










What's Affecting Oil Prices the Week of August 06, 2018?

Despite pronounced weakness at the end of the week, Brent and WTI traded generally sideways last week. Brent fell \$0.20/bbl to average \$73.65/bbl while WTI was flat on an average basis, despite a volatile week. While the recovery is far from complete, the Brent-WTI differential has widened slightly during the past several weeks, a trend we expect to see continue as Suncor continues to bring back online its damaged Syncrude facility. We expect Brent to average \$74.50/bbl in the week ahead.

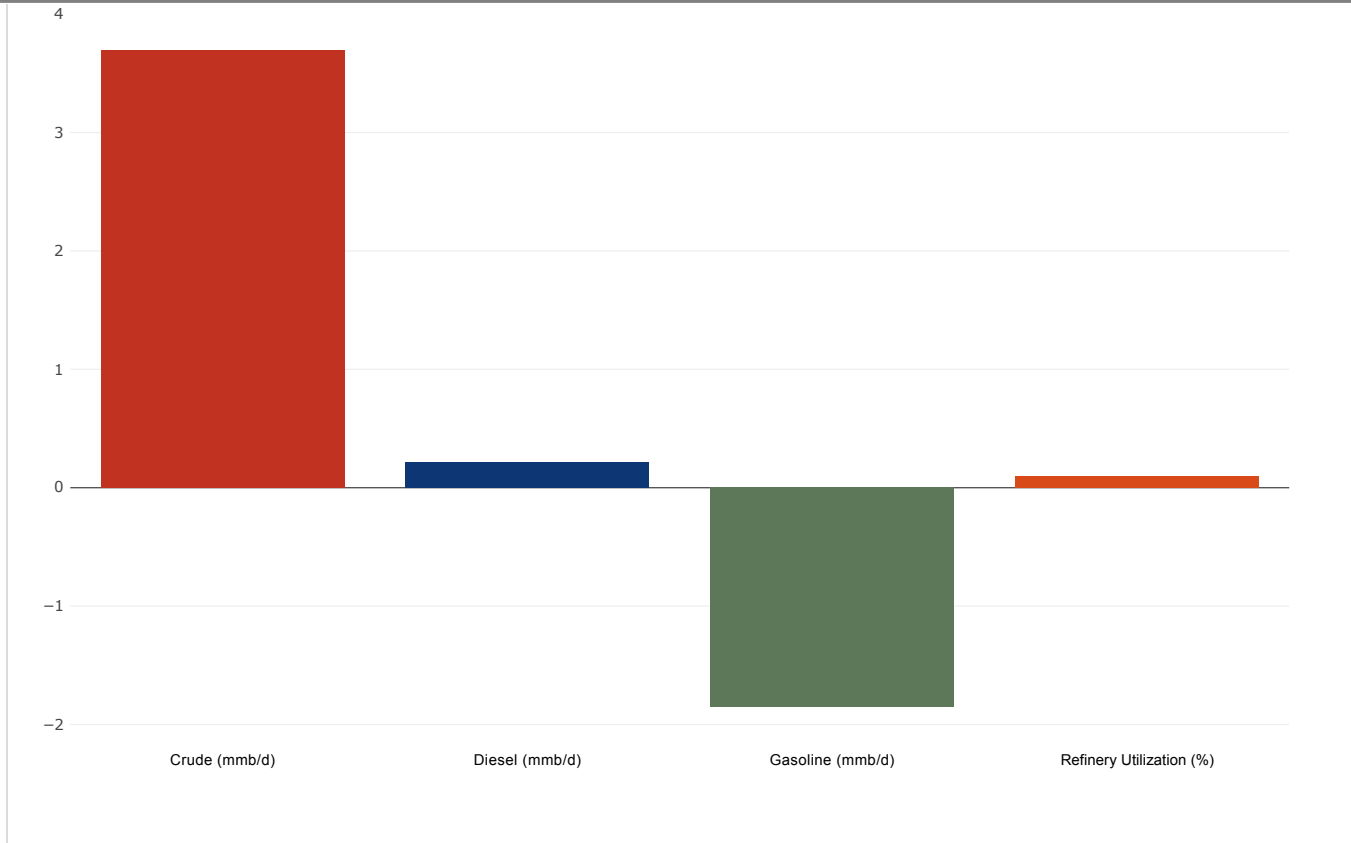
A slew of US sanctions again Iran come back into full effect today, although many of the primary energy-related sanctions will not be officially back in place until November. Despite the later deadline, many refiners are already sourcing crude from alternate suppliers. One story that caught our eye last week is [here](#). As we at Stratas have previously discussed, South Korea remains a potentially significant opportunity for American crude exports. This week could see further rhetoric from Iran about lost oil supplies and OPEC not being responsible for filling the supply gap.

