MarketWatch | Refined Products

Thursday, March 5, 2026

Market Commentary

Recap: The oil market ended the session slightly higher after posting an inside trading day. The market remained supported by widening tensions in the Middle East and the continuing halt in shipping through the Strait of Hormuz for a fifth day. The market traded to a high of $77.23 in overnight trading before it erased its gains and sold off to a low of $73.28 early in the morning. The market was pressured by a New York Times report stating that operatives from Iran's Ministry of Intelligence signaled openness to the U.S. Central Intelligence Agency to talks on ending the war. The crude market later bounced off its low and once again retraced some of its losses ahead of the close. The April WTI contract settled up 10 cents at $74.66, while the May Brent contract settled unchanged at $81.40. The product markets continued to settle sharply higher, with the heating oil market settling up 10.69 cents at $3.2938 and the RB market settling up 5.75 cents at $2.5149.

Technical Analysis: The crude market will remain supported by the prospect of a prolonged war and supply disruptions. While President Donald Trump ordered the U.S. International Development Finance Corporation to provide political risk insurance and financial guarantees for maritime trade in the Gulf and said the U.S. Navy could begin escorting oil tankers through the Strait of Hormuz, his plan may be difficult to implement. The U.S. Navy is currently focused on conflict in Iran and even if the U.S. Navy escorts tankers through the waterway, the U.S. ships themselves will be in danger. The oil market is seen finding resistance at $77.23, $77.98, $78.40, $78.47, $79.44, $80.59 and $80.77. Support is seen at $73.28, $72.96, $71.41, $70.41, $69.87, its gap from $69.20 to $67.83, $64.85 and $63.60.

Fundamental News: U.S. Energy Secretary, Chris Wright, said the U.S. Navy is currently focused on the Iran conflict and it will escort oil tankers through the Strait of Hormuz "as soon as it can". Earlier, White House spokeswoman, Karoline Leavitt, said the Pentagon and the U.S. Energy Department are working on plans to secure the Strait of Hormuz to ensure safety for oil tankers amid the war on Iran. Meanwhile, U.S. Treasury Secretary Scott Bessent said that crude oil markets are well supplied amid the U.S.-Israeli war in Iran, and that the U.S. plans to make a series of additional announcements on the issue. He said "The crude markets are very well supplied. There are hundreds of millions of barrels on the water away from the Gulf. But more importantly, we have a series of announcements that we're going to be making."

The U.S.-Iran war widened sharply on Wednesday after a U.S. submarine sank an Iranian warship off Sri Lanka, killing at least 80 people, and NATO air defenses destroyed an Iranian ballistic missile fired towards Turkey. The escalation came as the powerful son of Iran's slain supreme leader emerged as a frontrunner to succeed him, suggesting Tehran was not about to buckle to pressure, five days after the United States and Israel launched a military campaign. The missile incident is the first time that Turkey has been drawn into the conflict, but U.S. Defense Secretary Pete Hegseth said there was no sense that it would trigger the Atlantic alliance's collective defense clause. The Chairman of the Joint Chiefs of Staff General, Dan Caine, said that Iran was firing fewer missiles as the war progressed and added that U.S. strikes will now expand inland inside Iran.

According to Reuters estimates, at least 200 ships, including oil and liquefied natural gas tankers as well as cargo ships, remained at anchor in open waters off the coast of major Gulf producers including Iraq, Saudi Arabia and Qatar. Hundreds of other vessels remained outside Hormuz unable to reach ports.

IIR Energy said U.S. oil refiners are expected to shut in about 1.23 million bpd of capacity offline in the week ending March 6th, increasing available refining capacity by 68,000 bpd. Offline capacity is expected to fall to 1.18 million bpd in the week ending March 13th.

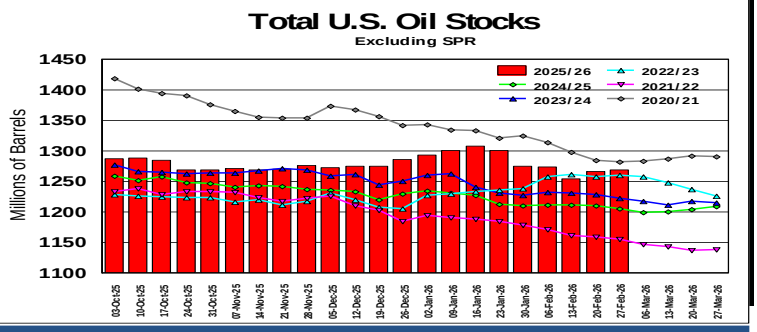
Early Market Call - as of 8:35 AM EDT

WTI - Apr $76.94, up 84 cents
RBOB - Apr $2.5936, up 5.80 cents
HO - Apr $3.4547, up 9.8 cents

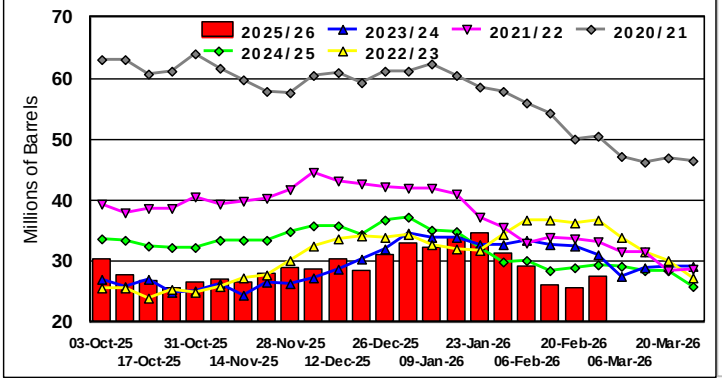
All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-26	3.2938	0.1069	0.7629
May-26	2.9955	0.0178	0.5307
Jun-26	2.8088	-0.0273	0.3862
Jul-26	2.7147	-0.0411	0.3129
Aug-26	2.6515	-0.0430	0.2626
Sep-26	2.6106	-0.0380	0.2255
Oct-26	2.5757	-0.0305	0.1923
Nov-26	2.5360	-0.0232	0.1593
Dec-26	2.4937	-0.0188	0.1291
Jan-27	2.4764	-0.0121	0.1203
Feb-27	2.4583	-0.0092	0.1154
Mar-27	2.4318	-0.0082	0.1102
Apr-27	2.4003	-0.0066	0.1071
May-27	2.3781	-0.0041	0.1059
Jun-27	2.3606	-0.0018	0.1054
Jul-27	2.3524	0.0006	0.1030
Aug-27	2.3471	0.0014	0.0998
Sprague HeatCurve October 2026-April 2027			**$2.4765**

		Close	Change
Crude - WTI	**May Brent-WTI Spread $7.94**	$73.4600	-$0.0900
Crude - Brent		$81.4000	$0.0000
Natural Gas		$2.9170	-$0.1370
Gasoline		$2.5149	$0.0575



Weekly EIA Petroleum Status Report for the Week Ending February 27, 2026



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 3.5 million barrels
Cushing, OK Crude Stocks Up 1.56 million barrels
Gasoline Stocks Down 1.7 million barrels
Distillate Stocks Up 429,000 barrels
Refinery % Operated 89.2%, up 0.6%

PADD #1

Distillate Stocks (in million bbl)	Week Ending Feb 27, 2026	Week Ending Feb 20, 2026	Week Ending Feb 28, 2025
New England	3.6	3.5	4.0
Central Atlantic	12.7	11.3	14.9
Total PADD #1	27.5	25.6	29.4
Distillate Imports (thousands b/d)	153	392	245

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