

Market Commentary

Recap: The oil market settled lower for only the second time this week, as traders seemed to hold a negative market outlook following the diminishing threat to production by Hurricane Rafael, as well as the disappointing news to come out of China overnight, that the Chinese government's latest economic package failed to offer any significant fiscal stimulus measures.

Technical Analysis: With weather forecasts that were released late this afternoon that continue to point to a slow start to the heating season it appears the oil market may have little bullish news to encourage traders to start next week in a buying mood, especially as traders await gaining a better understanding on how the new Trump administration will approach economic dealings with Iran and Venezuela as well as the political dealings with Israel and Ukraine. We see support in the December heating oil contract starting at \$2.2250 followed by \$2.2197, \$2.2166. More distant support we see at \$2.1958, \$2.1291 and \$2.1173. Minor resistance we see at \$2.2622, \$2.2737, and \$2.2851 with more significant resistance at \$2.2966, \$2.3013, \$2.3221, and \$2.3739. One should also keep an eye on the 9-day slow stochastics which appear to be on the verge of converging and pointing to the potential start of a down trending market for the first time since late October.

Fundamental News: The Biden administration said on Friday it has bought its last batch of oil for the SPR, some 2.4 million barrels of crude oil for delivery from April through May 2025 to the Bryan Mound, Texas site. This purchase has depleted the department's fund to buy back more oil for the reserve, after Congress has rescinded about \$2.05 billion from earlier sales to help offset the national debt.

Kpler shipping data is showing EU and UK diesel and gasoil imports in November are on track to reach 895,000 b/d down from the 1.26 million b/d imported in October.

ICE reported gasoil speculators reduced their net short position by 36,774 contracts to a net short now of 19,621 in the week ending November 5th. Meanwhile speculators increased the net long position of the Brent contract by 32,238 lots to 126,145 contracts. Meanwhile the CFTC reported that oil speculators raised their net long position by 48,143 contracts to 143,985 lots during the week ending November 5th, the most bullish position in six weeks.

Bureau of Safety and Environmental Enforcement reported this afternoon that it estimates some 408,830 b/d of crude oil production in the Gulf of Mexico has been shut in as a precaution with the approach of Hurricane Rafael.

Neste said Friday it has temporarily shut down its refinery in Rotterdam due to a fire. The company reported the fire has been extinguished. Operators expect the refinery production will be down for several weeks and will be impacting diesel customer deliveries. The refinery has a 1.4 million ton capacity for renewable products and is home to the largest renewable production in Europe.

IIR is estimating U.S. oil refiners are expected to have about 642,000 b/d of refining capacity offline in the week ending November 8th, up some 28,000 b/d from last week. Offline capacity is then expected to fall to 557,000 b/d for the week ending November 15th.

Early Market Call - as of 8:38 AM EDT
WTI - Dec \$68.65 down \$1.73 per barrel
RBOB - Dec \$1.9704 down 4.21 cents per gallon
HO - Dec \$2.2057 down 3.32 cents per gallon

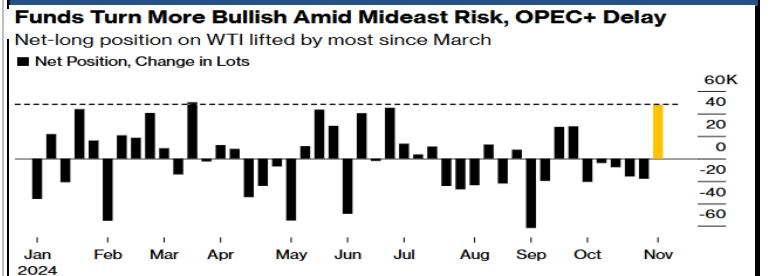
All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Dec-24	2.2389	-0.0475	0.0047
Jan-25	2.2500	-0.0464	0.0076
Feb-25	2.2558	-0.0461	0.0110
Mar-25	2.2493	-0.0451	0.0136
Apr-25	2.2380	-0.0444	0.0136
May-25	2.2313	-0.0436	0.0136
Jun-25	2.2289	-0.0422	0.0142
Jul-25	2.2359	-0.0410	0.0145
Aug-25	2.2440	-0.0397	0.0149
Sep-25	2.2538	-0.0384	0.0150
Oct-25	2.2631	-0.0373	0.0150
Nov-25	2.2701	-0.0364	0.0157
Dec-25	2.2754	-0.0355	0.0167
Jan-26	2.2811	-0.0350	0.0160
Feb-26	2.2806	-0.0346	0.0148
Mar-26	2.2720	-0.0342	0.0143
Apr-26	2.2573	-0.0336	0.0127

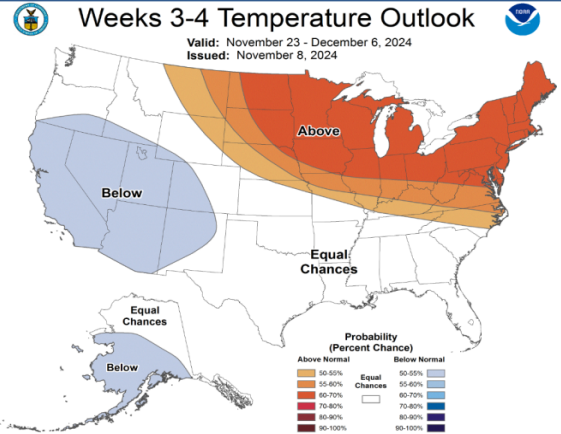
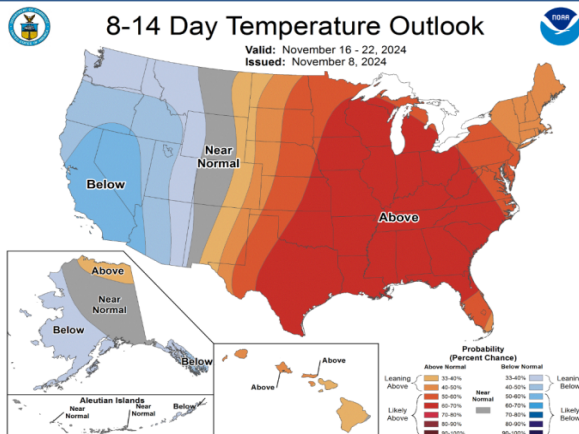
Sprague HeatCurve October 2025-April 2026 \$2.2739

		Close	Change
Crude - WTI	Jan Brent- WTI Spread \$3.76	\$70.1100	-\$1.7500
Crude - Brent		\$73.8700	-\$1.7600
Natural Gas		\$2.6690	-\$0.0240
Gasoline		\$2.0125	-\$0.0411

CFTC Commitment of Traders Report: Money Managers NYMEX WTI



Climate Prediction Center Temperature Outlooks



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