MarketWatch | Refined Products

Monday, October 5, 2026

Market Commentary

Recap: The oil market ended the session lower as it weighed news of European countries agreeing to release diesel supplies against the continuing stalemate in peace talks to end the war with Iran. The crude market posted a high of $93.51 on the opening and sold off sharply amid the news that European Union nations were discussing a proposal to release diesel stocks, in response to U.S. pressure to release more supplies in an attempt to lower fuel prices. The oil market extended its losses to over $4.80 as it sold off to a low of $88.06 following the news that the G7 group of nations agreed to release 100 million barrels of diesel and other reserves. However, the market later bounced off its low and retraced some of its sharp losses. The November WTI contract settled down $1.76 at $91.11 and the December Brent contract settled down 6 cents at $102.25. The product markets ended the session lower, with the heating oil market settling down 14.09 cents at $4.5011 and the RB market settling down 8.89 cents at $3.3124.

Technical Analysis: The crude market will remain in its sideways trading range as it weighs the bearish news of the release of oil inventories against the continuing lack of progress in ending the war with Iran. While the market may find some pressure from the release of diesel stocks, its losses will remain limited amid the Wall Street Journal report that the U.S. was sending a third aircraft and up to 10,000 more troops to the Middle East as President Trump weighs resuming strikes on Iran after the midterm elections. The oil market is seen finding support at $88.06, $86.13, $85.92 and $84.24. Meanwhile, resistance is seen at $93.26, $93.51, $93.68, $94.74, $94.87, $95.19, $96.54, $96.78, $97.22, $98.01 followed by $100.61 and $101.69.

Fundamental News: According to a joint G7 leaders' statement, the G7 group of nations will undertake a coordinated release of 100 million barrels of diesel and other reserves through the International Energy Agency to try and stabilize world energy markets. It said it will begin to release reserves immediately over four months, including a frontloaded substantial diesel release within the first 20 days. Meanwhile, International Energy Agency chief, Fatih Birol, said oil prices have started to fall after a decision to release 100 million barrels of oil and fuel reserves. Earlier, European Union countries discussed a French proposal to release additional diesel stockpiles, in response to U.S. pressure on European nations to release more supplies in an attempt to reduce increasing fuel prices. In a call, EU countries' governments discussed a French proposal for European countries to release 50 million barrels of diesel, and for International Energy Agency members to release 50 million barrels of crude oil.

Sources said an OPEC+ review to help to determine members' 2027 oil output quotas has been delayed after the U.S.-Israeli war on Iran disrupted projects to expand capacity across the Middle East. OPEC+ had ordered its production capacity review for all members in late 2025 before setting 2027 quotas, with completion due by the end of September 2026. Sources said the deadline has passed, with one saying the review is now expected to be completed by mid-November. The review aims to provide an updated independent assessment of how much oil each member can produce sustainably, a key metric used in negotiations over output targets. Delays to planned capacity additions could affect assumptions underpinning those assessments and, potentially, members' future quotas.

IIR Energy said U.S. oil refiners are expected to shut in about 547,000 bpd of capacity in the week ending October 2nd, increasing available refining capacity by 300,000 bpd. Offline capacity is expected to increase to 668,000 bpd in the week ending October 9th and further to 613,000 bpd in the week ending October 16th.

Early Market Call - as of 8:45 AM EDT

WTI - Nov $90.23, down 88 cents
RBOB - Nov $3.2910, down 2.1 cents
HO - Nov $4.5715, up 7.04 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Nov-26	4.5011	-0.1409	0.0390
Dec-26	4.3573	-0.1333	-0.0173
Jan-27	4.2664	-0.1175	-0.0351
Feb-27	4.1712	-0.0978	-0.0193
Mar-27	4.0577	-0.0771	0.0019
Apr-27	3.9342	-0.0572	0.0200
May-27	3.8173	-0.0394	0.0371
Jun-27	3.7066	-0.0254	0.0488
Jul-27	3.6357	-0.0177	0.0565
Aug-27	3.5800	-0.0119	0.0586
Sep-27	3.5370	-0.0075	0.0559
Oct-27	3.4954	-0.0051	0.0511
Nov-27	3.4403	-0.0020	0.0520
Dec-27	3.3669	0.0014	0.0542
Jan-27	3.2906	0.0044	0.0659
Feb-27	3.2248	0.0081	0.0709
Mar-27	3.1618	0.0104	0.0768
Sprague HeatCurve October 2027-April 2028			**$3.2859**

		Close	Change
Crude - WTI	**Dec Brent-WTI Spread $12.82**	$89.4300	-$1.4100
Crude - Brent		$102.2500	-$0.0600
Natural Gas		$3.0350	$0.0680
Gasoline		$3.3124	-$0.0889

November WTI



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November Heating Oil



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November RBOB



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