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**NEWS & ANALYSIS**

Petroleum futures were trading flat to lower as of this writing in the overnight session on Tuesday amid weakness in US stock market index futures and a slight rise in the US dollar index. Market participants looked ahead to the US ISM Services Index for February and to factory orders data for January for further direction.

Reuters reports that the mid-sized Dorytol terminal on the Mediterranean Sea in Turkey will stop accepting Russian imports "as an additional measure to the sanction rules in effect," per operator Global Terminal Services. In economic news from Reuters this morning, China has set its 2024 economic growth target at about 5%, in-line with last year's goal and expectations held by analysts. The S&P Global China Services PMI for February came in at 52.5, below expectations at 52.9. Nevertheless, the Shanghai Composite rose by 0.28% last night, whereas the Hange Seng sold off 2.61% and the Nikkei shed 0.03%.

In European news, Italian GDP growth of 0.2% was confirmed in the final estimate for the fourth quarter of 2023. The Eurozone Producer Price Index saw a much sharper than predicted drop of 0.9% in January. Also supportive, the German, French, and Eurozone S&P Global Composite PMI for February all saw surprise upward revisions from the February flash estimates, to 46.3, 48.1, and 49.2, respectively. The final CIPS/S&P Global UK Composite PMI saw a small downward revision to 53.0. As of this writing, the UK FTSE 100 was steady, as was the French CAC 40, while the German DAX had shed 0.1%. Futures for the major US stock market indexes were seeing wider losses. Futures for the Dow were off 0.2%, S&P 500 futures had lost 0.3%, and Nasdaq futures were down 0.6%. Also unsupportive for crude oil prices, the US dollar index was up 0.1%.

The complex fell across the board yesterday, led by ULSD, despite supportive output cut news from OPEC+. Nevertheless, Brent crude futures fell by 75 cents to close at \$82.80/bbl and WTI dropped \$1.23 lower to settle at \$78.74/bbl. RBOB lost 2.87 cents, setting at \$2.5857/g, whereas ULSD (HO) fell by 5.70 cents for a \$2.6472/g settlement price. New York Harbor ULSD and ULSHO barge price differentials to spot NYMEX each strengthened by 25 points, to +2.25c/g and -4.75c/g, respectively. Biodiesel (D4) RIN prices rose by 2.25 cents to 47.75c/RIN. Propane prices fell along with crude yesterday. Mt. Belvieu TET prices slipped 37.5 points lower to average 84.75c/g (45.3% of crude) and Conway prices fell by 50 points to 77.75c/g (41.6% of crude).

NYMEX natural gas futures gained 8.1 cents to settle at \$1.916/mmBtu on Monday. Dutch TTF prices saw a small increase, and the US market is expected to tighten somewhat next week according to LSEG analysis, but the GFS cut its two-week US HDD forecast and above-normal temperatures are expected in consuming regions over the next two weeks according to the latest outlooks based on the European model this morning.

**Heating Oil 3/4/2024**
**March 05, 2024**

<u>Heat Curve</u>	<u>Month</u>	<u>Price</u>	<u>Change</u>	<u>Overnight</u>
15.70 %	Mar 2024	2.6472	(0.0570)	(0.0074)
7.00 %	Apr 2024	2.5972	(0.0438)	
3.50 %	May 2024	2.5610	(0.0351)	
1.50 %	Jun 2024	2.5485	(0.0295)	
0.50 %	Jul 2024	2.5422	(0.0259)	
2.50 %	Aug 2024	2.5421	(0.0238)	
3.80 %	Sep 2024	2.5396	(0.0220)	
5.00 %	Oct 2024	2.5312	(0.0205)	
8.50 %	Nov 2024	2.5166	(0.0196)	
13.50 %	Dec 2024	2.5044	(0.0184)	
20.50 %	Jan 2025	2.4886	(0.0180)	
18.00 %	Feb 2025	2.4688	(0.0176)	

**Heating Oil Strips (Weighted by HDD)**

12 Month Strip	Mar 2024 - Feb 2025	2.5312
9 Month Strip	Sep 2024 - May 2025	2.4787
Winter Strip	Nov 2024 - Mar 2025	2.4804

**RBOB Gasoline 3/4/2024**

<u>Month</u>	<u>Price</u>	<u>Change</u>	<u>Overnight</u>
Mar 2024	2.5857	(0.0287)	(0.0244)
Apr 2024	2.5769	(0.0278)	
May 2024	2.5444	(0.0282)	
Jun 2024	2.5022	(0.0275)	
Jul 2024	2.4555	(0.0263)	
Aug 2024	2.3969	(0.0228)	
Sep 2024	2.1896	(0.0180)	
Oct 2024	2.1257	(0.0136)	
Nov 2024	2.0800	(0.0107)	
Dec 2024	2.0557	(0.0089)	
Jan 2025	2.0542	(0.0080)	

**DOE Stocks 2/23/2024 vs 5-year avg. (000 bbls)**

Crude	447,163	-7,895
Distillate	121,141	-9,792
Gasoline	244,205	-2,082

<u>Other</u>	<u>Price</u>	<u>Change</u>	<u>Overnight</u>
Crude Oil (Apr 2024)	78.7400	(1.2300)	(0.7200)
Natural Gas (Apr 2024)	1.9160	0.0810	(0.0190)
Propane - Mont Belvieu	0.8475		

	<u>Price</u>	<u>vs. NYMEX HO</u>
NYH ULSD	2.6697	0.0225
NYH ULSHO	2.5997	(0.0475)
NY Harbor #2	2.1797	(0.4675)