MarketWatch | Refined Products

Thursday, September 10, 2026

Market Commentary

Recap: The oil market continued to surge as escalating attacks across the Middle East increased concerns over disruptions to oil supplies from the region. In a further escalation to the war in the Middle East, U.S. forces struck five Iranian oil tankers and Iran targeted a U.S. base in Jordan and attacked 10 ships. Iran's Revolutionary Guards said they would sharply escalate their response to any further attacks. The crude market posted a low of $93.76 in overnight trading and extended its gains further on the wave of tit-for-tat attacks on shipping by the U.S. and Iran since the start of the war. The market rallied close to $3.80 and posted a high of $96.82 in afternoon trading. The October WTI erased some of its sharp gains ahead of the close and settled up $3.02 at $96.05. The November Brent contract settled up $3.29 cents at $101.21, the highest settlement since May 22nd. The product markets were mixed, with the heating oil market settling up 23.32 cents at $4.8010 and the RB market settling down 4.19 cents at $3.2106.

Technical Analysis: The crude market will remain supported by the concerns of the escalating strikes in the Middle East between the U.S. and Iran and an escalation in fighting between Saudi Arabia and the Houthis. Also, increasing concerns over supplies from the region is the news of Iran extending its off-limits zone at sea. The oil market is seen finding resistance at $96.82, $97.00, $98.30, $99.43 and $102.66. Further upside is seen at $104.45 to $106.76. Meanwhile, support is seen at $93.76, $90.87, $88.72, $86.13, $84.11 to $83.78.

Fundamental News: U.S. President Donald Trump said oil prices were going to fall after November's U.S. midterm elections. He said he believed that Iran will end the war after the elections in November because Iran was trying to influence the vote but would not be able to hold out any longer.

The EIA raised its oil price forecasts for this year and next year, as global stockpiles fall rapidly under pressure from the loss of Middle Eastern supply in the ongoing Iran war. The EIA said it now expects global benchmark Brent crude oil prices to average about $91/barrel in the spot market this year, a nearly 5% increase to its prior forecast for 2026. The EIA said U.S. West Texas Intermediate crude prices are now expected to average $84.65/barrel this year, also a nearly 5% increase from its prior forecast. The EIA expects Middle East oil to increase in the coming months due to "gradually increasing flows" through the Strait of Hormuz. It assumes some constraints to oil exports from the Middle East will persist through the end of 2026. It also expects crude oil output from the Middle East to remain below pre-conflict averages until the second quarter of 2027. Middle East oil production shut ins are expected to average 5.7 million bpd in the fourth quarter. The EIA estimates that global oil stocks fell by 400 million barrels so far in 2026 and will continue falling through the end of the year. It expects U.S. distillate fuel stocks to fall below 100 million barrels in September and remain below the 5 year low through most of 2027. Global distillate fuel output is expected to remain below last year's level in the coming months. World oil output is forecast at 100.6 million bpd in 2026, down from a previous forecast of 100.8 million bpd and its 2027 output is seen at 109.9 million bpd, up from a previous forecast of 109.7 million bpd. U.S. oil output is forecast to total 13.83 million bpd in 2026 and increase to 14.26 million bpd in 2027. U.S. oil demand is estimated at 20.6 million bpd in 2026, unchanged from a previous forecast, while demand in 2027 is expected to increase to 20.8 million bpd in 2027.

Preliminary shipping data showed that six commodity vessels transited the Strait of Hormuz on Tuesday, down from nine a day earlier and below the 10-day average of about 12.

IIR Energy said U.S. oil refiners are expected to shut in about 474,000 bpd of capacity in the week ending September 11th, decreasing available refining capacity by 237,000 bpd.

