



MarketWatch | Refined Products

Thursday, October 16, 2025

Market Commentary

Recap: The oil market posted an inside trading day as the market remained pressured by the U.S.-China trade tensions and the IEA's prediction of a supply surplus next year. The trade dispute between the world's two largest oil consumers escalated, with the U.S. and China imposing additional port fees on ships carrying cargo between them. The U.S. Treasury Secretary, Scott Bessent, on Wednesday insisted that the U.S. did not want to escalate the trade conflict, adding that President Donald Trump is ready to meet with his Chinese counterpart Xi Jinping later this month in South Korea. The market also remained pressured after the IEA on Tuesday forecast that the oil market could face a surplus of up to 4 million bpd, higher than its previous forecast, as OPEC+ and other producers increase their output and demand remains low. The crude market continued to retrace some of Tuesday's early losses and posted a high of \$59.42. However, the market sold off to a low of \$58.20 early in the afternoon and later settled in a sideways trading range. The November WTI contract settled down 43 cents at \$58.27 and the December Brent contract settled down 48 cents at \$61.91. The product markets ended the session mixed, with the heating oil market settling down 2.28 cents at \$2.1748 and the RB market settling up 58 points at \$1.8344.

Technical Analysis: The crude market on Thursday will seek further direction from the weekly petroleum stocks reports after the market remained steady on Wednesday. The market may remain pressured amid the escalating trade tension the recent bearish IEA report and the expected build in oil inventories of over 1 million barrels. The oil market is seen finding support at \$58.20, \$57.68, \$57.50, \$56.91, \$56.75, \$56.67, \$56.29 and \$55.30. Meanwhile, resistance is seen at \$59.42, \$59.68, \$59.82, \$60.17, \$60.30, \$60.92, \$61.33, \$61.67, \$62.87 and \$62.92.

Fundamental News: In its winter fuels outlook report, the EIA said homes using propane or heating oil as their main heating source are expected to pay less this winter. The EIA said national prices for heating with natural gas will average about 1% higher this year but consumption is set to decline 2%, contributing to a 1% decrease in average bills. National average consumption is expected to fall by 4% for heating oil, and by about 2% for propane. The number of homes using heating oil as their main fuel is expected to fall by 4%.

OPEC Secretary General Haitham Al Ghais reiterated that more investment is needed in oil and gas, saying oil will continue to account for about 30% of the global energy mix by 2050. He said a growing economy, population growth and urbanization all lead "to one clear signal that the world will need much more energy than it is consuming today". He forecast 23% growth in primary energy demand by 2050.

According to a Russian government statement, Russia's Deputy Prime Minister Alexander Novak told Saudi Arabia's Energy Minister Prince Abdulaziz bin Salman that collective action within OPEC+ is in the interest of both Russia and Saudi Arabia. The statement added that they also discussed the possibility of developing joint projects in LNG, hydroelectric, and nuclear energy.

Separately, Russia's Deputy Prime Minister, Alexander Novak, said Russia has the ability to increase oil production but there are currently no plans to submit its oil output compensation plan to OPEC.

IIR Energy said U.S. oil refiners are expected to shut in about 1.3 million bpd of capacity in the week ending October 17th, increasing available refining capacity by 517,000 bpd.

Early Market Call - as of 8:35 AM EDT

WTI - Nov \$58.62, down 13 cents

RB0B - Nov \$1.8348, down 57 points

HO - Nov \$2.1990, up 3 points

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Oct-25	\$2.1748	-\$0.0228	-\$0.1165
Nov-25	\$2.1580	-\$0.0182	-\$0.1163
Dec-25	\$2.1529	-\$0.0153	-\$0.1126
Jan-26	\$2.1465	-\$0.0140	-\$0.1088
Feb-26	\$2.1285	-\$0.0133	-\$0.1049
Mar-26	\$2.1050	-\$0.0130	-\$0.1009
Apr-26	\$2.0892	-\$0.0124	-\$0.0972
May-26	\$2.0801	-\$0.0116	-\$0.0937
Jun-26	\$2.0831	-\$0.0111	-\$0.0907
Jul-26	\$2.0887	-\$0.0106	-\$0.0878
Aug-26	\$2.0965	-\$0.0103	-\$0.0850
Sep-26	\$2.1042	-\$0.0101	-\$0.0824
Oct-26	\$2.1084	-\$0.0101	-\$0.0802
Nov-26	\$2.1097	-\$0.0097	-\$0.0782
Dec-26	\$2.1144	-\$0.0093	-\$0.0769
Jan-27	\$2.1148	-\$0.0092	-\$0.0758
Feb-27	\$2.1091	-\$0.0088	-\$0.0749

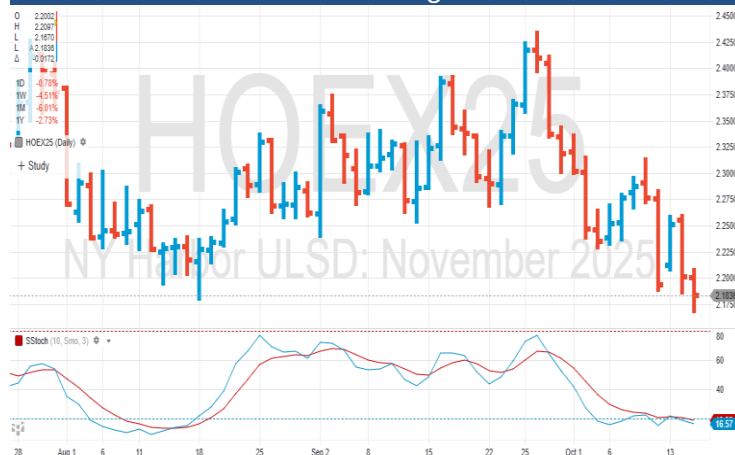
Sprague HeatCurve October 2025-April 2026 \$2.1099

	Close	Change
Crude - WTI	\$57.8400	-\$0.4300
Crude - Brent	\$61.9100	-\$0.4800
Natural Gas	\$3.0160	-\$0.0120
Gasoline	\$1.8344	\$0.0058

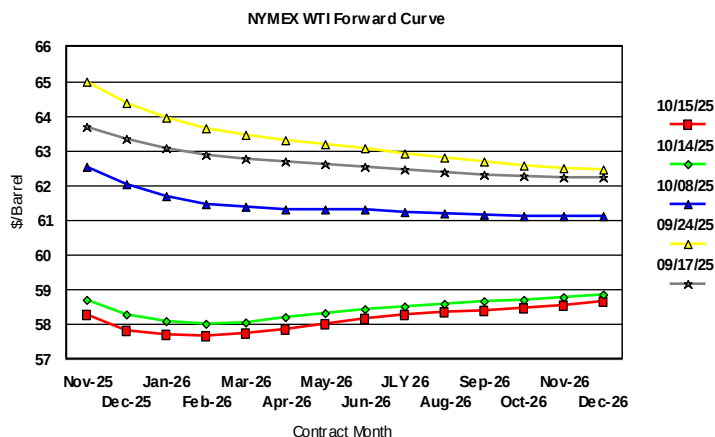
API Report for the Week Ending October 3, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Up 7.36 million barrels	Up 1.75 million barrels
Gasoline Stocks	Up 2.99 million barrels	Down 1.07 million barrels
Distillate Stocks	Down 4.79 million barrels	Down 1.8 million barrels
Refinery Runs		Up 0.15% at 92.6%

November Heating Oil



WTI Forward Curve



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