



FROM: GCC PETROLEUM
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IMPORTANT NOTICE!

We are in the process of revamping our website. Therefore, there will be no morning commentary until Thursday, July 20th. We apologize for the inconvenience.

Today's Market News

CHS Corporate Office: The CHS office will be closed tomorrow for the 4th of July Holiday. Orders in Manifest Management will be held over until Wednesday for assignments. CHS forward contracting hours for today: open at 8:15am CST and hard stop at 1:15pm CST. We will not have any planned 6PM rack price changes on Tuesday, however, we do reserve the right to make possible intra-day changes if market conditions change. Please remember to check allocation balances and make any override requests before the end of business today.

U.S. Gasoline: According to AAA, a record 50+ million Americans will have traveled for the holiday at least 50 miles or more between June 30th and July 5th, up from the previous high of 49 million in 2019. Now in the peak summer travel season, it's good to see EIA data show gasoline production last week by refiners rose by 298,000 bpd to 10.12 million bpd, as gasoline inventories are still about 7% below the five-year average for this time of the year.

Jobless Claims: In the week ending June 24, initial claims was 239,000, a decrease of 26,000 from the previous week's revised level. The 4-week moving average was 257,500, an increase of 1,500 from the previous week's revised average. This is the highest level for this average since November 13, 2021 when it was 260,000. The current unemployment figure for May was reported at 3.7%, up from April's 3.4%. The June figure will be released on Friday morning and is estimated at 3.6%.

Market Overview: WTI crude futures are slightly higher this morning to above \$71 a barrel, extending last week gains after Saudi Arabia announced it would extend its voluntary

cut of one million bpd for August and could prolong it further. Refined products are trading somewhat lower. With the holiday week upon us, trading is expected to be light.

Energy Highlights

Weekly US Refinery Utilization Rates %

Week Start Date	PADD 1	PADD 2	PADD 3	PADD 4	PADD 5	US
May 5, 2023	91.3	85.5	97.0	71.8	82.0	91.0
May 12, 2023	90.3	86.2	97.6	73.9	85.8	92.0
May 19, 2023	86.0	89.3	95.3	81.6	86.9	91.7
May 26, 2023	89.6	91.0	95.3	87.7	90.7	93.1
June 2, 2023	91.8	92.3	98.8	91.3	93.1	95.8
June 9, 2023	89.0	92.9	95.7	89.3	89.7	93.7
June 16, 2023	79.9	95.3	92.7	92.4	95.6	93.1
June 23, 2023	77.2	97.1	91.1	93.5	93.5	92.2

Currently, U.S. Utilization of Refinery Capacity is at 92.2%, compared to 93% previous week, and 94% this time last year. This is higher than the five-year average of 89.62%. For the U.S., anything in the vicinity of 90% or higher is considered a “high” utilization rate. See some average history below:

- 2021: 86% (COVID impact)
- 2020: 79% (COVID impact)
- 2019: 91%
- 2018: 93%
- 2017: 91%
- 2016: 90%
- 2015: 91%

2014: 90%

Contract		NYMEX as of 7:55 AM		Support	Resistance
JUL RBOB	↓	0.0042 @	2.5397	2.5213	2.6395
JUL HO	↓	0.0123 @	2.4353	2.4014	2.4790
JUL Crude	↑	0.76 @	71.40	68.32	73.55

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