



MarketWatch | Refined Products

Friday, June 6, 2025

Market Commentary

Recap: The crude market traded higher on Thursday, rebounding from the previous day's losses, following reports that China's President Xi Jinping spoke with U.S. President Donald Trump by phone. In overnight trading, the market bounced higher after the market fell more than 1% on Wednesday after the EIA report showed that U.S. gasoline and distillates stocks increased more than expected and Saudi Arabia cut its July prices for Asian crude buyers to nearly the lowest level in two months and the Bloomberg News report that Saudi Arabia is open to additional crude production hikes in a bid to increase its market share. The oil market posted a low of \$62.50 in overnight trading and traded within Wednesday trading range before it breached its previous high and posted a high of \$63.98 on the news that the U.S. and China agreed to more trade talks following a phone call between the two leaders. The market later erased some of its gains and settled in a sideways trading range. The July WTI contract ended the session up 52 cents at \$63.37 and the August Brent contract ended up 48 cents at \$65.34. Meanwhile, the product markets also ended the session higher, with the heating oil market settling up 2.44 cents at \$2.0945 and the RB market settling up 2.89 cents at \$2.0629.

Technical Analysis: The oil market will continue to trend sideways as it weighs the developments on the trade negotiations against the OPEC+ output hike and the possibility of further hikes in the coming months. The market is also awaiting for further developments on the U.S. and Iran nuclear talks. The crude market is seen finding resistance at its high of \$63.98, \$64.19 and \$65.82. Support is seen at \$63.18, \$62.50, \$62.17, \$61.06, \$59.74, \$59.57 and \$59.49.

Fundamental News: U.S. President Donald Trump said U.S. and Chinese teams will meet shortly after he and Chinese leader Xi Jinping discussed trade in a phone call on Thursday, adding that there "should no longer be any questions" on rare earth products. President Donald Trump said trade talks with China remained on track and were in good shape, adding that he expected to go to China at some point. President Trump said he expected President Xi to visit the United States as well. He added that U.S. Trade Representative Jamieson Greer, Treasury Secretary Scott Bessent and Commerce Secretary Howard Lutnick would meet with top Chinese officials.

Bloomberg News reported that China has avoided buying U.S. crude for a second consecutive month as the country's trade dispute with the U.S. continues. U.S. crude oil exports in April fell by 4% on the month to 3.883 million bpd, the lowest level this year amid the absence of Chinese purchases. In the same month a year earlier, China bought 297,000 bpd from the U.S. and three times that amount in 2023. March and April mark the first time since the pandemic that China's refiners did not purchase U.S. oil for two consecutive months.

The International Energy Agency said an increase in clean energy spending is expected to drive a record \$3.3 trillion in global energy investment in 2025, despite economic uncertainty and geopolitical tensions. The IEA said in its annual World Energy Investment report that clean energy technologies, including renewables, nuclear, and energy storage are set to attract \$2.2 trillion in investment, twice the amount expected for fossil fuels. Investment in oil and gas is expected to decline, with upstream oil investment set to fall by 6% in 2025, driven by lower oil prices and demand expectations and the first decline since the Covid crisis in 2020.

Early Market Call - as of 8:35 AM EDT

WTI - Jul \$63.40, up 15 cents

RB0B - Jul \$2.0607, up 3 points

HO - Jul \$2.0873, down 41 points

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Jul-25	2.0945	0.0244	0.0602
Aug-25	2.0848	0.0219	0.0590
Sep-25	2.0880	0.0210	0.0555
Oct-25	2.0910	0.0204	0.0510
Nov-25	2.0884	0.0192	0.0460
Dec-25	2.0834	0.0179	0.0420
Jan-26	2.0853	0.0169	0.0406
Feb-26	2.0819	0.0159	0.0397
Mar-26	2.0716	0.0146	0.0388
Apr-26	2.0553	0.0137	0.0375
May-26	2.0473	0.0128	0.0359
Jun-26	2.0432	0.0121	0.0338
Jul-26	2.0487	0.0116	0.0325
Aug-26	2.0556	0.0112	0.0316
Sep-26	2.0636	0.0107	0.0309
Oct-26	2.0714	0.0105	0.0308
Nov-26	2.0756	0.0107	0.0315

Sprague HeatCurve October 2025-April 2026

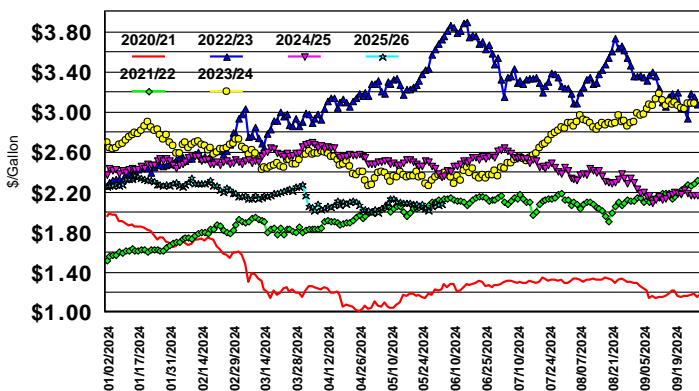
	Close	Change
Crude - WTI	\$62.4800	\$0.5900
Crude - Brent	\$65.3400	\$0.4800
Natural Gas	\$3.6770	-\$0.0390
Gasoline	\$2.0629	\$0.0289

EIA Working Gas Storage Report

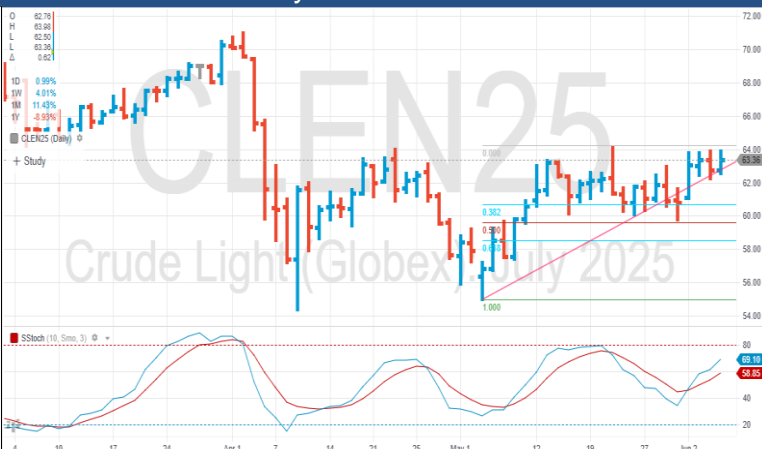
	30-May-25	23-May-25	Change	30-May-24
East	498	462	36	570
Midwest	579	541	38	684
Mountain	205	198	7	217
Pacific	261	254	7	272
South Central	1055	1021	34	1,144
Salt	340	328	12	329
Nonsalt	715	693	22	815
Total	2598	2476	122	2,886

Sprague HeatCurve

Sprague HeatCurve October-April



July WTI



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