Early Market Call - as of 9:25 AM EDT

WTI - Oct $100.01, up $3.96
RBOB - Oct $3.32, up 10.94 cents
HO - Oct $4.9411, up 14.34 cents

All NYMEX | Prior Settlements

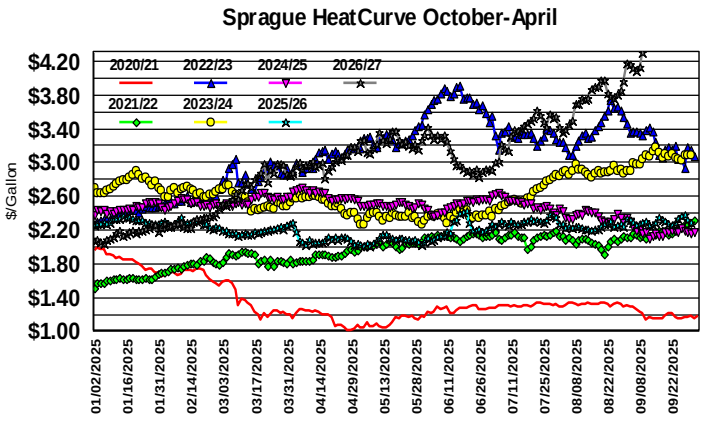
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Sep-26	$4.8010	$0.2332	$0.1188
Oct-26	$4.6247	$0.2052	$0.1296
Nov-26	$4.4346	$0.1819	$0.1387
Dec-26	$4.2984	$0.1676	$0.1455
Jan-27	$4.1760	$0.1541	$0.1488
Feb-27	$4.0402	$0.1395	$0.1470
Mar-27	$3.8951	$0.1250	$0.1420
Apr-27	$3.7719	$0.1102	$0.1335
May-27	$3.6656	$0.0952	$0.1213
Jun-27	$3.5867	$0.0803	$0.1054
Jul-27	$3.5228	$0.0683	$0.0915
Aug-27	$3.4702	$0.0591	$0.0794
Sep-27	$3.4200	$0.0499	$0.0672
Oct-27	$3.3626	$0.0408	$0.0531
Nov-27	$3.3000	$0.0294	$0.0373
Dec-27	$3.2584	$0.0285	$0.0332
Jan-28	$3.2005	$0.0097	$0.0126
Sprague HeatCurve October 2026-April 2027			**$4.2976**

		Close	Change
Crude - WTI	Oct Brent-WTI Spread $8.34	$92.8700	$2.6800
Crude - Brent		$101.2100	$3.2900
Natural Gas		$2.8220	-$0.0940
Gasoline		$3.2106	-$0.0419

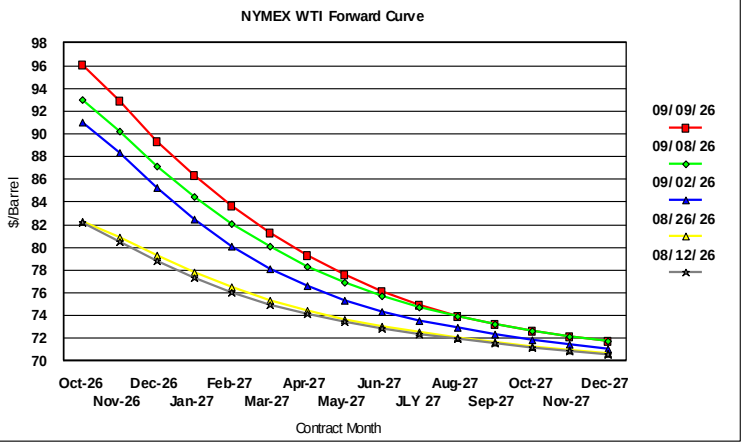
API Report for the Week Ending September

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Down 327,000 barrels	Down 1.1 million barrels
Gasoline Stocks	Down 1.87 million barrels	Down 1.9 million barrels
Distillate Stocks	Up 1.98 million barrels	Down 1.3 million barrels
Refinery Runs		Down 0.3% at 97.1%

Sprague HeatCurve



WTI Forward Curve



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