MarketWatch | Refined Products

Monday, November 2, 2026

Market Commentary

Recap: The oil market on Friday rallied higher and breached its recent sideways trading range amid the escalating conflict in the Middle East, with an attack on a tanker in the Strait of Hormuz highlighting supply risks. The market was also well supported as traders see the potential for a further escalation in the war with Iran after the U.S. midterm elections on November 3rd. The crude market posted the day's trading range in overnight as it traded to a low of $102.43 and quickly rallied to a high of $104.99 following the news that a tanker in the Strait of Hormuz was struck by explosive devices. It was the first know successful strike in the waterway using explosives that are attached to a ship's hull from a small boat. The crude market later settled in a sideways trading range as it traded in a yo-yo manner during the remainder of the session. The December WTI contract settled up $2.12 at $104.12 and the December Brent contract settled up $2.76 cents at $117.64. The product markets ended the session higher, with the heating oil market settling up 5.45 cents at $4.7905 and the RB market settling up 1.27 cents at $3.3120.

Technical Analysis: The crude market will remain well supported as traders brace for a potential escalation in the war with Iran after the U.S. mid-term elections next week. The market is seen finding resistance at $104.99, $110.48, $110.93 and $117.63. Meanwhile, support is seen at $102.43, $103, $99.44, $98.84, $97.72, $97.07, $96.26 and $95.25.

Fundamental News: The U.S. EIA said in its Petroleum Supply Monthly report that U.S. crude oil output increased by in August, while demand for crude oil and petroleum products declined. U.S. crude oil production increased 19,000 bpd in August to 13.965 million bpd, compared with the EIA's revised July figure of 13.946 million bpd. Meanwhile, total oil demand was down 2.9% or 618,000 bpd versus last year at 20.595 million bpd. The EIA reported that U.S. total oil demand in August fell by 2.9% or 618,000 bpd on the year to 20.595 million bpd. U.S. distillate demand fell by 0.8% or 30,000 bpd to 3.705 million bpd, while gasoline demand fell by 2.8% or 260,000 bpd to 8.98 million bpd.

Baker Hughes reported that U.S. energy firms this week left the total rig count unchanged for a third consecutive week. The total oil and gas rig count held steady at 603 in the week ending October 30th. Baker Hughes said oil rigs increased by two to 462 this week, their highest level since early October, while gas rigs fell by two to 130, their lowest since early September. Other miscellaneous rigs held at 11.

Libya's National Oil Corporation said an armed group shut a valve on Friday on the main Hamada crude oil pipeline that links the Hamada field to the country's largest refinery, Zawiya, halting flows. The closure marks the second time this month that oil flows to Zawiya have been halted by an armed group, underscoring the recurring disruptions that Libya's oil sector faces.

IIR Energy said U.S. oil refiners are expected to shut in about 413,000 bpd of capacity offline for the week ending October 30th, increasing available refining capacity by 155,000 bpd. Offline capacity is expected to decrease to 81,000 bpd in the week ending November 6th and further to 80,000 bpd in the subsequent week.

Qatari mediators returned to Tehran on Friday as part of efforts to reach a deal between the U.S. and Iran. An official said the mediation talks have been coordinated with the U.S. Qatar presented a draft peace plan to Iran on Sunday. However, a senior Iranian official dismissed the proposals as unacceptable and said Tehran would maintain its nuclear position.

