

Market Commentary

Recap: Oil futures finished lower on Friday, with both WTI and Brent posting sizable weekly falls as worries about a slowing global economy amidst the prospect of rising inventories overshadowed hints of progress in the U.S. - China trade dispute. October WTI fell 24 cents, or 0.4%, to settle at \$54.85 a barrel, for a weekly loss of approximately 3%. Brent for November delivery slipped 16 cents, or 0.3%, to 60.22 a barrel, marking a weekly loss of 2.1%. As we move into the next trading session, focus will be on Beijing and Washington, as the conflict poses a significant threat to the global economy and ultimately demand for oil. October RBOB ended little changed at \$1.5531 a gallon, with prices down 1.3% for the week. October heating oil fell 0.4% to \$1.8778 a gallon, for a weekly loss of 1.2%.

For the week ending September 13, the NYMEX WTI Houston (Argus) vs. WTI Trade Month Futures contract saw a significant jump in volume for the Jan 20–Dec 20 strip with 5172 contracts changing hands at an average of \$2.04. For the first time, the Jan 2022–Dec 2020 strip traded, with 240 contracts posted at an average of \$2.175.

Technical Analysis: The failure of WTI to break out to the upside during the week, followed by Friday's inside trading session and lower close, should send WTI trading to the downside at the onset of the week. Trading will most likely remain choppy, with WTI bouncing within the range of \$52.00 and \$59.00. Within this range, support is set at \$54.00 and below that at \$52.00. To the upside resistance is set at \$55.40 and \$56.29.

Fundamental News: Baker Hughes reported that the number of rigs searching for oil fell by 5 to 733 in the week ending September 13th.

A fire onboard an oil tanker at Norway's Sture crude export terminal was extinguished. The fire started in the engine room of the Dubai Harmony tanker during loading at the Equinor oil terminal on Norway's west coast. No one was injured and the terminal's output was not affected by the incident, although there was a partial evacuation of the staff.

Barclays forecast Brent prices to average \$65/barrel this year and next compared with a previous estimate of \$69/barrel. The premium of Brent crude to WTI Cushing crude is forecast to average \$7/barrel this year and \$5/barrel in 2020. It lowered its growth forecast by 200,000 bpd for both this year and the next to 800,000 bpd and 1.3 million bpd year on year on continued weakness in global manufacturing activity amid trade war uncertainties and increased risks of a disorderly Brexit.

IIR Energy reported that US oil refiners are expected to shut in 980,000 bpd of capacity in the week ending September 13th, cutting available refining capacity by 483,000 bpd from the previous week. Offline capacity is expected to increase to 1 million bpd in the week ending September 20th and to 1.08 million bpd in the week ending September 27th.

The US Coast Guard said the Houston Ship Channel on Friday reopened for vessel traffic after the last of 11 protesters who had disrupted traffic was removed by police early on Friday. A large portion of the channel was closed when Greenpeace protesters attached themselves and banners to a bridge over the waterway to bring attention to climate change during Thursday's presidential candidates debate in Houston.

Early Market Call - as of 8:50 AM EDT

WTI - Oct \$60.31, up \$5.52

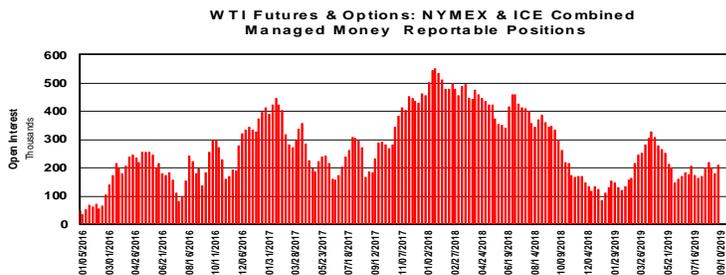
RBOB - Oct \$1.7032, up 15.01 cents

HO - Oct \$2.0353, up 15.73 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-19	1.8778	-0.0073	-0.0225
Nov-19	1.8769	-0.0078	-0.0244
Dec-19	1.8747	-0.0082	-0.0272
Jan-20	1.8714	-0.0085	-0.0295
Feb-20	1.8622	-0.0087	-0.0313
Mar-20	1.8480	-0.0088	-0.0320
Apr-20	1.8317	-0.0088	-0.0314
May-20	1.8214	-0.0091	-0.0311
Jun-20	1.8143	-0.0091	-0.0304
Jul-20	1.8147	-0.0092	-0.0301
Aug-20	1.8161	-0.0095	-0.0303
Sep-20	1.8179	-0.0099	-0.0310
Oct-20	1.8194	-0.0105	-0.0317
Nov-20	1.8210	-0.0111	-0.0323
Dec-20	1.8213	-0.0123	-0.0331
Jan-21	1.8232	-0.0131	-0.0335
Feb-21	1.8188	-0.0131	-0.0345

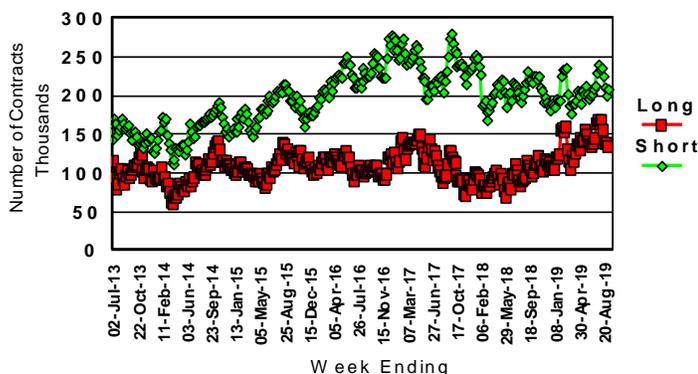
Sprague HeatCurve Oct 2019-Apr 2020		\$1.8642
Other Front Month NYMEX	Close	Change
Crude - WTI	\$54.8000	-\$0.2500
Crude - Brent	\$60.2200	-\$0.0016
Natural Gas	\$2.6140	\$0.0400
Gasoline	\$1.5531	\$0.0001



Commitment of Traders Report for the Week Ending September 10, 2019

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

