



MarketWatch | Refined Products

Tuesday, August 26, 2025

Market Commentary

Recap: The oil market traded higher on Monday, adding to last week's gains on geopolitical risk. The market traded higher with prospects for a Russia-Ukraine peace looking uncertain and expectations that the U.S. will raise tariffs on India for buying Russian oil. On Monday, U.S. President Donald Trump said there could be consequences if Russian President Vladimir Putin and Ukrainian President Volodymyr Zelenskiy do not meet. The crude market posted a low of \$63.53 in overnight trading before it continued on its upward trend. The market extended its gains to over \$1.40 and retraced almost 50% of its move from a high of \$69.36 to a low of \$61.29 as it rallied to a high of \$65.10 in afternoon trading. The market later gave up some of its gains and traded sideways during the remainder of the session. The October WTI contract settled up \$1.14 at \$64.80 and the October Brent contract settled up \$1.07 at \$68.80. The product markets ended the session mixed territory, with the heating oil market settling up 3.94 cents at \$2.3475 and the RB market settling down 1.02 cents at \$2.1483.

Technical Analysis: The crude market is seen remaining supported by the possibility that the Trump administration will impose more U.S. sanctions amid the lack of progress in peace talks. The market is also focusing on Ukrainian attacks targeting energy infrastructure in Russia that could disrupt supplies. Resistance is seen at \$65.10, \$65.33, \$65.71, \$66.28 and \$66.56. Meanwhile, support is seen at its low of \$63.53, \$63.31, \$62.52, \$61.83, \$61.65, \$61.45 and \$61.29.

Fundamental News: U.S. President Donald Trump said that he has not discussed specific security guarantees for Ukraine but says the U.S. will support the country. The potential security guarantees for Ukraine represent a major obstacle to ending Russia's war in Ukraine.

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

IIR said BP's 440,000 bpd refinery in Whiting, Indiana is expected to be fully operational in the next 24 to 48 hours. The refinery experienced operational issues last week due to flooding caused by a severe thunderstorm.

Motiva reported that its 640,500 bpd Port Arthur, Texas refinery experienced a process incident. It said it resulted in pressure relief valve relieving to flare with emissions in excess of reportable quantity at the refinery.

Hungarian Prime Minister Viktor Orban's chief of staff called on Ukraine to end its attacks on energy supply routes for Hungary and Slovakia, after a recent suspension of oil supplies via the Druzhba pipeline. Hungary's MOL said that without the Druzhba pipeline, central Europe might face a fuel shortage in the short term, which might lead to an increase in fuel prices. Meanwhile, Slovak Economy Minister Denisa Sakova said oil flows may resume as soon as today under the best-case scenario. On Friday, Hungary and Slovakia said that oil supplies via the Druzhba pipeline could be suspended for at least five days following the latest Ukrainian attack on a facility in Russia.

Kazakhstan's Energy Ministry said the country's oil exports via the Russian port of Ust-Luga were continuing and were not interrupted by Ukrainian drone attacks on the key terminal.

Early Market Call - as of 8:30 AM EDT

WTI - Oct \$63.69, down \$1.06

RBOB - Sep \$2.1260, down 2.66 cents

HO - Sep \$2.3145, down 3.5 cents

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Sep-25	2.3475	0.0394	0.1072
Oct-25	2.3427	0.0387	0.1056
Nov-25	2.3269	0.0389	0.0996
Dec-25	2.3047	0.0371	0.0918
Jan-26	2.2972	0.0366	0.0874
Feb-26	2.2854	0.0353	0.0826
Mar-26	2.2627	0.0340	0.0773
Apr-26	2.2352	0.0326	0.0716
May-26	2.2167	0.0312	0.0653
Jun-26	2.2020	0.0296	0.0595
Jul-26	2.2002	0.0289	0.0558
Aug-26	2.2012	0.0285	0.0532
Sep-26	2.2044	0.0280	0.0513
Oct-26	2.2075	0.0277	0.0493
Nov-26	2.2076	0.0278	0.0476
Dec-26	2.2043	0.0276	0.0461
Jan-27	2.2050	0.0270	0.0441

Sprague HeatCurve October 2025-April 2026

	Close	Change
Crude - WTI	\$64.8000	\$1.1400
Crude - Brent	\$68.8000	\$1.0700
Natural Gas	\$2.6960	-\$0.0020
Gasoline	\$2.1483	-\$0.0102

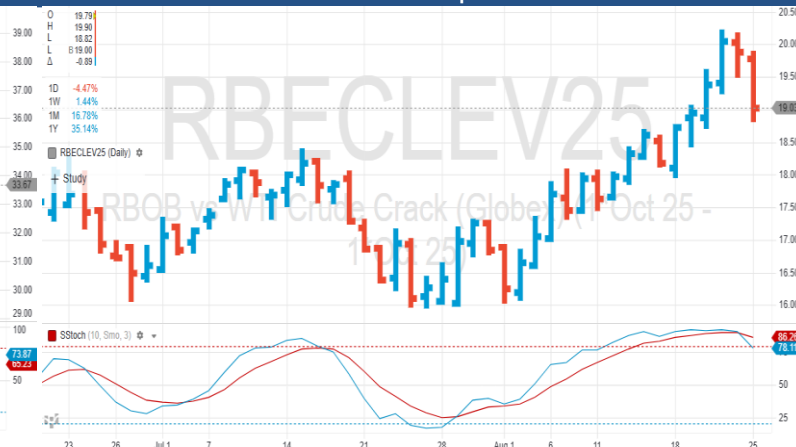
ICE October Brent-WTI Spread



October Heating Oil Crack Spread



October RBOB Crack Spread



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