Early Market Call - as of 8:35 AM EDT

WTI - Dec $97.94, down $6.22

RBOB - Dec $2.9356, down 21.85 cents

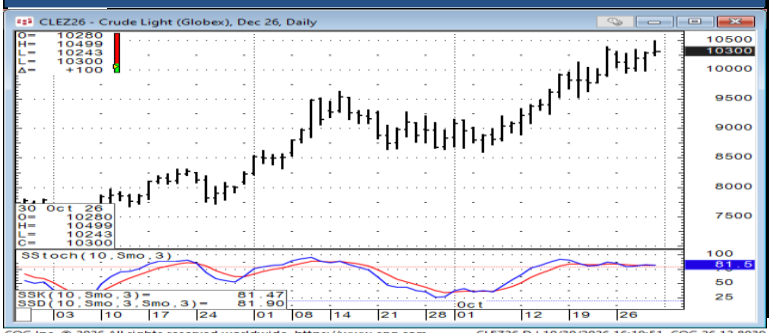
HO - Dec $4.4530, down 22.89 cents

All NYMEX | Prior Settlements

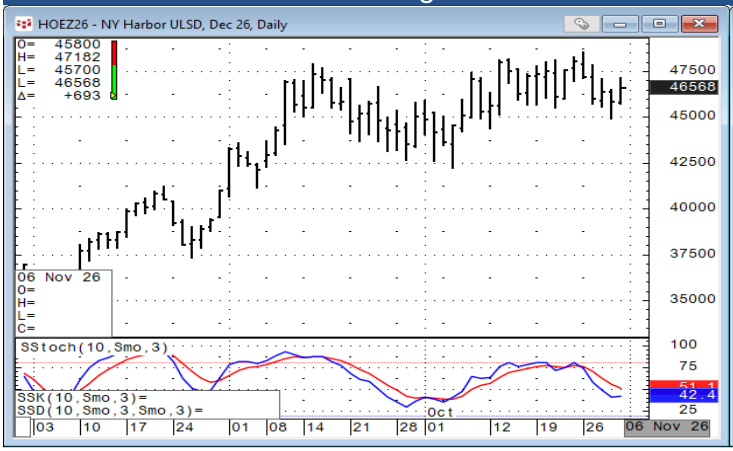
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Nov-26	4.7905	0.0545	-0.1937
Dec-26	4.6761	0.0886	-0.1109
Jan-27	4.5818	0.0818	-0.0947
Feb-27	4.4868	0.0764	-0.0774
Mar-27	4.3746	0.0710	-0.0570
Apr-27	4.2480	0.0655	-0.0385
May-27	4.1292	0.0588	-0.0240
Jun-27	4.0185	0.0525	-0.0110
Jul-27	3.9445	0.0489	-0.0027
Aug-27	3.8792	0.0451	0.0010
Sep-27	3.8223	0.0403	0.0018
Oct-27	3.7667	0.0357	0.0033
Nov-27	3.6988	0.0315	0.0065
Dec-27	3.6168	0.0287	0.0100
Jan-27	3.5318	0.0270	0.0123
Feb-27	3.4509	0.0264	0.0139
Mar-27	3.3737	0.0257	0.0117
Sprague HeatCurve October 2027-April 2028			**$3.5214**

		Close	Change
Crude - WTI	**Dec Brent-WTI Spread $13.52**	$104.1200	$2.1200
Crude - Brent		$117.6400	$2.7600
Natural Gas		$2.8980	-$0.0540
Gasoline		$3.3120	$0.0127

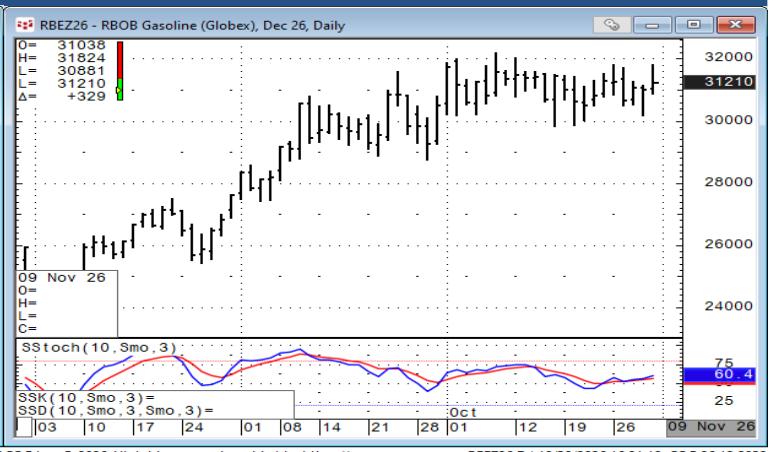
December WTI



December Heating Oil



December RBOB



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