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### COMMENTARY: PETROLEUM COMPLEX (WTI | BRENT | ULSD | RBOB)

The complex saw gains of over two percent today amid a rally in global equities and a drop in the US dollar index. In US news, weekly initial jobless claims rose from an upwardly-revised 212,000, past the 213,000 consensus, to 217,000 for the October 28 week. On the other hand, factory orders grew 2.8% in September, beating forecasts at 1.6%. As of this writing, the Dow was up 1.5%, the Nasdaq had added 1.7%, and the S&P 500 was leading the way higher with a 1.8% jump. European shares also rallied today with the FTSE 100 closing 1.42% higher, the DAX adding 1.48%, and the CAC 40 gaining 1.85%, following upward revisions in the final October Manufacturing PMIs for Germany, France, and the Eurozone. The Bank of England kept rates steady, as expected. The US dollar index was down 0.7% this afternoon, which is also supportive for crude oil prices.

COMMODITY	OPEN	HIGH	LOW	CLOSE	CHANGE \$	CHANGE %
WTI Crude	\$80.82	\$82.83	\$80.22	\$82.46	<b>+\$2.02</b>	+2.5%
BRENT Crude	\$85.00	\$87.05	\$84.64	\$86.85	<b>+\$2.22</b>	+2.6%
ULSD (HO)	\$2.9678	\$3.0400	\$2.9553	\$3.0255	<b>+\$0.0640</b>	+2.2%
RBOB Gasoline	\$2.1943	\$2.2504	\$2.1836	\$2.2460	<b>+\$0.0605</b>	+2.8%
Natural Gas	\$3.506	\$3.509	\$3.401	\$3.472	<b>-\$0.022</b>	-0.6%

TECHNICAL LEVELS: ULSD (HO)		Price	
RESISTANCE	↑	3	\$3.2203
		2	\$3.1745
		1	\$3.0720
SETTLEMENT PRICE		\$3.0255	
SUPPORT	↓	1	\$3.0019
		2	\$2.9638
		3	\$2.8188

VOLUME	149,781	AVERAGE
RSI	44.9	BULLISH
SLOW STOCHASTICS		BULLISH
MACD		BEARISH
CANDLE STICKS		BULLISH
MOVING AVERAGES		NEUTRAL
ADX	19.3	RISING
TECHNICAL DIRECTION		→

### COMMENTARY: NATURAL GAS | WEATHER | INVENTORIES

Natural gas futures fell further today amid unsupportive developments in the US market. The Global Forecast System cut its US heating degree day forecast for the next two weeks by 25 to 201, which is still well above last year's 169 HDDs but below the 30-year average of 243. In more unsupportive news, LSEG analysts raised their total US supply forecast for next week by 0.2 to 113.6bcf/d while cutting their US demand forecast by 2.3 to 101.4bcf/d, implying larger injections into storage of 12.2bcf/d. US cash market prices weakened yesterday following losses in futures. The Henry Hub cash price fell by 15 cents to \$3.19/mmBtu, Transco Zone 6 prices in New York weakened by 24 cents to \$2.13/mmBtu, and prices at the Algonquin citygate dropped \$1.05 lower to \$2.90/mmBtu. Today, Dutch TTF prices rose 14 cents to \$14.63/mmBtu while Japan Korea Marker prices fell 6 cents to \$17.66/mmBtu. The latest 1-5 day outlook based on the European model sees mixed but mostly above-normal temperatures in both the Northeast and the Midwest. The 6-10 day forecast is more supportive for the Northeast where below-normal temperatures are expected, while the Midwest is expected to see mostly above-normal temperatures. The EIA reported a 79bcf injection into natural gas storage for the week ended October 27, just below forecasts at 80bcf. Total storage rose to 3.779tcf, which is 8.4% higher than last year and 5.7% above the five-year average.

### ULTRA LOW SULFUR DIESEL (HO)

ULSD (\$/gallon)	2-Nov	1-Nov	Change (Δ)	
DEC3	\$3.0255	\$2.9615	↑	\$0.0640 +2.2%
JAN4	\$2.9510	\$2.8910	↑	\$0.0600 +2.1%
FEB4	\$2.9026	\$2.8418	↑	\$0.0608 +2.1%
Strip: 12-Months Ratable	\$2.7894	\$2.7310	↑	\$0.0584 +2.1%
Strip: 9-Months Ratable	\$2.8209	\$2.7603	↑	\$0.0606 +2.2%
Strip: Winter (Oct-Apr)	\$2.8529	\$2.7916	↑	\$0.0613 +2.2%

### RBOB GASOLINE and PROPANE

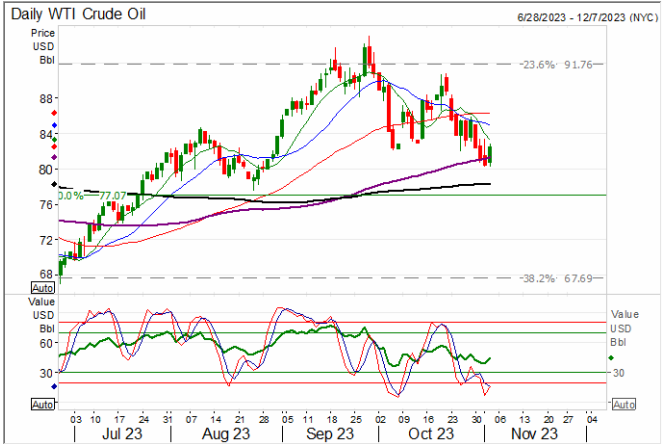
RBOB (\$/gallon)	2-Nov	1-Nov	Change (Δ)	
DEC3	\$2.2460	\$2.1855	↑	\$0.0605 +2.8%
JAN4	\$2.2401	\$2.1838	↑	\$0.0563 +2.6%
FEB4	\$2.2463	\$2.1906	↑	\$0.0557 +2.5%
PROPANE (\$/gallon)				
	01-Nov	31-Oct	Change (Δ)	
Mt. Belvieu	\$0.6613	\$0.6625	↓	-\$0.001 -0.2%
Conway	\$0.6613	\$0.6625	↓	-\$0.001 -0.2%



