MarketWatch | Refined Products

Monday, August 10, 2026

Market Commentary

Recap: The crude market ended 1.15% higher on Friday amid worries over talks to end the Iran war. The market weighed signals that Oman and Iran were close to finding an agreement to reopen the Strait of Hormuz under a temporary agreement aimed at allowing for broader talks to end the war against news that Iran was reviewing a preliminary bill that would ban U.S. and Israeli vessels from the Strait of Hormuz. The market was also looking for developments on the news that Saudi Arabia was expecting imminent coordinated attacks from Iraqi militia north of the Gulf state and from Yemen's Houthis from the south. The oil market posted a high of $78.77 in overnight trading before it erased its gains and sold off to a low of $76.53 by mid-morning. However, the market bounced off its low and retraced its earlier losses by the afternoon. The September WTI contract settled up 89 cents at $78.18 and the October Brent contract settled up $1.06 at $83.55. The product markets ended the session higher, with the heating oil market settling up 2.04 cents at $3.9024 and the RB market settling up 4.68 cents at $2.9853.

Technical Analysis: The oil market will likely remain supported as the Oman-Iran agreement to open the Strait of Hormuz in its current form, and the power it yields to Iran, is unlikely to be supported by the U.S. Under the proposed deal, Iran is seeking fees of between 5% and 7% of the price of cargoes from ships using the Strait of Hormuz, while Oman is discussing fees of about 3%, while the U.S. does not want any fees imposed. The market will be driven by the latest headlines, as Saudi Arabia is expecting coordinated attacks from militias to the north and south of the country. The crude market is seen finding support at $76.53, $74.57, $74.57, $74.24, $72.51, $70.68, $68.61, $67.82 and $67.12. Meanwhile, resistance is seen at $78.77, $79.06, $80.56, $82.05, $82.33, $86.87 to $87.68, $92.83 and $93.50.

Fundamental News: Bloomberg reported that U.S. oil imports from Saudi Arabia fell to zero in July, the first time it has occurred since 1985. Saudi oil exports have been disrupted for months as the U.S.-Iran conflict all but shut down Persian Gulf crude flows.

Bloomberg reported that tankers entering the Red Sea to load Saudi oil are increasingly signaling the Suez Canal and Egypt as destinations, rather than the Saudi Arabia's ports, as they seek to avoid being hit by the Houthis.

Citi said it still expects a resolution to the U.S.-Iran conflict, but the prolonged back-and-forth in negotiating a peace deal has prompted it to raise its third-quarter average Brent crude forecast to $80/barrel from $75/barrel, previously. Citi maintained its fourth quarter 2026 and full year 2027 average Brent forecasts at $70/barrel and $65/barrel, respectively.

Baker Hughes reported that U.S. energy firms left the overall rig count unchanged in the latest week. The total oil and gas rig count held at 588 in the week ending August 7th from the previous week. Baker Hughes said oil rigs increased by three to 454 this week, their highest level since May 2025, while gas rigs fell by three to 124, their lowest level since June 2026, and other miscellaneous rigs held at 10.

IIR Energy said U.S. oil refiners are expected to shut in about 163,000 bpd of capacity in the week ending August 7th, increasing available refining capacity by 50,000 bpd. Offline capacity is expected to fall to 141,000 bpd in the week ending August 14th and further to 8,000 bpd in the subsequent week.

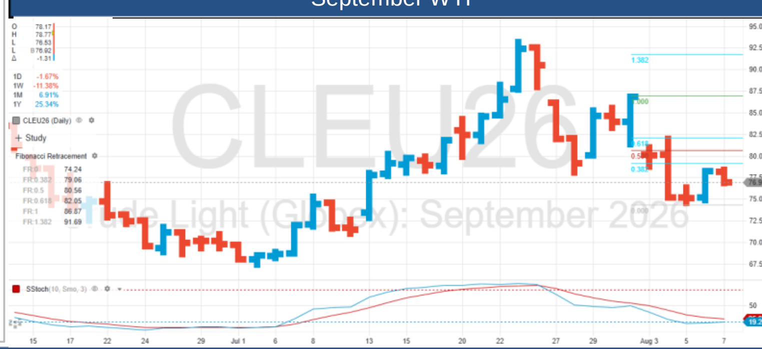
Early Market Call - as of 8:40 AM EDT
WTI - Sep $79.65, up $2.57
RBOB - Sep $3.0505, up 8.58 cents
HO - Sep $4.0614, up 17.94 cents

All NYMEX | Prior Settlements

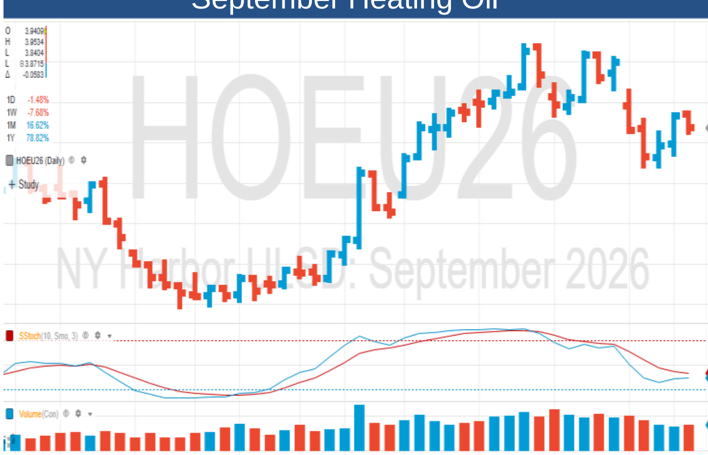
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Sep-26	3.9024	0.0204	-0.1931
Oct-26	3.8231	0.0388	-0.1347
Nov-26	3.7146	0.0482	-0.0865
Dec-26	3.5827	0.0496	-0.0473
Jan-27	3.4913	0.0496	-0.0240
Feb-27	3.4108	0.0474	-0.0143
Mar-27	3.3201	0.0445	-0.0104
Apr-27	3.2230	0.0410	-0.0088
May-27	3.1476	0.0378	-0.0083
Jun-27	3.0874	0.0350	-0.0076
Jul-27	3.0490	0.0329	-0.0064
Aug-27	3.0175	0.0312	-0.0043
Sep-27	2.9926	0.0297	-0.0015
Oct-27	2.9686	0.0284	0.0012
Nov-27	2.9398	0.0268	0.0030
Dec-27	2.9073	0.0247	0.0037
Jan-27	2.8861	0.0239	0.0075
Sprague HeatCurve October 2026-April 2027			**$3.4917**

		Close	Change
Crude - WTI	**Oct Brent-WTI Spread $6.40**	$77.1500	$0.9900
Crude - Brent		$83.5500	$1.0600
Natural Gas		$2.6620	$0.0220
Gasoline		$2.9853	$0.0468

September WTI



September Heating Oil



September RBOB