

Market Commentary

Recap: The oil market fell more than \$4 on Monday after Israel's retaliatory strike against Iran on Saturday spared Iranian oil and nuclear facilities. Israel's response appeared to have been measured as its attack struck missile manufacturing and surface to air missile defense sites across Iran, easing fears of supply disruptions in the region. The crude market gapped lower as it opened down \$2.80 at \$68.98 and posted a high of \$69.00. The market quickly sold off to \$67.79 and held some support at that level before further selling pushed the market to a low of \$66.92 by mid-morning. The market bounced off its low and settled in a sideways trading range during the remainder of the session. The December WTI contract settled down \$4.40 at \$67.38 and the December Brent contract settled down \$4.63 at \$71.42. The product markets ended the session sharply lower, with the heating oil market settling down 10.95 cents at \$2.1286 and the RB market settling down 11.21 cents at \$1.9664.

Technical Analysis: The oil market on Tuesday will likely see some retracement before it continues to trend lower. The market breached its support line and settled below it, with daily stochastics also still pointing lower due to dissipating fears of a wider war in the Middle East. The crude market is seen finding support at its low of \$66.92, \$65.99, \$64.49 and \$64.16. Meanwhile, resistance is seen at \$68.43, its opening gap from \$69.00 to \$69.96, \$71.92, \$72.34 and \$74.35.

Fundamental News: Iran's Foreign Ministry spokesperson, Esmail Baghaei, said Iran will "use all available tools" to respond to Israel's weekend attack on military targets in Iran. Iran previously played down Israel's air attack on Saturday, saying it caused only limited damage. On Sunday, Iran's Supreme Leader Ayatollah Ali Khamenei said that Iranian officials should determine how best to demonstrate Iran's power to Israel, adding that the Israeli attack should "neither be downplayed nor exaggerated". Israel's military said Israeli jets completed three waves of strikes before dawn on Saturday against missile factories and other sites near Tehran and in western Iran. Meanwhile, U.S. President Joe Biden called for a halt to escalation that has raised fears of an all-out war in the Middle East. Also, U.S. Defense Secretary Lloyd Austin warned Iran against responding to Israel's strikes on military sites in Iran and said he stressed in a call to his Israeli counterpart the opportunities to de-escalate tensions in the region.

According to separate assessments by two American researchers, commercial satellite imagery showed that Israeli airstrikes hit buildings during an attack on Saturday that Iran used for mixing solid fuel for ballistic missiles. They said that Israel struck Parchin, a massive military complex near Tehran. Israel also hit Khojir, a missile production site near Tehran. The Israeli military said three waves of Israeli jets struck missile factories and other sites near Tehran and in western Iran early on Saturday in retaliation for Tehran's October 1st missile attack against Israel.

Saudi Arabia's Foreign Ministry said Saudi Foreign Minister Prince Faisal bin Farhan discussed in a phone call with his Iranian counterpart Abbas Araqchi the importance of avoiding anything that might destabilize the region's security following Israel's strikes on Iran on Saturday.

IIR Energy said U.S. oil refiners are expected to shut in about 599,000 bpd of capacity in the week ending November 1st, raising available refining capacity by 269,000 bpd. Offline capacity is expected to fall to 454,000 bpd in the week ending November 8th.

Trans Mountain said it will shut the Puget Sound Pipeline from Laurel to Anacortes, Washington for about seven days in mid-November to conduct planned maintenance. The 240,000 bpd pipeline carries Canadian crude oil to four refineries.

Early Market Call - as of 8:55 AM EDT

WTI - Dec \$68.10, up 72 cents

RBOB - Nov \$1.9807, up 1.43 cents

HO - Nov \$2.1371, up 85 points

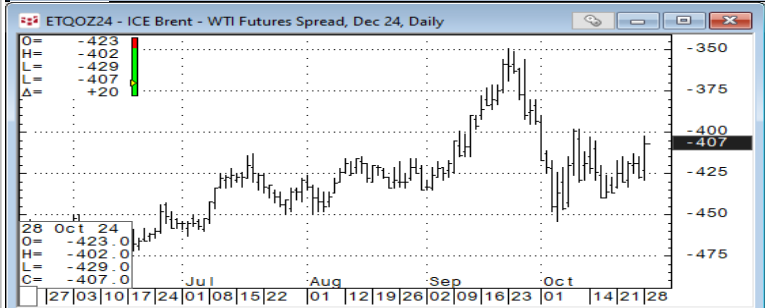
All NYMEX | Prior Settlements

| | ULSD (HO) Close | Prior Settle Change | Change In One Week |
|--------|--------------------|------------------------|-----------------------|
| Nov-24 | 2.1286 | -0.1095 | -0.0547 |
| Dec-24 | 2.1398 | -0.1093 | -0.0550 |
| Jan-25 | 2.1510 | -0.1084 | -0.0532 |
| Feb-25 | 2.1564 | -0.1070 | -0.0522 |
| Mar-25 | 2.1505 | -0.1063 | -0.0535 |
| Apr-25 | 2.1417 | -0.1050 | -0.0540 |
| May-25 | 2.1373 | -0.1034 | -0.0547 |
| Jun-25 | 2.1365 | -0.1016 | -0.0552 |
| Jul-25 | 2.1444 | -0.0999 | -0.0564 |
| Aug-25 | 2.1532 | -0.0983 | -0.0574 |
| Sep-25 | 2.1636 | -0.0969 | -0.0573 |
| Oct-25 | 2.1740 | -0.0957 | -0.0565 |
| Nov-25 | 2.1809 | -0.0945 | -0.0551 |
| Dec-25 | 2.1861 | -0.0932 | -0.0532 |
| Jan-26 | 2.1924 | -0.0922 | -0.0524 |
| Feb-26 | 2.1930 | -0.0909 | -0.0510 |
| Mar-26 | 2.1865 | -0.0889 | -0.0496 |

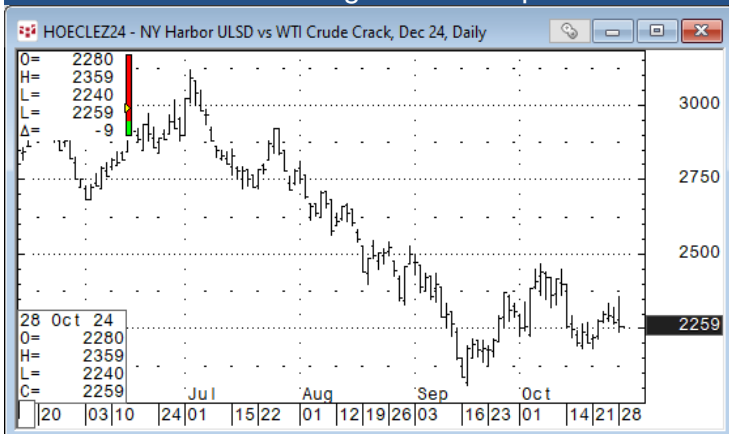
Sprague HeatCurve October 2025-April 2026 \$2.1864

| | | Close | Change |
|---------------|------------------------------------|-----------|-----------|
| Crude - WTI | Dec Brent- WTI Spread \$4.04 | \$67.3800 | -\$4.4000 |
| Crude - Brent | | \$71.4200 | -\$4.6300 |
| Natural Gas | | \$2.3090 | -\$0.2510 |
| Gasoline | | \$1.9664 | -\$0.1121 |

ICE December Brent-WTI Spread



December Heating Oil Crack Spread



December RBOB Crack Spread

