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

Petroleum futures traded in the black for much of the day amid geopolitical tensions and strength in US and European stock markets, but came off late in the session to close mixed. Per Axios, Israeli intelligence believes that Iran is preparing a missile and drone attack against Israel in the coming days. In supportive supply-side news from Kazakhstan, oil production fell by 20% in October amid maintenance on the Kashagan oilfield. Also supportive, Baker Hughes reported a dip in the US rig count this week, a decline of 1 to 479, which is 17 lower than last year. In economic news today, UK home price appreciation and the CIPS/S&P Global UK Manufacturing PMI were both misses against expectations, and yet the FTSE 100 gained 0.83%. The German DAX rose by 0.93% and the French CAC 40 rose by 0.80%. In US news, today's labor market report showed just 12,000 nonfarm jobs were added last month, well below the 125,000 expectation and coming with a sharp downward revision of 176,000 to September payrolls. Strikes and hurricanes were likely impactful. As of this writing, the Dow was up 0.7%, the S&P 500 had gained 0.5%, and the Nasdaq had risen by 0.9%. Whereas this was supportive for crude, a 0.2% rise in the US dollar index was unhelpful.

TECHNICAL LEVELS: ULSD (HO)			Price
RESISTANCE	↑	3	\$2.4695
		2	\$2.4183
		1	\$2.3220
SETTLEMENT PRICE			\$2.2342
SUPPORT	↓	1	\$2.2190
		2	\$2.2008
		3	\$2.1500

VOLUME	134,534	HIGH
RSI	52.4	BULLISH
SLOW STOCHASTICS		BULLISH
MACD		BEARISH
CANDLE STICKS		NEUTRAL
MOVING AVERAGES		BEARISH
ADX	13.8	RISING
TECHNICAL DIRECTION		→

COMMODITY	OPEN	HIGH	LOW	CLOSE	CHANGE \$	CHANGE %
WTI Crude	\$70.44	\$71.45	\$69.39	\$69.49	+\$0.23	+0.3%
BRENT Crude	\$74.11	\$74.94	\$72.97	\$73.10	+\$0.29	+0.4%
ULSD (HO)	\$2.2649	\$2.2900	\$2.2297	\$2.2342	-\$0.0005	-0.0%
RBOB Gasoline	\$2.0010	\$2.0244	\$1.9639	\$1.9665	-\$0.0073	-0.4%
Natural Gas	\$2.702	\$2.724	\$2.632	\$2.663	-\$0.044	-1.6%

**COMMENTARY: NATURAL GAS | WEATHER | INVENTORIES**

Natural gas futures fell further today amid mixed developments. In the unhelpful column, Baker Hughes reported the addition of 1 US gas directed rig this week, lifting the count to 102, which is 16 lower than last year. The near-term temperature outlook is also unhelpful, with the GFS model predicting above-normal temperatures across the eastern half of the country in the 1-5, 6-10, and 11-15 day periods. In supportive news, LSEG analysts cut their total US supply forecast for next week by 0.7 to 109.5bcf/d while reducing their demand forecast by 0.5 to 100.4bcf/d, implying slightly smaller daily storage injections of 9.1bcf. Also supportive, the GFS raised its two-week US HDD forecast by 9 to 170, although this remains far below last year's 207 HDDs and even further below the 30-year average of 243. Across the pond, Dutch TTF prices rose by 38 cents to \$12.56/mmBtu, and the Japan Korea Marker price rose as well, by 10 cents to \$13.62/mmBtu. In the US cash market yesterday, Henry Hub prices fell by 21 cents to \$1.82/mmBtu, Algonquin citygate prices dropped 34 cents lower to \$1.54/mmBtu, and Transco Zone 6 prices in New York tumbled 38 cents lower to \$1.47/mmBtu.

**ULTRA LOW SULFUR DIESEL (HO)**

ULSD (\$/gallon)	1-Nov	31-Oct	Change (Δ)		
DEC4	\$2.2342	\$2.2195	↑	\$0.0147	+0.7%
JAN5	\$2.2424	\$2.2347	↑	\$0.0077	+0.3%
FEB5	\$2.2448	\$2.2417	↑	\$0.0031	+0.1%
Strip: 12-Months Ratable	\$2.2338	\$2.2261	↑	\$0.0077	+0.3%
Strip: 9-Months Ratable	\$2.2294	\$2.2259	↑	\$0.0035	+0.2%
Strip: Winter (Nov-Apr)	\$2.2351	\$2.2338	↑	\$0.0013	+0.1%

**RBOB GASOLINE and PROPANE**

RBOB (\$/gallon)	1-Nov	31-Oct	Change (Δ)		
DEC4	\$1.9665	\$2.0035	↓	\$0.0370	-1.8%
JAN5	\$1.9501	\$1.9738	↓	\$0.0237	-1.2%
FEB5	\$1.9558	\$1.9537	↑	\$0.0021	+0.1%
PROPANE (\$/gallon)		31-Oct	30-Oct	Change (Δ)	
Mt. Belvieu	\$0.7450	\$0.7450	→	\$0.000	+0.0%
Conway	\$0.6925	\$0.6925	→	\$0.000	+0.0%