### COMMENTARY: ENERGY TECHNICALS (WTI | ULSD | RBOB | NG)

ULSD futures added 2.2% in an upside session today (higher high, higher low) – not so consistent with our bearish bias. Slow stochastics, the RSI, and candlesticks point higher now, while the RSI remains bearish. Bulls also managed to take out the \$3.0019 resistance level, which becomes nearby support, followed by the 100-day ma (\$2.9638), whereas \$3.0720 and then the 50-day ma (\$3.1745) should offer resistance. We are going to fall back to the sidelines, awaiting bullish confirmation. RBOB futures jumped 2.8% higher in an inside session today as we saw a lower high with a higher low. Bulls took out the \$2.1904 resistance level, which becomes nearby support along with \$2.1090, while the 18-day ma (\$2.2706) and then \$2.3501 are seen offering resistance. Stochastics crossed bullishly in oversold territory and the RSI points higher, while the MACD and candlesticks are neutral. We are going to stick to our downside bias for a session longer, awaiting further developments. WTI added 2.5% but in a downside session today with bulls taking out the 100-day ma (\$81.32) along the way. Slow stochastics crossed bullishly in oversold territory and the RSI is bullish, while candlesticks still show a downtrend and the MACD is bearish as well. We are going to stick to our bearish bias, looking to the 100-day ma and then to the 200-day ma (\$78.26) for support, while \$82.88 and then the 18-day ma (\$84.97) should offer resistance. Lastly, NYMEX natural gas futures edged down 0.6% in a downside session but futures did settle in the top half of the daily range. Slow stochastics crossed bearishly in overbought territory, while the RSI is neutral and so are candlesticks. Meanwhile, the MACD remains bullish. We are going to fall to the sidelines given the mixed technical picture. We now look to \$3.475 (taken out on the settlement basis) and then to \$3.585 for resistance, while the 18-day ma (\$3.202) and then \$3.171 are our nearby support levels.

CRUDE OIL: WTI					
WTI (\$/barrel)	02-Nov	01-Nov		Change (Δ)	
DEC3	\$82.46	\$80.44	↑	\$2.02	+2.5%
JAN4	\$82.16	\$80.10	↑	\$2.06	+2.6%
FEB4	\$81.70	\$79.63	↑	\$2.07	+2.6%



NATURAL GAS: HH					
NG (\$/MMBTU)	2-Nov	1-Nov		Change (Δ)	
DEC3	\$3.4720	\$3.4940	↓	\$0.0220	-0.6%
JAN4	\$3.7500	\$3.7530	↓	\$0.0030	-0.1%
FEB4	\$3.6890	\$3.6900	↓	\$0.0010	-0.0%



ECONOMIC INDICATORS					
INDICATOR	2-Nov	1-Nov		Change (Δ)	
DJI	33,780	33,275	↑	505.77	+1.5%
Dollar Index (DXY)	106.12	106.88	↓	-0.76	-0.7%
EUR/USD	\$1.0623	\$1.0568	↑	\$0.0055	+0.5%
Gold	\$1,981.5	\$1,978.8	↑	\$2.7	+0.1%

EIA Inventories					Week to: 27-Oct-2023	
COMMODITY	Current	Previous		Change (Δ)		
Crude Oil (mmbbl)	421.893	421.120	↑	0.773	0.2%	
Cushing (mmbbl)	21.498	21.226	↑	0.272	1.3%	
Distillates (mmbbl)	111.295	112.087	↓	-0.792	-0.7%	
East Coast	24.801	26.884	↓	-2.083	-7.7%	
Heating Oil	7.942	7.638	↑	0.304	4.0%	
East Coast	1.104	1.223	↓	-0.119	-9.7%	
ULSD	100.978	102.174	↓	-1.196	-1.2%	
East Coast	23.183	25.182	↓	-1.999	-7.9%	
New England	3.191	3.424	↓	-0.233	-6.8%	
Mid Atlantic	11.075	12.177	↓	-1.102	-9.0%	
Propane (mmbbl)	101.199	102.431	↓	-1.232	-1.2%	
East Coast	9.792	9.450	↑	0.342	3.6%	
Refinery Utilization (%)	85.40	85.60	↓	-0.200	-0.2%	
Natural Gas (bcf)	3,779	3,700	↑	79	2.1%	

NYMEX FORWARD CURVES					
MONTH	ULSD	RBOB	WTI	NAT GAS	
DEC3	\$3.0255	\$2.2460	\$82.46	\$3.472	
JAN4	\$2.9510	\$2.2401	\$82.16	\$3.750	
FEB4	\$2.9026	\$2.2463	\$81.70	\$3.689	
MAR4	\$2.8510	\$2.2599	\$81.20	\$3.424	
APR4	\$2.7898	\$2.4571	\$80.72	\$3.231	
MAY4	\$2.7453	\$2.4624	\$80.24	\$3.264	
JUN4	\$2.7174	\$2.4543	\$79.77	\$3.370	

