

Oil & Energy Market Analysis

Wednesday, April 22, 2020 11:00 a.m.

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Extension Agricultural Economists



WTI Crude Oil Futures

MAY 2020 Contract

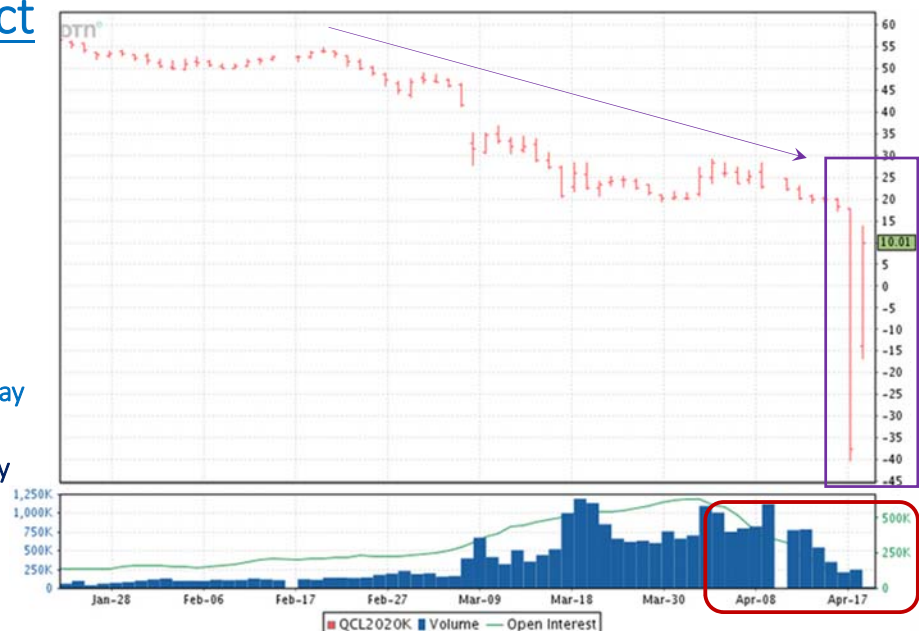
January 22, 2020 to

Expiration on

Tuesday, April 21st

-\$37.63 /bl – 4/20^{Monday}

\$10.01 /bl – 4/21^{Tuesday}



WTI Crude Oil Futures

JUNE 2020 Contract

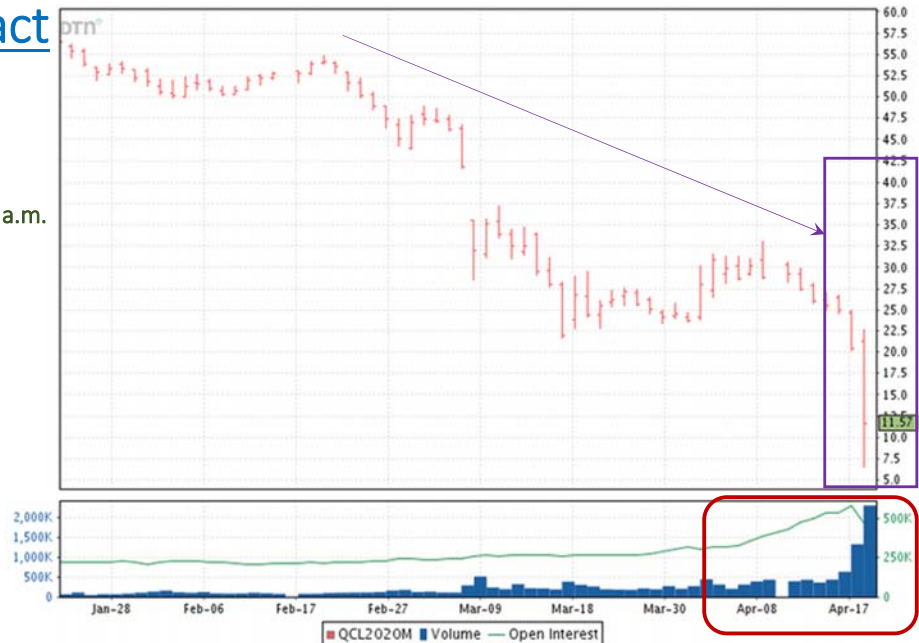
\$20.43 /bl – 4/20 Monday
 \$11.57 /bl – 4/21 Tuesday
 \$14.57 /bl – 4/22 Wednesday a.m.

JUNE-MAY Spreads

\$58.06 /bl – 4/20 Monday ***
 \$ 1.56 /bl – 4/21 Tuesday

JULY-JUNE Spreads

\$5.85 /bl – 4/20 Monday ***
 \$7.12 /bl – 4/21 Tuesday
 \$6.60 /bl – 4/22 Wednesday a.m.



