

Fundamentals:

Oil prices fell by more than \$1 a barrel on Friday as investors weighed a looming global supply glut, while also keeping an eye on a potential Ukraine peace deal ahead of talks this weekend between Ukrainian President Volodymyr Zelenskyy and U.S. President Donald Trump.

Brent crude futures LCOc1 fell \$1.13 or 1.82% to \$61.11 per barrel by 1:14 p.m. EDT. U.S. West Texas Intermediate (WTI) crude CLc1 fell \$1.13 or 1.94% to \$57.22.

While supply disruptions have helped oil prices rebound in recent sessions from their near five-year low on December 16, they are on track for their steepest annual decline since 2020. Brent and WTI are down 18% and 20% respectively on the year, as rising crude output caused concerns of an oil glut heading into next year.

"Geopolitical premiums have provided near-term price support, but have not materially shifted the underlying oversupply narrative," Aegis Hedging analysts said in a note on Friday.

The global oil supply next year will exceed demand by 3.84 million barrels per day, according to figures from the Paris-based IEA's December oil market report.

EYES ON RUSSIA-UKRAINE PEACE PROCESS

Investors are watching for developments in the Russia-Ukraine peace process and the possible impact on future oil prices, as a peace agreement could lead to the removal of international sanctions against Russia's oil sector.

Zelenskyy will discuss territorial issues, the main stumbling block in talks to end the war, with Trump in Florida on Sunday, as a 20-point peace framework and a security guarantees deal near completion.

Announcing the meeting, Zelenskyy said that "a lot can be decided before the New Year."

The Ukrainian president also told Axios he would be willing to bring an agreed peace framework with Trump to a referendum if Russia agrees to a ceasefire.

A foreign policy aide to Russian President Vladimir Putin spoke to members of the U.S. administration after Moscow received U.S. proposals about a possible Ukrainian peace deal, the Kremlin said on Friday.

"The negatives remain of elevated global oil storage, and slight progress on Ukraine-Russia peace talks," said Dennis Kissler, senior vice president of trading at BOK Financial.

Elsewhere, the White House ordered its military forces to focus on a "quarantine" of Venezuelan oil for at least the next two months, indicating Washington is currently more interested in using economic rather than military means to pressure Caracas.

"The global impact to crude prices looks minimal at this time," Kissler said of U.S. actions to intercept sanctioned oil tankers leaving and entering Venezuela.

Despite headline risk pertaining to Venezuela, the broader market remains focused on the growing global surplus, according to Aegis Hedging analysts.

The U.S. on Thursday also carried out a strike against Islamic State militants in northwest Nigeria's Sokoto state in coordination with the Nigerian government, Trump said.

"Nigerian strikes touted by Trump are targeting Islamic State and not specifically impacting any crude pipelines or oil terminals. Thus traders are staying on the sidelines in this thin-liquidity market on Boeing Day," said June Goh, senior oil market analyst at Sparta Commodities.

Nigeria's oilfields and export infrastructure are mainly located in the south of the country.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil	FEB 26 56.74	-1.62	58.88	56.65
Natural Gas	JAN 26 4.366	0.111	4.421	4.196
RB Gasoline	JAN 26 169.71	-5.01	176.08	169.49
Heating Oil	JAN 26 210.70	-5.11	217.45	210.40
Brent Fin Last Day	MAR 26 60.25	-1.55	62.25	60.15
US Dollar Index	98.03	0.057	98.134	97.859

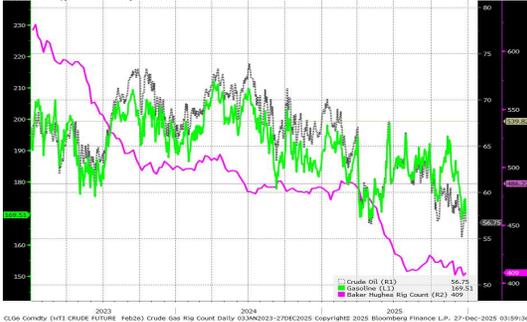
Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
5/12/2025	-1812	-1300	6397	2043	13853	425691
28/11/2025	574	-2000	4518	1000	13815	427503
21/11/2025	2774	-2363	2513	1163	13814	426929
14/11/2025	-3426	-1700	2327	50	13834	424155
7/11/2025	6413	1500	-945	-2459	13862	427581
31/10/2025	5202	-286	-4729	-1847	13651	421168
24/10/2025	-6858	1203	-5941	-1917	13644	419666
17/10/2025	-961	2181	-2147	-1653	13629	422824
10/10/2025	3524	-1200	-267	-1000	13636	423785
3/10/2025	3715	350	-1601	-1382	13629	420261
26/9/2025	1792	-50	4125	-80	13505	416546
19/9/2025	-607	500	-1081	-1000	13501	414754

