MarketWatch | Refined Products

Tuesday, August 11, 2026

Market Commentary

Recap: The oil market ended the session 5% higher on Monday after Iran and the U.S. traded demands for compensation, cutting hopes for a deal to reopen the Strait of Hormuz soon. Over the weekend, Iran called on the U.S. to meet certain conditions, including compensation and an end to sanctions and military threats, before the strategic waterway is reopened. Iran's Foreign Minister, Abbas Araqchi, said on Sunday that Iran will not start talks with the U.S., while Washington is in breach of an interim deal signed in June. The oil market posted a low of $77.79 in overnight trading before it continued on its upward trend. The market was further supported after President Donald Trump indicated that he was in no rush to sign a peace deal as Iran deals with high inflation. He said he will demand that Iran pay the U.S. compensation for "all of the people that they have killed and gravely wounded." The crude market extended its gains to over $4.10 as it rallied to a high of $82.32 ahead of the close. The September WTI contract settled up $3.95 at $82.13 and the October Brent contract settled up $4.17 at $87.72. Meanwhile, the product markets ended the session higher, with the heating oil market settling up 28.74 cents at $4.1898 and the RB market settling up 15.01 cents at $3.1354.

Technical Analysis: The oil market will remain supported by dimming prospects for a deal to reopen the Strait of Hormuz amid the demands traded by the U.S. and Iran. The market will also remain supported in light of the further threats to supply, with Yemen's Houthis striking Saudi Aramco's Jazan refinery over the weekend. The crude market is seen finding resistance at $82.32 to $82.33, $86.87 to $87.68, $92.83 and $93.50. Meanwhile, support is seen at $77.79, $76.53, $74.57, $74.57, $74.24, $72.51, $70.68, $68.61, $67.82 and $67.12. Meanwhile, resistance is seen at $82.34, $83.87, $86.14, $86.87 to $87.68, $92.83 and $93.50.

Fundamental News: The White House said President Donald Trump has extended for 90 days a waiver allowing foreign-flagged ships to transport oil and other commodities between U.S. ports. White House spokeswoman, Taylor Rogers, said the 90-day extension ensures the U.S. military and key industries maintain uninterrupted access to critical resources. Under the new terms, the administration has narrowed the scope of the relief, requiring individual voyages to undergo case-by-case review rather than allowing foreign ships to receive blanket exemptions from the Jones Act. The waiver was set to expire on August 16 without the extension. It is the longest suspension of the more than a century-old law in its history.

According to a Reuters survey, OPEC oil output increased further in July, as Gulf members restored supplies that were shut due to the Iran war and effective closure of the Strait of Hormuz. Output by the 11-member Organization of the Petroleum Exporting Countries increased by 1.17 million bpd month-on-month to 19.85 million bpd. That extended the recovery from May, which was the lowest monthly figure since at least 2000 and also well below the levels seen during the COVID-19 pandemic in 2020 when demand collapsed. The survey showed that Iraq had the biggest increase of 850,000 bpd to 2.85 million bpd, followed by Kuwait, with an increase of 300,000 bpd to 1.95 million bpd. Iran also increased exports although the resumption of a U.S. blockade on Iranian ports in mid-July slowed shipments again. Saudi Arabia's supply was down 100,000 bpd to 6.9 million bpd.

IIR Energy said U.S. oil refiners are expected to shut in about 141,000 bpd of capacity in the week ending August 14th, increasing available refining capacity by 22,000 bpd.

Marathon Petroleum reported that a leaking threaded connection on a pressure gauge was discovered at its 631,000 bpd Galveston Bay, Texas refinery.

Phillips 66 reported a unit start up at its 345,000 bpd Wood River, Illinois refinery.

IIR reported that Saudi Aramco has delayed the tentative restart of its 400,000 bpd Jazan oil refinery by about two weeks to August 30th. Yemen's Houthi militants said on Sunday they had attacked the refinery, which has been shut since July 27th following a previous Houthi attack.

Early Market Call - as of 9:30 AM EDT

WTI - Sep $81.49, down 81 cents

RBOB - Sep $3.1014, down 2.82 cents

HO - Sep $4.1194, down 4.52 cents

All NYMEX | Prior Settlements

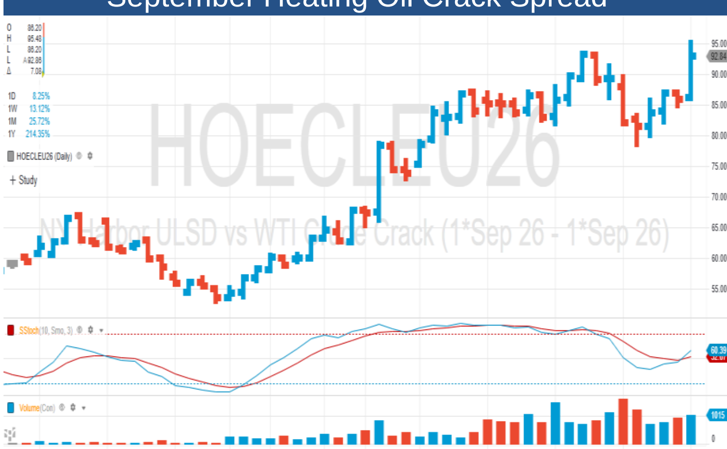
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Sep-26	4.1898	0.2874	0.3126
Oct-26	4.0874	0.2643	0.3173
Nov-26	3.9547	0.2401	0.3110
Dec-26	3.7948	0.2121	0.2939
Jan-27	3.6813	0.1900	0.2748
Feb-27	3.5832	0.1724	0.2520
Mar-27	3.4761	0.1560	0.2269
Apr-27	3.3622	0.1392	0.1995
May-27	3.2722	0.1246	0.1747
Jun-27	3.1997	0.1123	0.1546
Jul-27	3.1526	0.1036	0.1410
Aug-27	3.1143	0.0968	0.1312
Sep-27	3.0847	0.0921	0.1252
Oct-27	3.0575	0.0889	0.1208
Nov-27	3.0262	0.0864	0.1161
Dec-27	2.9924	0.0851	0.1120
Jan-27	2.9682	0.0821	0.1113
Sprague HeatCurve October 2026-April 2027			$3.6837

	Close	Change
Crude - WTI	$81.1600	$4.0100
Crude - Brent	$87.7200	$4.1700
Natural Gas	$2.7940	$0.1320
Gasoline	$3.1354	$0.1501

Oct Brent-WTI Spread $6.56

ICE September Brent-WTI Spread

September Heating Oil Crack Spread



September RBOB Crack Spread