

Market Commentary

Recap: The oil market traded lower on Friday as the market weighed the impact of further import tariffs imposed by U.S. President Donald Trump ranging from 10% to 41% on U.S. imports from dozens of countries that failed to reach trade deals by his August 1st deadline and threats of sanctions. The market traded mostly sideways in overnight trading after it traded 1% lower on Thursday. The crude market posted a high of \$69.58 in mid-morning trading before it extended its losses to over \$2 and posted a low of \$67.05 in afternoon trading. The market was pressured by the possibility that OPEC+ producers may agree to increase their production by 548,000 bpd in September at the OPEC+ meeting on Sunday. The market later traded in a sideways trading range ahead of the close. The September WTI contract settled down \$1.93 at \$67.33 and the October Brent contract settled down \$2.03 at \$69.67. The product markets ended the session lower, with the heating oil market settling down 9.96 cents at \$2.2999 and the RB market settling down 97 points at \$2.1186.

Technical Analysis: The crude market on Monday will be driven by the latest headlines regarding the OPEC+ meeting. The market will be awaiting the OPEC+ decision on whether the group will increase its output in September by 548,000 bpd or less. The market will also look to headlines regarding the tariff threats after President Trump warned Russia it would impose 100% secondary tariffs on Russian crude buyers if there is no deal to end Russia's war in Ukraine by August 8th. The market will also look for further developments on the U.S. positioning two nuclear submarines in "appropriate regions" following threats from former Russian President Dmitry Medvedev. The market is seen finding support at its low of \$67.05, \$66.68, \$66.53, \$66.04, \$65.77, \$65.00 and \$64.71. Meanwhile, resistance is seen at its high of \$69.58, \$70.41, \$70.51, \$70.96, \$73.70 and \$75.98.

Fundamental News: On Friday, U.S. President Donald Trump said he ordered two nuclear submarines to be positioned in the "appropriate regions" in response to threats from former Russian President Dmitry Medvedev.

Baker Hughes reported that U.S. energy firms this week cut the number of oil and natural gas rigs operating for a second consecutive week. The oil and gas rig count fell by two to 540 in the week ending August 1st, the lowest level since October 2021. Baker Hughes said oil rigs fell by five to 410 this week, their lowest level since September 2021, while gas rigs increased by two to 124, their highest level since August 2023.

Eight OPEC+ members will likely approve another oil output increase on Sunday, with the group still debating the final size of the increase for September amid fears of further supply disruptions from Russia and a seasonal slowdown in demand. Some sources said OPEC+ could increase output by as much as 548,000 bpd in September, similar to what it did in August, while a source said discussions on the volume were ongoing and the hike could be smaller. If OPEC+ agrees to raise production by 548,000 bpd in September, it will have fully unwound its previous production cut of 2.2 million bpd while allowing the United Arab Emirates to raise output by 300,000 bpd. OPEC+ still has in place a separate voluntary cut of about 1.65 million bpd from eight members and a 2 million bpd cut across all members, which expire at the end of 2026.

IIR Energy said U.S. oil refiners are expected to shut in about 224,000 bpd of capacity in the week ending August 1st, decreasing available refining capacity by 3,000 bpd.

U.S. job growth slowed more than expected in July while the prior month's data was revised sharply lower, pointing to a sharp moderation in the labor market. The Labor Department's Bureau of Labor Statistics said in its employment report that nonfarm payrolls increased by 73,000 jobs in July after increasing by a downwardly revised 14,000 in June. Economists had forecast payrolls increasing by 110,000 jobs after increasing by a previously reported 147,000 in June. The unemployment rate increased to 4.2% from 4.1% in June.

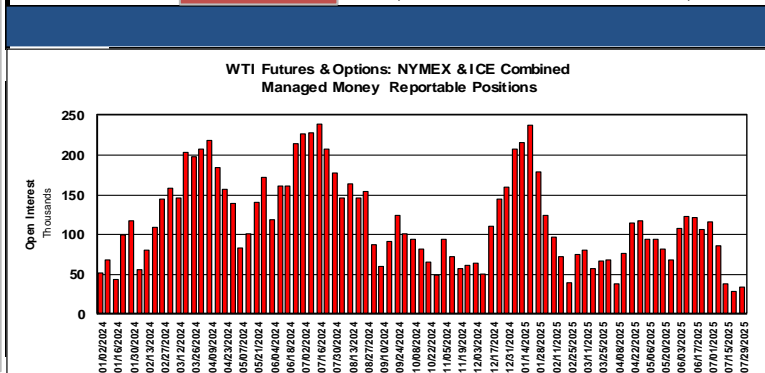
Early Market Call - as of 9:50 AM EDT
WTI - Sep \$65.61, down \$1.65
RBOB - Sep \$2.0859, down 2.17 cents
HO - Sep \$2.2728, down 1.54 cents

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Aug-25	2.2999	-0.096	-0.0792
Sep-25	2.2959	-0.0949	-0.0656
Oct-25	2.2853	-0.0907	-0.0499
Nov-25	2.2684	-0.0845	-0.0289
Dec-25	2.2614	-0.0818	-0.0183
Jan-26	2.252	-0.0787	-0.0112
Feb-26	2.2337	-0.073	-0.0026
Mar-26	2.2093	-0.0673	0.0064
Apr-26	2.1935	-0.0626	0.0133
May-26	2.1821	-0.0588	0.0175
Jun-26	2.1825	-0.0569	0.0185
Jul-26	2.1846	-0.0554	0.0186
Aug-26	2.1884	-0.0545	0.0183
Sep-26	2.192	-0.0536	0.0175
Oct-26	2.1914	-0.0535	0.0155
Nov-26	2.1879	-0.0531	0.0135
Dec-26	2.1892	-0.053	0.0116

Sprague HeatCurve October 2025-April 2026

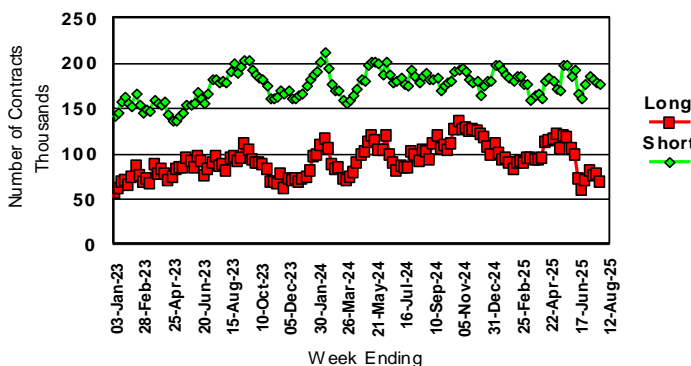
	Close	Change
Crude - WTI	\$66.2000	-\$2.0000
Crude - Brent	\$69.6700	-\$2.0300
Natural Gas	\$3.0830	-\$0.0230
Gasoline	\$2.1186	-\$0.0097



Commitment of Traders Report for the Week Ending July 29, 2025

Producer/Merchant Heat Positions

CFTC Commitment of Traders Report



Managed Money Heat Positions

CFTC Commitment of Traders Report

