

Market Commentary

Recap: The oil market gave up its previous gains and settled lower as economic trends in the U.S. and China threaten global demand. The market ended the session down 2.45% on concerns over weaker Chinese demand and the possibility that the Federal Reserve may slow its interest rate cuts. The crude market continued to trend lower in overnight trading amid the reports that China's oil refiners in October processed 4.6% less crude than a year earlier and the country's factory output growth slowed in October, adding to concerns about the country's economy. It later retraced some of its losses and posted a high of \$68.69 early in the morning. However, the market erased its gains once again and sold off sharply during the remainder of the session as investors further downgraded their expectations for a rate reduction at the Federal Reserve's December meeting after U.S. retail sales increased slightly more than expected in October. The market breached its previous low of \$66.94 and posted a low of \$66.82 on the close. The December WTI contract settled down \$1.68 at \$67.02 and the January Brent contract settled down \$1.52 at \$71.04. The product markets ended the session lower, with the heating oil market settling down 4.14 cents at \$2.1709 and the RB market settling down 3.24 cents at \$1.9493.

Technical Analysis: The oil market, which breached a support line, is seen remaining pressured by the continuing weak economic news out of China. While the country may implement further stimulus, its impact may be offset by an expected new round of tariffs by president elect Donald Trump's administration. The market will also look for further direction from the U.S. economic news. The market is seen finding support at its low of \$66.82, \$66.72, \$65.99 followed by \$64.49 and \$64.16. Meanwhile, resistance is seen at \$67.74, \$68.69, \$69.39, \$69.85, \$70.56 followed by \$72.25 and \$72.88.

Fundamental News: Baker Hughes reported that U.S. energy firms cut the number of oil and natural gas rigs operating for the first time in four weeks. The oil and gas rig count fell by one to 584 in the week ending November 15th, the lowest since early September. Baker Hughes said oil rigs fell by one to 478 this week, their lowest since the week ending July 19th, while gas rigs also declined by one to 101.

IIR Energy reported that U.S. oil refiners are expected to shut in about 595,000 bpd of capacity in the week ending November 15th, increasing available refining capacity by 47,000 bpd. Offline capacity is expected to fall to 291,000 bpd in the week ending November 22nd and further to 178,000 bpd in the week ending November 29th.

Shell reported work activities at its Deer Park, Texas refinery that may cause flaring.

Chevron's 269,000 bpd El Segundo, California refinery reported unplanned flaring.

BP's chief U.S. economist, Michael Cohen, said global oil demand will fall to around 80 million bpd by 2035 in a net-zero environment and 100 million bpd in the current trajectory scenario.

The National Bureau of Statistics reported that China's domestic crude oil production in October increased by 2.5% on the year to 17.77 million metric tons. China's year-to-date output was 177.64 million metric tons, up 2.0% on the year. China's national crude oil throughput fell 4.6% in October over the same year-ago level to 59.54 million metric tons or 14.02 million bpd, as plant closures offset the ramp up of a newly started complex and demand from holiday travel. The October figure was down from 15.05 million bpd in October 2023 and September's 14.3 million bpd. China's year-to-date refinery throughput totaled 590.59 million metric tons or 14.14 million bpd, down 2.0% from a year ago.

Early Market Call - as of 9:20 AM EDT

WTI - Dec \$68.18, up \$1.15

RB0B - Dec \$1.9807, up 3.14 cents

HO - Dec \$2.2215, up 5.02 cents

All NYMEX | Prior Settlements

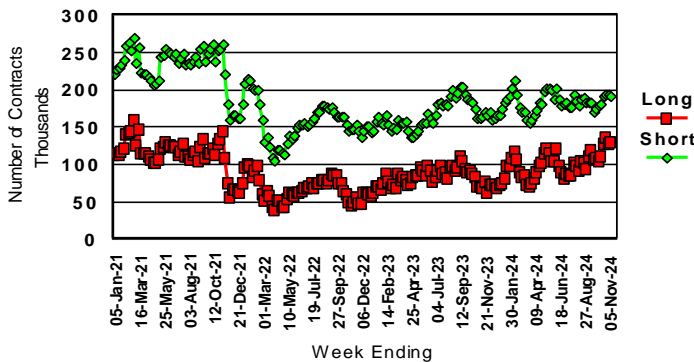
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Dec-24	2.1709	-0.0414	-0.0680
Jan-25	2.1818	-0.0402	-0.0682
Feb-25	2.1867	-0.0394	-0.0691
Mar-25	2.1795	-0.0383	-0.0698
Apr-25	2.1683	-0.0369	-0.0697
May-25	2.1619	-0.0357	-0.0694
Jun-25	2.1584	-0.0352	-0.0705
Jul-25	2.1620	-0.0348	-0.0739
Aug-25	2.1679	-0.0344	-0.0761
Sep-25	2.1769	-0.0341	-0.0769
Oct-25	2.1867	-0.0335	-0.0764
Nov-25	2.1941	-0.0330	-0.0760
Dec-25	2.2001	-0.0323	-0.0753
Jan-26	2.2071	-0.0315	-0.0740
Feb-26	2.2076	-0.0310	-0.0730
Mar-26	2.2000	-0.0304	-0.0720
Apr-26	2.1864	-0.0297	-0.0709

Sprague HeatCurve October 2025-April 2026		\$2.2001
	Close	Change
Crude - WTI	\$66.9200	-\$1.6100
Crude - Brent	\$71.0400	-\$1.5200
Natural Gas	\$2.8230	\$0.0380
Gasoline	\$1.9493	-\$0.0324

Commitment of Traders Report for the Week Ending November 12, 2024

Producer/Merchant Heat Posits

CFTC Commitment of Traders Report



Managed Money Heat Posits

CFTC Commitment of Traders Report

