



# MarketWatch | Refined Products

Friday, September 12, 2025

## Market Commentary

**Recap:** The crude oil market traded lower on Thursday on concerns over weaker U.S. demand and an oversupply that offset concerns over the geopolitical tensions in the Middle East and the war in Ukraine. The oil market on Wednesday gained more than \$1 amid the news of Israel attacking Hamas leadership in Qatar on Tuesday and the mobilization of Polish and NATO air defenses to shoot down suspected Russian drones that flew into Poland's airspace during an attack on western Ukraine. However, the market sold off on Thursday after the IEA estimated that world oil supply will increase more rapidly than previously expected this year as OPEC+ members increase their output and output from outside the group increases, with limited increase in demand. The market opened at its high of \$63.80 and gradually sold off to \$62.28, where it held some support before further selling pushed the market to a low of \$62.24 ahead of the close. The October WTI contract settled down \$1.30 at \$62.37 and the November Brent contract settled down \$1.12 at \$66.37. The product markets also ended the session lower, with the heating oil market settling down 5.18 cents at \$2.2819 and the RB market settling down 2.87 cents at \$1.9793.

**Technical Analysis:** The oil market on Friday is seen trading sideways after the market erased the gains posted earlier this week as it weighs worries of an oversupply against concerns over geopolitical tensions. The market is seen finding support at its low of \$62.24, \$61.85, \$61.45 and \$61.29. Meanwhile, resistance is seen at its high of \$63.80, \$64.08, \$64.28, \$64.72 followed by \$65.72 and \$66.03.

**Fundamental News:** The International Energy Agency said world oil supply will increase more rapidly than expected this year as OPEC+ members increase output further and supply from outside the group grows and implied that a surplus could grow in 2026. The IEA said supply will increase by 2.7 million bpd in 2025, up from a previous forecast of 2.5 million bpd and by a further 2.1 million bpd next year. Supply is rising far faster than demand in the IEA's view, even though it upwardly revised its forecast for growth in world demand this year to 740,000 bpd, up 60,000 bpd from the previous forecast, citing resilient deliveries in advanced economies. The IEA said "Oil markets are being pulled in different directions by a range of forces, with the potential for supply losses stemming from new sanctions on Russia and Iran coming against a backdrop of higher OPEC+ supply and the prospect of increasingly bloated oil balances." The IEA has been saying the world market looks oversupplied and its latest report implied that supply may exceed demand by about 3.3 million bpd next year, driven by growth from outside the wider OPEC+ group and a limited expansion in demand. The IEA estimates that the net increase from September to October in OPEC+ oil output will be 40,000 bpd, less than the 137,000 bpd quota increase due to capacity limits in some countries.

In its monthly report, OPEC made no changes to its relatively high global oil demand growth forecasts for this year and next, and said the world economy was maintaining a solid growth trend in the second half of this year. The upbeat OPEC outlook follows the decision of the wider OPEC+ producer group on Sunday to further increase its oil output quotas from October as Saudi Arabia pushes to regain market share. OPEC maintained its global oil demand growth unchanged at 1.29 million bpd for 2025 and 1.38 million bpd for 2026. OPEC's report also showed that in August OPEC+ raised its crude output by 509,000 bpd to 42.4 million bpd, reflecting its earlier decisions to increase its output quotas.

Source stated that Saudi Aramco has asked Asian buyers to lift more crude in October after the country made larger than expected price cuts for all grades amid growing supply. The sources said Saudi Aramco spoke to Asian buyers on the sidelines of this week's APPEC conference in Singapore, urging them to lift more crude in October. This has partly led to a delay in the allocation of October supply to its customers until possibly next week.

**Early Market Call - as of 8:50 AM EDT**

WTI - Oct \$63.61, up \$1.37

RBOB - Oct \$2.0076, up 3.54 cents

HO - Oct \$2.3264, up 4.78 cents

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-25	2.2819	-0.0518	-0.0488
Nov-25	2.2770	-0.0493	-0.0432
Dec-25	2.2573	-0.0458	-0.0375
Jan-26	2.2488	-0.0442	-0.0342
Feb-26	2.2400	-0.0424	-0.0300
Mar-26	2.2187	-0.0401	-0.0263
Apr-26	2.1921	-0.0379	-0.0231
May-26	2.1744	-0.0360	-0.0198
Jun-26	2.1618	-0.0341	-0.0168
Jul-26	2.1614	-0.0324	-0.0143
Aug-26	2.1641	-0.0312	-0.0124
Sep-26	2.1697	-0.0302	-0.0105
Oct-26	2.1751	-0.0296	-0.0093
Nov-26	2.1761	-0.0292	-0.0087
Dec-26	2.1738	-0.0290	-0.0082
Jan-27	2.1759	-0.0284	-0.0080
Feb-27	2.1744	-0.0279	-0.0075

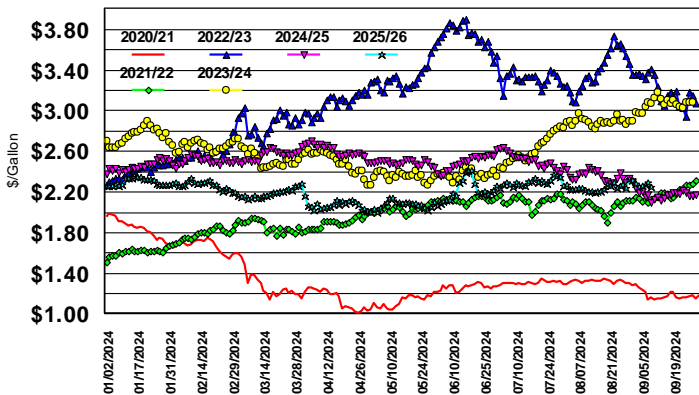
Sprague HeatCurve October 2025-April 2026			\$2.2447
		Close	Change
Crude - WTI	Nov Brent- WTI Spread \$4.29	\$62.0800	-\$1.2700
Crude - Brent		\$66.3700	-\$1.1200
Natural Gas		\$2.9340	-\$0.0950
Gasoline		\$1.9793	-\$0.0287

## EIA Working Gas Storage Report

	05-Sep-25	29-Aug-25	Change	05-Sep-24
East	757	735	22	777
Midwest	890	860	30	946
Mountain	257	254	3	273
Pacific	293	294	-1	286
South Central	1145	1129	16	1,099
Salt	282	273	9	266
Nonsalt	863	856	7	833
Total	3343	3272	71	3,381

## Sprague HeatCurve

### Sprague HeatCurve October-April



## October WTI



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