



# MarketWatch | Refined Products

Thursday, August 28, 2025

## Market Commentary

**Recap:** The oil market rallied higher on Wednesday in light of the larger than expected draw in oil inventories. The market traded lower in overnight trading as the market focused on the Trump administration's doubling of tariffs on imports from India to as much as 50% beginning at midnight, in response to India's purchases of Russian oil. The market posted a low of \$62.95 before it retraced its losses ahead of the release of the EIA's petroleum stocks report. The market remained well supported by the EIA report, which showed draws across the board, with a draw of 2.4 million barrels in crude stocks. The crude market rallied to a high of \$64.23 ahead of the close. The October WTI contract settled up 90 cents at \$64.15 and the October Brent contract settled up 83 cents at \$68.05. Meanwhile, the product market ended the session higher in light of the draws in heating oil and gasoline stocks, with the heating oil market settled up 1.48 cents at \$2.2953 and the RB market settled up 2.66 cents at \$2.1489.

**Technical Analysis:** The crude market will continue to trade sideways as the market awaits further developments in possible peace talks between Russia and Ukraine. U.S. special envoy Steve Witkoff is expected to meet Ukrainian representatives in New York this week and the U.S. is also in talks with Russia in effort to the war. Also, while there are no signs of disruption in Russian supplies, the uncertainty over whether the U.S. will target the oil flows is deterring traders from taking new positions after the U.S. doubled its tariffs on imports from India. The oil market is seen finding support at \$63.02, \$62.95, \$62.74, followed by \$62.52, \$61.83, \$61.65 and \$61.45. Resistance is seen at \$64.23, \$64.76, \$65.10, \$65.33, \$65.71, \$66.28 and \$66.56.

**Fundamental News:** Iran's Foreign Minister, Abbas Araqchi, said inspectors from the U.N.'s IAEA entered Iran with the consent of Iran's Supreme National Security Council.

Diplomats said Britain, France and Germany are likely to begin the process of reimposing U.N. sanctions on Iran on Thursday, but hope Tehran will provide commitments over its nuclear program within 30 days that will convince them to defer concrete action. Hungary's Foreign Minister, Peter Szijarto, said deliveries of oil to Hungary through the Druzhba pipeline can resume on Thursday in test mode at lower volumes.

Russian state news agency TASS reported that Kazakhstan is holding talks to resume oil transit via the Baku-Tbilisi-Ceyhan pipeline. It was the first time that Kazakhstan had confirmed any disruption to its exports via the BTC, which has been affected by problems with tainted Azerbaijani oil.

IIR Energy reported that U.S. oil refiners are expected to shut in about 318,000 bpd of capacity in the week ending August 29<sup>th</sup>, increasing available refining capacity by 135,000 bpd. Offline capacity is expected to increase to 408,000 bpd in the week ending September 5<sup>th</sup>.

BP's 440,000 bpd refinery in Whiting, Indiana, is back to operating at normal rates after taking multiple units offline due to a severe thunderstorm last week. Operations at the Whiting refinery were affected by a thunderstorm that swept through the region.

Goldman Sachs expects the price of Brent crude futures contracts to decline to the low \$50s a barrel by late 2026 due to an increase in the surplus of oil next year.

### Early Market Call - as of 8:30 AM EDT

WTI - Oct \$64.08, up 22 cents

RB0B - Sep \$2.1412, down 16 points

HO - Sep \$2.2945, up 1.12 cents

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Sep-25	2.2953	0.0148	0.0157
Oct-25	2.2940	0.0168	0.0210
Nov-25	2.2825	0.0172	0.0255
Dec-25	2.2646	0.0181	0.0274
Jan-26	2.2589	0.0173	0.0276
Feb-26	2.2492	0.0164	0.0265
Mar-26	2.2286	0.0154	0.0257
Apr-26	2.2030	0.0142	0.0247
May-26	2.1866	0.0133	0.0233
Jun-26	2.1740	0.0124	0.0215
Jul-26	2.1732	0.0118	0.0198
Aug-26	2.1754	0.0116	0.0194
Sep-26	2.1800	0.0116	0.0197
Oct-26	2.1838	0.0116	0.0198
Nov-26	2.1842	0.0115	0.0197
Dec-26	2.1811	0.0117	0.0194
Jan-27	2.1821	0.0115	0.0184

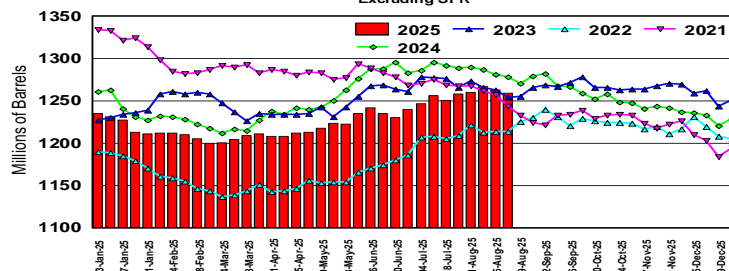
### Sprague HeatCurve October 2025-April 2026

\$2.2537

	Close	Change
Crude - WTI	\$64.1500	\$0.9000
Crude - Brent	\$68.0500	\$0.8300
Natural Gas	\$2.8670	\$0.1500
Gasoline	\$2.1489	\$0.0266

### Total U.S. Oil Stocks

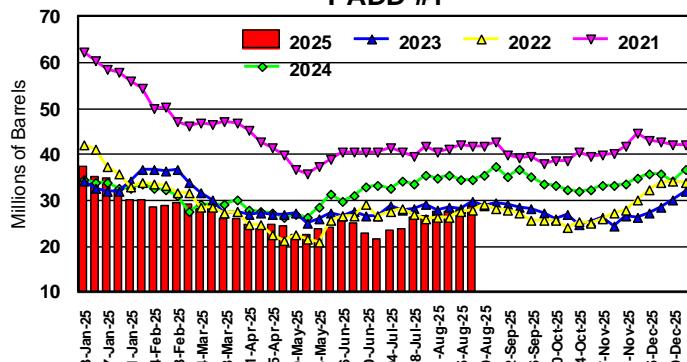
Excluding SPR



## Weekly EIA Petroleum Status Report for the Week Ending August 22, 2025

### Distillate Stocks

PADD #1



### Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 2.392 million barrels

Cushing, OK Crude Stocks Down 838,000 barrels

Gasoline Stocks Down 1.236 million barrels

Distillate Stocks Down 1.786 million barrels

Refinery % Operated 94.6%, down 2%

### PADD #1

	Week Ending Aug 22, 2025	Week Ending Aug 15, 2025	Week Ending Aug 23, 2024
Distillate Stocks (in million bbl)			
New England	3.6	3.4	4.4
Central Atlantic	13.4	13.3	18.6
Total PADD #1	28.9	27.8	34.6
Distillate Imports (thousands b/d)	121	95	183

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