



Market Commentary

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Recap: The crude market on Thursday posted an outside trading day as the market weighed slower economic growth in the first quarter, which added to concerns over fuel demand in the U.S., against worries of supply disruptions as Israel may start an assault on Gaza's city of Rafah. The oil market breached its previous low of \$82.44 and traded to a low of \$81.99 by mid-morning as the market refocused on Wednesday's EIA report. The report showed gasoline stocks falling less than expected and distillates stocks building against expectations of a draw, reflecting signs of slowing demand. The market was further pressured by news that U.S. GDP in the first quarter slowed more than expected. The crude market later bounced off its low and breached its Wednesday's high of \$83.71 as it rallied to a high of \$83.73 on the close. The June WTI contract settled up 76 cents at \$83.57 and continued to trade higher in the post settlement period, posting a high of \$83.76. The June Brent contract settled up 99 cents at \$89.01. Meanwhile, the product market ended the session higher, with the heating oil market settling up 5 points at \$2.5504 and the RB market settling up 2.39 cents at \$2.7582.

Technical Analysis: The oil market is seen remaining in its recent trading range from \$80-\$87 ahead of the week, with stochastics trending sideways and looking ready to cross back to the upside. The market will continue to weigh the economic news against the expected Israeli assault on Rafah, which may increase the risk of wider regional war. Resistance is seen at its high of \$83.82-\$83.84, \$84.57, \$85.64 and \$86.97. Meanwhile, support is seen at its low of \$81.99, \$80.88, \$80.70, \$79.99, \$79.91 and \$79.51.

Fundamental News: The United States and 17 other countries on Thursday issued an appeal for Hamas to release hostages as a pathway to end the crisis in Gaza. According to a senior U.S. official, a statement released by the countries will say "We call for the immediate release of all hostages held by Hamas in Gaza now for over 200 days." The signatories were the leaders of the U.S., Argentina, Austria, Brazil, Bulgaria, Canada, Colombia, Denmark, France, Germany, Hungary, Poland, Portugal, Romania, Serbia, Spain, Thailand and Britain. The U.S. official said there were some indications that there might be an avenue for an agreement on the hostage crisis but that he was not totally confident.

Meanwhile, Hamas reiterated its demand Israel end the Gaza war as part of any deal to release hostages held there, with Sami Abu Zuhri, a senior Hamas official telling Reuters that U.S. pressure on Hamas "has no value".

The Russian government said gasoline and diesel fuel production in Russia stabilized in April. According to the report, fuel supplies to the domestic market exceeded last year's volumes in April.

Alexander Dyukov, the head of Gazprom Neft, said that there was no need to lift restrictions on gasoline exports from the country and there are no shortages of fuel on the domestic market. He also said the company's operations have not been affected by floods in the Orenburg region in the Urals Mountains.

U.S. economic growth slowed more than expected in the first quarter, but an acceleration in inflation suggested that the Federal Reserve would not cut interest rates before September. The Commerce Department's Bureau of Economic Analysis said in its advance estimate of first-quarter GDP that GDP increased at a 1.6% annualized rate last quarter. Economists had forecast GDP rising at a 2.4% rate. The economy grew at a 3.4% rate in the fourth quarter. The personal consumption expenditures price index, excluding food and energy, increased at a 3.7% rate. That was the fastest increase in that measure in nearly a year and followed a 2% pace of increase in the fourth quarter.

Early Market Call - as of 8:25 AM EDT

WTI - June \$84.23, up 66 points
 RBOB - May \$2.7726, up 1.44 cents
 HO - May \$2.5732, up 2.28 cents

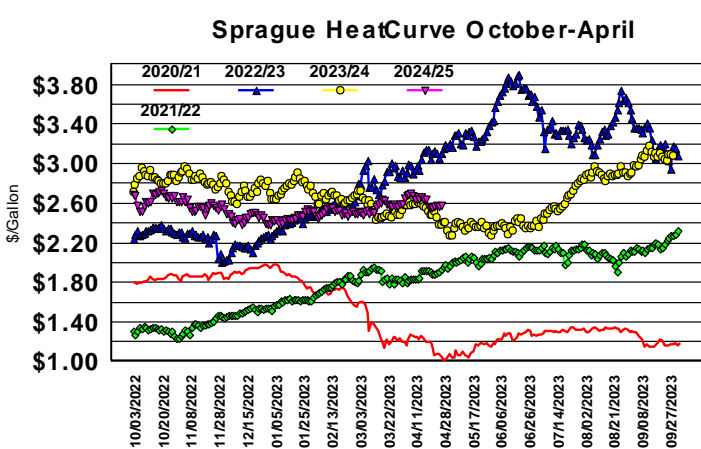
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-24	2.5504	0.0005	0.0165
Jun-24	2.5604	0.0007	0.0182
Jul-24	2.5693	0.0013	0.0185
Aug-24	2.5777	0.0017	0.0183
Sep-24	2.5851	0.0020	0.0185
Oct-24	2.5908	0.0025	0.0213
Nov-24	2.5896	0.0035	0.0235
Dec-24	2.5831	0.0053	0.0262
Jan-25	2.5796	0.0063	0.0276
Feb-25	2.5679	0.0072	0.0275
Mar-25	2.5488	0.0071	0.0257
Apr-25	2.5237	0.0073	0.0229
May-25	2.5067	0.0081	0.0195
Jun-25	2.4921	0.0083	0.0166
Jul-25	2.4836	0.0086	0.0161
Aug-25	2.4772	0.0086	0.0169
Sep-25	2.4732	0.0087	0.0182

Sprague HeatCurve October 2024-April 2025		Close	Change
Crude - WTI	June Brent-WTI Spread \$5.44	\$83.5700	\$0.7600
Crude - Brent		\$89.0100	\$0.9900
Natural Gas		\$1.6380	-\$0.0150
Gasoline		\$2.7582	\$0.0239

EIA Working Gas Storage Report

	19-Apr-24	12-Apr-24	Change	19-Apr-23
East	408	379	29	382
Midwest	551	528	23	463
Mountain	173	167	6	88
Pacific	235	230	5	88
South Central	1057	1029	28	965
Salt	309	300	9	272
Nonsalt	749	729	20	692
Total	2425	2333	92	1,986

Sprague HeatCurve October-April



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