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

The complex saw see-saw trade near the unchanged mark today, with geopolitical tensions and strength in US equities following encouraging domestic economic data releases likely supporting along with flat to higher trade in European stocks, whereas a rally in the US dollar was unresponsive. Reuters reports that Iraqi militias backed by Iran have crossed into Syria in order to help the government fight rebels that seized Aleppo last week. Hezbollah, which agreed to a ceasefire with Israel last week, says it has no plans to join in the fighting. In economic news today, the Eurozone unemployment rate held steady at 6.3% in October, as expected, and the final November S&P Global Manufacturing PMI for the zone saw no revisions from the 45.2 flash print. The indexes for Germany, France, and the UK all saw surprise downward revisions, however. The French CAC 40 edged up 0.02%, the UK FTSE 100 added 0.31%, and the German DAX rallied 1.57% today. In US news, the S&P Global (49.7) and ISM (48.4) manufacturing PMI were both a beat, as was a 0.4% rise in construction spending in October. The Dow was off by 0.2% as of this writing, but the S&P 500 had gained 0.3% and the Nasdaq had jumped 0.9% higher. Whereas this was supportive for crude, a 0.7% jump in the US dollar index was unresponsive.

COMMODITY	OPEN	HIGH	LOW	CLOSE	CHANGE \$	CHANGE %
WTI Crude	\$68.00	\$69.11	\$67.71	\$68.10	+\$0.10	+0.1%
BRENT Crude	\$72.00	\$72.89	\$71.52	\$71.83	-\$0.01	-0.0%
ULSD (HO)	\$2.2039	\$2.2278	\$2.1722	\$2.1777	-\$0.0153	-0.7%
RBOB Gasoline	\$1.9050	\$1.9324	\$1.8968	\$1.9172	-\$0.0265	-1.4%
Natural Gas	\$3.220	\$3.279	\$3.148	\$3.213	-\$0.150	-4.5%

TECHNICAL LEVELS: ULSD (HO)			Price
RESISTANCE	↑	3	\$2.3500
		2	\$2.2624
		1	\$2.2240
SETTLEMENT PRICE			\$2.1777
SUPPORT	↓	1	\$2.1500
		2	\$2.1000
		3	\$2.0431

VOLUME	158,175	AVERAGE
RSI	46.4	BEARISH
SLOW STOCHASTICS		BEARISH
MACD		NEUTRAL
CANDLE STICKS		BEARISH
MOVING AVERAGES		BEARISH
ADX	8.7	FALLING
TECHNICAL DIRECTION		↓

COMMENTARY: NATURAL GAS | WEATHER | INVENTORIES

NYMEX natural gas futures fell today along with the heating degree day forecast. The GFS revised its two-week US HDD forecast down by 26 (6.5%) to 376. This is, however, still well above last year's 309 HDDs and just under the 30-year average of 378. LSEG analysts see total US demand of 129.5bcf/d outpacing total US supply of 111.3bcf/d next week, implying withdrawals from storage of 18.2bcf/d. The latest 1-5 day GFS outlook calls for below-normal temperatures across the eastern half of the country, but particularly cold levels relative to normal in parts of the Middle Atlantic and Northeast. The 6-10 day forecast is less supportive, with near-normal temperatures expected across the country, above-normal temperatures in parts of the Midwest, and mixed (below and above-normal) temperatures in the Northeast. The 11-15 forecast calls for above-normal temperatures across the country.

ULTRA LOW SULFUR DIESEL (HO)

ULSD (\$/gallon)	29-Nov	27-Nov	Change (Δ)	
JAN5	\$2.1930	\$2.2036	↓	\$0.0106 -0.5%
FEB5	\$2.1781	\$2.1924	↓	\$0.0143 -0.7%
MAR5	\$2.1692	\$2.1902	↓	\$0.0210 -1.0%
Strip: 12-Months Ratable	\$2.1639	\$2.1722	↓	\$0.0083 -0.4%
Strip: 9-Months Ratable	\$2.1592	\$2.1702	↓	\$0.0110 -0.5%
Strip: Winter (Nov-Apr)	\$2.1668	\$2.1864	↓	\$0.0197 -0.9%

RBOB GASOLINE and PROPANE

RBOB (\$/gallon)	29-Nov	27-Nov	Change (Δ)		
JAN5	\$1.9437	\$1.9734	↓	\$0.0297 -1.5%	
FEB5	\$1.9233	\$1.8988	↑	\$0.0245 +1.3%	
MAR5	\$1.9405	\$1.9068	↑	\$0.0337 +1.8%	
PROPANE (\$/gallon)		27-Nov	26-Nov	Change (Δ)	
Mt. Belvieu	\$0.8225	\$0.8225	→	\$0.000	+0.0%
Conway	\$0.7713	\$0.7713	→	\$0.000	+0.0%



