MarketWatch | Refined Products

Tuesday, November 18, 2025

Market Commentary

Recap: The crude market posted an inside trading day as the market weighed the resumption of oil loadings at Russia's Novorossiysk port against comments made by U.S. President Donald Trump on Sunday that Republicans are working on legislation that will impose sanctions on any country doing business with Russia, adding that Iran could be added to that list. The oil market traded lower in overnight trading, posting a low of $59.32 following the news that Novorossiysk resumed oil loadings on Sunday. However, the market bounced off its low and retraced its losses amid the possibilities of the U.S. imposing sanctions on countries doing business with Russia. The market was also supported by Ukraine's continuing attacks on Russia's oil infrastructure following the weekend attacks on two of Russia's oil refineries. The crude market posted a high of $60.44 early in the morning. It traded mostly sideways during the remainder of the session. The December WTI contract settled down 18 cents at $59.91 and the January Brent contract settled down 19 cents at $64.20. The product markets ended the session in mixed territory, with the heating oil market settling up 1.59 cents at $2.5470 and the RB market settling down 2.15 cents at $1.9901.

Technical Analysis: The oil market will remain range bound as the market remains supported by the continuing geopolitical issues between Russia and Ukraine and the consequences to Russia's oil industry in light of the drone attacks by Ukraine. The market will also look for further developments on the possible legislation that will impose sanctions on countries conducting business with Russia, including Iran. The crude market is seen finding support at $59.32, $58.71, $58.60, $58.50 and $57.34. Meanwhile, resistance is seen at $60.44, $60.65, $60.73, $60.88, $61.06, $61.28 and $61.50.

Fundamental News: On Sunday, President Donald Trump said that Republicans are working on legislation that will impose sanctions on any country doing business with Russia, and he said Iran may get added to that list. Separately, U.S. President Donald Trump said that he could have discussions with Venezuelan leader Nicolas Maduro, who has been in the crosshairs of a U.S. military build-up in the Caribbean. He said believes Venezuela would like to have talks with the United States, but did not provide more details.

Vortexa reported Monday that crude oil stored on tankers that have been stationary for at least 7 days rose +1.1% w/w to 103.41 million barrels in the week ended November 14, the highest level since June 2024.

UBS expects Brent crude oil prices to remain in the $60-$70/barrel trading range, with a year-end target of $62/barrel. It expects Brent to trade at $67/barrel at the end of 2026. It said increasing oil-on-water levels have not yet led to an increase in on-land inventories and expects prices to remain supported. It said Ukrainian attacks on Russian refineries are increasing and together with sanctions will eventually hurt Russia's exports and production.

IIR Energy said U.S. oil refiners are expected to shut in about 442,000 bpd of capacity in the week ending November 21st, increasing available refining capacity by 348,000 bpd. Offline capacity is expected to fall to 106,000 bpd in the week ending November 28th.

The EIA reported that U.S. oil and natural gas drilling activity has continued to decline even as production reaches record highs. The EIA said the average number of active rigs in the Lower 48 has fallen from 750 in December 2022 to 517 in October 2025, reflecting operators' responses to lower oil and natural gas prices and improvements in drilling efficiencies. The report said that since December 2022, oil-directed rigs have declined by 33% to 397, while gas-directed rigs are down 23% to 120 in October 2025. The EIA said that despite fewer rigs, production continues to increase, adding that crude oil output in the Lower 48 reached a record 11.4 million bpd in July 2025 and natural gas output hit a record 117.2 billion cubic feet per day in August.

Early Market Call - as of 8:40 AM EDT

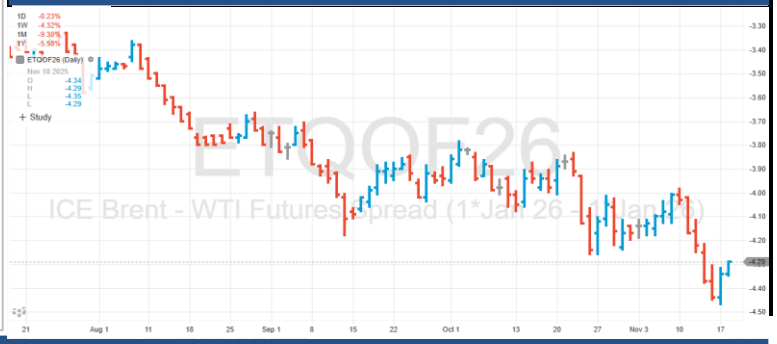
WTI - Dec $60.05, up 33 cents
RBOB - Dec $1.9838, up 13 points
HO - Dec $2.6232, up 8.24 cents

