



MarketWatch | Refined Products

Tuesday, June 17, 2025

Market Commentary

Recap: The oil market posted an inside trading day on Monday and sold off sharply after rallying over 7% on Friday, on news that Iran was seeking an end to hostilities and was open to return to the negotiating table over its nuclear program as long as the U.S. did not join the attack. The market opened more than \$3.50 higher at \$76.54 and rallied to a high of \$77.49 as Iranian missiles struck Israel's Tel Aviv and Haifa, increasing concerns that the conflict could widen. However, the crude market gave up its sharp gains and traded lower as production capacity and export capacity have been spared from being attacked and there has not been any effort on the part of Iran to impair flows through the Strait of Hormuz. The market was further pressured in mid-morning trading following a Wall Street Journal report that Iran was seeking an end to hostilities, raising the possibility of a truce and easing fears of a disruption in supply. The market traded to a low of \$69.38. However, the market bounced off its low and settled in a sideways trading range during the remainder of the session. The July WTI contract ended down \$1.21 at \$71.77 and the August Brent contract ended down \$1.00 at \$73.23. The product markets ended in mixed territory, with the heating oil market settling up 3.46 cents at \$2.3933 and the RB market settling down 77 points at \$2.2199.

Technical Analysis: The oil market will continue to trend sideways, as it remains supported by concerns over the geopolitical tension in the Middle East while its gains are limited as long as output and export facilities remain unaffected by the conflict between Israel and Iran. The market will look for any further developments on whether a ceasefire can be reached after Iran said it is willing to resume talks on its nuclear program even though Israel has so far not shown any sign of halting its strikes against the country. The crude market is seen finding support at its low of \$69.38, \$68.49, \$66.72, \$66.28, \$64.57, \$64.20 and \$63.61. Meanwhile, resistance is seen at its high of \$77.49, \$77.62, \$78.47, \$79.44, \$80.00, \$80.59 and \$80.77.

Fundamental News: The Wall Street Journal reported that Iran has been urgently signaling that it seeks an end to hostilities and resumption of talks over its nuclear programs, sending messages to Israel and the United States via Arab intermediaries. Meanwhile, two Iranian and three regional sources said Iran has asked Qatar, Saudi Arabia and Oman to press U.S. President Donald Trump to use his influence on Israel to agree to an immediate ceasefire with Iran in return for Tehran's flexibility in nuclear negotiations. An Iranian source said Iran is willing to be flexible in the nuclear talks if a ceasefire is reached. Qatar, Oman and Saudi Arabia have all appealed to Washington to press Israel to agree to a ceasefire and to resume talks with Tehran towards a nuclear deal. Meanwhile, Israeli Strategic Affairs Minister, Ron Dermer, said Israel will pursue its military operations against Iran regardless of the progress of any potential negotiations involving the U.S.

CBS News reported that U.S. President Donald Trump does not intend to sign a G7 statement related to Israel and Iran. According to CBS News, a draft document discusses monitoring Iran, calls for both sides to protect civilians and reups commitments to peace.

OPEC said it expected the global economy to remain resilient in the second half of this year despite concerns about trade conflicts and trimmed its forecast for growth in oil supply from producers outside the wider OPEC+ group in 2026. In a monthly report, OPEC left its forecasts for global oil demand growth unchanged in 2025 and 2026, after reductions in April, saying the economic outlook was strong despite trade concerns. OPEC also said supply from countries outside the Declaration of Cooperation, the formal name for OPEC+, will increase by about 730,000 bpd in 2026, down 70,000 bpd from last month's forecast. OPEC now expects U.S. output of tight oil or shale oil to hold steady next year at 9.05 million bpd. Last month, it expected small growth year on year and in January had forecast output in 2026 would reach 9.28 million bpd.

Early Market Call - as of 8:40 AM EDT

WTI - Jul \$72.92, up \$1.44

RBOB - Jul \$2.2547, up 3.98 cents

HO - Jul \$2.4528, up 6.76 cents

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jul-25	2.3933	0.0346	0.2469
Aug-25	2.3735	0.0332	0.2446
Sep-25	2.3630	0.0301	0.2328
Oct-25	2.3541	0.0272	0.2221
Nov-25	2.3392	0.0238	0.2110
Dec-25	2.3222	0.0198	0.2006
Jan-26	2.3160	0.0184	0.1932
Feb-26	2.3065	0.0182	0.1875
Mar-26	2.2878	0.0186	0.1799
Apr-26	2.2615	0.0193	0.1708
May-26	2.2444	0.0208	0.1622
Jun-26	2.2323	0.0225	0.1549
Jul-26	2.2324	0.0230	0.1497
Aug-26	2.2340	0.0236	0.1446
Sep-26	2.2375	0.0245	0.1404
Oct-26	2.2421	0.0251	0.1376
Nov-26	2.2435	0.0253	0.1361

Sprague HeatCurve October 2025-April 2026

\$2.3116

	Close	Change
Crude - WTI	\$70.2500	-\$1.0400
Crude - Brent	\$73.2300	-\$1.0000
Natural Gas	\$3.7480	\$0.1670
Gasoline	\$2.2199	-\$0.0077

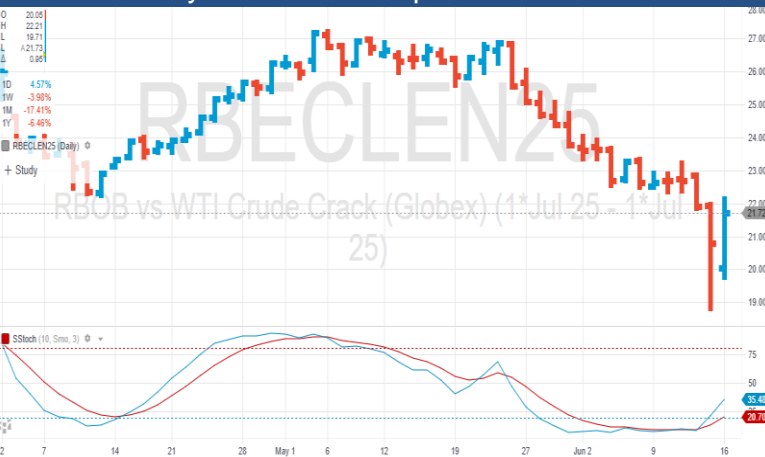
July WTI



July Heating Oil Crack Spread



July RBOB Crack Spread



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