

Market Commentary

Recap: The oil market posted an outside trading day on Wednesday and ended the session lower after U.S. Secretary of State Marco Rubio indicated there would be an announcement later on Wednesday on whether sanctions against Russia over its war in Ukraine would proceed this week. The market traded sideways in overnight trading as the market continued to focus on U.S. President Donald Trump threatening India with higher tariffs over its Russian crude purchases. The market rallied to a high of \$66.75 following the news that President Trump signed an executive order raising U.S. tariffs on imports from India to 50% from 25% because of India's purchases of Russian oil. However, prices seesawed after the U.S. Secretary of State raised questions about whether potential Russian sanctions will proceed. It was also despite a larger than expected draw in crude stocks of over 3 million barrels in the week ending August 1st. The oil market extended its losses to over 90 cents as it posted a low of \$64.21 ahead of the close. The September WTI contract settled down 81 cents at \$64.35 and continued to trend lower, posting a new low of \$63.64 in the post settlement period on news that President Trump plans to meet with Russia's President Vladimir Putin as early as next week and then plans to meet with both Russia's President and Ukraine's President Volodymyr Zelenskyy. The October Brent contract settled down 75 cents at \$66.89. The product markets ended the session in mixed territory, with the heating oil market settling up 1.26 cents at \$2.2628 and the RB market settling down 11 points at \$2.0904.

Technical Analysis: The crude market on Thursday will remain headline driven as it looks for further developments on the expected meeting between President Trump and the leaders of Russia and Ukraine as soon as next week. The oil market is seen finding support at its low of \$63.64, \$63.42, \$63.11, \$62.84 and \$62.55. Meanwhile, resistance is seen at \$66.26, \$66.75, \$67.08, \$67.74, \$67.89 followed by \$69.59 and \$70.51.

Fundamental News: U.S. envoy Steve Witkoff held talks with Russian President Vladimir Putin in the Kremlin on Wednesday, two days before the expiry of a deadline set by U.S. President Donald Trump for Russia to agree to peace in Ukraine or face new sanctions. Kremlin foreign policy aide, Yuri Ushakov, said talks between Russian President Vladimir Putin and U.S. special envoy Steve Witkoff were "useful and constructive". He said that the two sides discussed the conflict in Ukraine and the potential for improving U.S.-Russia relations. He said Moscow had received certain "signals" from U.S. President Donald Trump and had sent messages in return. Later, President Trump said his special envoy Steve Witkoff had made "great progress" in his meeting with Russian President Vladimir Putin. Earlier, Bloomberg and independent Russian news outlet The Bell reported that the Kremlin might propose a moratorium on air strikes by Russia and Ukraine, an idea that was mentioned last week by Belarusian President Alexander Lukashenko during a meeting with Putin.

Iraq's Oil Minister, Hayan Abdel-Ghani said on Wednesday that oil exports through Turkey's Ceyhan pipeline will resume later today or Thursday after a two-year hiatus. He said an agreement had been concluded with the Kurdistan Regional Government to resume the oil exports via the pipeline. He said that "80,000 barrels per day will be exported via Turkey's Ceyhan pipeline through SOMO." Sources said there was no sign of an imminent restart to oil exports through the pipeline.

Saudi Arabia has raised the official selling price for its flagship Arab light crude it sells to Asia in September to the Oman/Dubai average plus \$3.20/barrel above the Oman/Dubai average, up \$1 on the month. The official selling price of its Arab Light crude bound for the U.S. was set at ASCI plus \$4.20/barrel and the price of its Arab Light crude bound for Northwest Europe was set at ICE Brent plus \$3.35/barrel.

Early Market Call - as of 9:01 AM EDT

WTI - Sep \$64.61, up 34 cents

RBOB - Sep \$2.1033, up 1.79 cents

HO - Sep \$2.2896, up 3.30 cents

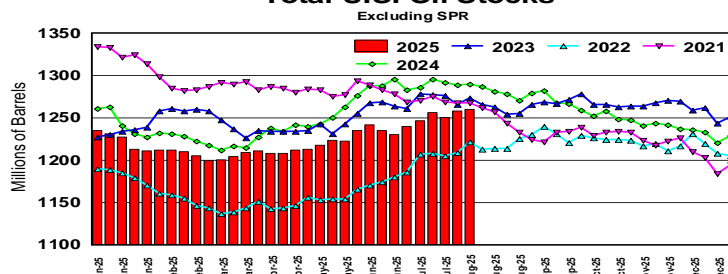
All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Aug-25	2.2628	0.0126	-0.1478
Sep-25	2.2578	0.0095	-0.1458
Oct-25	2.2483	0.0088	-0.1417
Nov-25	2.2347	0.0081	-0.1346
Dec-25	2.2306	0.0078	-0.1301
Jan-26	2.2218	0.0074	-0.1273
Feb-26	2.2041	0.0059	-0.1209
Mar-26	2.1818	0.0036	-0.1121
Apr-26	2.1676	0.0011	-0.1046
May-26	2.1567	-0.0007	-0.0991
Jun-26	2.1564	-0.0017	-0.0978
Jul-26	2.1579	-0.0027	-0.0974
Aug-26	2.1614	-0.0031	-0.0966
Sep-26	2.1644	-0.0034	-0.0963
Oct-26	2.1640	-0.0028	-0.0959
Nov-26	2.1604	-0.0023	-0.0960
Dec-26	2.1608	-0.0025	-0.0969

Sprague HeatCurve October 2025-April 2026

	Close	Change
Crude - WTI	\$63.4100	-\$0.7900
Crude - Brent	\$66.8900	-\$0.7500
Natural Gas	\$3.0770	\$0.0670
Gasoline	\$2.0904	-\$0.0011

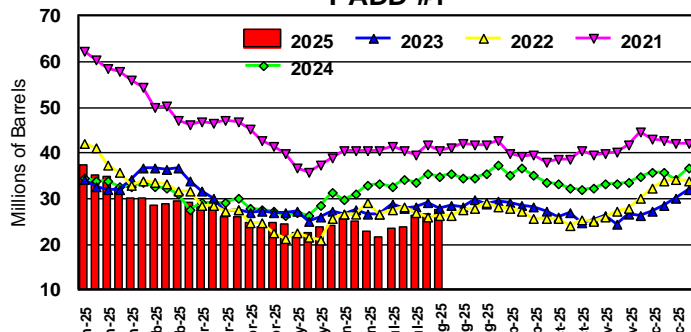
Total U.S. Oil Stocks



Weekly EIA Petroleum Status Report for the Week Ending August 1, 2025

Distillate Stocks

PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 3.029 million barrels

Cushing, OK Crude Stocks Up 453,000 barrels

Gasoline Stocks Down 1.323 million barrels

Distillate Stocks Down 565,000 barrels

Refinery % Operated 96.9%, up 1.5%

PADD #1

	Week Ending Aug 1, 2025	Week Ending Jul 25, 2025	Week Ending Aug 2, 2024
Distillate Stocks (in million bbl)			
New England	3.3	3.3	3.9
Central Atlantic	12.2	11.8	18.9
Total PADD #1	27.6	26.5	34.8
Distillate Imports (thousands b/d)	59	173	96