



MarketWatch | Refined Products

Friday, August 22, 2025

Market Commentary

Recap: The oil market on Thursday traded higher, adding to Wednesday's gains amid signs of strong demand in the U.S. following the EIA reporting a larger than expected draw in crude stocks, while uncertainty in the peace talks between Russia and Ukraine also lent support. The market continued on its upward trend in overnight trading and pushed the market to \$63.48 early in the morning. It erased some of its gains and posted a low of \$62.52 by mid-morning, only to retrace those losses following a supportive purchasing managers' survey. S&P Global reported that U.S. business activity increased in August, led by the manufacturing sector that saw the strongest growth in orders in 18 months. The market later breached its early high and posted a high of \$63.67 ahead of the close. The October WTI contract settled up 81 cents at \$63.52 and the October Brent contract settled up 83 cents at \$67.67. The product markets ended the session higher, with the heating oil market settling up 4.55 cents at \$2.3251 and the RB market settling up 3.14 cents at \$2.1597.

Technical Analysis: The crude market will continue to trade within its recent trading range as the market awaits further developments on the talks to end the war in Ukraine as both Russia and Ukraine blame each other for stalling the peace process. The market is seen remaining supported by risk premium returning to the market amid the uncertainty. The market will also await Federal Reserve Chair Jerome Powell's speech on Friday, with Wall Street expecting the Fed Chair to signal an easing in monetary policy next month. The market is seen finding support at \$62.52, \$61.83, \$61.65, \$61.45, \$61.29 followed by \$60.63, \$60.30 and \$59.99. Resistance is seen at \$63.67, \$63.68, \$64.16, \$64.37, \$65.33, \$65.71, \$66.28 and \$66.56.

Fundamental News: The U.S. military said military chiefs from the U.S. and a number of European countries have completed military options on Ukraine and will now present the options to their respective national security advisers. The meetings between the chiefs of defense for the United States, Finland, France, Germany, Italy, United Kingdom and Ukraine took place in Washington, D.C., between Tuesday and Thursday.

Two tankers chartered by Chevron carrying Venezuelan crude reached U.S. waters on Thursday, marking the first U.S. imports from Venezuela following a new license granted by Washington. According to LSEG data and documents, the vessels Mediterranean Voyager and Canopus Voyager loaded Venezuelan Boscan and Hamaca crudes earlier this month after negotiations with PDVSA, which is Chevron's partner in several joint ventures. The tankers plan to discharge at Port Arthur, Texas, and New Orleans, Louisiana. Two other Chevron cargoes that set sail from Venezuela this month are also on their way to the United States.

The Trump administration is expected to rule on a growing backlog of requests from small refiners seeking relief from the nation's biofuel laws as early as Friday, but will delay a decision on whether larger refiners should make up for some of the exempt gallons. The U.S. Environmental Protection Agency is expected to rule on a number of the 195 pending small refinery exemption requests that date back as far as 2016 on Friday. The administration is expected to issue a supplemental rule as early as next week to seek public comment on whether or not they should force larger refiners to make up for the exempted gallons in a process known as reallocation.

According to the EPA, the U.S. generated more renewable blending credits in July than June. About 1.26 billion ethanol (D6) blending credits were generated in July, compared with about 1.25 billion in June. Credits generated from biodiesel (D4) blending increased to 635 million in July from 630 million in the previous month.

BP's 440,000 bpd refinery in Whiting, Indiana, continued to burn materials in the flares after flooding disrupted its operations earlier this week.

Early Market Call - as of 8:55 AM EDT

WTI - Oct \$63.66, up 18 cents

RBOB - Sep \$2.1591, down 48 points

HO - Sep \$2.3176, down 69 points

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Sep-25	2.3251	0.0455	0.0906
Oct-25	2.3197	0.0467	0.0874
Nov-25	2.3003	0.0433	0.0759
Dec-25	2.2762	0.0390	0.0649
Jan-26	2.2670	0.0357	0.0578
Feb-26	2.2552	0.0325	0.0527
Mar-26	2.2323	0.0294	0.0468
Apr-26	2.2045	0.0262	0.0406
May-26	2.1858	0.0225	0.0345
Jun-26	2.1716	0.0191	0.0297
Jul-26	2.1707	0.0173	0.0277
Aug-26	2.1723	0.0163	0.0265
Sep-26	2.1761	0.0158	0.0258
Oct-26	2.1792	0.0152	0.0249
Nov-26	2.1791	0.0146	0.0244
Dec-26	2.1758	0.0141	0.0245
Jan-27	2.1772	0.0135	0.0243

Sprague HeatCurve October 2025-April 2026

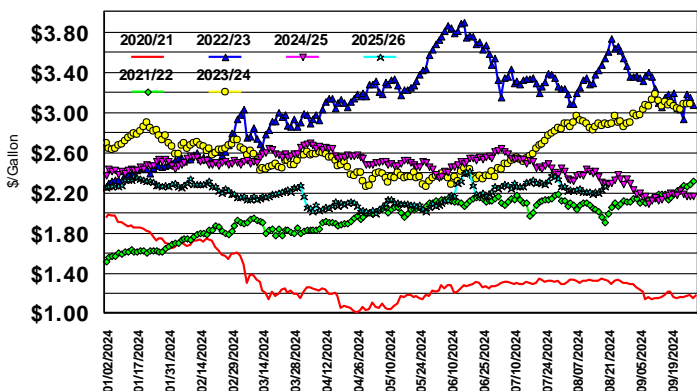
	Close	Change
Crude - WTI	\$63.5200	\$0.8100
Crude - Brent	\$67.6700	\$0.8300
Natural Gas	\$2.8260	\$0.0740
Gasoline	\$2.1597	\$0.0314

EIA Working Gas Storage Report

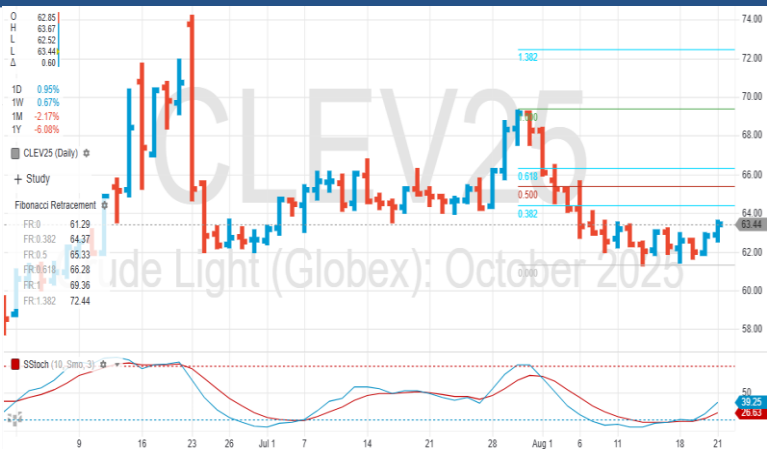
	15-Aug-25	08-Aug-25	Change	15-Aug-24
East	690	677	13	733
Midwest	812	796	16	885
Mountain	255	253	2	263
Pacific	301	305	-4	288
South Central	1141	1154	-13	1,125
Salt	282	295	-13	281
Nonsalt	859	859	0	844
Total	3199	3186	13	3,294

Sprague HeatCurve

Sprague HeatCurve October-April



October WTI



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