



# MarketWatch | Refined Products

Tuesday, October 7, 2025

## Market Commentary

**Recap:** The oil market traded higher on Monday following OPEC+ decision to increase its output for November by a more modest amount than expected, offsetting concerns about increased supply. It continued to trade within Thursday's trading range as its gains were limited by soft outlook for demand. On Sunday, OPEC+ said it would raise its output in November by 137,000 bpd, matching October's level amid concerns of an oversupply. The market traded higher amid the expectations that the actual amount of oil in the market is less than what they announced, given that some of the OPEC+ members are already producing at capacity. The crude market opened higher and rallied to a high of \$62.12 before it sold off to a low of \$61.04 in early morning trading. The market later bounced off its low and traded in an 80 cent trading range from \$61.20 to \$62.00 during the remainder of the session. The November WTI contract settled up 81 cents at \$61.69 and December Brent contract settled up 94 cents at \$65.47. The product markets ended the session higher with the heating oil market settling up 80 points at \$2.2443 and the RB market settling up 4.11 cents at \$1.9016.

**Technical Analysis:** The crude market will continue to trade sideways as the market's gains due to the OPEC+ decision, remains limited by concerns over demand. The market will also look to the developments on the indirect Israeli and Hamas talks to end the conflict in Gaza. The oil market is seen finding resistance at its high of \$62.12, \$62.54, \$62.70, \$62.89, \$63.26, \$63.41 and \$64.12. More distant resistance is seen at \$65.40 and \$66.42. Meanwhile, support is seen at \$61.04, \$60.55, \$60.40, \$60.29, \$59.98, \$59.70 and \$58.49.

**Fundamental News:** On Sunday, OPEC+ said it will raise oil output from November by 137,000 bpd, opting for the same fairly modest monthly increase as in October amid persistent worries over a looming supply glut. OPEC+ has increased its oil output targets by more than 2.7 million bpd this year, equating to about 2.5% of global demand. The shift in policy after years of cuts is designed to regain market share from rivals such as U.S. shale producers. In the run-up to the meeting, Russia and Saudi Arabia had different views. Russia was advocating for a modest output increase, the same as in October, to avoid pressuring oil prices and because it would struggle to increase its output owing to sanctions over its war in Ukraine. Saudi Arabia would have preferred double, triple or even quadruple that figure to 274,000 bpd, 411,000 bpd or 548,000 bpd, respectively because it has spare capacity and wants to regain market share more quickly. The eight producers will meet again on November 2<sup>nd</sup>.

Delegations from Israel and Hamas began indirect negotiations in Egypt on Monday that the U.S. hopes will bring a halt to the war in Gaza, facing contentious issues such as demands that Israel pull out of the enclave and Hamas to disarm. Israel and Hamas have both endorsed the overall principles behind President Donald Trump's plan, under which fighting would cease, hostages would be freed and aid would flow into Gaza. The plan also has the backing of Arab and Western states. President Trump has called for negotiations to take place swiftly towards a final deal.

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.7 million bpd of capacity in the week ending October 10<sup>th</sup>, cutting available refining capacity by 226,000 bpd. Offline capacity is expected to increase to about 1.2 million bpd in the week ending October 17<sup>th</sup>.

Chevron Corp reported emergency flaring at its 285,000 bpd El Segundo, California refinery. It said the refinery personnel continue to respond to a fire incident that occurred in the refinery on Friday, with the fire now fully extinguished.

### Early Market Call - as of 8:30 AM EDT

WTI - Nov \$61.54, down 18 cents

RBOB - Nov \$1.8918, down 72 points

HO - Nov \$2.2581, up 65 points

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Nov-25	2.2443	0.0080	-0.1044
Dec-25	2.2351	0.0104	-0.0888
Jan-26	2.2308	0.0132	-0.0759
Feb-26	2.224	0.0155	-0.0683
Mar-26	2.2047	0.0174	-0.0617
Apr-26	2.1801	0.0192	-0.0544
May-26	2.1643	0.0200	-0.0492
Jun-26	2.1547	0.0206	-0.0443
Jul-26	2.1562	0.0213	-0.0406
Aug-26	2.1598	0.0219	-0.0376
Sep-26	2.1654	0.0223	-0.0352
Oct-26	2.171	0.0224	-0.0330
Nov-26	2.1733	0.0226	-0.0303
Dec-26	2.1731	0.0231	-0.0278
Jan-27	2.177	0.0231	-0.0252
Feb-27	2.1771	0.0232	-0.0229
Mar-27	2.1713	0.0230	-0.0214

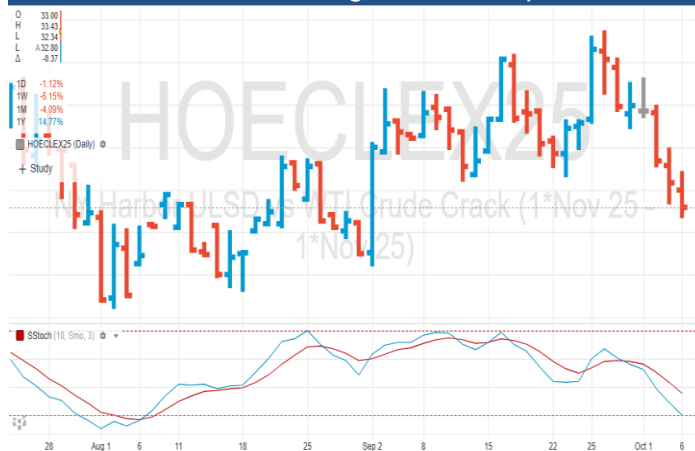
### Sprague HeatCurve October 2026-April 2027

	Close	Change
Crude - WTI	\$61.3400	\$0.8100
Crude - Brent	\$65.4700	\$0.9400
Natural Gas	\$3.3570	\$0.0330
Gasoline	\$1.9016	\$0.0411

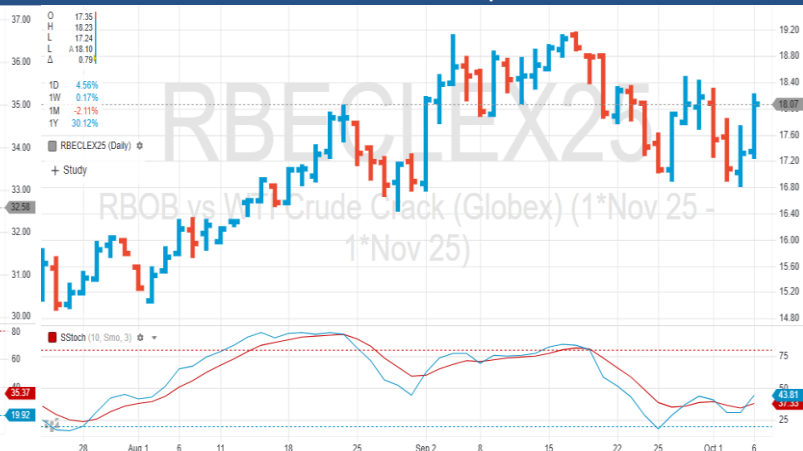
### ICE December Brent-WTI Spread



## November Heating Oil Crack Spread



## November RBOB Crack Spread



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