

Market Commentary

Recap: The oil market posted an inside trade day on Wednesday as the market continued to assess the risk to Russian oil supplies following the Ukrainian drone attacks on its energy infrastructure. The market posted a high of \$64.67 on the opening before it erased some of its gains and traded below the \$64.00 level. However, the market retraced its earlier losses as the market remained supported by concerns over Russia's oil supply ahead of the release of the EIA's petroleum stocks report. In a yo-yo manner, the market traded back towards its high as the EIA report showed a larger than expected draw in crude stocks of over 9.2 million barrels, only to give up some of its gains on a larger than expected build in distillates stocks. The market remained pressured ahead of the close after the Fed announced an expected 25 basis point interest rate cut ahead of the close. The October WTI contract sold off to a low of \$63.69 and settled down 47 cents at \$64.05, while the November Brent contract settled down 52 cents at \$67.95. The product markets ended the session in negative territory, with the heating oil market settling down 3.87 cents at \$2.3548 and the RB market settling down 1.29 cents at \$2.0287.

Technical Analysis: The crude oil market will remain in its recent trading range from \$61.45 to \$66.00 as the market continues to weigh the large crude oil stock draw against risks to Russia crude supply and the continuing geopolitical tensions, with Saudi Arabia condemning Israel's ground operations in Gaza City and as Iran and Europe failed to make progress in talks aimed at averting international sanctions on Iran over its nuclear program being imposed again at the end of the month. The oil market is seen finding resistance at \$64.67, \$64.76, \$65.69, \$65.72 and \$66.03. Meanwhile, support is seen at \$63.69, \$62.89, \$62.52, \$61.69 and \$61.45.

Fundamental News: Bloomberg reported that U.S. President Donald Trump said he spoke to India's Prime Minister Narendra Modi, a move that could ease tensions between the two countries amid a fight over tariffs and India's purchases of Russian oil.

Saudi Arabia's Foreign Ministry condemned "in the strongest terms" the Israeli ground operation in Gaza City, a day after Israel unleashed a long-threatened ground assault on the enclave.

The U.S. Department of State said the United States is designating four Iran-aligned militia groups as foreign terrorist organizations.

Two European and one Iranian diplomat said Iranian Foreign Minister Abbas Araqchi and the British, French and German Foreign Ministers made little progress in talks on Wednesday aimed at averting international sanctions on Tehran over its nuclear program being reimposed at the end of this month.

IIR Energy reported that U.S. oil refiners are expected to shut in about 787,000 bpd of capacity in the week ending September 19th, cutting available refining capacity by 190,000 bpd. Offline capacity is expected to increase to about 1 million bpd in the week ending September 26th.

Federal Reserve Chair Jerome Powell said the Federal Reserve is in a "meeting-by-meeting situation" regarding the outlook for interest rates. The Fed Chair said that some of the more dire inflationary scenarios facing the economy have faded. He said tariffs are pushing up price pressures, but it increasingly looks like it will be "a one time price increase, as opposed to creating an inflationary process."

The Federal Reserve cut interest rates by a quarter of a percentage point on Wednesday and indicated it will steadily lower borrowing costs for the rest of this year, as policymakers responded to concerns about weakness in the job market in a move that won support from most of President Donald Trump's central bank appointees.

Early Market Call - as of 8:45 AM EDT

WTI - Oct \$64.37, up 40 cents

RBOB - Oct \$2.0274, up 35 points

HO - Oct \$2.3613, up 1.12 cents

All NYMEX | Prior Settlements

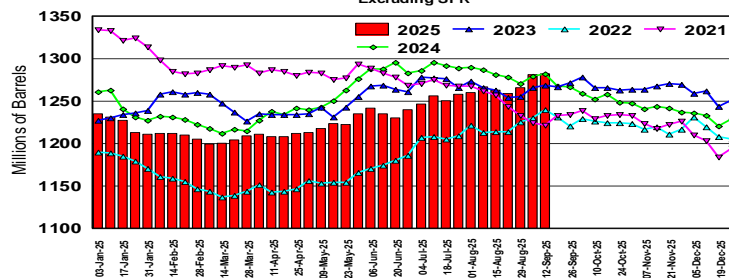
	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-25	2.3548	-0.0387	0.0211
Nov-25	2.3487	-0.0364	0.0224
Dec-25	2.3266	-0.0308	0.0235
Jan-26	2.3149	-0.0287	0.0219
Feb-26	2.3028	-0.0264	0.0204
Mar-26	2.2763	-0.0251	0.0175
Apr-26	2.2437	-0.0241	0.0137
May-26	2.2217	-0.0227	0.0113
Jun-26	2.2058	-0.0216	0.0099
Jul-26	2.2032	-0.0206	0.0094
Aug-26	2.2037	-0.0199	0.0084
Sep-26	2.2072	-0.0193	0.0073
Oct-26	2.2108	-0.0190	0.0061
Nov-26	2.2108	-0.0183	0.0055
Dec-26	2.2102	-0.0152	0.0074
Jan-27	2.2066	-0.0195	0.0023
Feb-27	2.2077	-0.0158	0.0054

Sprague HeatCurve October 2025-April 2026 \$2.3092

	Close	Change
Crude - WTI	\$63.7000	-\$0.4600
Crude - Brent	\$67.9500	-\$0.5200
Natural Gas	\$3.1000	-\$0.0030
Gasoline	\$2.0287	-\$0.0129

Total U.S. Oil Stocks

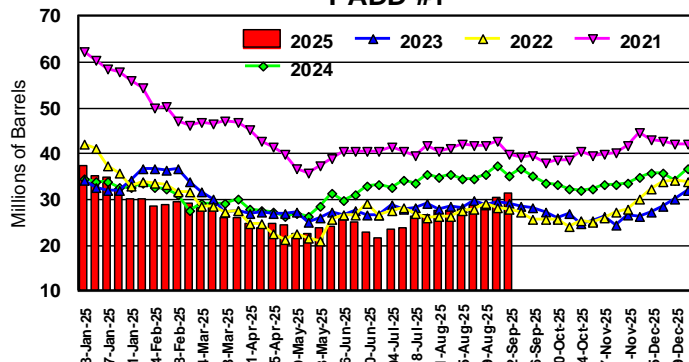
Excluding SPR



Weekly EIA Petroleum Status Report for the Week Ending September 12, 2025

Distillate Stocks

PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 9.285 million barrels

Cushing, OK Crude Stocks Down 296,000 barrels

Gasoline Stocks Down 2.347 million barrels

Distillate Stocks Up 4.046 million barrels

Refinery % Operated 93.3%, down 1.6%

PADD #1

	Week Ending Sep 12, 2025	Week Ending Sep 5, 2025	Week Ending Sep 13, 2024
Distillate Stocks (in million bbl)			
New England	4.1	3.9	5.2
Central Atlantic	14.8	14.6	18.2
Total PADD #1	31.3	30.3	35.2
Distillate Imports (thousands b/d)	60	134	97