Visible weekly product stocks remain generally at or below five-year averages, a boon for crude demand and margins. Strong runs will continue through the summer, supporting prices. While concerns around the economic impact of tariffs are valid, the physical impact of these tariffs on fuel will likely not be felt for several months.

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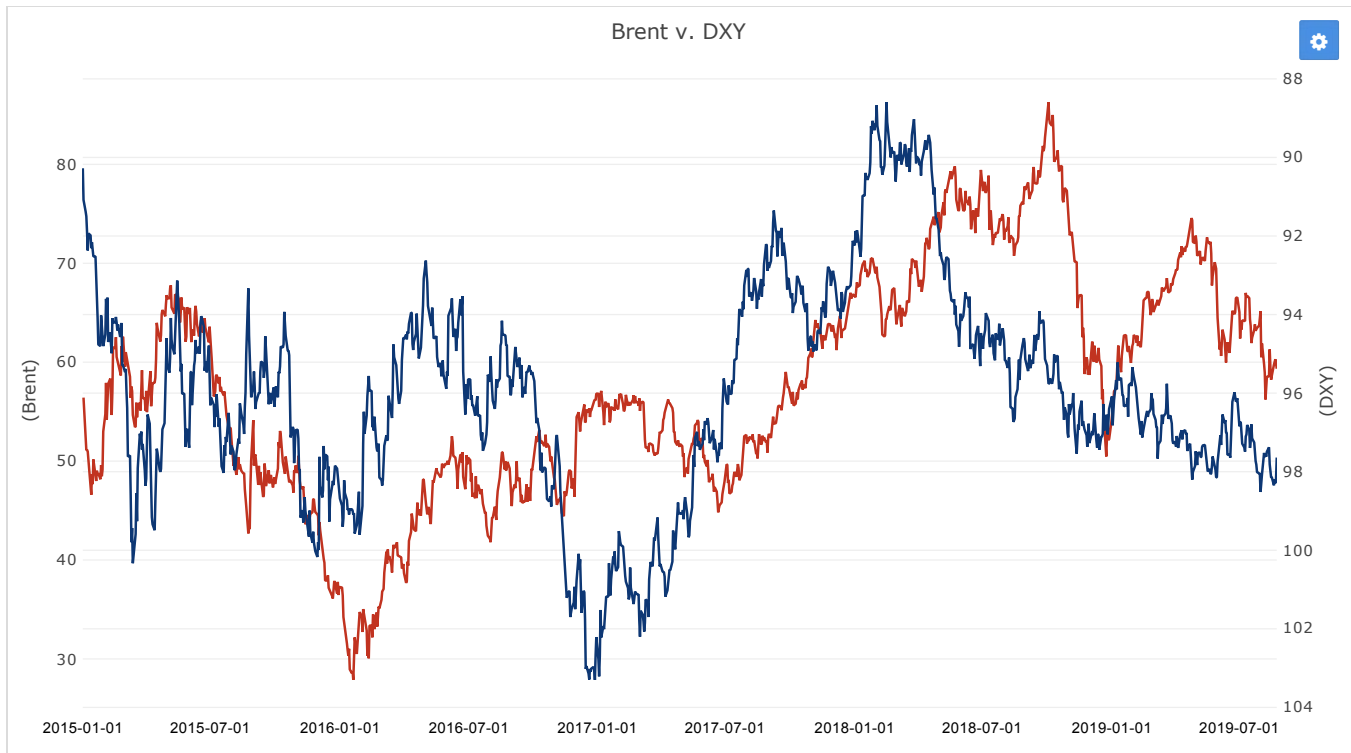
<ul style="list-style-type: none"> • Geopolitical Unrest 	<ul style="list-style-type: none"> • Dollar vs. Euro 
<ul style="list-style-type: none"> • Global Supply 	<ul style="list-style-type: none"> • Oil Demand 
<ul style="list-style-type: none"> • Refining Sector 	<ul style="list-style-type: none"> • Oil Trader Sentiment 
<p>  Upward pressure on prices  Downward pressure on prices STRATAS  ADVISORS <small>A HART ENERGY COMPANY</small> </p>	