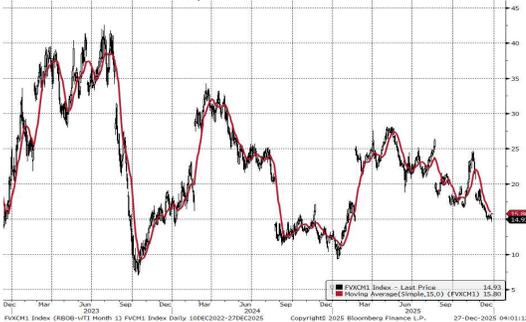
Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
12/29/2025 23:30	EIA Natural Gas Storage Change	Dec-25	-173.86	-177
12/29/2025 23:30	EIA Working Natural Gas Implied Flow	Dec-25	-173.86	-177
12/29/2025 23:30	Baker Hughes U.S. Rig Count	Dec-25	--	542
12/29/2025 02:00	Baker Hughes U.S. Rotary Gas Rigs	19-Dec	--	127
12/29/2025 02:00	Baker Hughes U.S. Rotary Oil Rigs	19-Dec	--	406
12/24/2025 02:00	Baker Hughes U.S. Rig Count	26-Dec	--	545
12/24/2025 02:00	Baker Hughes U.S. Rotary Gas Rigs	26-Dec	--	127
12/24/2025 02:00	Baker Hughes U.S. Rotary Oil Rigs	26-Dec	--	409
12/29/2025 23:30	DOE U.S. Crude Oil Inventories	19-Dec	--	-1274k
12/29/2025 23:30	DOE Cushing OK Crude Inventory	19-Dec	--	-742k
12/29/2025 23:30	DOE U.S. Gasoline Inventories	19-Dec	--	4808k
12/29/2025 23:30	DOE U.S. Distillate Inventory	19-Dec	--	1712k
12/29/2025 23:30	DOE U.S. Refinery Utilization	19-Dec	--	0.30%
12/29/2025 23:30	DOE Crude Oil Implied Demand	19-Dec	--	20550
12/29/2025 23:30	DOE Gasoline Implied Demand	19-Dec	--	10069.4
12/29/2025 23:30	DOE Distillate Implied Demand	19-Dec	--	5226.4

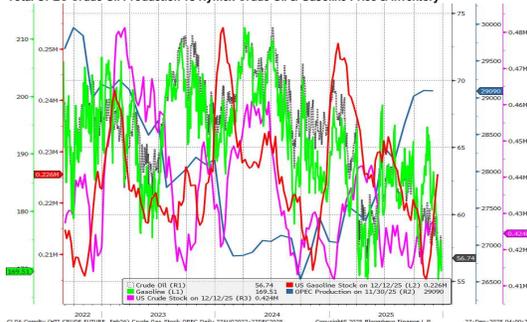
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



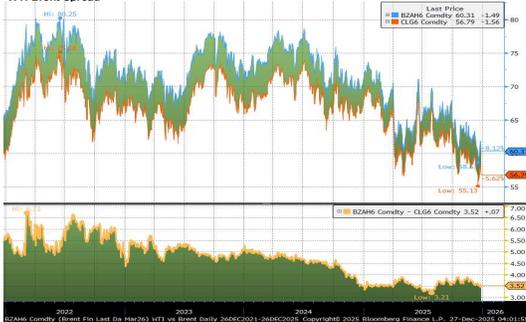
Normalized RBOB Gasoline minus Nymex Crude Oil Price



Total OPEC Crude Oil Production vs Nymex Crude Oil & Gasoline Price & Inventory



WTI-Brent Spread



Nymex Crude Daily Chart



Nymex RBOB Gasoline Daily Chart



Nymex Natural Gas Daily Chart



Nymex Heating Oil Daily Chart



Nymex Brent Last Day Daily Chart



Technical Analysis

Crude Oil	Natural Gas	Gasoline
1st Resistance: 57.59	1st Resistance: 4.431	1st Resistance: 172.26
2nd Resistance: 58.44	2nd Resistance: 4.497	2nd Resistance: 174.80
1st Support: 55.89	1st Support: 4.301	1st Support: 167.16
2nd Support: 55.04	2nd Support: 4.235	2nd Support: 164.62
MACD: -0.465	MACD: -0.118	MACD: -3.323
MACD DIFF: 0.097	MACD DIFF: -0.010	MACD DIFF: -0.165
RSI: 43.557	RSI: 49.267	RSI: 35.398

Heating Oil	Brent Fin Last Day
1st Resistance: 213.86	1st Resistance: 61.15
2nd Resistance: 217.02	2nd Resistance: 62.06
1st Support: 207.54	1st Support: 59.35
2nd Support: 204.38	2nd Support: 58.44
MACD: -5.964	MACD: -0.519
MACD DIFF: -0.678	MACD DIFF: 0.092
RSI: 34.979	RSI: 43.062

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