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

HO futures gapped higher with the front switch and, as is often the case, fell to narrow the gap. Slow stochastics and the RSI still look bullish, but today's candlestick and the MACD are bearish. The ADX is lifeless and cannot indicate the presence of any directional trend. We adopt a neutral view, looking to see if bears can follow through on today's move. We see next support at the 18-day ma (\$2.2190) followed by the 50-day ma (\$2.2008) and then \$2.1500, whereas the 100-day ma (\$2.3220) and then the recent high of \$2.4183 should offer nearby resistance. RBOB futures shed 0.4% today in an outside session (higher high, but also a lower low). The MACD, today's candlestick, and the major moving averages are all bearish, whereas the RSI and slow stochastics are more neutral. Bears managed to take out nearby \$1.9698 support and we look next to \$1.8846 and \$1.8545 for support. Nearby resistance is seen at the 9-day ma (\$2.0115) and then at the 18-day ma (\$2.1230). WTI edged up 0.3% today in an upside session, consistent with our flat-to-higher price view. The MACD and major averages are bearish, but candlesticks are trending higher. We remain neutral/bullish, keeping an eye on the 18-day ma (\$70.93) and then on the 100-day ma (\$75.00) overhead, and on the 9-day ma (\$69.64) and then the top of the downward price channel (see chart) below. Natural gas futures continue to fall, closing the wide gap that had been left by the front switch earlier this week. Futures fell by 1.6% in a downside session. Both slow stochastics and the RSI have plenty of room to fall. The major averages and MACD are neutral/bullish. We remain neutral/bearish, seeing support at the 9-day (\$2.513) and 18-day (\$2.492) moving averages, followed by the 100-day ma at \$2.381. Nearby resistance is expected near \$2.9000 or at the bottom of the upward price channel.

### CRUDE OIL: WTI

WTI (\$/barrel)	01-Nov	31-Oct	Change (Δ)	
DEC4	\$69.49	\$69.26	↑	-\$0.23 +0.3%
JAN5	\$69.08	\$68.81	↑	\$0.27 +0.4%
FEB5	\$68.76	\$68.45	↑	\$0.31 +0.5%



### NATURAL GAS: HH

NG (\$/MMBTU)	1-Nov	31-Oct	Change (Δ)	
DEC4	\$2.6630	\$2.7070	↓	\$0.0440 -1.6%
JAN5	\$2.9680	\$3.1010	↓	\$0.1330 -4.3%
FEB5	\$2.8520	\$2.8880	↓	\$0.0360 -1.2%



### ECONOMIC INDICATORS

INDICATOR	31-Oct	30-Oct	Change (Δ)	
DJI	42,108	41,763	↑	344.12 +0.8%
Dollar Index (DXY)	104.30	103.98	↑	0.32 +0.3%
EUR/USD	\$1.0840	\$1.0855	↓	-\$0.0015 -0.1%
Gold	\$2,735.2	\$2,738.3	↓	-\$3.1 -0.1%

### NYMEX FORWARD CURVES

MONTH	ULSD	RBOB	WTI	NAT GAS
DEC4	\$2.2342	\$1.9665	\$69.49	\$2.663
JAN5	\$2.2424	\$1.9501	\$69.08	\$2.936
FEB25	\$2.2448	\$1.9558	\$68.76	\$2.852
MAR25	\$2.2357	\$1.9728	\$68.52	\$2.639
APR25	\$2.2244	\$2.1539	\$68.35	\$2.604
MAY25	\$2.2177	\$2.1574	\$68.20	\$2.692
JUN25	\$2.2147	\$2.1450	\$68.04	\$2.852

### EIA Inventories

COMMODITY	Week to: 25-Oct-2024		
	Current	Previous	Change (Δ)
Crude Oil (mmbbl)	425.509	426.024	↓ -0.515 -0.1%
Cushing (mmbbl)	25.357	24.676	↑ 0.681 2.8%
Distillates (mmbbl)	112.862	113.839	↓ -0.977 -0.9%
East Coast	32.069	32.372	↓ -0.303 -0.9%
Heating Oil	6.890	6.319	↑ 0.571 9.0%
East Coast	0.805	1.000	↓ -0.195 -19.5%
ULSD	103.502	105.145	↓ -1.643 -1.6%
East Coast	30.715	30.792	↓ -0.077 -0.3%
New England	5.362	5.253	↑ 0.109 2.1%
Mid Atlantic	15.554	16.324	↓ -0.770 -4.7%
Propane (mmbbl)	101.530	101.766	↓ -0.236 -0.2%
East Coast	7.716	7.882	↓ -0.166 -2.1%
Refinery Utilization (%)	89.10	89.50	↓ -0.400 -0.4%
Natural Gas (bcf)	3,863	3,785	↑ 78 2.1%

