MarketWatch | Refined Products

Tuesday, August 18, 2026

Market Commentary

Recap: The oil market traded higher amid concerns over the latest U.S. and Iranian rhetoric regarding the war in Iran. The market was well supported as shipping through the Strait of Hormuz remains restricted and diplomatic efforts to resolve the war have reached a stalemate. The oil market traded sideways in overnight trading, posting a low of $81.50. However, the market bounced off its low and rallied higher amid concerns over U.S. President Donald Trump's comments demanding that Iran surrender while also threatening to attack Oman if it interfered. Meanwhile, an Iranian official said Iran would escalate tensions in the Strait of Hormuz and beyond and launch an attack of the U.S. fails to implement an interim peace deal fully in a matter of weeks. The crude market rallied to a high of $84.88 in afternoon trading. The September WTI contract ended the session up $2.10 at $84.50 and the October Brent contract settled up $2.35 at $90.87. The product markets settled higher, with the heating oil market settling up 15.42 cents at $4.4371 and the RB market settling up 8.6 cents at $3.2701.

Technical Analysis: The crude market is seen remaining in its recent trading range as the recent threats keep the market supported, while its gains remain limited as long as the situation in the Strait of Hormuz does not escalate further and cause a further decline in oil flows through the waterway. The oil market is seen finding resistance at $83.23, $83.87, $84.35, $84.61, $86.14 followed by $86.87 to $87.68 and $92.83 and $93.50. Meanwhile, support is seen at $81.50, $80.71, $80.09, $77.79, $76.53, $74.57 and $74.24.

Fundamental News: Shipping through the Strait of Hormuz slowed over the weekend following recent attacks on tankers. According to Kpler data, five commodity vessels transited the Strait of Hormuz on Saturday, with none registered for Sunday, compared with 31 for the prior weekend.

The EIA reported that U.S. Gulf Coast to West Coast waterborne crude oil and petroleum products shipments more than quadrupled year on year in April and May after the Jones Act waiver. It said the shipments reached a record 1.2 million bpd in April, up 11% from the pre-waiver record. It said crude oil shipments from the Gulf Coast to the East Coast increased to a record 180,000 bpd in May.

U.S. Energy Secretary, Chris Wright, said he would talk to U.S. refiners on Monday about ways to increase fuel production in an effort to lower gasoline prices that remain high in the wake of the U.S.-Israeli war on Iran. He said increasing refinery output in the U.S. and elsewhere was the key to lowering gasoline prices. According to AAA, the average U.S. price for regular gasoline is more than $4.06/gallon, up by more than $1 from a year ago.
IIR Energy said U.S. oil refiners are expected to shut in about 163,000 bpd of capacity for the week ending August 21st, unchanged from the previous week. Offline capacity is expected to fall to 8,000 bpd in the week ending August 28th.

The U.S. diesel crack reached an all-time high of $102.20/barrel on Monday as global supply disruptions from the wars in Iran and Ukraine run into peak agricultural consumption season. The crack has reached new intraday record highs in five of the last six sessions, reflecting growing concerns about fuel availability as new attacks on Middle Eastern refineries added to existing supply disruptions.

Delek reported equipment malfunction at its 73,000 bpd Big Spring, Texas refinery.

An alert of emissions at Valero's Corpus Christi, Texas East plant last week has been withdrawn after the company name was entered incorrectly in a filing by the Texas pollution regulator. The incident instead involved an overhead leak at Citgo's Corpus Christi refinery East plant.

Flint Hills Resources reported operating conditions have made flaring necessary at 290,000 bpd its Corpus Christi, Texas West plant.