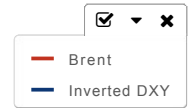




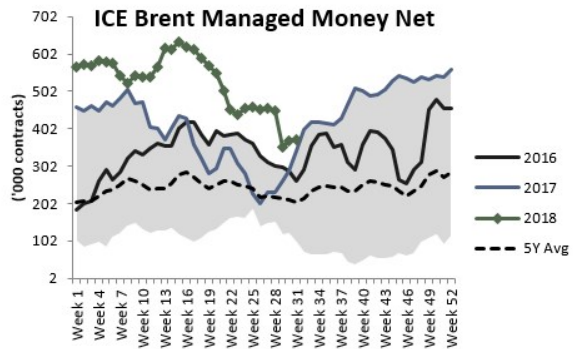
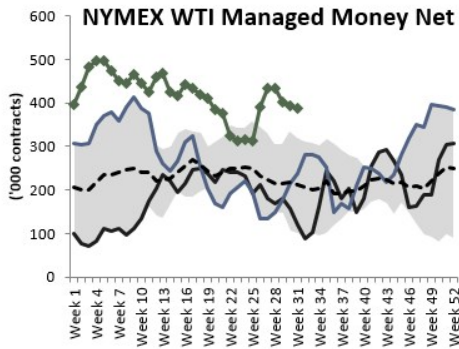
Geopolitical – Positive

