

Market Commentary

Recap: On Thursday, the crude market rallied higher following two consecutive days of losses as the market positioned itself ahead of the long Easter holiday weekend. It remained supported by supply concerns amid the geopolitical issues. The market was also pushed higher by the supportive economic news, with U.S. GDP in the fourth quarter increasing at a 3.4% annualized rate, up from a previously reported 3.2% pace. The crude market posted a low of \$81.52 in overnight trading before it bounced higher and never looked back. It extended its gains to over \$1.80 as it breached its previous highs and rallied to a high of \$83.21 ahead of the close. The May WTI contract settled up \$1.82 or 2.24% at \$83.17. The market settled 16.08% higher for the quarter and posted a third consecutive monthly rally of 6.27% in March. The May Brent contract settled up \$1.39 or 1.61% at \$87.48. The product market also settled in higher, with the heating oil market settling up 1.7 cents at \$2.6156 and the RB market settling up 7.64 cents at \$2.7611.

Technical Analysis: The oil market will likely retrace some of Thursday's sharp gains before it continues to trend higher after it breached some of its previous highs. The market will remain driven by any headlines over the long Easter weekend. The market will be focused on the OPEC+ meeting, even though the OPEC+ producers are expected to maintain their output policy unchanged until the full ministerial meeting in June. The crude market is seen finding resistance at its high of \$83.21, \$83.87, \$83.96, the \$84.00 level and \$84.73. Meanwhile, support is seen at \$82.68, \$82.20, its lows of \$81.52, \$80.55, \$80.42, \$80.30, \$80.01 and \$79.15.

Fundamental News: According to a Reuters survey, oil prices will gain some momentum this year as demand increases and output cuts by the OPEC+ producer group continue to squeeze supply that is already being pressured by military conflicts. A Reuters survey of economists and analysts forecast that Brent crude would average \$82.33/barrel in 2024, up from a previous estimate of \$81.13/barrel. U.S. crude oil expectations are increased to \$78.09/barrel, up from a previous forecast of \$76.54/barrel.

Fuel suppliers in Baltimore will face some trucking delays and other minor logistical issues after the collapse of the Francis Scott Key Bridge earlier this week. Fuel supplier Mansfield said the bridge's collapse adds delays to fuel deliveries that will last several months, as fuel trucks that earlier used the bridge will now have to drive farther to deliver their loads.

Energy consultancy Wood Mackenzie said that more than a fifth of global oil refining capacity is at risk of closure, as gasoline margins weaken and the pressure to reduce carbon emissions increases. It said of 465 refining assets analyzed, it estimated about 21% of 2023 global refining capacity was at some risk of closure. Wood Mackenzie's analysis found that Europe and China house the greatest number of high-risk sites, putting about 3.9 million bpd of refining capacity in jeopardy, based on its estimate of net cash margins, cost of carbon emissions, ownership, environmental investment and strategic value of refineries. There are 11 European sites that account for 45% of all high-risk plants. Data from industry body Concawe shows that about 30 European refineries have already shut down since 2009, with nearly 90 still in operation. The Wood Mac analysis showed gasoline margins are expected to weaken by the end of this decade as demand declines and sanctions on Russia ease while expected carbon taxes should also start to affect refineries. The seven high-risk sites in China are small-scale independent refineries.

Early Market Call - as of 8:10 AM EDT
 WTI - May \$82.68, down 49 cents
 RBOB - May \$2.6917, down 2.91 cents
 HO - April \$2.5817, down 4.14 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-24	2.6156	0.0170	-0.0532
May-24	2.6227	0.0202	-0.0289
Jun-24	2.6197	0.0217	-0.0156
Jul-24	2.6185	0.0228	-0.0083
Aug-24	2.6179	0.0231	-0.0041
Sep-24	2.6189	0.0228	-0.0025
Oct-24	2.6189	0.0220	-0.0016
Nov-24	2.6137	0.0218	0.0013
Dec-24	2.6009	0.0222	0.0040
Jan-25	2.5900	0.0220	0.0049
Feb-25	2.5736	0.0218	0.0042
Mar-25	2.5520	0.0218	0.0029
Apr-25	2.5257	0.0222	0.0023
May-25	2.5097	0.0222	0.0060
Jun-25	2.4969	0.0218	0.0100
Jul-25	2.4879	0.0215	0.0125
Aug-25	2.4805	0.0213	0.0139

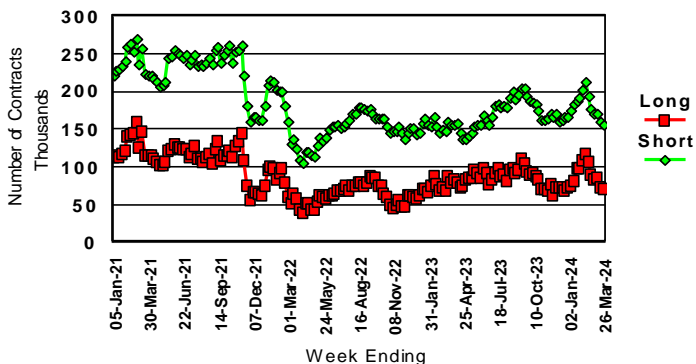
Sprague HeatCurve October 2024-April 2025			\$2.5821
		Close	Change
Crude - WTI	May Brent-WTI Spread \$4.31	\$83.1700	\$1.8200
Crude - Brent		\$87.4800	\$1.3900
Natural Gas		\$1.7630	\$0.0450
Gasoline		\$2.7611	\$0.0764

EIA Working Gas Storage Report

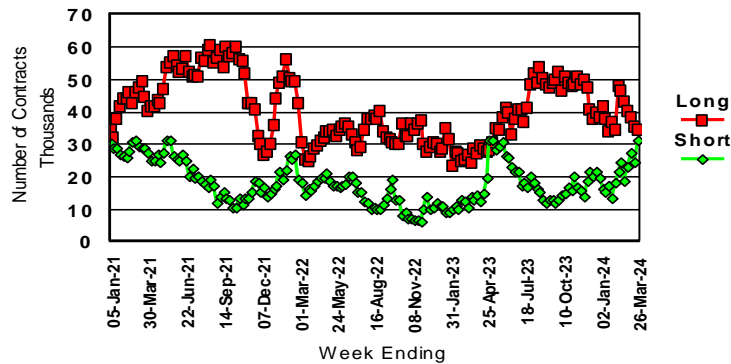
	22-Mar-24	08-Mar-24	Change	15-Mar-23
East	387	406	-19	346
Midwest	528	551	-23	444
Mountain	166	166	0	83
Pacific	223	216	7	73
South Central	991	993	-2	920
Salt	294	300	-6	262
Nonsalt	698	694	4	658
Total	2296	2332	-36	1,866

Commitment of Traders Report for the Week Ending March 26, 2024

Producer/Merchant Heat Positons
CFTC Commitment of Traders Report



Managed Money Heat Positons
CFTC Commitment of Traders Report



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