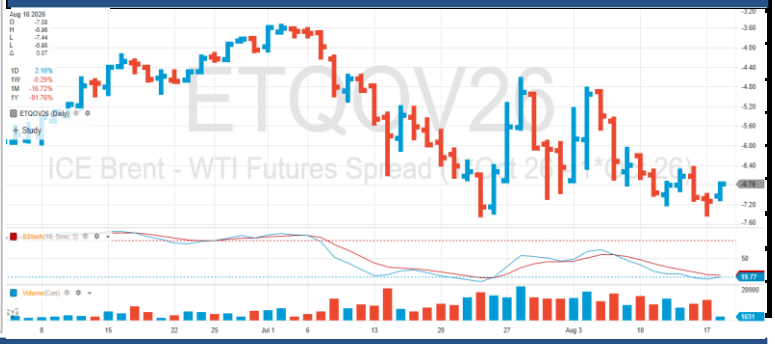
Early Market Call - as of 8:45 AM EDT
WTI - Sep $85.22, up 27 cents
RBOB - Sep $3.3029, up 2.92 cents
HO - Sep $4.4263, down 1.52 cents

All NYMEX | Prior Settlements

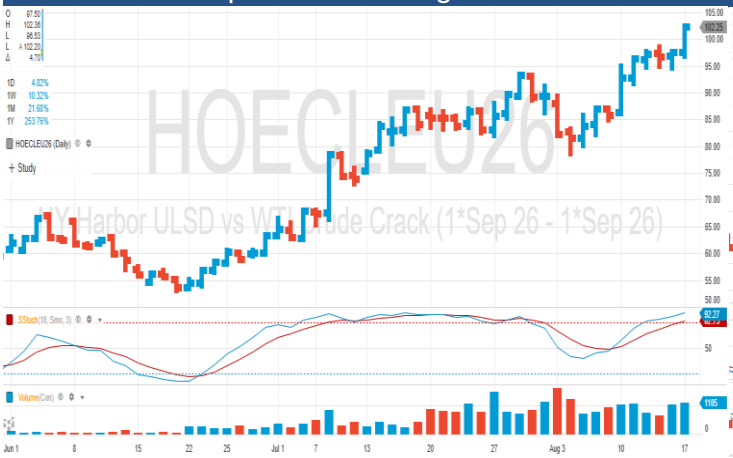
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Sep-26	4.4371	0.1542	0.2473
Oct-26	4.3072	0.1425	0.2198
Nov-26	4.1570	0.1300	0.2023
Dec-26	3.9882	0.1201	0.1934
Jan-27	3.8655	0.1108	0.1842
Feb-27	3.7569	0.1025	0.1737
Mar-27	3.6369	0.0940	0.1608
Apr-27	3.5105	0.0856	0.1483
May-27	3.4089	0.0782	0.1367
Jun-27	3.3271	0.0719	0.1274
Jul-27	3.2733	0.0671	0.1207
Aug-27	3.2299	0.0630	0.1156
Sep-27	3.1961	0.0598	0.1114
Oct-27	3.1653	0.0565	0.1078
Nov-27	3.1300	0.0526	0.1038
Dec-27	3.0914	0.0478	0.0990
Jan-27	3.0632	0.0454	0.0950
Sprague HeatCurve October 2026-April 2027			**$3.7154**

		Close	Change
Crude - WTI	**Oct Brent-WTI Spread $7.13**	$83.7400	$2.2700
Crude - Brent		$90.8700	$2.3500
Natural Gas		$2.6900	-$0.0430
Gasoline		$3.2701	$0.0860

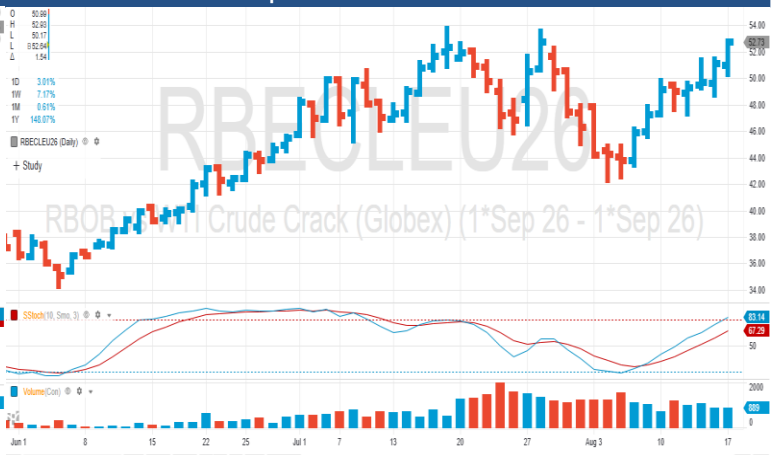
ICE October Brent-WTI



September Heating Oil



September RBOB



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