

Market Commentary

Recap: After a brief stint to the downside, oil prices reverted to the upside, with June Brent rising above \$70.00 a barrel and May WTI edging toward \$63.00 a barrel. Prices were supported by expectations that global supplies will tighten and signs of increasing demand as refinery maintenance draws to a close. June Brent touched \$70.03, its highest level since Nov. 12, when it last traded above \$70. May WTI topped the session at \$62.77, 12 cents shy of Wednesday's high. The settlement period was mixed, as June Brent tacked on 9 cents, or 0.13 percent to settle at \$69.40 a barrel and May WTI fell 36 cents, or 0.58 percent to settle at \$62.10 a barrel. May RBOB settled at \$1.9399 a gallon, down .0113, and May heating oil settled at \$2.0134 a gallon, up .0066.

Technical Analysis: WTI remains above \$61.13, the 50 percent retracement provided by the range between the October 2018 high of \$79.43 and the December low of \$43.59, but slipped back below the 200-day moving average currently set at \$62.27. As long as WTI can sustain itself above \$61.13, we would hold onto length, looking for attempts at \$65.00. Resistance is set at \$63.98 and above that at \$65.70. Support is set at \$61.13 and below that at \$60.54

Fundamental News: Genscape reported that crude oil stocks held in Cushing, Oklahoma in the week ending Tuesday, April 2nd increased by 141,195 barrel on the week and by 311,316 barrels from Friday, March 29th to 48,944,290 barrels.

South Korea has started testing super-light US oil sold by Anadarko Petroleum Corp as a substitute for Iranian crude while it awaits word from Washington on whether it can keep purchasing oil from Iran. Washington is expected to reduce the waivers in May, disrupting South Korea's supply of Iranian condensate. Anadarko spokesman John Christiansen confirmed the company is exporting WTL grade with the first cargo having sailed in February. South Korea has been negotiating with the US to extend its waiver, saying there are few alternatives to the Iranian condensate it buys. However to gain an extension South Korea will likely have to reduce its current imports by between 5% and 20%.

Gasoline stocks independently held in the Amsterdam-Rotterdam-Antwerp refining and storage hub in the week ending April 4th increased by 3.01% on the week and by 6.75% on the year to 1.062 million tons. Gasoil stocks increased by 2.38% on the week and by 11.59% on the year to 2.758 million tons, while fuel oil stocks increased by 11.36% on the week and by 3.17% on the year to 931,000 tons. Naphtha stocks fell by 24.24% on the week but increased by 8.92% on the year to 225,000 tons, while jet fuel stocks increased by 1.52% on the week and by 15.59% on the year to 733,000 tons.

Enterprise Singapore reported that Singapore's residual fuels stocks in the week ending April 3rd increased by 2.245 million barrels to 21.663 million barrels or 3.233 million tons. Net fuel oil imports for the week totaled 976,000 tons, nearly double the 511,000 tons of net imports in the previous week. Singapore's light distillates stocks increased by 244,000 barrels on the week to 15.878 million barrels, while its middle distillates stocks fell by 463,000 barrels on the week to 10.933 million barrels.

Genscape reported that the Chicap pipeline was shut in from nearly 156,000 bpd. Initial decreased power consumption was observed on Thursday morning. Pipeline flow is currently averaging an estimated 132,000 bpd this week so far.

The flow through the Pony Express pipeline increased to 393,000 bpd from about 31,000 bpd. Initial increased power consumption was observed on Wednesday night. Pipeline flow is currently averaging an estimated 283,000 bpd this week so far.

Early Market Call - as of 8:05 AM EDT

WTI - May \$61.97, down 13 cents
 RBOB - May \$1.9233, down 1.63 cents
 HO - May \$2.0048, down 86 points

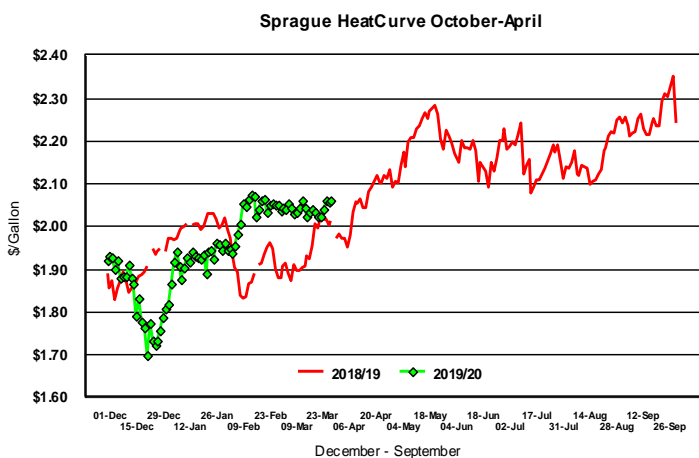
All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-19	\$2.0134	\$0.0066	\$0.0427
Jun-19	\$2.0166	\$0.0055	\$0.0422
Jul-19	\$2.0211	\$0.0045	\$0.0418
Aug-19	\$2.0276	\$0.0036	\$0.0410
Sep-19	\$2.0371	\$0.0031	\$0.0402
Oct-19	\$2.0459	\$0.0026	\$0.0400
Nov-19	\$2.0535	\$0.0021	\$0.0394
Dec-19	\$2.0600	\$0.0017	\$0.0385
Jan-20	\$2.0657	\$0.0012	\$0.0375
Feb-20	\$2.0645	\$0.0005	\$0.0356
Mar-20	\$2.0575	-\$0.0003	\$0.0329
Apr-20	\$2.0436	-\$0.0008	\$0.0305
May-20	\$2.0328	-\$0.0015	\$0.0284
Jun-20	\$2.0255	-\$0.0024	\$0.0258
Jul-20	\$2.0226	-\$0.0031	\$0.0236
Aug-20	\$2.0213	-\$0.0036	\$0.0227
Sep-20	\$2.0215	-\$0.0042	\$0.0218

Sprague HeatCurve Oct 2019-Apr 2020		\$2.0584
Other Front Month NYMEX		Close
Crude - WTI	June Brent-	\$62.1900
Crude - Brent	WTI Spread	\$69.4000
Natural Gas	\$7.21	\$2.6430
Gasoline		\$1.9399

EIA Working Gas Storage Report				
	29-Mar-19	22-Mar-19	Change	Year Ago
East	210	225	-15	231
Midwest	241	248	-7	269
Mountain	64	62	2	87
Pacific	113	104	9	166
South Central	502	467	35	606
Salt	156	137	19	187
Nonsalt	347	329	18	419
Total	1,130	1,107	23	1,358

Sprague HeatCurve October-April



ICE June Brent-WTI Spread

