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Today's Market News

- <u>China's Tariffs on US Petroleum Imports:</u> The potential tariffs that China is looking to impose on United State petroleum imports on July 6th, as retaliation to the tariffs the U.S. has imposed on China, would pinch sales to the shale industry's largest customer which will only add pressure on U.S. crude prices. The mounting trade war continues to heighten.
- Iran on OPEC Deal: On Tuesday Iran made the statement that OPEC will be unlikely to reach a deal on oil output by the end
 of the meeting this Friday. Concerns over Russian and Saudi Arabia's plan to raise production, but still staying compliant, has
 allowed for some skepticism on whether the rise in production would be due to global demand or President Trump & China's
 call for higher output.
- Trouble at Libyan Port: Due to militant attacks in recent days, Libya has lost nearly 400,000 barrels per day of oil production
 at the Ras Lanuf and Es Sider ports according to the head of the National Oil Corporation. Despite the efforts of Libyan
 commander Khalifa Haftar, Militants are still present in the area of the terminals, which were closed on Thursday morning.
- <u>API Report:</u> Yesterday's API report called for a draw on crude of 3.02m while both products saw builds gas +2.11m & distillate +0.76. The DOE inventory report will be released today at 9:30am CST this morning.
- Market Opinion: WTI Crude prices are slightly higher this morning, following yesterday's declines as the market weighs
 various headlines as the looming OPEC meeting in Vienna approaches. Look for choppy trade as this market waits for the
 next headline to drop about a potential trade war to appear.



Heating Oil (Daily):

Despite the geopolitical headlines, heating oil futures are holding steady near the 38.2 percent level at 2.1347. Currently that line is acting as resistance as heating oil has tested that level several times however has not been able to break through. The 100-day moving average is acting as the line of support (2.0604). In the last week, the 10-day moving avg. has crossed down & over the 50-day moving average calling for a likely bearish trend in the short term. Continue to look for volatility on a day-to-day while we essentially trade sideways.

Contract		NYMEX as o	of 7:43	Support	Resistance
JUL RBOB	1	0.0075@	2.0304	2.0050	2.0529
JUL HO	1	0.0023@	2.1195	2.1000	2.1500
JUL Crude	4	0.66@	65.73	64.25	67.75

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