Today's Market News

- **Russia:** Alexander Novak, Russian's energy minister is evaluating the proposal from OPEC and its allies to deepen production cuts by 600,000 barrels per day to counter demand fears due to coronavirus. As energy markets continued to tumble last week, Saudi Arabia and some other members suggest even deeper production cuts of 1 million bpd but have been facing resistance from Russia at the proposal. Russian President Vladimir Putin commented on Sunday that he was in favor of joint action but that the current oil price was acceptable to Moscow. The OPEC+ committee is meeting later this week, March 5-6, to discuss what action they will take.

- **Venezuelan Oil:** The tanker company Mercantile and Maritime will terminate shipments of Venezuelan oil for Rosneft after sanctions imposed by the United States took place in February. The company's fleet of nine tankers was one of the largest shippers for Rosneft Trading over the past year and in a statement on Monday said “we can confirm that any activities impacted by US sanctions will be terminated in accordance with the specified timeline.”

- **COVID-19:** Signs of China slowly resuming industrial activities is supporting energy markets this morning as hopes the worst time period of the deadly coronavirus are behind us. Following a 21-day suspension, Chinese planes returned to the skies over the weekend as global demand begins to rebound. Although this is the first positive reports around the virus there still is discussion of continued spread across the globe which will continue to pressure global markets.

- **Market Opinion:** The energy markets are starting the week mixed following a relatively quiet weekend of headlines around the coronavirus and a highly anticipated meeting between OPEC+ committee members later this week. Double digit percentage losses across the board pushed contracts to lows not seen since Christmas 2018 and sets the stage for a pivotal trading week for energy and global equities markets.

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**WTI Daily Chart:**

In the adjacent chart WTI chart, crude oil took a major fall last week as COVID-19 continued to spread across the globe and putting pressure on global demand outlook. Crude oil futures lost more than 16%, or $8.62, which was the biggest weekly decline in more than 11 years. This free fall is highlighted by the adjacent chart and will look to find support moving forward this week. A couple items to keep an eye on will be the OPEC+ meeting this week on the decision to cut production further as well as any virus related developments.

<table>
<thead>
<tr>
<th>Contract</th>
<th>NYMEX as of 7:50am</th>
<th>Support</th>
<th>Resistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>APR RBOB</td>
<td>↑ 0.0052 @ 1.4880</td>
<td>1.4400</td>
<td>1.6253</td>
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<tr>
<td>APR HO</td>
<td>↓ 0.0012 @ 1.4761</td>
<td>1.4400</td>
<td>1.5670</td>
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<tr>
<td>APR Crude</td>
<td>↑ 0.87 @ 45.63</td>
<td>43.85</td>
<td>45.50</td>
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</tbody>
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