed. Spot WTI remains trending within the upward channel, with slow stochastics set high in over bought territory, but slowly closing in on each other. As long as WTI remains above the lower trend line of the upward channel, prices will continue to edge higher. A settlement below the lower trend line of the aforementioned channel, followed by a hold below it on a retest, would bring about a round of profit taking to the downside, with new shorts entering the market. Support is set at \$59.04 and below that at \$58.52, the current 10-day moving average. To the upside, resistance is set at \$62.58 and above that at \$65.00.

Fundamental News: Genscape reported that crude oil inventories held in Cushing, Oklahoma in the week ending Tuesday, March 19th fell by 1,964,638 barrels on the week and by 518,531 barrels from Friday, March 15th to 47,685,388 barrels.

ANZ bank said Venezuelan crude exports to the US have finally dried up, after sanctions were imposed on PDVSA by the Trump administration earlier this year.

Iran's oil exports in March fell to its lowest level this year. According to Refinitiv Eikon data and three other companies that track Iranian exports, shipments are averaging between 1 and 1.1 million bpd so far in March. It is lower than February, when shipments were at least 1.3 million bpd. Kpler, a company that tracks oil flows, said Iranian shipments so far in March fell to 1.03 million bpd from 1.44 million bpd in February.

Iran's Supreme Leader, Ayatollah Ali Khamenei, said the country had resisted US sanctions and called on the government to increase national production to face enemy pressures.

Venezuelan opposition legislator, Sergio Vergara, said he had not been arrested by intelligence agents who raided his home before dawn. He however, confirmed that Roberto Marrero, chief of staff to opposition leader Juan Guaido, had been detained. Venezuelan opposition leader, Juan Guaido, also stated that intelligence agents had arrested his chief of staff, signaling that President Nicolas Maduro may be cracking down on the opposition's challenge to his rule.

Gasoline stocks held in independent storage in the Amsterdam-Rotterdam-Antwerp refining and storage hub fell by 0.37% on the week and by 17.02% on the year to 1.068 million tons. Its gasoline stocks increased by 8.95% on the week but fell by 13.82% on the year to 2.544 million tons, while its fuel oil stocks fell by 13.31% on the week and by 17.47% on the year to 775,000 tons.

Colonial Pipeline Co is allocating space for Cycle 19 shipments on Line 20, which carries distillates from Atlanta, Georgia to Nashville, Tennessee.

The EPA said the US generated lower amounts of renewable fuel blending credits in February than in January. It reported that 1.15 billion (D6) blending credits were generated in February, down from 1.21 billion in December and 293 million biodiesel (D4) blending credits were generated in February, compared with 260.1 million in January.

Early Market Call - as of 9:20 AM EDT

WTI - May \$59.26, down 70 cents

RBOB - Apr \$1.9186, down 20 points

HO - Apr \$1.9581, down 2.87 cents

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-19	\$1.9871	-\$0.0210	\$0.0022
May-19	\$1.9897	-\$0.0206	\$0.0023
Jun-19	\$1.9936	-\$0.0198	\$0.0026
Jul-19	\$2.0000	-\$0.0194	\$0.0017
Aug-19	\$2.0081	-\$0.0189	\$0.0014
Sep-19	\$2.0180	-\$0.0188	\$0.0011
Oct-19	\$2.0271	-\$0.0189	\$0.0009
Nov-19	\$2.0352	-\$0.0188	\$0.0010
Dec-19	\$2.0425	-\$0.0185	\$0.0011
Jan-20	\$2.0495	-\$0.0178	\$0.0014
Feb-20	\$2.0508	-\$0.0171	\$0.0012
Mar-20	\$2.0469	-\$0.0165	\$0.0006
Apr-20	\$2.0352	-\$0.0162	\$0.0002
May-20	\$2.0263	-\$0.0161	\$0.0001
Jun-20	\$2.0210	-\$0.0161	-\$0.0001
Jul-20	\$2.0199	-\$0.0157	-\$0.0007
Aug-20	\$2.0199	-\$0.0155	-\$0.0007

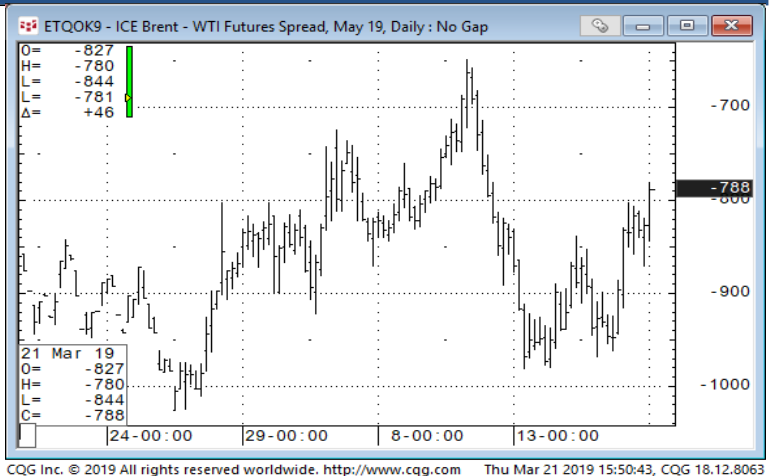
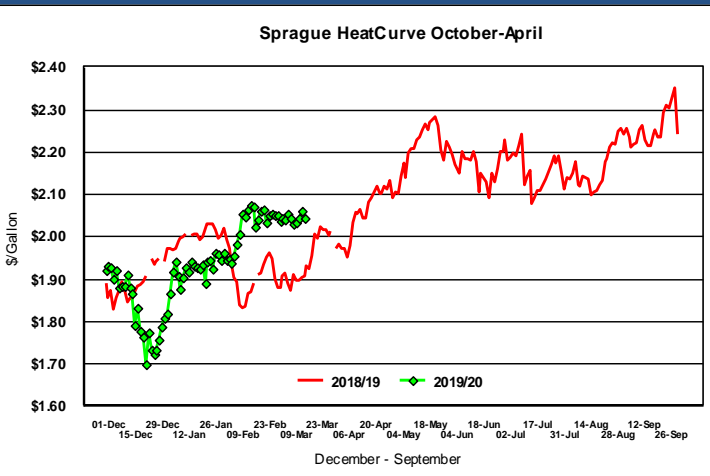
Sprague HeatCurve Oct 2019-Apr 2020		\$2.0436	
Other Front Month NYMEX		Close	Change
Crude - WTI	May Brent- WTI Spread	\$59.9800	-\$0.2500
Crude - Brent	WTI Spread	\$67.8600	-\$0.6400
Natural Gas	\$7.88	\$2.8210	\$0.0010
Gasoline		\$1.9203	\$0.0037

EIA Working Gas Storage Report

	15-Mar-19	08-Mar-19	Change	Year Ago
East	245	262	-17	276
Midwest	268	287	-19	320
Mountain	62	66	-4	90
Pacific	96	102	-6	169
South Central	471	473	-2	603
Salt	135	129	6	183
Nonsalt	336	344	-8	419
Total	1,143	1,190	-47	1,458

Sprague HeatCurve October-April

ICE May Brent-WTI Spread



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