MarketWatch | Refined Products

Friday, December 19, 2025

Market Commentary

Recap: The oil market steadied as the market assessed the likelihood of further U.S. sanctions against Russia and the impact of a blockade of Venezuelan oil tankers. On Wednesday, Bloomberg reported that the U.S. is preparing another round of sanctions on Russia's energy sector in the event that Russia does not agree to a peace deal with Ukraine. The market also traded mostly sideways following President Trump's announcement on Tuesday that the U.S. would blockade tankers under sanctions entering and leaving Venezuela. The crude market posted a high of $57.03 in overnight trading before it erased some of its gains and posted a low of $55.88 early in the morning. The market later bounced off its low and retraced some of its earlier losses and settled in a sideways trading range. The January WTI contract settled up 21 cents at $56.15 and the February Brent contract settled up 14 cents at $59.82. The product markets ended the session in mixed territory, with the heating oil market settling down 1.79 cents at $2.1316 and the RB market settling up 70 points at $1.7013.

Technical Analysis: The crude market will continue to trade sideways as the market looks to further developments regarding the possibility of further sanctions on Russia's energy sector. Russia is preparing to meet with the U.S. this weekend to find out what changes were made to the U.S.' Ukraine peace plan. The market will also keep its eye on any developments regarding Venezuela's oil production. The crude market is seen finding resistance at $57.03, $57.09, $57.74, $57.80, $58.19, $58.39, $58.94, $59.05 and $59.17. Meanwhile, support is seen at $55.88, $55.20, $54.98 and $54.71.

Fundamental News: The Kremlin said Russia is preparing contacts with the United States to find out what changes have been made to Washington's Ukraine peace plan after its consultations with Ukraine and European governments. Politico reported that U.S. and Russian officials are expected to meet in Miami over the weekend, and that the Russian delegation would include Russian President Vladimir Putin's investment envoy Kirill Dmitriev. On Wednesday, Russia's President said Russia would take more land in Ukraine by force if Kyiv and European politicians did not engage over U.S. proposals for a peace settlement.

Russia's Foreign Ministry said that it hoped that U.S. President Donald Trump's administration did not make a fatal mistake over Venezuela and said that Moscow was concerned about U.S. decisions that threatened international navigation.

The European Union imposed sanctions on 41 more ships in Russia's shadow fleet, taking the total of designated vessels to almost 600. The EU Council said the ships are now banned from entering EU ports and can no longer receive a broad range of services related to maritime transport.

Bloomberg reported that an increasing number of ships laden with Russia's Urals crude are off China's coast, in the hope that independent refiners there will take the crude as India's demand declines due to U.S. sanctions.

Bloomberg reported that an oil tanker caught fire after an overnight drone attack on Russia's southern city of Rostov, as Ukraine expands the scope of its strikes on energy assets.

The Treasury Department said the United States imposed sanctions on 29 vessels, carrying Iranian oil, and their management firms, as Washington continues targeting Tehran's "shadow fleet" it says exports Iranian petroleum and petroleum products.

The U.S. EPA reported that the U.S. generated fewer renewable blending credits in November than in October. It reported that about 1.14 billion ethanol blending credits were generated in November, compared with about 1.28 billion in October. Credits generated from biodiesel blending fell to 603 million in November from 667 million in the previous month.

Early Market Call - as of 11:10 AM EDT

WTI - Jan $56.43, up 41 cents
RBOB - Jan $1.7014, up 51 points
HO - Jan $2.1168, down 1.54 cents

All NYMEX | Prior Settlements

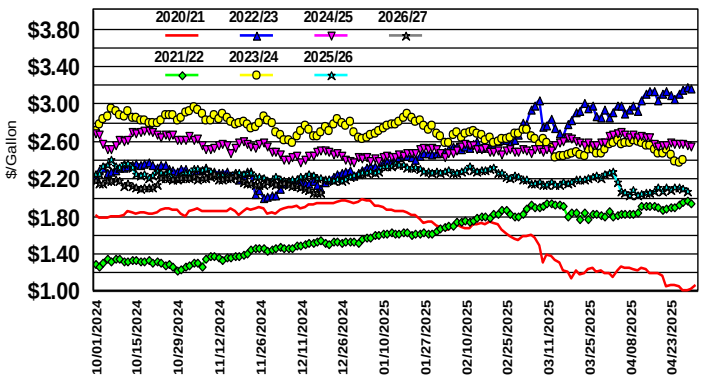
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Jan-26	2.1316	-0.0179	-0.0973
Feb-26	2.1247	-0.0141	-0.0945
Mar-26	2.1013	-0.0111	-0.0887
Apr-26	2.0662	-0.0092	-0.0867
May-26	2.0437	-0.0061	-0.0833
Jun-26	2.0292	-0.0037	-0.0784
Jul-26	2.0299	-0.0015	-0.0727
Aug-26	2.0335	-0.0002	-0.0685
Sep-26	2.0402	0.0004	-0.0651
Oct-26	2.0468	0.0010	-0.0617
Nov-26	2.0503	0.0015	-0.0576
Dec-26	2.0508	0.0017	-0.0532
Jan-27	2.0548	0.0018	-0.0490
Feb-27	2.0544	0.0017	-0.0466
Mar-27	2.0477	0.0009	-0.0448
Apr-27	2.0347	-0.0002	-0.0425
May-27	2.0283	-0.0011	-0.0406
Sprague HeatCurve October 2026-April 2027			**$2.0501**

		Close	Change
Crude - WTI	Feb Brent-WTI Spread $	$56.0000	$0.1900
Crude - Brent		$59.8200	$0.1400
Natural Gas		$3.9080	-$0.1160
Gasoline		$1.7013	$0.0070

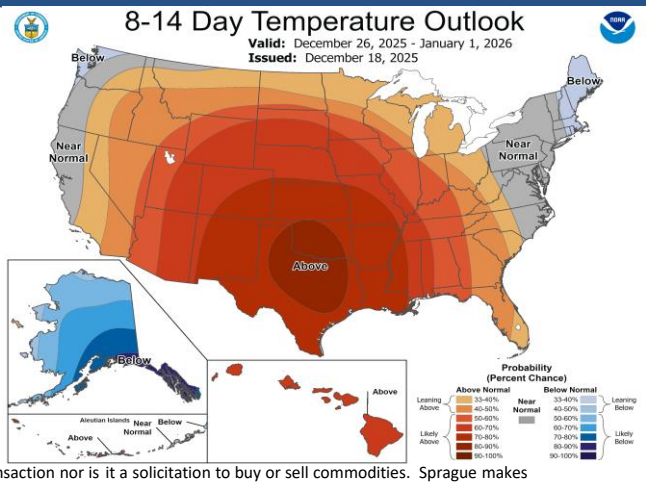
EIA Working Gas Storage Report

	12-Dec-25	05-Dec-25	Change	12-Dec-24
East	797	843	-46	827
Midwest	966	1030	-64	1,014
Mountain	271	277	-6	275
Pacific	304	306	-2	297
South Central	1242	1290	-48	1,226
Salt	338	354	-16	338
Nonsalt	903	936	-33	888
Total	3579	3746	-167	3,640

Sprague HeatCurve



Weather Outlook



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