Dollar - Neutral

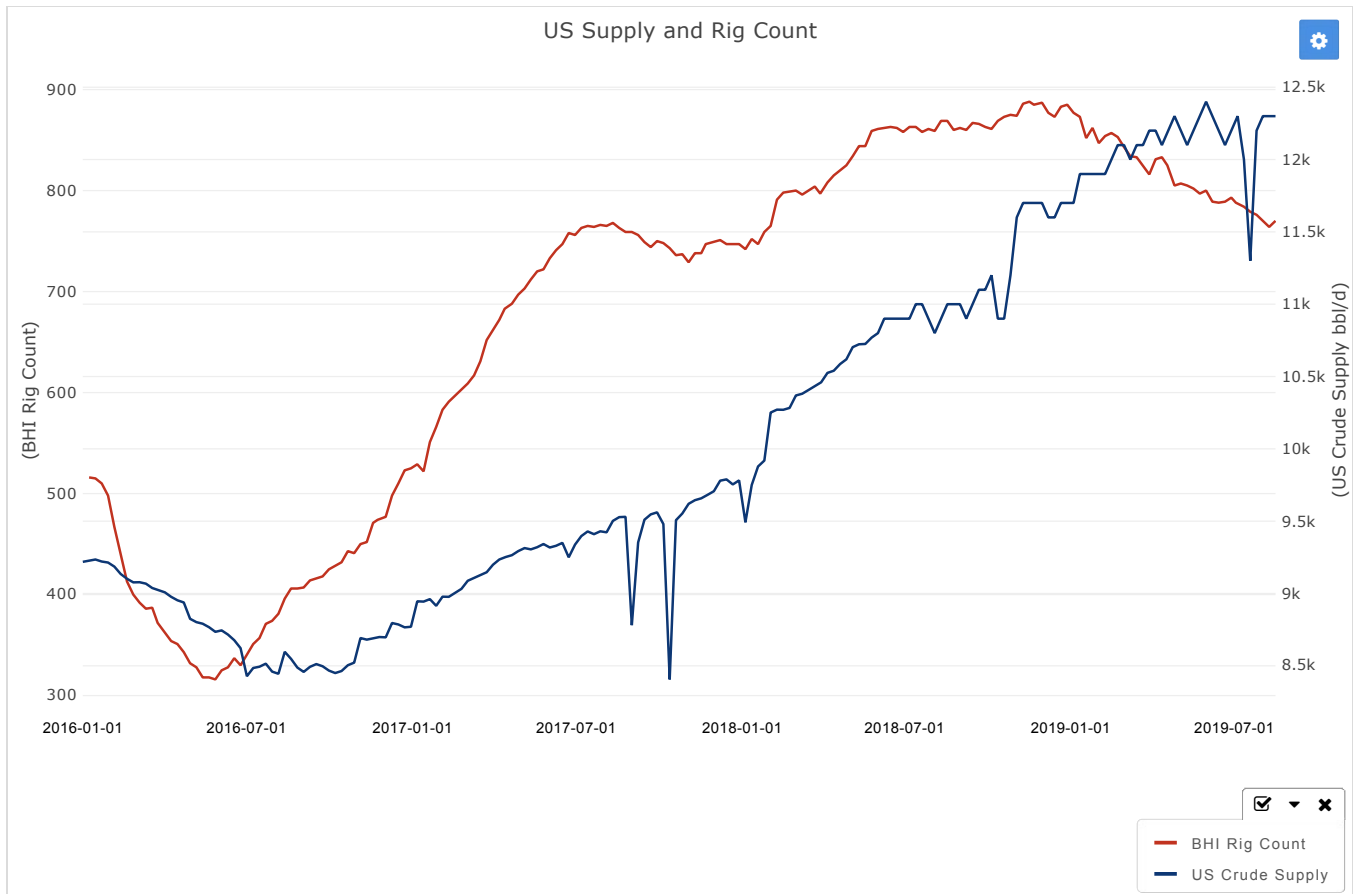




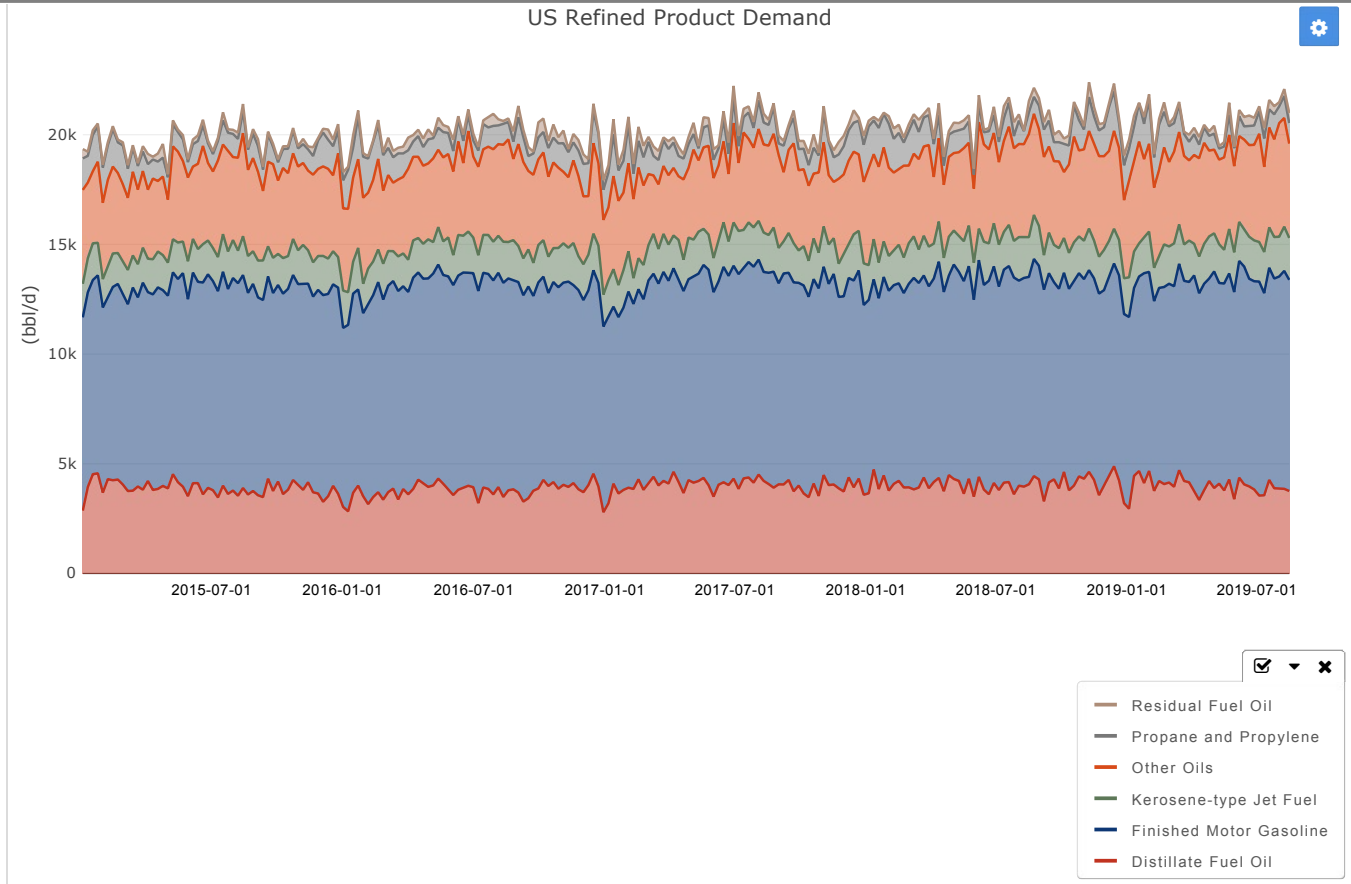
Trader Sentiment – Negative



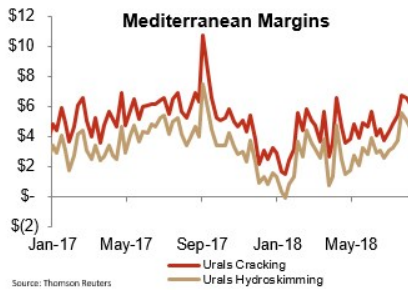
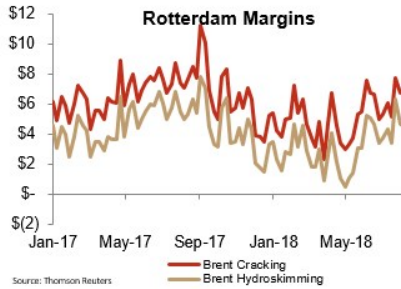
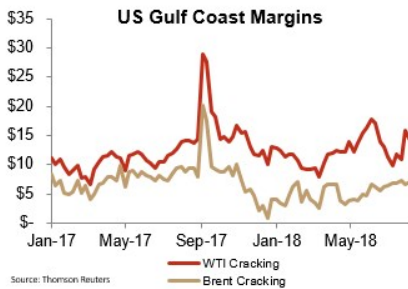
Supply – Neutral



Demand – Positive



Refining Margins - Positive



How We Did



