

Market Commentary

Recap: The oil market on Friday continued on its upward trend adding to gains seen over the past few trading session following the announcement of U.S. sanctions imposed against Russia's Lukoil and Rosneft prompting concerns over supply. The sanctions have prompted Chinese state oil majors to suspend Russian oil purchases in the short term and refiners in India are expected to sharply cut their Russian crude imports. The market is in a wait and see mode for signs of how big the impact will be to Russia's flows to India, while the impact to China's refiners is expected to be muted given its diversified crude sources and crude stocks. The crude market traded to a low of \$61.21 in overnight trading before it bounced higher and breached its previous high. The market posted a high of \$62.59 early in the morning and settled in a sideways trading range. The December WTI contract traded in negative territory ahead of the close and settled down 29 cents at \$61.50, while the December Brent contract settled down 5 cents at \$65.94. The product markets ended the session in mixed territory, with the heating oil market settling up just 1 point at \$2.4031 and the RB market settling down 42 points at \$1.9227.

Technical Analysis: The crude market, which has seen a shift in concerns of oversupply to undersupply, is seen trending sideways as the market awaits to see impact of the sanctions imposed on Russia's Lukoil and Rosneft as Indian and Chinese refiners cut their Russian imports. The market will also focus on a meeting between U.S. President Trump and China's President Xi Jinping next week as the leaders will work to defuse trade tensions. The market is seen finding support at \$61.21, \$60.06, \$59.64, \$59.28, \$58.49, \$57.73 and \$57.34. Meanwhile, resistance is seen at \$62.59, \$62.80, \$64.86 and \$65.77.

Fundamental News: Bloomberg is reporting that Chinese state oil companies including Sinopec have canceled some of their purchases of Russian seaborne crude oil in the wake of U.S. and the EU imposing additional sanctions on Rosneft and Lukoil. Ship tracking service Kpler has estimated that state owned Chinese buyers account for more than 400,000 b/d of Russian seaborne shipments.

Reliance Industries said it will abide by Western sanctions against Russia while it maintains its relationship with current oil suppliers. Reliance has a long term deal to buy 500,000 bpd of crude from Russia's Rosneft.

Kremlin spokesman, Dmitry Peskov, said Russia is analyzing the latest Western sanctions and will act according to its interests.

Bakers Hughes reported that U.S. energy firms this week added oil and natural gas rigs for a second consecutive week for the first time since September. The oil and gas rig count increased by two to 550 in the week ending October 24th, its highest level since June. Baker Hughes said oil rigs increased by two to 420 this week, while gas rigs held steady at 121.

Marathon Petroleum is restarting a 140,000 bpd fluidic catalytic cracking unit and 60,000 bpd ultracracker hydrocracking unit at its 631,000 bpd Galveston Bay refinery in Texas City, Texas following a malfunction on October 16th. Marathon aims to complete the restart of both units over the weekend. Marathon plans to complete repairs to the fire-damaged 64,000 bpd residual hydrotreater at the Galveston Bay refinery in mid-November, a month later than planned.

BP's 440,000 bpd refinery in Whiting, Indiana resumed operations after an external power outage prompted a temporary evacuation at the plant. The outage was caused by a disruption to electrical service that occurred outside of the facility this morning. BP was in the process of restarting its 110,000 bpd fluid catalytic cracking unit following a fire. Last week a fire broke out after an operational incident at the refinery that took multiple units offline.

Early Market Call - as of 8:35 AM EDT

WTI - Dec \$61.47, up 4 cents

RB0B - Nov \$1.9191, up 18 points

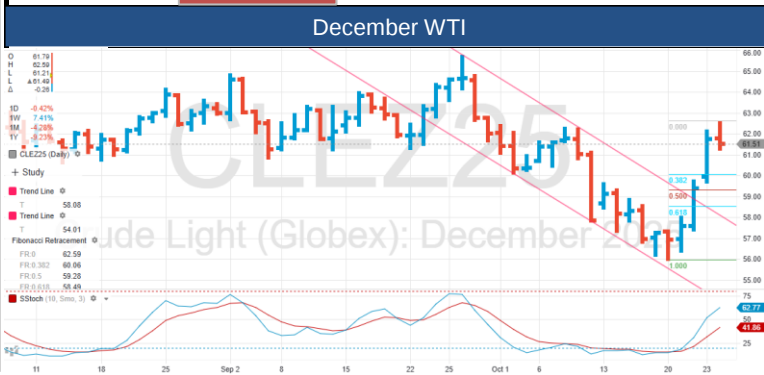
HO - Nov \$2.4321, up 3.51 cents

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Nov-25	2.4031	0.0001	0.2231
Dec-25	2.3793	0.0053	0.2194
Jan-26	2.3570	0.0070	0.2043
Feb-26	2.3357	0.0077	0.1910
Mar-26	2.3018	0.0087	0.1762
Apr-26	2.2619	0.0100	0.1606
May-26	2.2318	0.0104	0.1462
Jun-26	2.2119	0.0105	0.1347
Jul-26	2.2058	0.0090	0.1250
Aug-26	2.2039	0.0078	0.1170
Sep-26	2.2064	0.0071	0.1115
Oct-26	2.2098	0.0064	0.1070
Nov-26	2.2101	0.0056	0.1026
Dec-26	2.2081	0.0050	0.0990
Jan-27	2.2100	0.0042	0.0958
Feb-27	2.2080	0.0031	0.0929
Mar-27	2.2003	0.0022	0.0906

Sprague HeatCurve October 2026-April 2027 \$2.2057

	Close	Change
Crude - WTI	\$61.5000	-\$0.2900
Crude - Brent	\$65.9400	-\$0.0500
Natural Gas	\$3.3040	-\$0.0400
Gasoline	\$1.9227	-\$0.0042



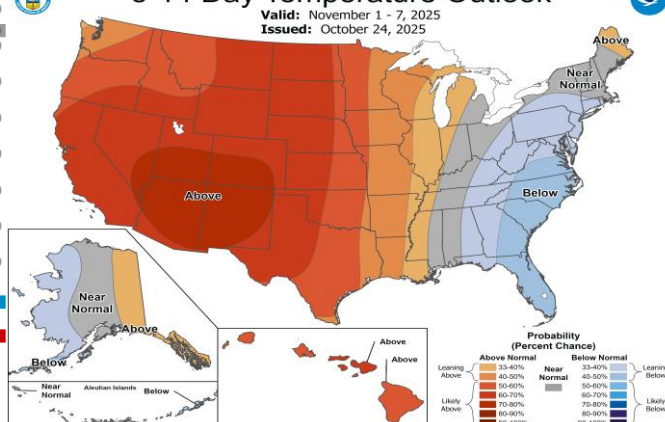
December Heating Oil



Weather Forecast

8-14 Day Temperature Outlook

Valid: November 1 - 7, 2025
Issued: October 24, 2025



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