



MarketWatch | Refined Products

Wednesday, September 3, 2025

Market Commentary

Recap: The crude market posted an outside trading day on Tuesday following the long U.S. Labor Day holiday and ended the session sharply higher after the U.S. imposed sanctions targeting Iran's oil revenue stream and ahead of the OPEC+ meeting on Sunday. The market posted a low of \$63.66 during Monday's shortened trading session. However, the market bounced off its low and rallied to a high of \$66.03 early Tuesday morning. The market was well supported by expectations that OPEC+ producers will not unwind the remaining voluntary cuts at its meeting on Sunday. The market also remained supported by the geopolitical concerns over the lack in progress in ending the war in Ukraine. Ukrainian drone attacks have shut down facilities accounting for about 17% of Russia's oil processing capacity or 1.1 million bpd. The oil market erased some of its losses only to trade back towards its high on the news that the U.S. sanctioned a network of shipping companies and vessels for smuggling Iranian crude disguised as Iraqi oil. The October WTI contract settled in a sideways trading range ahead of the close and ended the session up \$1.58 at \$65.59. The November Brent contract settled up 99 cents at \$69.14. The product markets ended the session higher, with the heating oil market settling up 10.46 cents at \$2.3744 and the RB market settling up 7.39 cents at \$2.0428.

Technical Analysis: The oil market is seen remaining supported ahead of the OPEC+ meeting on Sunday and by the sanction targeting Iran's oil revenue stream as well as the continuing war in Ukraine and its impact on Russia's crude supply amid the threats of sanctions. U.S. President Donald Trump on Tuesday said he was disappointed in Russian President Vladimir Putin and added that the administration was planning to take some action to bring down deaths in Russia's war in Ukraine. The market will also look for further direction from the weekly petroleum stocks reports, which are scheduled to be released on Wednesday afternoon and Thursday morning due to the holiday. The crude market is seen finding resistance at \$66.03, \$66.56 and \$68.46. Meanwhile, support is seen at \$64.22, \$63.66, \$63.56, \$63.35, \$63.10 and \$62.95.

Fundamental News: Russian President Vladimir Putin said that Moscow had never opposed Ukraine's potential membership of the European Union and that he thought it was possible to find a consensus on ensuring the security of both Russia and Ukraine.

The U.S. Treasury Department on Tuesday sanctioned a network of shipping companies and vessels led by an Iraqi-Kittitian businessman for smuggling Iranian oil disguised as Iraqi oil.

A senior Iranian official said the path to nuclear negotiations between Iran and the United States is not closed but added that U.S. demands for curbs on Iranian missiles are obstructing prospects for talks.

Yemen's Iran-aligned Houthis said that they had attacked a ship in the northern Red Sea with two drones and a missile over its connection to Israel.

Saudi Aramco and Iraq's state oil company SOMO have stopped selling crude oil to India's Nayara Energy in the aftermath of sanctions imposed in July by the European Union on the Russian-backed refiner. According to sources and LSEG shipping data, the halt of supply from the two Gulf exporters means Nayara, majority-owned by Russian entities including oil major Rosneft, relied entirely on Russia for its crude oil imports in August.

Citgo's 175,500 bpd Corpus Christi refinery and Phillips 66's 159,668 bpd Borger refinery reported operational issues late last week. In an environmental regulatory filing, Citgo said the fluid catalytic cracking unit No. 2 at the refinery's East Plant experienced a sudden unplanned shutdown due to the loss of a control valve on Thursday. Citgo said the refinery's electrostatic precipitators were turned off as part of the safety shutdown protocol, resulting in flaring and carbon monoxide emission for about an hour. Citgo also said that refinery workers responded to stabilize refinery process units. On Sunday, Phillips 66 reported an emissions event of more than four hours at its Borger refinery in the Texas Panhandle.

Early Market Call - as of 9:00 AM EDT

WTI - Oct \$64.40, down \$1.22

RBOb - Oct \$2.0144, down 2.75 cents

HO - Oct \$2.3650, down 66 points

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-25	2.3744	0.1046	0.0972
Nov-25	2.3609	0.0996	0.0956
Dec-25	2.3369	0.0916	0.0904
Jan-26	2.3260	0.0860	0.0844
Feb-26	2.3128	0.0814	0.0800
Mar-26	2.2895	0.0781	0.0763
Apr-26	2.2616	0.0755	0.0728
May-26	2.2416	0.0709	0.0683
Jun-26	2.2260	0.0666	0.0644
Jul-26	2.2232	0.0632	0.0618
Aug-26	2.2239	0.0607	0.0601
Sep-26	2.2272	0.0591	0.0588
Oct-26	2.2303	0.0579	0.0581
Nov-26	2.2297	0.0571	0.0570
Dec-26	2.2260	0.0567	0.0566
Jan-27	2.2269	0.0564	0.0563
Feb-27	2.2241	0.0562	0.0555

Sprague HeatCurve October 2025-April 2026

\$2.3217

	Close	Change
Crude - WTI	\$65.5900	\$1.5800
Crude - Brent	\$69.1400	\$0.9900
Natural Gas	\$3.0090	\$0.0120
Gasoline	\$2.0428	\$0.0739

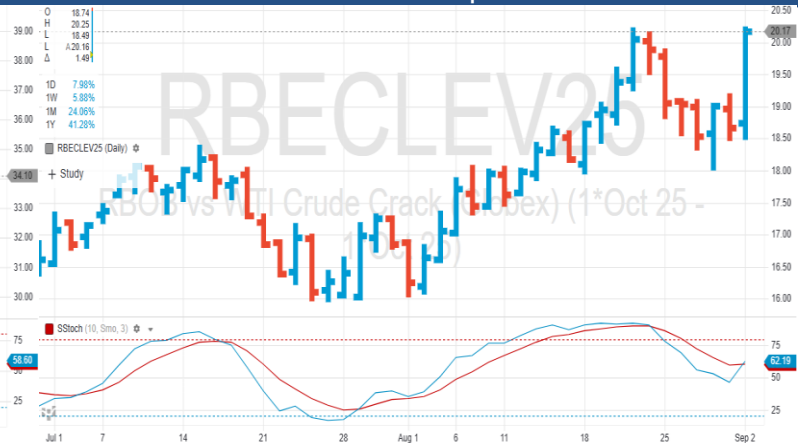
ICE October Brent-WTI Spread



October Heating Oil Crack Spread



October RBOB Crack Spread



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