



# MarketWatch | Refined Products

Friday, October 25, 2024

## Market Commentary

## All NYMEX | Prior Settlements

**Recap:** After posting an inside trading day on Wednesday, the oil market on Thursday posted an outside trading day. The market weighed the uncertainty surrounding the conflict in the Middle East against concerns that slow economic growth in Europe could reduce energy demand. The crude market traded higher in overnight trading and rallied to a high of \$72.34 early in the morning on risk of wider conflict in the Middle East. Early Thursday, Israel launched strikes on the Syrian capital Damascus, the latest such attack alongside the war in Gaza. This followed Israeli strikes on Beirut's southern suburbs a day earlier and after Hezbollah said it fired precision guided missiles for the first time at Israeli targets. However, the oil market erased all of its earlier gains amid some less than supportive economic news concerning Europe, with euro zone business activity stalling this month and remaining in contractionary territory. The crude market sold off to a low of \$69.77 in afternoon trading. The December WTI contract settled in a sideways trading range during the remainder of the session and settled down 58 cents at \$70.19. The December Brent contract settled down 58 cents at \$74.38. The product markets ended the session lower, with the heating oil market settling down 1.93 cents at \$2.2023 and the RB market settling down 1.37 cents at \$2.0277.

**Technical Analysis:** The crude market on Friday will continue to trend sideways as the market awaits further developments regarding in the situation in the Middle East. The market is seen finding support at its low of \$69.77, \$69.35, \$68.46, \$68.17, \$68.06 and \$65.99. Resistance is however seen at its high of \$72.34, \$72.94, \$74.06 and \$74.35. Further upside is seen at \$75.28, \$75.45 and \$77.70.

**Fundamental News:** U.S. Secretary of State Antony Blinken said the United States does not want a protracted Israeli campaign in Lebanon. He also said he hoped Iran was getting a clear message that any further attacks on Israel risked its own interests, with the region awaiting the retaliation Israel has vowed for an Iranian missile attack on October 1<sup>st</sup>.

An Israeli strike killed three Lebanese troops in south Lebanon on Thursday as France hosted a conference to rally support for Lebanese state forces which are seen as vital to any diplomatic resolution of the war between Israel and Hezbollah. The Lebanese army said the soldiers were killed as they were evacuating wounded people on the outskirts of southern village of Yater. There was no immediate comment on the strike from the Israeli military, which has previously said it is not operating against the Lebanese army. On Wednesday, the Pentagon said U.S. Defense Secretary Lloyd Austin told his Israeli counterpart that Washington had deep concerns about reports of strikes against the Lebanese armed forces. He also urged Israeli Defense Minister Yoav Gallant to make sure Israel takes steps to ensure the safety and security of the Lebanese armed forces and the U.N. peacekeeping mission in Lebanon.

French President Emmanuel Macron reiterated his call for a ceasefire in Lebanon on Thursday, adding he regretted that Iran had engaged Hezbollah against Israel but also criticized Israel's operations in the south of the country.

Syria's Defense Ministry said Israeli strikes on the Syrian capital Damascus and a military site near the western city of Homs early on Thursday killed one soldier and injured seven. The attacks targeted the central Damascus neighborhood of Kafr Sousa and a military site in the Homs countryside.

Qatar's Prime Minister, Sheikh Mohammed bin Abdulrahman Al Thani, said the United States, Qatar, and Egypt continue their efforts to reach a ceasefire in Gaza and release Israeli hostages and Palestinian prisoners.

**Early Market Call - as of 8:35 AM EDT**

WTI - Dec \$70.81, up 61 cents  
 RBOB - Nov \$2.0455, up 1.78 cents  
 HO - Nov \$2.2190, up 1.67 cents

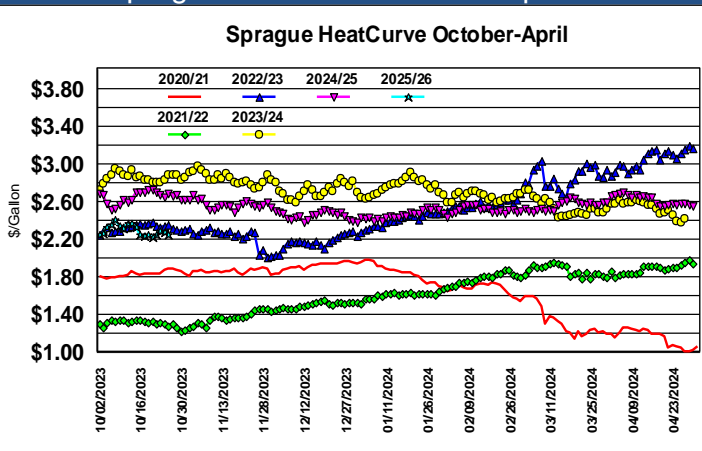
|        | ULSD (HO)<br>Close | Prior Settle<br>Change | Change In<br>One Week |
|--------|--------------------|------------------------|-----------------------|
| Nov-24 | 2.2023             | -0.0193                | 0.0078                |
| Dec-24 | 2.2129             | -0.0182                | 0.0082                |
| Jan-25 | 2.2225             | -0.0169                | 0.0092                |
| Feb-25 | 2.2261             | -0.0161                | 0.0080                |
| Mar-25 | 2.2204             | -0.0158                | 0.0076                |
| Apr-25 | 2.2112             | -0.0152                | 0.0078                |
| May-25 | 2.2064             | -0.0152                | 0.0076                |
| Jun-25 | 2.2050             | -0.0153                | 0.0073                |
| Jul-25 | 2.2129             | -0.0159                | 0.0062                |
| Aug-25 | 2.2211             | -0.0166                | 0.0046                |
| Sep-25 | 2.2301             | -0.0169                | 0.0031                |
| Oct-25 | 2.2389             | -0.0166                | 0.0023                |
| Nov-25 | 2.2433             | -0.0170                | 0.0011                |
| Dec-25 | 2.2478             | -0.0150                | 0.0024                |
| Jan-26 | 2.2530             | -0.0146                | 0.0021                |
| Feb-26 | 2.2521             | -0.0142                | 0.0020                |
| Mar-26 | 2.2439             | -0.0139                | 0.0020                |

| Sprague HeatCurve October 2025-April 2026 |           | \$2.2464  |
|---|-----------|-----------|
|   | Close     | Change    |
| Crude - WTI                               | \$70.1900 | -\$0.5800 |
| Crude - Brent                             | \$74.3800 | -\$0.5800 |
| Natural Gas                               | \$2.5220  | \$0.1800  |
| Gasoline                                  | \$2.0277  | -\$0.0137 |

| EIA Working Gas Storage Report |           |           |        |           |
|--------------------------------|-----------|-----------|--------|-----------|
|                                | 18-Oct-24 | 11-Oct-24 | Change | 18-Oct-23 |
| East                           | 901       | 893       | 8      | 905       |
| Midwest                        | 1088      | 1067      | 21     | 1,068     |
| Mountain                       | 291       | 287       | 4      | 251       |
| Pacific                        | 300       | 293       | 7      | 282       |
| South Central                  | 1205      | 1166      | 39     | 1,173     |
| Salt                           | 314       | 293       | 21     | 295       |
| Nonsalt                        | 891       | 872       | 19     | 879       |
| Total                          | 3785      | 3705      | 80     | 3,679     |

## Sprague HeatCurve October-April

## NYMEX December WTI



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