

Market Commentary

Recap: On Friday, oil futures tried to recover from the previous day's sell-off but the recovery proved to be weak, as prices came crashing down. Initially, oil prices rose more than 1% after Russia said it will not supply crude oil to countries that decide to impose a price cap on its oil. Russian Central Bank Governor Elvira Nabiullina said crude and oil products will be redirected to the countries which are ready to "cooperate" with the country, adding that a cap would spur on global oil prices. The global economy looks increasingly likely to be heading into a serious slowdown, just as central banks aggressively reverse ultra-loose monetary policy adopted during the pandemic to support growth. Recent moves in crude oil and interest rate futures anticipate a downturn in the business cycle that will cause oil consumption to dip before the end of the year and into the first three months of 2023. September WTI fell \$1.65 a barrel, or 1.71%, to settle at \$94.70, adding 13 cents or 0.14% on the week. September Brent lost 66 cents, or 0.64%, to settle at \$103.20 a barrel, up \$2.04, or 2.02% for the week. August RBOB gained 7.33 cents or 2.33%, up 0.96 cent per gallon, or 0.30% for the week. Heating oil for August delivery slipped 13.47 cents, or 3.75%, down 24.34 cents, or 6.58% on the week.

Technical Analysis: At this point in time, the market will more likely than not continue to find value hunters, but if we break down below the 200-day moving average, then we will almost certainly test the \$90 level underneath. Looking at this market, it is likely that we will continue to see volatile trading, so you need to tread lightly regardless of which direction you pick. If we break above the downward trend line, then it's possible that we could see a push toward the \$105 level.

Fundamental News: The U.S. oil and natural gas rig count this week increased for a third consecutive week. Baker Hughes reported that the oil and gas rig count increased by two to 758 in the week ending July 22nd, its highest since March 2020. U.S. oil rigs were steady at 599 this week, while gas rigs rose two to 155.

IIR Energy said U.S. oil refiners are expected to shut in about 636,000 bpd of capacity in the week ending July 22nd, increasing available refining capacity by 33,000 bpd. Offline capacity is expected to fall to 357,000 bpd in the week ending July 29th and to 344,000 in the subsequent week.

According to Refinitiv, diesel arrivals into Europe from east of Suez, Russia, the Baltics and the U.S. are currently tracking at 4.55 million tons this month, from 4.3 million tons in June and the highest overall import volume since April. European gasoline exports on the transatlantic route are expected to reach about 590,000 tons in a July, a four-month low. July exports from Europe to West Africa are set to reach 1 million tons, down from 1.3 million tons in June.

Russian Central Bank Governor, Elvira Nabiullina, said Russia will not supply oil to countries that decide to impose a price cap on its oil. She added that the proposal by G7 nations, aimed at stripping Russia of energy revenues in a bid to limit Moscow's options for financing its military campaign in Ukraine, would also spur on global oil prices.

Colonial Pipeline Co is allocating space for Cycle 43 shipments on Line 1, its main gasoline line from Houston, Texas to Greensboro, North Carolina.

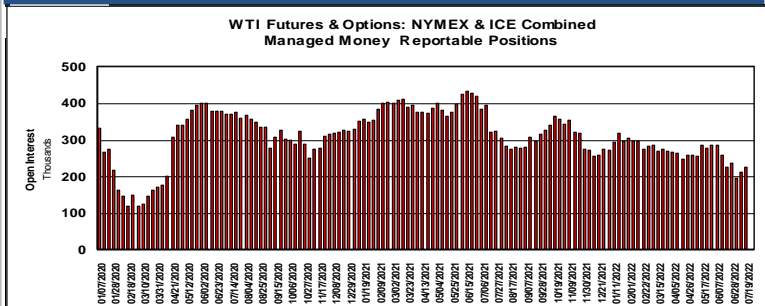
Early Market Call - as of 8:15 AM EDT

WTI - September \$96.16, up \$1.44
 RBOB - August \$3.2736, up \$5.08 cents
 HO - Augusts \$3.4981, up 4.25 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Aug-22	3.4556	-0.1347	-0.2434
Sep-22	3.394	-0.1296	-0.305
Oct-22	3.3411	-0.1162	-0.1951
Nov-22	3.2921	-0.1064	-0.1724
Dec-22	3.2477	-0.0981	-0.154
Jan-23	3.209	-0.0909	-0.1357
Feb-23	3.1611	-0.0883	-0.1171
Mar-23	3.0977	-0.0903	-0.1035
Apr-23	3.0335	-0.0882	-0.0922
May-23	2.9943	-0.0773	-0.079
Jun-23	2.9643	-0.0656	-0.0694
Jul-23	2.9451	-0.0586	-0.0588
Aug-23	2.9244	-0.0519	-0.0509
Sep-23	2.8966	-0.0533	-0.0439
Oct-23	2.8758	-0.0532	-0.0315
Nov-23	2.8586	-0.0506	-0.0219
Dec-23	2.8437	-0.0472	-0.0157

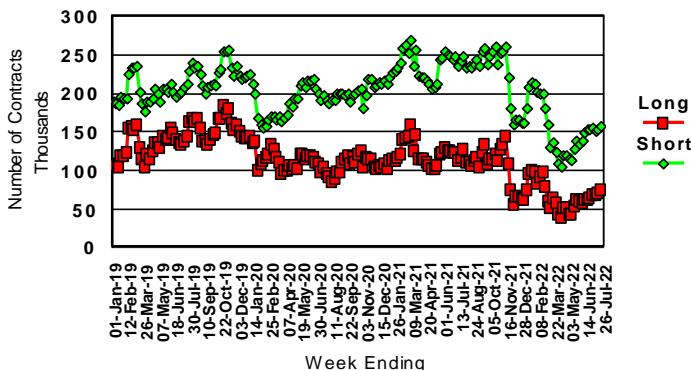
Sprague HeatCurve October 2022-April 2023			\$3.1932
		Close	Change
Crude - WTI	Sep Brent-WTI Spread \$8.50	\$94.7000	-\$1.6500
Crude - Brent		\$103.2000	-\$0.6600
Natural Gas		\$8.2990	\$0.3670
Gasoline		\$3.2280	\$0.0733



Commitment of Traders Report for the Week Ending July 19, 2022

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