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

HO futures fell 0.7% today in a downsize session, consistent with our bearish bias. Slow stochastics are entering oversold territory, but the RSI (43.8) has plenty of room to fall. Major averages are bearish, as are candlesticks, whereas the MACD is neutral. We continue to look to \$2.1500 and then to \$2.1000 for nearby support, and to the 50-day ma (\$2.2240) and then to the 100-day ma (\$2.2624) for nearby resistance. RBOB futures gapped lower with the front switch and ended down 1.4%, consistent with the bearish stance we adopted on Wednesday. Slow stochastics are now oversold, but the RSI (38.0) has room to fall. Candlesticks, the MACD, and major averages are all bearish, and we continue to favor downside chances for now, seeing support at \$1.8846 and then down at \$1.8500. We look to the top of the price channel for nearby resistance, followed by \$1.9698. WTI edged up 0.1% today in a downsize session, consistent with our neutral view. Slow stochastics are oversold, but major averages and candlesticks are bearish. We remain neutral, looking to \$67.00 and \$63.85 for support, with resistance at the 18-day ma (\$69.22), reinforced by \$69.73, followed by the 50-day ma (\$70.41). Finally, NYMEX NG futures gapped sharply lower over the weekend, ending down 4.5%. Slow stochastics and the RSI are bearish, as are candlesticks, whereas the MACD and major averages are bullish. We remain neutral/bullish for the moment, but the bullish case is looking weaker. We see \$3.204 and then the 18-day ma (\$3.041) as support, with resistance at the 9-day ma (\$3.248) followed by \$3.480.

CRUDE OIL: WTI				
WTI (\$/barrel)	29-Nov	27-Nov	Change (Δ)	
JAN5	\$68.00	\$68.72	↓	\$0.72 -1.0%
FEB5	\$67.84	\$67.72	↑	\$0.12 +0.2%
MAR5	\$67.60	\$67.48	↑	\$0.12 +0.2%

NATURAL GAS: HH				
NG (\$/MMBTU)	29-Nov	27-Nov	Change (Δ)	
JAN5	\$3.3630	\$3.2040	↑	\$0.1590 +5.0%
FEB5	\$3.0760	\$3.2040	↓	\$0.1280 -4.0%
MAR5	\$2.8320	\$2.9430	↓	\$0.1110 -3.8%



ECONOMIC INDICATORS				
INDICATOR	29-Nov	27-Nov	Change (Δ)	
DJI	44,824	44,911	↓	-87.08 -0.2%
Dollar Index (DXY)	106.45	105.74	↑	0.71 +0.7%
EUR/USD	\$1.0489	\$1.0553	↓	-\$0.0064 -0.6%
Gold	\$2,638.6	\$2,657.0	↓	-\$18.4 -0.7%

EIA Inventories				
COMMODITY	Week to: 22-Nov-2024			Change (Δ)
	Current	Previous		
Crude Oil (mmbbl)	428.448	430.292	↓	-1.844 -0.4%
Cushing (mmbbl)	24.142	25.051	↓	-0.909 -3.6%
Distillates (mmbbl)	114.717	114.301	↑	0.416 0.4%
East Coast	33.527	33.303	↑	0.224 0.7%
Heating Oil	5.373	6.507	↓	-1.134 -17.4%
East Coast	0.747	0.774	↓	-0.027 -3.5%
ULSD	106.594	105.072	↑	1.522 1.4%
East Coast	32.241	31.950	↑	0.291 0.9%
New England	5.739	5.222	↑	0.517 9.9%
Mid Atlantic	16.039	16.799	↓	-0.760 -4.5%
Propane (mmbbl)	96.694	97.705	↓	-1.011 -1.0%
East Coast	8.067	8.050	↑	0.017 0.2%
Refinery Utilization (%)	90.50	90.20	↑	0.300 0.3%
Natural Gas (bcf)	#N/A	3,969	↔	#N/A #N/A

NYMEX FORWARD CURVES				
MONTH	ULSD	RBOB	WTI	NAT GAS
JAN5	\$2.1777	\$1.9172	\$68.10	\$3.213
FEB25	\$2.1781	\$1.9233	\$67.84	\$3.076
MAR25	\$2.1692	\$1.9405	\$67.60	\$2.832
APR25	\$2.1559	\$2.1308	\$67.43	\$2.819
MAY25	\$2.1466	\$2.1339	\$67.28	\$2.929
JUN25	\$2.1414	\$2.1238	\$67.13	\$3.099
JUL25	\$2.1468	\$2.1050	\$66.96	\$3.271

