

Market Commentary

Recap: Oil prices fell to their lowest level since December, with March WTI falling as much as 5% on the day, reaching a low of \$58.07, and April Brent slipping as much as 3.1% to a daily low of \$61.77. The recent freefall in prices, which was fostered by healthy U.S. production and a falling global stock market, was further fueled by ramped up operations on the North Sea pipeline and a jump in the U.S. oil rig count. Prices traded sideways within a narrow range in overnight trading but quickly fell into a freefall as the U.S. stock market opened. The break in WTI below several technical areas of support, aided in pushing prices to their lowest level in 8 weeks. As the stock market rebounded, so did the price of crude oil. March WTI ended the week at \$59.20 a barrel, down \$1.95, or 3.19%, while April Brent slipped \$2.02, or 3.12%, to close the week at \$62.179 a barrel

Fundamental News: Bloomberg reported Friday morning the Forties oil pipeline system still has not returned to full operating levels despite being restarted on Thursday. According to some trade sources Forties production is not expected to reach full production rates until the weekend.

Baker Hughes reported Friday afternoon that U.S. energy companies added some 26 oil drilling rigs this week, boosting total rigs in operation at 791 rigs, the highest level since April 2015. The increase during the current week was the biggest weekly increase since January 2017. More than half of the gain in rigs came in the Permian basin.

OPEC shipments are expected to rise by 80,000 b/d to 24.25 million b/d in the four week period ending February 24th according to Oil Movements.

IIR said Friday that it is estimating U.S. oil refiners had some 1.273 million b/d of refining capacity offline for the week ending February 9th. This total was some 433,000 b/d more than the previous week. The research company was already estimating that U.S. refiners would have some 1.447 million barrels offline for the week ending February 16th.

Eurostock data release Friday showed that European inventories of crude oil and refined products at the end of January were down more than 6% from a year earlier. The biggest decline year on year was in middle distillates which were down some 49.38 million barrels or 10.8%. But overall stocks in January rose some 21.56 million barrels over December levels with crude stocks growing by 2.9% from the previous month.

Irving's 70,000 b/d FCC unit at its St. John's refinery which had been shut down on Thursday was restarted early Friday morning.

Philadelphia Energy Solutions reported Friday that it has restarted a reformer unit at the Girard Point section of its Philadelphia refinery as well as returning to service an alkylation unit at the Point Breeze section of its refinery.

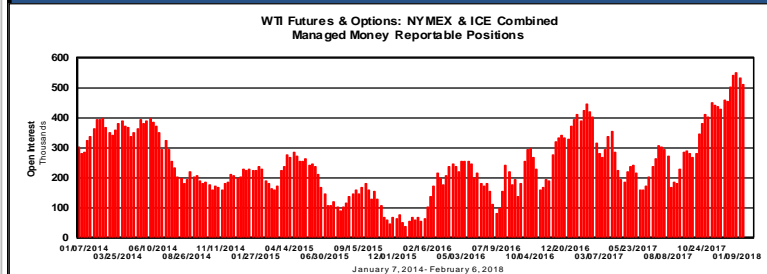
Early Market Call - as of 9:00 AM EDT

WTI - Mar \$59.85, up 65 cents
 RBOB - Mar \$1.7074, up 75 points
 HO - Mar \$1.8562, up 9 points

All NYMEX | Prior Settlements

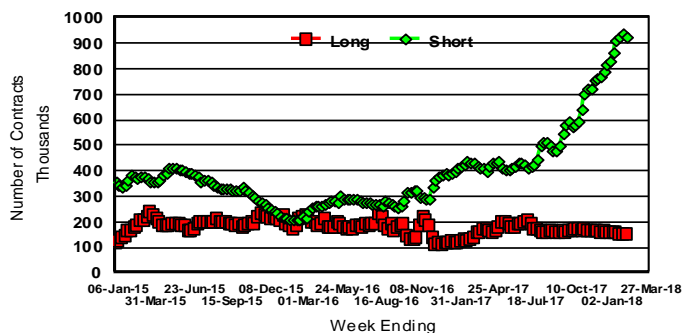
Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Mar-18	\$1.8551	-\$0.0662	-\$0.1984
Apr-18	\$1.8510	-\$0.0654	-\$0.1931
May-18	\$1.8459	-\$0.0633	-\$0.1866
Jun-18	\$1.8408	-\$0.0606	-\$0.1810
Jul-18	\$1.8392	-\$0.0591	-\$0.1762
Aug-18	\$1.8372	-\$0.0581	-\$0.1720
Sep-18	\$1.8377	-\$0.0575	-\$0.1687
Oct-18	\$1.8392	-\$0.0568	-\$0.1640
Nov-18	\$1.8403	-\$0.0565	-\$0.1609
Dec-18	\$1.8410	-\$0.0562	-\$0.1581
Jan-19	\$1.8422	-\$0.0553	-\$0.1549
Feb-19	\$1.8404	-\$0.0528	-\$0.1504
Mar-19	\$1.8340	-\$0.0506	-\$0.1435
Apr-19	\$1.8196	-\$0.0488	-\$0.1381
May-19	\$1.8136	-\$0.0467	-\$0.1311
Jun-19	\$1.8116	-\$0.0454	-\$0.1256
Jul-19	\$1.8112	-\$0.0451	-\$0.1232
Aug-19	\$1.8132	-\$0.0446	-\$0.1206

		Close	Change
Crude - WTI	Apr Brent- WTI Spread \$3.80	\$58.9900	-\$1.9500
Crude - Brent		\$62.7900	-\$2.0200
Natural Gas		\$2.5840	-\$0.1130
Gasoline		\$1.7002	-\$0.0648



Swap Dealers NYMEX WTI Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