All NYMEX | Prior Settlements

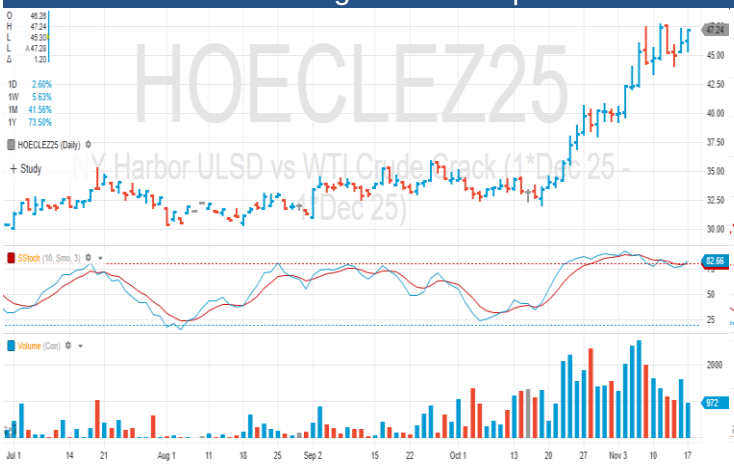
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Dec-25	2.547	0.0159	0.0366
Jan-26	2.4963	0.0138	0.0364
Feb-26	2.4529	0.0106	0.0284
Mar-26	2.4002	0.0072	0.0204
Apr-26	2.3369	0.0029	0.0128
May-26	2.2881	-0.0005	0.0072
Jun-26	2.2513	-0.0022	0.0020
Jul-26	2.2329	-0.0027	-0.0015
Aug-26	2.2221	-0.0029	-0.0043
Sep-26	2.2194	-0.0027	-0.0061
Oct-26	2.2187	-0.0028	-0.0081
Nov-26	2.216	-0.0028	-0.0097
Dec-26	2.2115	-0.0026	-0.0114
Jan-27	2.2102	-0.0023	-0.0129
Feb-27	2.2059	-0.0017	-0.0137
Mar-27	2.196	-0.0013	-0.0148
Apr-27	2.1792	-0.0013	-0.0168
Sprague HeatCurve October 2026-April 2027			**$2.2060**

		Close	Change
Crude - WTI	**Dec Brent-WTI Spread $4.34**	$59.8600	-$0.0900
Crude - Brent		$64.2000	-$0.1900
Natural Gas		$4.3610	-$0.2050
Gasoline		$1.9901	-$0.0215

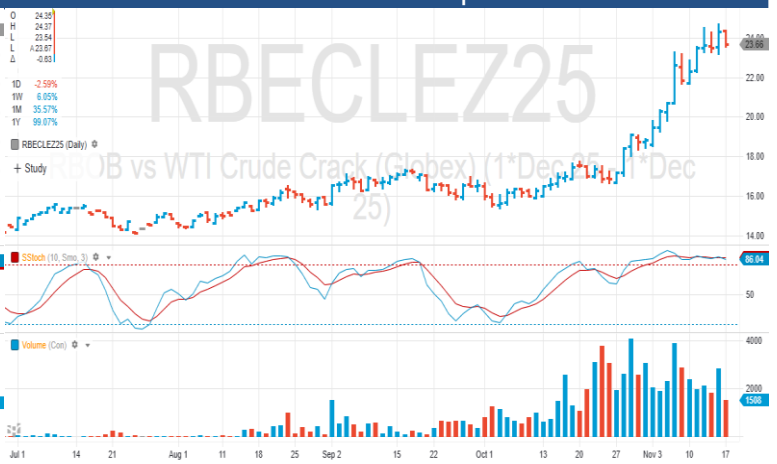
ICE January Brent-WTI Spread



December Heating Oil Crack Spread



December RBOB Crack Spread



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