

## Market Commentary

**Recap:** The crude market on Wednesday posted an inside trading day as it failed to find momentum in either direction as the market weighed builds in U.S. oil inventories against the news that U.S. and Russian officials failed to reach a compromise on a potential Ukraine peace deal. The oil market posted a low of \$58.37 in overnight trading amid an unexpected build in crude stocks of over 2.4 million barrels reported by the API late Tuesday. The market, which held support at its previous low, rallied higher on news that there was no breakthrough in the peace talks to end the war in Ukraine. The crude market traded to a high of \$59.64 by mid-morning. However, the market erased some of its gains after the EIA also reported builds across the board. The January WTI contract settled up 31 cents at \$58.95 and the February Brent contract settled up 22 cents at \$62.67. The product market settled in negative territory in light of the builds in distillates and gasoline stocks, with the heating oil market settling down 1.19 cents at \$2.3008 and the RB market settling down 31 points at \$1.8272.

**Technical Analysis:** The oil market will likely continue to trade sideways as the market weighs the geopolitical concerns of the failure to reach a compromise to end the war in Ukraine and the recent Ukrainian attacks on Russia's oil infrastructure against the builds in the U.S. oil inventories that added to fears of an oversupply in the market. The crude market is seen finding support at \$58.37, \$58.28, \$57.66, \$57.10, \$56.33 and \$55.99. Meanwhile, resistance is seen at \$59.64, \$59.67, \$59.97, \$60.03, \$60.24, followed by \$60.70, \$60.85, \$61.01, \$61.18, \$61.60 and \$61.84.

**Fundamental News:** The EIA reported that U.S. crude and fuel inventories built last week as refining activity increased. Crude inventories increased by 574,000 barrels to 427.5 million barrels in the week ended November 28<sup>th</sup>. Refinery crude runs increased by 433,000 bpd in the week, while refinery utilization rates increased by 1.8 percentage points in the week to 94.1%. U.S. East Coast refining utilization increased to the highest level since January 2023, while U.S. Gulf Coast refining utilization rate increased to the highest level since June 2023. Net U.S. crude imports fell 470,000 bpd to 2.37 million bpd. U.S. crude oil imports from Mexico fell by 431,000 bpd to a weekly record low of 131,000 bpd in the week ended November 28<sup>th</sup>.

On Wednesday, a White House official said U.S. envoys Steve Witkoff and Jared Kushner briefed President Donald Trump and Ukrainian officials after a "thorough, productive meeting" with Russian President Vladimir Putin in Moscow on Tuesday. Meanwhile, the Kremlin said that Russian President Vladimir Putin had accepted some U.S. proposals to end the war in Ukraine and rejected others and that Russia was ready to meet U.S. negotiators as many times as it took to reach an agreement.

Ukrainian President Volodymyr Zelenskyy said senior Ukrainian negotiator Rustem Umerov will hold talks in Brussels on Wednesday with European leaders' national security advisers and then visit the United States.

IIR Energy said U.S. oil refiners are expected to shut in about 54,000 bpd of capacity in the week ending December 5<sup>th</sup>, increasing available refining capacity by 133,000 bpd. Offline capacity is expected to remain unchanged at 54,000 in the week ending December 12<sup>th</sup>.

UBS expects crude oil prices to start recovering in the second quarter of 2026. It said its base case forecast Brent crude trading at around \$65/barrel in mid-2026 and \$67/barrel at the end of 2026. It forecast WTI crude trading at a \$3/barrel discount to Brent crude.

The Financial Times reported that Trafigura forecast China's oil demand will fall to a multi-year low in 2026. It said Trafigura's chief economist Saad Rahim said India's oil consumption will grow more quickly than China's for the first time next year.

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

WTI - Jan \$59.36, up 25 cents

RBOB - Jan \$1.8339, up 60 points

HO - Jan \$2.2968, down 21 points

## All NYMEX | Prior Settlements

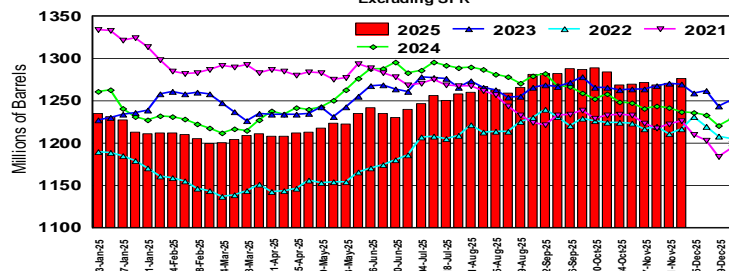
	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jan-26	2.3008	-0.0119	0.0006
Feb-26	2.2790	-0.0072	0.0080
Mar-26	2.2459	-0.0059	0.0072
Apr-26	2.2044	-0.0051	0.0056
May-26	2.1740	-0.0059	0.0036
Jun-26	2.1535	-0.0065	0.0036
Jul-26	2.1473	-0.0068	0.0038
Aug-26	2.1449	-0.0068	0.0028
Sep-26	2.1467	-0.0066	0.0019
Oct-26	2.1485	-0.0069	0.0005
Nov-26	2.1468	-0.0070	-0.0009
Dec-26	2.1424	-0.0069	-0.0024
Jan-27	2.1417	-0.0070	-0.0032
Feb-27	2.1383	-0.0070	-0.0033
Mar-27	2.1288	-0.0066	-0.0034
Apr-27	2.1123	-0.0063	-0.0035
May-27	2.1023	-0.0060	-0.0037

### Sprague HeatCurve October 2026-April 2027

	Close	Change
Crude - WTI	\$58.6600	\$0.2800
Crude - Brent	\$62.6700	\$0.2200
Natural Gas	\$4.9950	\$0.1550
Gasoline	\$1.8272	-\$0.0031

### Total U.S. Oil Stocks

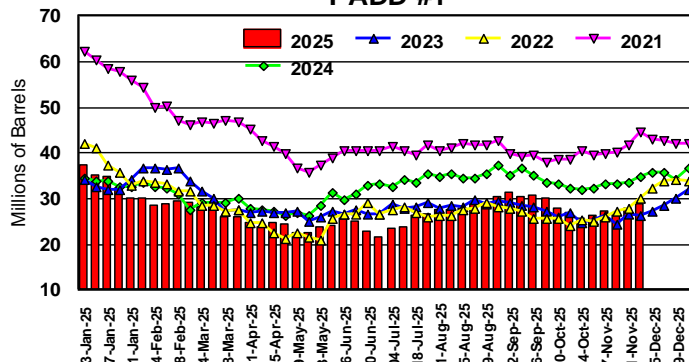
Excluding SPR



## Weekly EIA Petroleum Status Report for the Week Ending November 28, 2025

### Distillate Stocks

#### PADD #1



### Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 574,000 barrels

Cushing, OK Crude Stocks Down 457,000 barrels

Gasoline Stocks Up 4.5 million barrels

Distillate Stocks Up 2.1 million barrels

Refinery % Operated 94.1%, up 1.8%

#### PADD #1

	Week Ending Nov 28, 2025	Week Ending Nov 21, 2025	Week Ending Dec 1, 2024
Distillate Stocks (in million bbl)			
New England	4.1	3.8	6.0
Central Atlantic	13.2	12.3	16.9
Total PADD #1	28.8	27.9	34.9
Distillate Imports (thousands b/d)	147	153	87