

## Market Commentary

**Recap:** The crude market on Friday posted an inside trading day as the market weighed expectations of increased global supply against some supportive news regarding new economic stimulus in China and the continuing geopolitical news regarding Israel and Hezbollah. The market has been under pressure following the Financial Times report that Saudi Arabia is committed to OPEC+ increasing its production in December and dropping its unofficial \$100/barrel target to win back market share. The oil market traded sideways in overnight trading as news that China's central bank lowered interest rates and injected liquidity into the banking system provided some support. The market posted a low of \$67.06 and bounced off that level. It rallied to a high of \$68.64 in afternoon trading. The crude market was also supported by the continuing conflict between Israel and Hezbollah despite the discussions of ceasefire proposals. The market later erased some of its gains and traded in a sideways trading range during the remainder of the session. The November WTI contract settled up 51 cents at \$68.18 and the November Brent contract settled up 38 cents at \$71.98. The product markets ended the session lower, with the heating oil market settling down 34 points at \$2.1327 and the RB market settling down 83 points at \$1.9530.

**Technical Analysis:** The oil market, which remained steady on Friday, will likely continue to trend lower amid the expectations that OPEC+ will increase its output and that Libya's output that was shut in will resume following an agreement between rival factions in the country. However, its losses will be limited by any escalation in the conflict between Israel and Hezbollah. Support is seen at \$67.06, \$66.95 followed by \$66.55, \$64.99 and \$64.61. Meanwhile, resistance is seen at its high of \$68.64, \$70.01, \$71.72 and \$72.40.

**Fundamental News:** The Israeli military said it had targeted Hezbollah's central headquarters in Beirut's southern suburbs on Friday. The news outlet Axios cited an Israeli source as saying Hezbollah leader Sayyed Hassan Nasrallah was the target of the strike and that the Israeli military was checking if he was hit. A source close to Hezbollah said that the Hezbollah leader is alive, while Iran's Tasnim news agency also reported he was safe. The strikes hit Beirut shortly after Israeli Prime Minister Benjamin Netanyahu vowed to continue Israel's attacks on Iranian-backed fighters in Lebanon in a United Nations speech, as hopes faded for a ceasefire that could head off an all-out regional war. Earlier, Israel's Prime Minister, Benjamin Netanyahu, said Israel will continue to discuss ceasefire proposals for Lebanon in the days ahead, as the U.S. warned that further escalation would only make it harder for civilians on both sides to return home. The United States and France proposed an immediate 21-day truce on Wednesday. On Thursday, Israel's Foreign Minister rejected global calls for a ceasefire with the Iran-backed Hezbollah group and pressed ahead with airstrikes that have killed hundreds in Lebanon and heightened fears of a regional war.

Chevron said that it had begun to redeploy personnel and restore production at the company-operated platforms in the aftermath of Hurricane Helene.

IIR Energy said U.S. oil refiners are expected to shut in about 1.09 million bpd of capacity in the week ending September 27<sup>th</sup>, cutting available refining capacity by 79,000 bpd. Offline capacity is expected to increase to 1.18 million bpd in the week ending October 4<sup>th</sup> and then fall to 926,000 in the week ending October 11<sup>th</sup>.

Citgo reported to regulators that due to an electrical power hiccup at its 184,414 b/d Lemont refinery unplanned "intermittent flaring" occurred at the refinery back on September 25<sup>th</sup>.

Colonial Pipeline Co is allocating space for Cycle 57 shipments on Line 1, its main gasoline line which runs from Houston, Texas to Greensboro, North Carolina. The current allocation is for the pipeline segment north of Collins, Mississippi.

**Early Market Call - as of 8:45 AM EDT**

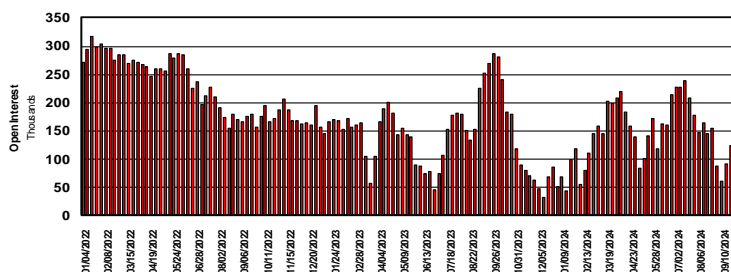
WTI - Nov \$68.36, up 18 cents  
 RBOB - Oct \$1.9629, up 99 cents  
 HO - Oct \$2.1468, up 1.41 cents

## All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Oct-24	2.1327	-0.0034	-0.0288
Nov-24	2.1513	-0.0016	-0.0222
Dec-24	2.1591	-0.0015	-0.0237
Jan-25	2.1676	-0.0015	-0.0250
Feb-25	2.1695	-0.0022	-0.0254
Mar-25	2.1635	-0.0039	-0.0269
Apr-25	2.1549	-0.0043	-0.0278
May-25	2.1533	-0.0046	-0.0274
Jun-25	2.1573	-0.0038	-0.0255
Jul-25	2.1676	-0.0041	-0.0250
Aug-25	2.1776	-0.0046	-0.0249
Sep-25	2.1875	-0.0054	-0.0249
Oct-25	2.1978	-0.0057	-0.0238
Nov-25	2.2039	-0.0057	-0.0223
Dec-25	2.2074	-0.0055	-0.0204
Jan-26	2.2130	-0.0055	-0.0187
Feb-26	2.1695	-0.0481	-0.0597

Sprague HeatCurve October 2024-April 2025		\$2.1604
	Close	Change
Crude - WTI	\$68.1800	\$0.5100
Crude - Brent	\$71.9800	\$0.3800
Natural Gas	\$2.9020	\$0.3170
Gasoline	\$1.9530	-\$0.0083

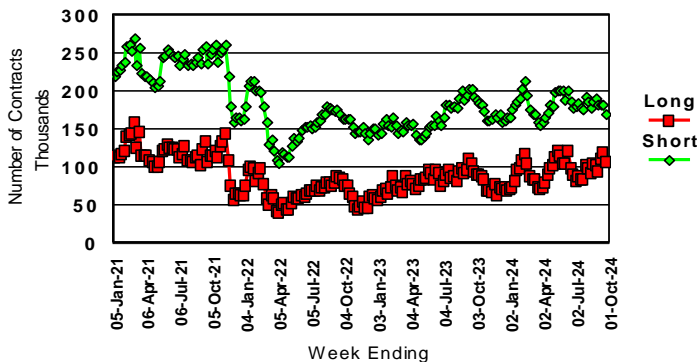
WTI Futures & Options: NYMEX & ICE Combined  
 Managed Money Reportable Positions



## Commitment of Traders Report for the Week Ending September 24, 2024

### Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



### Managed Money Heat Positons

CFTC Commitment of Traders Report

