

Market Commentary

Recap: The oil market rallied higher on Friday and ended the week 4.55% higher as the market awaited an OPEC+ decision on supply agreements for the second quarter. Earlier in the week, OPEC+ sources stated that the producer group will consider extending voluntary oil output cuts into the second quarter and could keep them in place until the end of the year. The market was also well supported by the geopolitical tension in the Red Sea after the leader of Yemen's Houthis on Thursday said the group would introduce military "surprises" in the region. The crude market posted a low of \$78.05 in overnight trading. However, the market bounced off that level and extended its gains to over \$2.50 as it posted a high of \$80.85 by mid-day. The market later erased some of its sharp gains and traded back below the \$80.00 level ahead of the close. The April WTI contract settled up \$1.71 at \$79.97 and the May Brent contract settled up \$1.64 at \$83.55. The product markets also ended the session higher, with the heating oil market settling up 5.43 cents at \$2.7042 and the RB market settling up 3.34 cents at \$2.6144.

Technical Analysis: The crude oil market will be driven by news of OPEC+'s decision on its output policy, with the market anticipating the producer group will extend its voluntary output cuts at its meeting over the weekend. The market will also remain supported by the continuing tensions in the Middle East. The market is seen finding resistance at its high of \$80.85 followed by \$81.50, \$82.00 and \$82.61. Meanwhile, support is seen at its low of \$78.05, \$77.94, \$77.78, \$77.17 followed by \$75.84 and \$75.52-\$75.49.

Fundamental News: Baker Hughes reported that U.S. energy firms increased the number of oil and natural gas rigs for the second consecutive week to their highest level since September. The oil and gas rig count increased by three to 629 in the week ending March 1st, its highest level since the week ending September 22nd. Baker Hughes reported that oil rigs increased by three to 506 in the week ending March 1st, the highest level since September, while gas rigs fell by one to 119.

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.8 million bpd of capacity in the week ending March 1st, increasing available refining capacity by 458,000 bpd. Offline capacity is expected to fall to 1.1 million bpd in the week ending March 8th and to 637,000 bpd in week ending March 15th.

Canada's Trans Mountain Pipeline said the total system nominations for the Trans Mountain Pipeline System are apportioned by 18% for March. It said the pipeline will be operating full at its maximum capacity.

According to MEG Energy Corp's CEO Derek Evans, Canada's Trans Mountain Expansion pipeline that connects the oil fields of Alberta to the Pacific Coast, will begin filling with crude within weeks. It is seeking 2.1 million barrels for April and an equal amount a month later. The barrels will be used as so-called line fill, which is the oil initially pumped into a conduit to bring it up to pressure so shipments can begin to flow. The pipeline project will nearly triple the capacity of the sole Alberta-to-the coast pipeline system to 890,000 bpd, allowing Canadian companies to sell more crude to Asia and the U.S. West Coast.

Bloomberg reported that OPEC increased its oil production in February by 110,000 bpd to 26.68 million bpd as Libya restarted its Sharara field, which was closed earlier in the year due to protests.

Early Market Call - as of 8:05 AM EDT

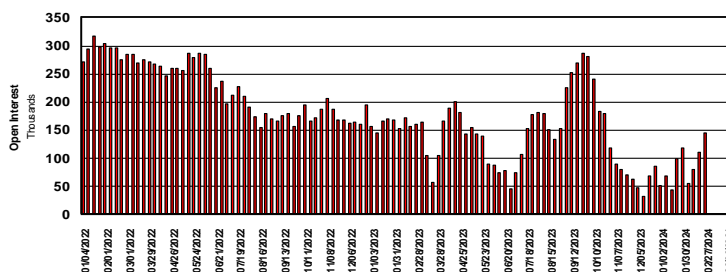
WTI - April \$79.76, down 21 cents
 RBOB - April \$2.6032, down 1.12 cents
 HO - March \$2.6666, down 3.76 cents

All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-24	2.7042	0.0543	0.0631
May-24	2.6410	0.0456	0.0680
Jun-24	2.5961	0.0394	0.0634
Jul-24	2.5780	0.0371	0.0613
Aug-24	2.5681	0.0366	0.0597
Sep-24	2.5659	0.0363	0.0584
Oct-24	2.5616	0.0354	0.0566
Nov-24	2.5517	0.0341	0.0558
Dec-24	2.5362	0.0325	0.0561
Jan-25	2.5228	0.0306	0.0550
Feb-25	2.5066	0.0286	0.0540
Mar-25	2.4864	0.0265	0.0526
Apr-25	2.4599	0.0243	0.0512
May-25	2.4414	0.0229	0.0508
Jun-25	2.4249	0.0217	0.0495
Jul-25	2.4143	0.0204	0.0475
Aug-25	2.4064	0.0199	0.0456

Sprague HeatCurve October 2024-April 2025		\$2.5171
	Close	Change
Crude - WTI	\$79.0900	\$1.6400
Crude - Brent	\$83.5500	\$1.6400
Natural Gas	\$1.8350	-\$0.0250
Gasoline	\$2.6144	\$0.0334

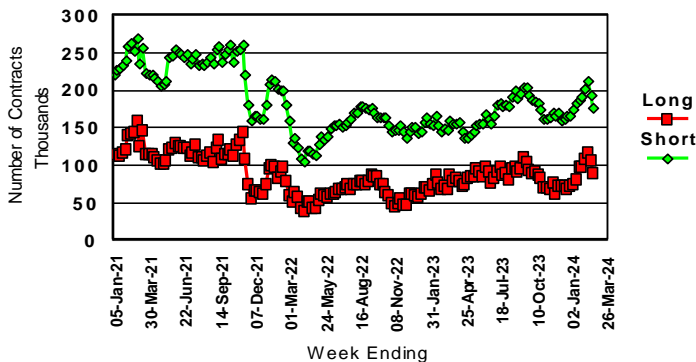
WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



Commitment of Traders Report for the Week Ending February 27, 2024

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

