

Market Commentary

Recap: The crude market on Friday continued to trend lower for a third consecutive session on increased expectations of higher supply and an unexpected increase in U.S. crude inventories added to demand concerns. The market posted a high of \$63.49 early on Friday morning. However, the market remained pressured by the expectations that OPEC+ will consider increasing production at their meeting on Sunday. The market sold off sharply following reports that Saudi Arabia wants OPEC+ to consider increasing oil production ahead of its scheduled return at the end of next year. It seems OPEC+ is considering unwinding the final portion of halted supply sooner rather than later. The oil market sold off to a low of \$61.45 in afternoon trading. The market later retraced some of its losses and settled in a sideways trading range. The October WTI contract settled down \$1.61 at \$61.87 and the November Brent contract settled down \$1.49 at \$65.50. The product markets ended the session lower, with the heating oil market settling down 4.37 cents at \$2.2870 and the RB market settling down 4.53 cents at \$1.9642.

Technical Analysis: The oil market on Monday will be driven by the outcome of the OPEC+ meeting on Sunday. The market may test the \$60 level if the oil production group decided to unwind its previous output cuts. The market is seen finding initial support at its low of \$61.45, \$60.63, \$60.30, \$59.99. More distant support is seen at \$58.66 and \$57.71. Resistance is seen at \$63.49, \$63.84, \$64.20, \$65.72 and \$66.03.

Fundamental News: According to Bloomberg, Saudi Arabia wants OPEC+ to consider reviving more oil production ahead of its scheduled return at the end of next year to reclaim market share. OPEC+ members will hold a video conference on Sunday that will consider what to do with a 1.66 million bpd tranche of halted supplies. Bloomberg reported that a decision by OPEC+ to increase its output despite warnings of an impending global surplus could signal that OPEC+ is pursuing market share, instead of managing supplies to defend prices. If the cartel approves extra shipments, it could increase the oversupply that traders anticipate in the fourth quarter and send prices lower. The output increase would give OPEC+ the opportunity to recalculate longstanding baselines and quotas. Also, by increasing output now, when demand can just about absorb it, the organization would be better placed for cutting back its output if the market deteriorates as predicted in 2026.

European Union Energy Commissioner, Dan Jorgensen, said the European Union would welcome U.S. President Donald Trump's support for its plans to stop buying Russian oil. The European Union is negotiating legal proposals to phase out EU imports of Russian oil and gas by January 1, 2028, as it seeks to sever energy ties with Moscow. A White House official said U.S. President Donald Trump told European leaders in a call on Thursday that Europe must stop buying Russian oil.

Baker Hughes reported that U.S. oil refiners this week added oil and natural gas rigs for the first time in seven weeks. The oil and gas rig count increased by one to 537 in the week ending September 5th. Baker Hughes said oil rigs increased by two to 414 this week, while gas rigs fell by one to 118.

IIR Energy said U.S. oil refiners are expected to shut in about 431,000 bpd of capacity in the week ending September 5th, cutting available refining capacity by 113,000 bpd.

U.S. job growth weakened sharply in August while the unemployment rate increased to 4.3% from 4.2% in July, confirming that labor market conditions were softening and sealing the case for an interest rate cut from the Federal Reserve this month. The Labor Department's Bureau of Labor Statistics said nonfarm payrolls increased by only 22,000 jobs in August after increasing by an upwardly revised 79,000 in July. Economists had forecast payrolls rising by 75,000 positions after a previously reported 73,000 gain in July.

Early Market Call - as of 8:45 AM EDT

WTI - Oct \$63.10, up \$1.13

RBOB - Oct \$1.9952, up 2.73 cents

HO - Oct \$2.3332, up 4.28 cents

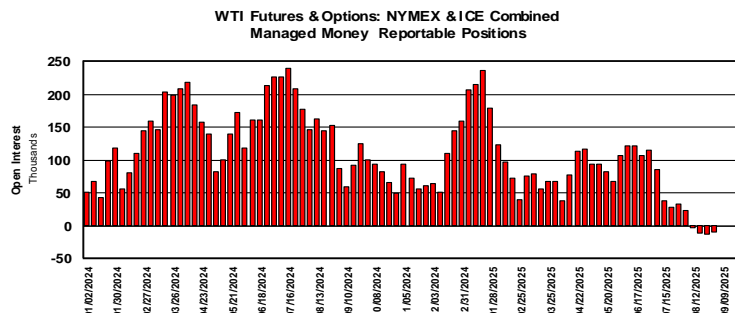
All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-25	2.2870	-0.0437	0.0172
Nov-25	2.2772	-0.0430	0.0159
Dec-25	2.2541	-0.0407	0.0088
Jan-26	2.2444	-0.0386	0.0044
Feb-26	2.2330	-0.0370	0.0016
Mar-26	2.2092	-0.0358	-0.0022
Apr-26	2.1804	-0.0348	-0.0057
May-26	2.1612	-0.0330	-0.0095
Jun-26	2.1473	-0.0313	-0.0121
Jul-26	2.1459	-0.0298	-0.0141
Aug-26	2.1478	-0.0287	-0.0154
Sep-26	2.1528	-0.0274	-0.0153
Oct-26	2.1580	-0.0264	-0.0144
Nov-26	2.1593	-0.0255	-0.0133
Dec-26	2.1575	-0.0245	-0.0118
Jan-27	2.1596	-0.0243	-0.0109
Feb-27	2.1581	-0.0238	-0.0098

Sprague HeatCurve October 2025-April 2026

\$2.2398

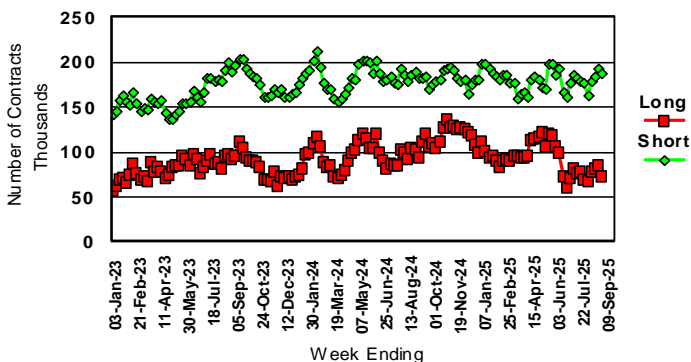
		Close	Change
Crude - WTI	Nov Brent- WTI Spread	\$61.4600	-\$1.5700
Crude - Brent		\$65.5000	-\$1.4900
Natural Gas	\$4.04	\$3.0480	-\$0.0260
Gasoline		\$1.9642	-\$0.0453



Commitment of Traders Report for the Week Ending September 2, 2025

Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