CME WTI Oil Futures

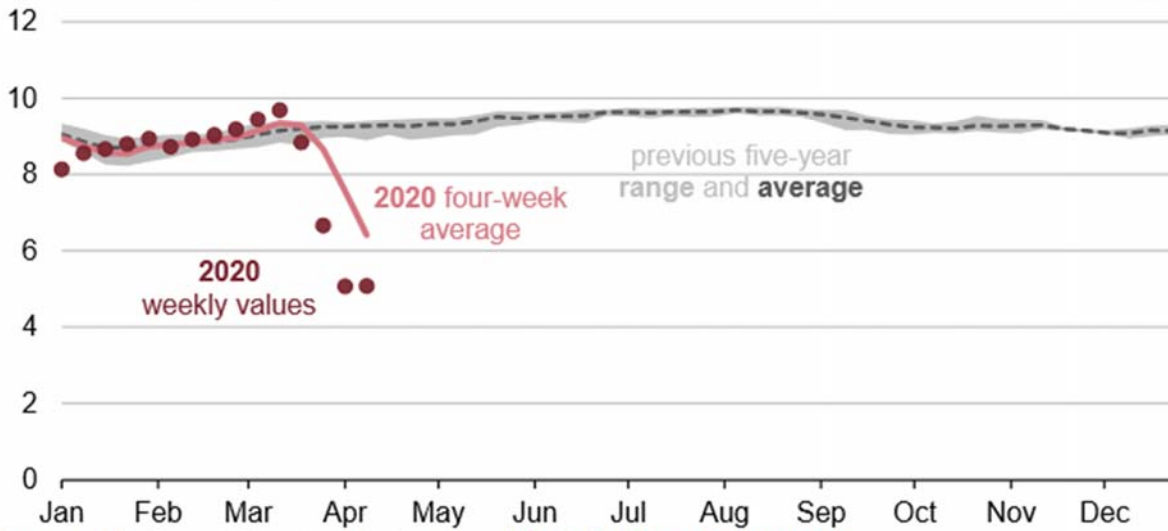
4/22/2020, 11:05 a.m.

- “Bearish” Oil Market Outlook for Year 2020
- A “Contango” forward curve or “carrying charge” the Oil market
- What will happen at JUNE 2020 Expiration in late May?

Month	Options	Charts	Last	Change	Prior Settle	Open	High	Low	Volume	Hi / Low Limit	Updated
JUN 2020	OPT		14.57	+3.00	11.57	15.11	16.18	10.26	849,953	No Limit / 0.01	11:05:20 CT 22 Apr 2020
JUL 2020	OPT		21.17	+2.48	18.69	21.30	22.79	17.43	301,547	No Limit / 0.01	11:05:20 CT 22 Apr 2020
AUG 2020	OPT		24.23	+2.62	21.61	24.36	25.59	20.28	125,287	No Limit / 0.01	11:05:17 CT 22 Apr 2020
SEP 2020	OPT		26.14	+2.71	23.43	25.97	27.20	21.99	71,696	No Limit / 0.01	11:05:16 CT 22 Apr 2020
OCT 2020	OPT		27.40	+2.67	24.73	27.22	28.17	23.26	30,688	No Limit / 0.01	11:05:04 CT 22 Apr 2020
NOV 2020	OPT		28.53	+2.67	25.86	30.00	29.16	24.43	19,156	No Limit / 0.01	11:04:33 CT 22 Apr 2020
DEC 2020	OPT		29.42	+2.56	26.86	29.11	30.03	25.31	98,319	No Limit / 0.01	11:05:20 CT 22 Apr 2020

U.S. motor gasoline product supplied (2015-2020)

million barrels per day



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

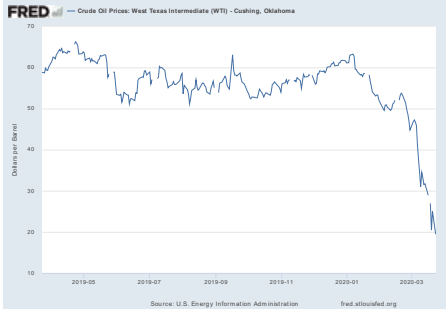
Weekly U.S. average retail prices for gasoline and diesel fuel (Jan 2014-Apr 2020)

dollars per gallon

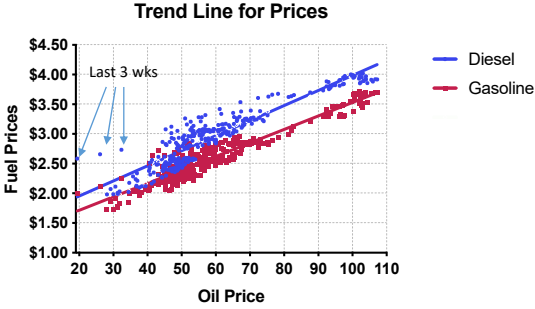


Source: U.S. Energy Information Administration, *Gasoline and Diesel Fuel Update*

Oil Prices and the Effect on Diesel



Last year of oil prices



\$20 oil should give us \$2 highway diesel prices
50 cent price decline still possible