

Market Commentary

Recap: The oil market on Monday continued to trend higher following an OPEC+ decision to delay plans to increase oil output by a month, while the market also positioned itself ahead of the U.S. presidential election on Tuesday. On Sunday, OPEC+ said it would extend its output cut of 2.2 million bpd for another month in December, an increase that had been delayed from October due to falling prices and weak demand. The crude market opened 80 cents higher at \$70.29, posted a low of \$70.25 before it bounced off that level and rallied to a high of \$71.81 early in the morning. In addition to the OPEC+ decision, the market was also supported amid the continuing conflict in the Middle East, with Iran's Supreme Leader Ayatollah Ali Khamenei warning of a response to Israel's recent strike. The market was also watching a tropical depression expected to threaten parts of the U.S. along the Gulf of Mexico and offshore oil production. The oil market later erased some of its gains by mid-morning and settled in a sideways trading range during the remainder of the session. The December WTI contract settled up \$1.98 at \$71.47 and the January Brent contract settled up \$1.98 at \$75.08. The product markets ended the session higher, with the heating oil market settling up 4.99 cents at \$2.2841 and the RB market settling up 5.27 cents at \$2.0192.

Technical Analysis: The crude market will likely trade sideways as the market awaits the outcome of Tuesday's U.S. presidential election. It is seen remaining supported amid the news of a new tropical storm that may threaten offshore oil production in the Gulf of Mexico, with some oil production already shut in as of Monday afternoon. The market is also awaiting further developments in the Middle East as Iran over the weekend warned of a response to Israel's recent attack. The oil market is seen finding resistance at its high of \$71.81, \$71.92, \$72.21, \$72.34 and \$73.51. Meanwhile, support is seen at \$70.25, \$69.32, \$68.30 followed by \$67.28 and \$66.72.

Fundamental News: Shell said it is moving non-essential personnel from its Appomattox, Vitro, Ursa, Mars, Auger and Enchilada/Salsa assets to shore due to a disturbance in the Gulf of Mexico. It said it has paused some drilling operations.

On Sunday, OPEC+ said it would extend its output cut of 2.2 million bpd for another month in December, with an increase already delayed from October due to falling prices and weak demand. The group had been due to increase output by 180,000 bpd from December.

Iran's Supreme Leader Ayatollah Ali Khamenei warned on Saturday of a "crushing response" to Israel's recent strike. The Wall Street Journal reported that Iran told allies an attack would come after Tuesday's presidential election but before January's inauguration and it would not be limited to missiles and drones as the two previous strikes were.

A Reuters survey showed that OPEC's oil output rebounded in October from its lowest level this year in September as Libya resolved a political crisis. OPEC produced 26.33 million bpd in October, up 195,000 bpd from September's total, with Libya posting the largest increase. Venezuela also increased its output, with crude production reaching 860,000 bpd. Both Libya and Venezuela are exempt from agreements to limit production by OPEC and its allies. Meanwhile, Iraq cut its output to 3.98 million bpd due to lower exports and domestic consumption and a fall in production in northern Iraq. OPEC produced about 46,000 bpd more than the implied target for the nine members covered by supply cut agreements.

IIR Energy said U.S. oil refiners are expected to shut in about 554,000 bpd of capacity in the week ending November 8th, increasing available refining capacity by 116,000 bpd.

Early Market Call - as of 9:05 AM EDT

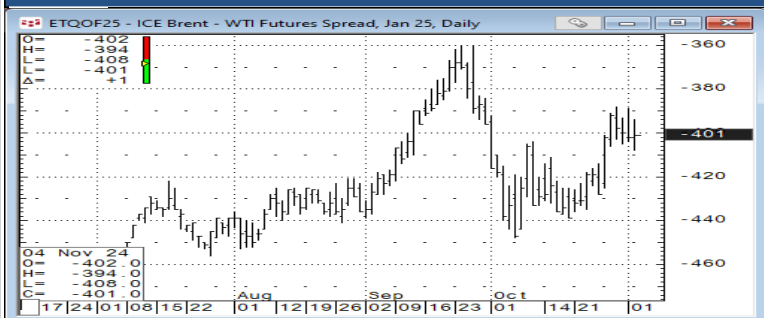
WTI - Dec \$72.10, up 63 cents
 RBOB - Dec \$2.0481, up 2.89 cents
 HO - Dec \$2.3120, up 2.79 cents

All NYMEX | Prior Settlements

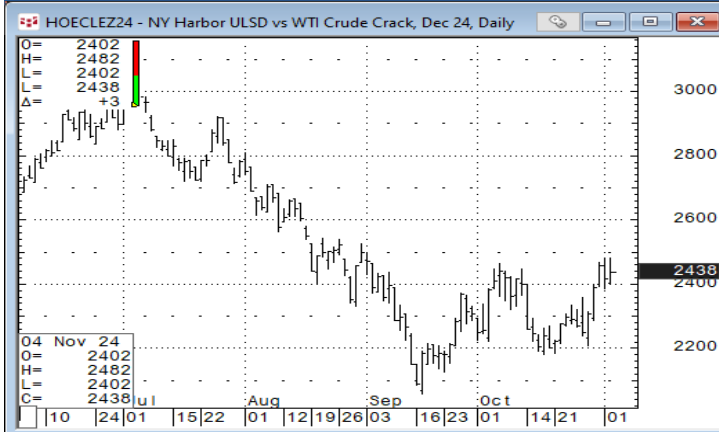
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Nov-24	2.2841	0.0499	0.1443
Dec-24	2.2924	0.0500	0.1414
Jan-25	2.2944	0.0496	0.1380
Feb-25	2.2845	0.0488	0.1340
Mar-25	2.2722	0.0478	0.1305
Apr-25	2.2651	0.0474	0.1278
May-25	2.2618	0.0471	0.1253
Jun-25	2.2675	0.0461	0.1231
Jul-25	2.2741	0.0450	0.1209
Aug-25	2.2824	0.0436	0.1188
Sep-25	2.2904	0.0423	0.1164
Oct-25	2.2958	0.0414	0.1149
Nov-25	2.2991	0.0404	0.1130
Dec-25	2.3043	0.0392	0.1119
Jan-26	2.3037	0.0379	0.1107
Feb-26	2.2946	0.0369	0.1081
Mar-26	2.2802	0.0356	0.1047

Sprague HeatCurve October 2025-April 2026			\$2.2977
		Close	Change
Crude - WTI	Jan Brent-	\$71.0300	\$1.9500
Crude - Brent	WTI Spread	\$75.0800	\$1.9800
Natural Gas	\$4.05	\$2.7180	\$0.1180
Gasoline		\$2.0192	\$0.0527

ICE January Brent-WTI Spread



December Heating Oil Crack Spread



December RBOB Crack Spread

