

## Market Commentary

**Recap:** The oil market on Friday posted an inside trading day as the market continued to wait for further developments on a possible end of the Ukraine-Russia war. It ended the week higher with the help of a recovery in the equities markets. The crude market continued to retrace some of its previous losses in overnight trading and posted a high of \$67.48. However, the market failed to trend higher as hopes of an imminent end to the war in Ukraine faded after Russia's President Vladimir Putin rejected an immediate cease fire that could bring back more Russian supply to the market. On Thursday, Russia's President said that Russia supported a U.S. proposal for a ceasefire in Ukraine in principle, but sought a number of clarifications and conditions that appeared to rule out a quick end to the fighting. The crude market sold off to a low of \$66.59 before it retraced some of its losses and traded sideways during the remainder of the session. The April WTI contract settled up 63 cents or 0.95% at \$67.18. It was up 0.21% on the week, ending a seven week losing streak. The May Brent contract settled up 70 cents at \$70.58. The product markets ended the session higher, with the heating oil market settling up 44 points at \$2.1666 and the RB market settling up 1.56 cents at \$2.1487.

**Technical Analysis:** On Monday, the crude market is still seen trading within its recent trading range from around \$65 to \$68.50. It will be driven by the latest headlines regarding the possible ceasefire between Ukraine and Russia as well as any economic news over the weekend. The market is seen finding support at its low of \$66.59, \$66.37, \$66.15 and \$65.22. Meanwhile, resistance is seen at \$67.48, \$67.94, \$68.22, \$68.56 and \$70.60.

**Fundamental News:** The Kremlin said Russia's President Vladimir Putin has sent U.S. President Donald Trump a message about his proposal for a ceasefire in Ukraine via Trump's special envoy, adding that it saw grounds for "cautious optimism" that a deal could be reached. On Friday, President Trump said there is a "very good chance" the war between Russia and Ukraine can end following productive discussions with Russia's President on Thursday. He urged Russia's President to spare Ukrainian troops being pushed back out of Russia's Kursk region. U.S. Secretary of State Marco Rubio said that there was reason to be "cautiously optimistic" over the efforts to end Russia's three year war with Ukraine, although he added there was still work to be done.

Baker Hughes reported that U.S. energy firms this week kept the number of oil and natural gas rigs operating unchanged. The oil and gas rig count was steady at 592 in the week ending March 14<sup>th</sup>. Baker Hughes said the oil rig count increased by one to 487 this week, while gas rigs fell by one to 100.

Citigroup warned that weakening returns may stifle drilling and U.S. oil production if WTI remains around \$65/barrel. However, if prices fall further, shale operators may shut down more drilling rigs and reduce crude production, with a fall to the upper \$50s potentially resulting in a larger psychological impact. Analysts and industry leaders suggest that WTI prices of \$50 or \$60 would create tough conditions for the sector, potentially leading to flat or declining U.S. shale output.

Russia's top oil official said global oil demand will increase in the next months with the summer driving season, adding that this was factored into the OPEC+ producer group's decision to release more oil into the market. Deputy Prime Minister, Alexander Novak, said OPEC+ stood ready to act if sluggish demand and an increase in supplies from producers such as the United States led to an oversupply. However, he added worries about demand might have been exaggerated.

IIR Energy said U.S. oil refiners are expected to shut in about 735,000 bpd of capacity in the week ending March 14<sup>th</sup>, increasing available refining capacity by 194,000 bpd. Offline capacity is expected to increase to 1.1 million bpd in the week ending March 21<sup>st</sup> and further to 1.5 million bpd in the week ending March 28<sup>th</sup>.

**Early Market Call - as of 8:30 AM EDT**

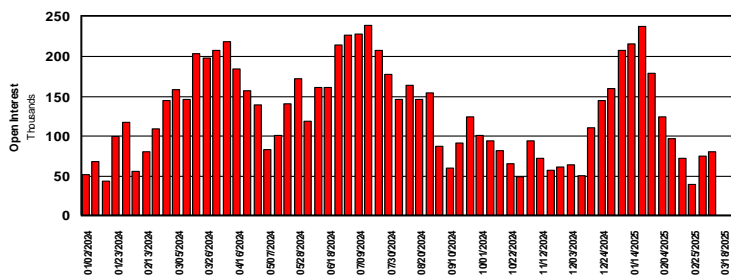
WTI - Apr \$68.01, up 83 cents  
 RBOB - Apr \$2.1790, up 3.03 cents  
 HO - Apr \$2.1976, up 3.10 cents

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-25	2.1666	0.0044	-0.0494
May-25	2.1348	0.0004	-0.0462
Jun-25	2.1178	0.0015	-0.0324
Jul-25	2.1158	0.0034	-0.0247
Aug-25	2.1200	0.0049	-0.0200
Sep-25	2.1292	0.0053	-0.0201
Oct-25	2.1381	0.0053	-0.0210
Nov-25	2.1421	0.0056	-0.0215
Dec-25	2.1424	0.0064	-0.0217
Jan-26	2.1454	0.0070	-0.0217
Feb-26	2.1425	0.0075	-0.0210
Mar-26	2.1330	0.0080	-0.0203
Apr-26	2.1180	0.0083	-0.0197
May-26	2.1109	0.0085	-0.0198
Jun-26	2.1067	0.0088	-0.0199
Jul-26	2.1097	0.0088	-0.0202
Aug-26	2.1131	0.0078	-0.0203

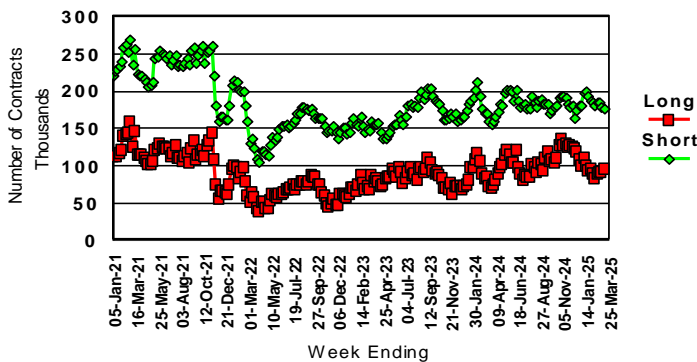
Sprague HeatCurve October 2025-April 2026		\$2.1391
	Close	Change
Crude - WTI	\$66.9100	\$0.6400
Crude - Brent	\$70.5800	\$0.7000
Natural Gas	\$4.1040	-\$0.0070
Gasoline	\$2.1487	\$0.0156

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



## Commitment of Traders Report for the Week Ending March 11, 2025

Producer/Merchant Heat Posits  
CFTC Commitment of Traders Report



Managed Money Heat Posits  
CFTC Commitment of Traders Report

