

Market Commentary

Recap: The oil market posted modest gains on Thursday as traders considered the possible tariffs threatened by the Trump administration against Mexico and Canada as well as the OPEC+ meeting next week. In overnight trading, the market continued to trend lower and posted a low of \$72.02. However, the market bounced off that level and retraced some of its losses as the market turned its focus on the 25% tariffs threatened by U.S. President Donald Trump against Mexico and Canada possibly starting on February 1st. The market was also looking ahead to a meeting by OPEC scheduled for Monday, February 3rd. The group is set to discuss President Trump's efforts to raise U.S. oil production and his call for OPEC to lower oil prices. The crude oil market rallied to a high of \$73.55 by mid-morning. The market later traded in a sideways trading range during the remainder of the session. The March WTI contract settled up 11 cents at \$72.73 and the March Brent contract settled up 29 cents at \$76.87. The product markets ended in positive territory, with the heating oil market settling up 2.14 cents at \$2.4754 and the RB market settling up 17 points at \$2.0374.

Technical Analysis: The crude market on Friday will likely trend sideways as the market awaits further developments regarding the possible tariffs against Canada and Mexico. The market will also look for further news ahead of the OPEC meeting scheduled for Monday. The market is seen finding support at its low of \$72.02, \$71.53, \$71.31, \$70.43 followed by \$69.75 and \$69.67. Meanwhile, resistance is seen at its high of \$73.55, \$74.08, \$74.31, \$75.15, \$75.21 and \$76.00.

Fundamental News: According to Kpler data, European Union and UK diesel and gasoil imports are on track to reach a record low of 727,000 bpd this month, compared with 902,000 bpd in December. Meanwhile, European Union and UK gasoline exports are on track to reach 898,000 bpd in January, down from 934,000 bpd in December.

Insights Global reported that gasoline stocks held in independent storage in the Amsterdam - Rotterdam-Antwerp terminal in the week ending January 30th increased by 2.65% on the week and by 71.62% on the year to 1.627 million tons, while its gasoil stocks fell by 1.22% on the week but increased by 24.11% on the year to 2.43 million tons and fuel oil stocks fell by 1.69% on the week and by 0.21% on the year to 13.94 million tons. Naphtha stocks increased by 7.68% on the week and by 61.51% on the year to 491,000 tons and jet fuel stocks fell by 1.49% on the week but increased by 12.32% on the year to 793,000 tons.

Bloomberg reported that oil flows through Russia's Baltic Sea port of Ust-Luga appeared to pause, supporting Ukraine's claims of a successful drone strike on a pumping station. A source said the Ust-Luga flows fell to zero on Wednesday. On Wednesday, a Ukrainian security official said that the country's drones had struck Russia's Andreapol pumping station on the Baltic Pipeline System-2, which feeds Ust-Luga.

U.S. economic growth slowed in the fourth quarter, but strong domestic demand will probably keep the Federal Reserve on a slow interest rate cut path this year. The Commerce Department's Bureau of Economic Analysis said GDP increased at a 2.3% annualized rate in the fourth quarter after increasing at a 3.1% pace in the third quarter. Economists had forecast GDP rising at a 2.6% pace. It reported that consumer spending, which accounts for more than two-thirds of the economy, grew at a 4.2% rate in the fourth quarter after increasing at a 3.7% pace in the third quarter.

Early Market Call - as of 8:30 AM EDT
 WTI - Mar \$72.87, up 14 cents
 RBOB - Feb \$2.0456, up 82 points
 HO - Feb \$2.4895, up 1.41 cents

All NYMEX | Prior Settlements

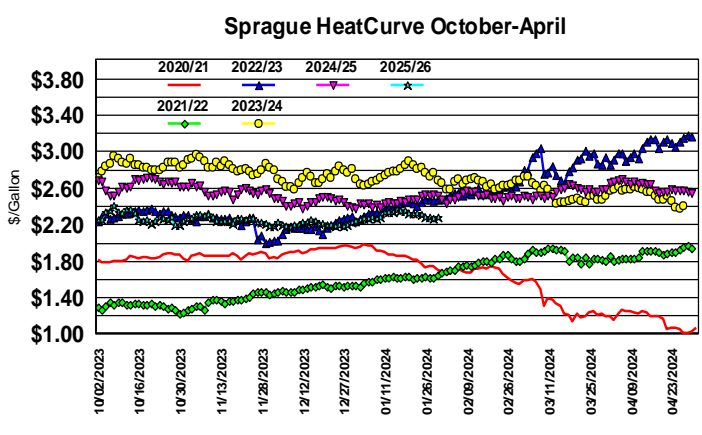
	USD (HO)	Prior Settle	Change In
	Close	Change	One Week
Feb-25	2.4754	0.0214	0.0039
Mar-25	2.4006	0.0097	-0.0228
Apr-25	2.3537	0.0100	-0.0291
May-25	2.3214	0.0095	-0.0362
Jun-25	2.2995	0.0088	-0.0432
Jul-25	2.2912	0.0088	-0.0464
Aug-25	2.2863	0.0091	-0.0476
Sep-25	2.2864	0.0091	-0.0464
Oct-25	2.2861	0.0087	-0.0455
Nov-25	2.2818	0.0078	-0.0462
Dec-25	2.2753	0.0070	-0.0475
Jan-26	2.2746	0.0065	-0.0472
Feb-26	2.2683	0.0064	-0.0467
Mar-26	2.2550	0.0066	-0.0458
Apr-26	2.2357	0.0062	-0.0452
May-26	2.2228	0.0056	-0.0442
Jun-26	2.2125	0.0048	-0.0429

Sprague HeatCurve October 2025-April 2026			\$2.2688
		Close	Change
Crude - WTI	Mar Brent-WTI Spread \$4.14	\$72.7300	\$0.1100
Crude - Brent		\$76.8700	\$0.2900
Natural Gas		\$3.0470	-\$0.1230
Gasoline		\$2.0374	\$0.0017

EIA Working Gas Storage Report

	24-Jan-25	17-Jan-25	Change	24-Jan-24
East	552	613	-61	620
Midwest	661	744	-83	744
Mountain	212	229	-17	188
Pacific	246	269	-23	224
South Central	901	1037	-136	939
Salt	229	297	-68	254
Nonsalt	672	739	-67	686
Total	2571	2892	-321	2,715

Sprague HeatCurve October-April



8-14 Day Weather Forecast

