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March 11, 2024

Today's Market News

Oil Prices: Early today Oil Prices were around \$82 a barrel, as continuing political issues in the Middle East and Russia continue to disrupt and clutter about the softening China demand. Chinas imports of crude did rise in the first 2 months of 2024 compared to 2023. Brent futures and U.S. West Texas Intermediate were on the rise early today, while both ended last week lower on bearish Chinese data that signaled weaker demand in the world's leading crude importer. Brent closed down 1.8% around \$80 a barrel for just over the last month while WTI ended 2.5% lower.

Middle East: This past weekend dozens of drones were shot down by U.S., French, and British forces in the Red Sea after Yemen's Iran aligned Houthis had targeted a bulk carrier. The Houthis have been attacking ships in the Red Sea and Gulf of Aden since November 2023 in what they say is a campaign of solidarity with Palestinians during Israel's war against Hamas. Continuing hopes for a ceasefire apparently has been put on hold as no meetings are schedule for mediators in Cairo. With the conflict in Gaza and the beginning of Ramadan, which is a Muslim Holy month, the energy complex is waiting to see how all the issues will effect the price of oil.

U.S. Rig Counts: The oil and gas rig count fell by 7 to what is reported at 622 in the week to March 8, 2024, which is the lowest since Feb. 16. Baker Hughes said that puts the total rig count down 124 rigs, or 16.6%, below this time last year. Baker Hughes also said U.S. oil rigs fell 2 to 504 this week, their lowest since Feb. 23, while gas fell four to 115, their biggest drop since November 2023. The U.S. oil and gas rig count dropped about 20% in 2023 after rising by 33% in 2022 and 67% in 2021, possibly due to a decline in oil and gas prices, higher labor costs, and higher equipment costs from climbing inflation.

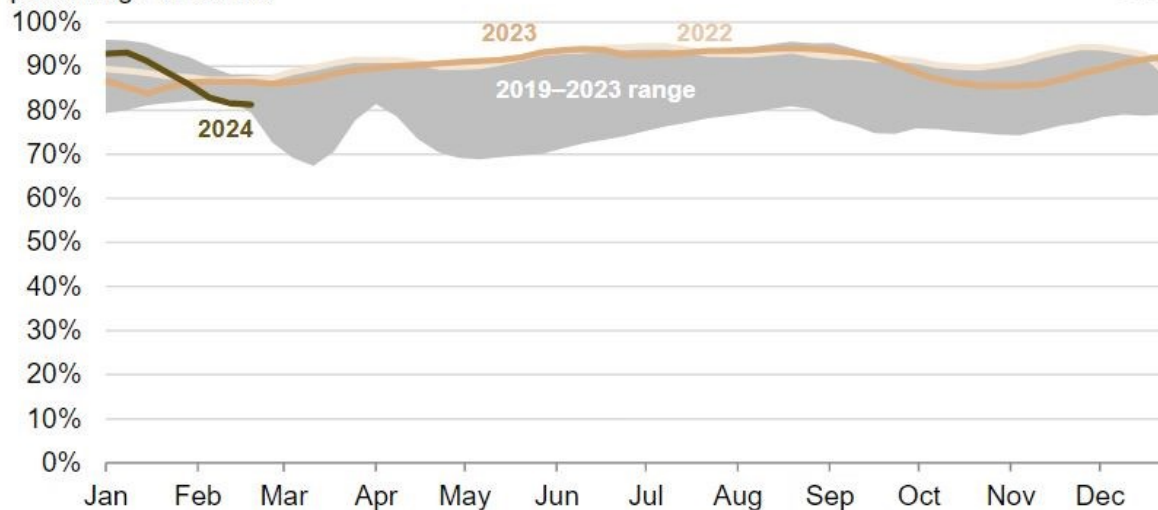
Market Overview: Last week's volatile market showed energy prices continuing to be the focus at the beginning of 2024, the market driving prices all around the board for crude oil, HO, and RBOB. Issues in the Middle East continue to question what the markets could do while OPEC+ continues to extend their voluntary oil outputs into the second quarter. Energy futures are on holding steady starting out the day today with crude down by \$0.30 to \$77.71, HO is down \$0.0226 to \$2.6183 and RBOB moving up at \$0.0149 to \$2.5421.

Energy Highlights

Please call your account manager for a larger chart.

Weekly U.S. operable refinery capacity utilization through Feb 23, 2024

percentage utilization



Data source: U.S. Energy Information Administration, *Weekly Petroleum Status Report*

A reduction in refinery utilization has been putting pressure on gas and diesel prices in the U.S. early 2024. Refinery Utilization has decreased by 11% falling as low as 81% during the last few weeks in February. The U.S. retail average prices for gasoline and diesel are still below 2023 prices. The steadily decline in refinery utilization is a result from reduced plant operations in the Midwest and Gulf Coast regions. U.S. Gulf Coast four-week average refinery utilization has decreased 14%, falling below 80% for the past two weeks. The reduced refinery production is likely the result of weather, cold temperatures, as well as planned maintenance. In the Midwest, the BP Whiting Refinery is down because of an unplanned outage. This outage is also a major source of reduced utilization nationwide and the driving force behind a 10% drop in Midwest regional refinery utilization since the first week in January.

Contract		NYMEX as of 7:50 AM		Support	Resistance
MAR24 RBOB	↑	0.0149 @	2.5421	2.3105	2.6338
MAR24 HO	↓	0.0226 @	2.6183	2.5075	3.0000
MAR24 WTI	↓	0.30 @	77.71	69.28	80.00

The information contained herein is accurate to the best of our knowledge and belief.

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