



MarketWatch | Refined Products

Wednesday, September 10, 2025

Market Commentary

Recap: The oil market on Tuesday traded higher in light of the news that the Israeli military carried out an attack on Hamas leadership in Qatar's capital Doha. The market, which posted a low of \$62.37, retraced some more of Monday morning's losses as the market was supported by the modest OPEC+ output increase, expectations that China will continue stockpiling oil and concerns over potential new sanctions against Russia. It was further supported and rallied to a high of \$63.67 by mid-day following the news of Israel expanding its military campaign. The attack on Hamas leadership in Qatar came hours after Israel said it was about to obliterate Gaza City. However, the crude market later gave up some of its gains and settled in a sideways trading range. The October WTI contract settled up 37 cents at \$62.63 the November Brent contract settled up 37 cents at \$66.39. The product market also ended the session higher, with the heating oil market settling up 80 points at \$2.3199 and the RB market settling up 3.39 cents at \$1.9925.

Technical Analysis: The crude market will remain supported by the escalation in Israel's military campaign across the Middle East. Iran, the United Arab Emirates, Turkey and Saudi Arabia, were among countries that condemned the attack in Qatar. The market, which will also remain supported by the OPEC+ output increase, will look to the weekly petroleum stocks reports for further direction, with draws expected in crude and products stocks. The crude market is seen finding support at its low of \$62.37, \$61.85 and \$61.45. More distant support is seen at \$61.29, \$60.63, \$60.30 and \$59.99. Meanwhile, resistance is seen at \$63.67, \$63.74, \$63.84, \$64.28 and \$64.51.

Fundamental News: The U.S. EIA said in its Short-Term Energy Outlook report that global oil prices are set to fall significantly in the months ahead as rising OPEC+ production will lead to large oil inventory builds. The EIA said oil inventories will increase at an average of about 2.1 million bpd through the second-half of 2025 and remain elevated through next year. For the full year, Brent crude prices are expected to average \$67.80/barrel, while WTI crude futures are expected to average \$64.16/barrel. Global crude oil and liquid fuels output is expected to average 105.5 million bpd this year, up 100,000 bpd from its previous forecast. Consumption is expected to average 103.8 million bpd this year, up 100,000 bpd over the previous forecasts. U.S. crude oil output is now expected to average a record 13.44 million bpd this year, up from the previous forecast of 13.41 million bpd. Gasoline consumption in the U.S. will increase next year to average 8.93 million bpd due to a combination of lower fuel prices and revisions to official data that increased the number of people of working-age in the country. Gasoline demand this year is expected to fall nearly 1% on the year to an average 8.9 million bpd.

Iran's Foreign Ministry spokesperson, Esmaeli Baghaei, said Iran and the U.N.'s IAEA have reached an understanding on how "to interact in the new situation" following U.S. and Israeli attacks on the country's nuclear sites.

Platts reported that according to data from Ursa Space, the Chinese SPR was estimated to currently hold about 2213.19 million barrels in August, a nearly 1 million barrel increase from July levels. Total Chinese crude inventories reached a new high in August of 1.23 billion barrels.

Valero notified local regulators it has begun maintenance work at its 85,000 b/d Wilmington, California refinery this week. The work is expected to last until the end of the month.

Bloomberg reported that California legislators are considering giving Valero Energy Corp hundreds of millions of dollars to cover refinery maintenance costs in a bid to prevent the closure of a San Francisco-area fuel plant. Under such a deal, the state would pay Valero to continue operating its Benicia refinery. The plant is scheduled to close by April.

Early Market Call - as of 8:55 AM EDT

WTI - Oct \$63.19, up 42 cents

RB0B - Oct \$1.9966, up 23 points

HO - Oct \$2.3204, down 39 points

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-25	\$2.3199	\$0.0080	-\$0.0545
Nov-25	\$2.3101	\$0.0109	-\$0.0508
Dec-25	\$2.2863	\$0.0132	-\$0.0506
Jan-26	\$2.2760	\$0.0134	-\$0.0500
Feb-26	\$2.2650	\$0.0140	-\$0.0478
Mar-26	\$2.2407	\$0.0141	-\$0.0488
Apr-26	\$2.2115	\$0.0146	-\$0.0501
May-26	\$2.1924	\$0.0147	-\$0.0492
Jun-26	\$2.1782	\$0.0140	-\$0.0478
Jul-26	\$2.1766	\$0.0132	-\$0.0466
Aug-26	\$2.1784	\$0.0127	-\$0.0455
Sep-26	\$2.1837	\$0.0126	-\$0.0435
Oct-26	\$2.1889	\$0.0122	-\$0.0414
Nov-26	\$2.1898	\$0.0117	-\$0.0399
Dec-26	\$2.1877	\$0.0116	-\$0.0383
Jan-27	\$2.1898	\$0.0115	-\$0.0371
Feb-27	\$2.1883	\$0.0115	-\$0.0358

Sprague HeatCurve October 2025-April 2026

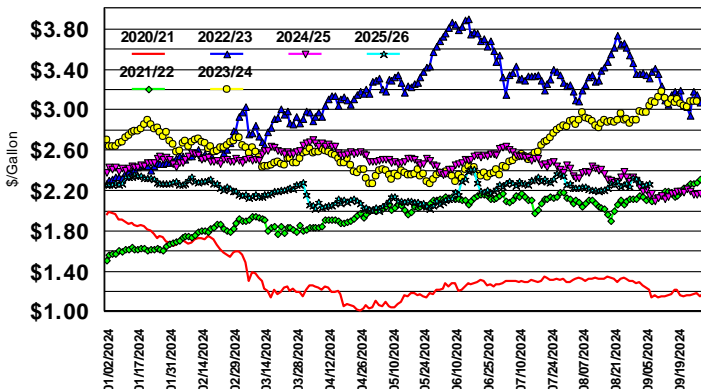
	Close	Change
Crude - WTI	\$62.2900	\$0.4200
Crude - Brent	\$66.3900	\$0.3700
Natural Gas	\$3.1170	\$0.0270
Gasoline	\$1.9925	\$0.0039

API Report for the Week Ending September 5, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Up 1.25 million barrels	Down 1.1 million barrels
Gasoline Stocks	Up 329,000 barrels	Down 1.5 million barrels
Distillate Stocks	Up 1.5 million barrels	Down 100,000 barrels
Refinery Runs		Down 0.8% at 93.5%

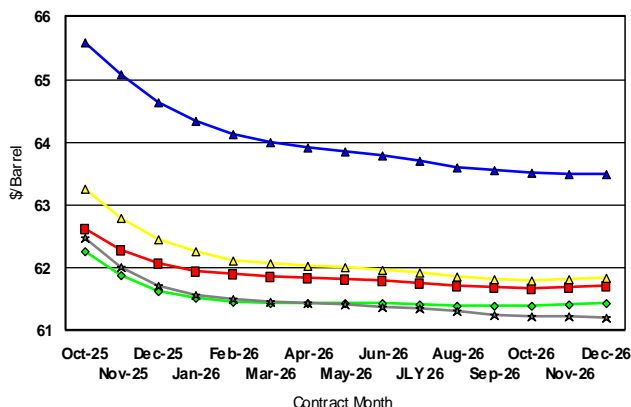
Sprague HeatCurve October-April

Sprague HeatCurve October-April



WTI Forward Curve

NYMEX WTI Forward Curve



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