

Market Commentary

Recap: The crude market on Friday settled unchanged on the day but ended down 5.12% on the week, the largest weekly decline since late June on expectations of a diplomatic end to the war in Ukraine. The oil market rallied to a high of \$64.58 early in the session following a Bloomberg report stating that Washington and Moscow were aiming to reach a deal to halt the war in Ukraine that would lock Russia's occupation of territory seized during its military invasion. However, the market quickly gave up its gains as it sold off to a low of \$62.77 after the U.S. dismissed the report as speculation. The market later rebounded and settled in a sideways trading range during the remainder of the session. The September WTI contract ended the session unchanged at \$63.88 and the October Brent contract settled up 16 cents at \$66.59. The product markets ended the session higher, with the heating oil market settling up 1.25 cents at \$2.2793 and the RB market settling up 86 points at \$2.0861.

Technical Analysis: The crude market will remain headline driven as it awaits further developments on the expected meeting next week between U.S. President Donald Trump and Russia's President Vladimir Putin. The market is seen finding support at its low of \$62.77 followed by \$62.55, \$61.10, basis a trendline, and \$60.89. Meanwhile, resistance is seen at \$63.96, \$64.58, \$65.11, \$66.75, \$67.08, \$67.74, \$67.89 followed by \$69.59 and \$70.51.

Fundamental News: Baker Hughes reported that U.S. energy firms this week cut the number of oil and natural gas rigs operating for a third consecutive week. The oil and gas rig count fell by one to 539 in the week ending August 8th. Baker Hughes said oil rigs increased by one to 411 this week, while gas rigs fell by one to 123, and miscellaneous rigs fell by one to five.

According to a Reuters' survey, OPEC's oil output increased further in July after an OPEC+ agreement to raise production, although the increase was limited by Iraq making additional cuts and by drone attacks on Kurdish oilfields. OPEC produced 27.38 million bpd in July, up 270,000 bpd from June's revised total, with the United Arab Emirates and Saudi Arabia making the largest increases. Under an agreement by eight OPEC+ members covering July output, the five OPEC members, Algeria, Iraq, Kuwait, Saudi Arabia and the UAE, were to increase output by 310,000 bpd before the effect of compensation cuts totaling 175,000 bpd for Iraq, Kuwait and the UAE. According to the survey, the actual increase by the five was 150,000 bpd. Saudi supply for June was revised up by 50,000 bpd after the country reported in OPEC's July monthly report that it supplied 9.36 million bpd in June. The UAE raised its output by about 100,000 bpd, but still pumped below its OPEC+ quota.

IIR Energy said U.S. oil refiners are expected to shut in about 221,000 bpd of capacity in the week ending August 8th, increasing available refining capacity by 3,000 bpd. Offline capacity is expected to remain at 221,000 bpd in the week ending August 15th and in the week ending August 8th.

Israel's cabinet approved a plan to take control of Gaza City early on Friday, hours after Prime Minister Benjamin Netanyahu said Israel intended to take military control of the entire strip despite intensifying criticism at home and abroad over the war. On Thursday, Prime Minister Netanyahu said Israel wanted to hand over the territory to Arab forces that would govern it. He did not elaborate on the governance arrangements or which Arab countries could be involved. Two government sources said any resolution by the security cabinet would need to be approved by the full cabinet, which may not meet until Sunday. Hamas in a statement called Netanyahu's comments "a blatant coup" against the negotiation process.

Early Market Call - as of 8:30 AM EDT

WTI - Sep \$64.22, up 87 cents

RBOB - Sep \$2.0917, up 2.11 cents

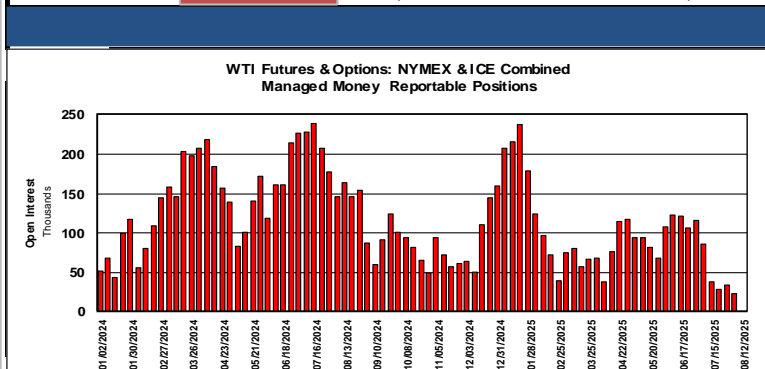
HO - Sep \$2.2780, up 91 points

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Aug-25	2.2793	0.0125	-0.0206
Sep-25	2.2696	0.0113	-0.0263
Oct-25	2.2557	0.0091	-0.0296
Nov-25	2.2377	0.0064	-0.0307
Dec-25	2.2334	0.0067	-0.0280
Jan-26	2.2253	0.0061	-0.0267
Feb-26	2.2074	0.0051	-0.0263
Mar-26	2.1848	0.0046	-0.0245
Apr-26	2.1693	0.0039	-0.0242
May-26	2.1567	0.0030	-0.0254
Jun-26	2.1558	0.0021	-0.0267
Jul-26	2.1573	0.0015	-0.0273
Aug-26	2.1605	0.0009	-0.0279
Sep-26	2.1630	0.0001	-0.0290
Oct-26	2.1622	-0.0005	-0.0292
Nov-26	2.1580	-0.0010	-0.0299
Dec-26	2.1582	-0.0009	-0.0310

Sprague HeatCurve October 2025-April 2026 \$2.2295

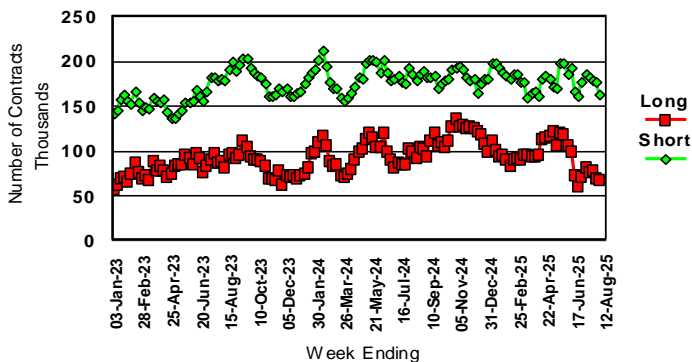
	Close	Change
Crude - WTI	\$63.8800	unchanged
Crude - Brent	\$66.5900	\$0.1600
Natural Gas	\$2.9900	-\$0.0770
Gasoline	\$2.0861	\$0.0086



Commitment of Traders Report for the Week Ending August 5, 2025

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

