MarketWatch | Refined Products

Friday, September 4, 2026

Market Commentary

Recap: The oil market on Thursday continued on its upward trend reaching a six-week high following further U.S. strikes on Iran and renewed Israeli threats against Iran. Israel's Defense Minister, Israel Katz, said Israel would destroy Iran's military and civilian infrastructure, including energy facilities, if Iran launched attacks against it. The crude market erased some of its previous gains in overnight trading, posting a low of $89.57. However, the market bounced off that level and extended its gains on the Israeli threats against Iran. Also, oil flows through the Strait of Hormuz were lower on Wednesday, with only six vessels transiting the waterway, down from 11 on Tuesday. The oil market retraced nearly 62% of its move from a high of $109.47 to a low of $67.04 as it posted a high of $93.14 early in the morning. The market later erased some of its gains during the remainder of the session, with the October WTI contract settling up 90 cents at $91.30 and the November Brent contract settling down 11 cents at $95.52. The product markets ended the session in mixed territory once again, with the heating oil market settling down 8.86 cents at $4.5936 and the RB market settling up 3.11 cents at $3.1349.

Technical Analysis: The crude market on Friday will likely continue to trend higher amid the continuing strikes between the U.S. and Iran and the renewed threats from Israel. The oil market is seen finding resistance at $93.14, $93.26, $93.50, $93.64, $95.47, $95.91 and $97.00. Meanwhile, support is seen at $89.57, $88.97, $86.13, $84.11 to $83.78, $82.25, $80.65 and $79.62.

Fundamental News: U.S. Vice President JD Vance said that the U.S. does not plan to hold talks with Iran unless Tehran stops attacking commercials shipping in the Strait of Hormuz.

Preliminary shipping data showed that six commodity vessels transited the Strait of Hormuz on Wednesday, down from 11 a day earlier and well below the 10-day average of around 13. Kpler data showed that in the Bab el-Mandeb Strait, 31 commodity vessels crossed that waterway on Wednesday, the highest number since August 24th and above the 10-day average of 25 vessels. On Tuesday, 17 vessels transited the waterway.

Citi said it raised its mark-to-market Brent average forecast for the third quarter of 2026 to $86/barrel from a previous estimate of $80/barrel, as the reopening of the Strait of Hormuz has taken longer than its prior assumption. Citi said it is maintaining its fourth quarter 2026 and 2027 Brent average forecasts at $70/barrel and $65/barrel, respectively.

According to GasBuddy data, average U.S. diesel prices reached $5.820/gallon on Thursday, a new record, as a global supply crunch intensifies following renewed hostilities between the United States and Iran and disruptions caused by Ukrainian attacks on Russian refineries. This surpassed the previous high of $5.819/gallon recorded on June 17, 2022, in the aftermath of Russia's invasion of Ukraine.

Bloomberg reported that U.S. retail diesel prices reached its highest level since mid-2022, surpassing a peak seen during the early stages of the Iran war.

Goldman Sachs expects Venezuela's crude production to increase, but does not see output returning to pre-2018 levels of more than 2 million bpd over the next few years. It said that key bottlenecks, including degraded infrastructure and an unreliable power grid, will be costly and time-consuming to fix. Several international energy firms, including Eni, GE Vernova and Chevron committed on Wednesday to project expansions to increase oil output in Venezuela, in a signing ceremony in Caracas overseen by interim President Delcy Rodriguez and U.S. Energy Secretary Chris Wright.

Early Market Call - as of 9:10 AM EDT

WTI - Oct $90.38, down 92 cents
RBOB - Oct $3.1155, down 1.92 cents
HO - Oct $4.4786, down 11.5 cents

All NYMEX | Prior Settlements

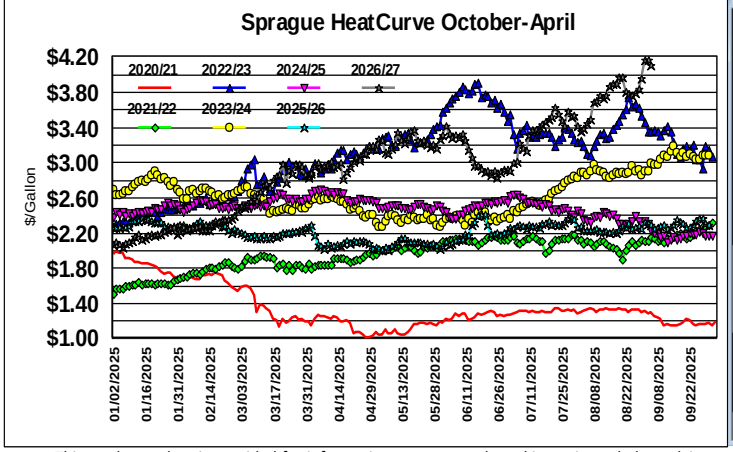
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Oct-26	4.5936	-0.0886	0.4183
Nov-26	4.4250	-0.0701	0.3790
Dec-26	4.2399	-0.0560	0.3436
Jan-27	4.1027	-0.0502	0.3112
Feb-27	3.9823	-0.0449	0.2836
Mar-27	3.8519	-0.0413	0.2569
Apr-27	3.7139	-0.0392	0.2317
May-27	3.6020	-0.0364	0.2113
Jun-27	3.5099	-0.0344	0.1930
Jul-27	3.4482	-0.0331	0.1786
Aug-27	3.3987	-0.0326	0.1674
Sep-27	3.3579	-0.0329	0.1577
Oct-27	3.3193	-0.0335	0.1478
Nov-27	3.2750	-0.0345	0.1376
Dec-27	3.2269	-0.0358	0.1263
Jan-27	3.1887	-0.0365	0.1174
Feb-27	3.1513	-0.0366	0.1110
Sprague HeatCurve October 2026-April 2027			**$4.1036**

		Close	Change
Crude - WTI	Nov Brent-WTI Spread $7.49	$88.0300	$0.2500
Crude - Brent		$95.5200	-$0.1100
Natural Gas		$2.9130	-$0.0430
Gasoline		$3.1349	$0.0311

EIA Working Gas Storage Report

	28-Aug-26	21-Aug-26	Change	28-Aug-25
East	753	727	26	731
Midwest	890	866	24	856
Mountain	236	238	-2	254
Pacific	285	293	-8	295
South Central	1051	1061	-10	1,128
Salt	238	248	-10	273
Nonsalt	813	813	0	856
Total	3214	3184	30	3,264

Sprague HeatCurve



October WTI

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