



CHS AM Energy Update

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Today's Market News

- **U.S. Stimulus:** The White House and Senate leaders struck a major deal early Wednesday morning over a \$2-trillion package to provide a jolt to an economy struggling amid the coronavirus pandemic. The plan will deliver a massive infusion of financial aid into the struggling economy hard hit by job loss, with provisions to help impacted American workers and families as well as small businesses and major industries including airlines.
- **Russia:** Russia is set to boost oil exports next month, with supplies of Russia's Urals crude oil from the Baltic seaports expected to rise by 12%. The plans to increase production and boost overseas supplies follow the collapse early this month of a supply-cut pact between OPEC and Russia, led by Saudi Arabia.
- **API Data:** U.S. crude oil inventories fell in the most recent week, along with gasoline and distillate stocks, data from industry group the American Petroleum Institute showed on Tuesday. Analysts await the DOE report later this afternoon to confirm the numbers. Most analysts believe the U.S. inventory data has not seen the true impact of the Coronavirus and expect large builds in the future.
- **Market Opinion:** The energy complex is mixed this morning as positive news of a stimulus package battles with continued worries of demand destruction and global crude oversupply. The U.S. stimulus will certainly add some positivity to the market however, Russia and Saudi Arabia producing at full rates and flooding the global market with crude oil should continue to cap gains and push energy lower.

Energy Highlights - Please call your account manager for larger chart.



HO Daily:

Heating oil rebounded in yesterday's session after creating new low earlier in the week at \$.9343. HO has closed higher in the 2 previous sessions as it pushed towards its first level of resistance at the 14-day moving average currently at \$1.1130. The market will continue to be supported by the recent low of \$93.43 a price not seen since January of 2016.

Contract	NYMEX as of 7:45 AM	Support	Resistance
APR RBOB	↑ 0.0213 @ .4650	.3760	.5000
APR HO	↑ 0.0025 @ 1.0828	.9343	1.1130
MAY Crude	↓ 0.34 @ 23.67	20.00	27.71