MarketWatch | Refined Products

Tuesday, November 17, 2026

Market Commentary

Recap: The oil market continued to trend sideways and settled down amid signs of recovering oil flows through the Strait of Hormuz, despite the continuing tanker incidents in the waterway. The market seemed focused on the IEA's report indicating that the global oil market will return to a surplus in the fourth quarter of this year, as Middle East exports recover faster than global oil demand. The oil market posted a high of $89.49 in overnight trading before it erased any of its gains and sold off to a low of $85.32 ahead of the close. The December WTI contract settled down $2.84 at $85.72 and the January Brent contract settled down $3.40 at $92.44. The product markets ended the session lower, with the heating oil market settling down 17.67 cents at $4.0818 and the RB market settling down 8.35 cents at $2.9379.

Technical Analysis: The crude market on Tuesday will continue to trade in a sideways trading range as the traders continue to weigh expectations of a supply surplus against concerns over the continuing incidents against tankers transiting the Strait of Hormuz. The oil market is seen finding support at $85.28, $85.13, $83.88, $83.15, $82.08, $80.50 to $80.17. Meanwhile, resistance is seen at $89.49, $89.64, $91.42, $91.94, $92.53, $94.44, $96.93, $97.15 and $98.82.

Fundamental News: U.S. diesel prices fell below $6 a gallon on average on Saturday after two months above that threshold, retreating from record highs as easing geopolitical tensions and seasonal demand weakness reduce pressure on fuel markets. According to fuel price tracker GasBuddy, the national average retail diesel price was $5.998/gallon on Saturday. It had increased to $5.820/gallon on September 3rd, breaking the record set after Russia's invasion of Ukraine in 2022.

According to data from the Department of Energy, stocks of crude oil in the U.S. Strategic Petroleum Reserve fell to 276.4 million barrels last week, the lowest level since August 1982.

Iran's Foreign Minister, Abbas Araqchi and Asim Munir, the army chief of key mediator Pakistan, discussed challenges to regional peace and security on Monday.

OPEC held an online meeting on Monday to discuss its review of the maximum sustainable oil production capacity of its members and the wider OPEC+ producer group. The review is a key part of determining OPEC+'s production quotas for 2027 and beyond, as capacity estimates carry significant weight in negotiations over how much individual countries are allowed to produce. OPEC+ ministers will hold a series of meetings on November 29th to decide their 2027 output policy.

IIR Energy said U.S. oil refiners are expected to shut in about 46,000 bpd of capacity for the week ending November 20th, increasing available refining capacity by 34,000 bpd. Offline capacity is expected to decrease to 0 bpd in the week ending November 27th.

Goldman Sachs said it expects Brent to average $88/barrel in 2027 and ease to $78/barrel by the end of 2027 because of a return to surplus supply. It expects WTI to average $78/barrel in 2027 and ease to $70/barrel by the end of 2027. It noted weaker demand for crude in China because of a decline in transport fuel demand. The decline is seen cutting overall Chinese oil demand by 400,000 bpd in 2027. It expects oil production in the Middle East to increase from 2025 levels, contributing to downward pressure on international prices. It sees product prices easing but holding well above average, with U.S. wholesale diesel averaging $150/barrel in 2027.

Early Market Call - as of 8:20 AM EDT

WTI - Dec $86.70, up 99 cents

RBOB - Dec $2.5526, up 1.47 cents

HO - Dec $4.0889, up 33 points

All NYMEX | Prior Settlements

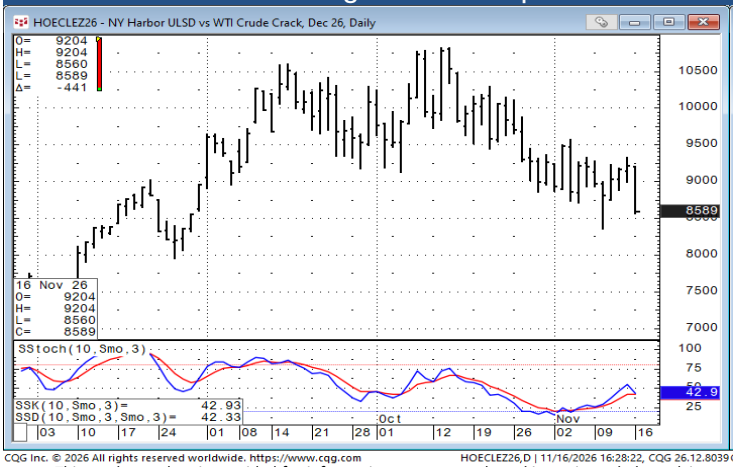
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Dec-26	4.0818	-0.1767	-0.1330
Jan-27	3.9995	-0.1668	-0.1118
Feb-27	3.9295	-0.1594	-0.1002
Mar-27	3.8439	-0.1497	-0.0934
Apr-27	3.7406	-0.1369	-0.0911
May-27	3.6463	-0.1242	-0.0891
Jun-27	3.5592	-0.1117	-0.0867
Jul-27	3.5021	-0.1027	-0.0856
Aug-27	3.4547	-0.0964	-0.0835
Sep-27	3.4163	-0.0911	-0.0787
Oct-27	3.3796	-0.0861	-0.0735
Nov-27	3.3319	-0.0806	-0.0679
Dec-27	3.2674	-0.0748	-0.0637
Jan-27	3.1994	-0.0690	-0.0580
Feb-27	3.1331	-0.0658	-0.0513
Mar-27	3.0697	-0.0644	-0.0478
Apr-27	2.9932	-0.0587	-0.0401
Sprague HeatCurve October 2027-April 2028			**$3.1889**

		Close	Change
Crude - WTI	**Jan Brent-WTI Spread $7.97**	$84.4700	-$2.8200
Crude - Brent		$92.4400	-$3.4000
Natural Gas		$3.1220	-$0.1080
Gasoline		$2.9379	-$0.0835

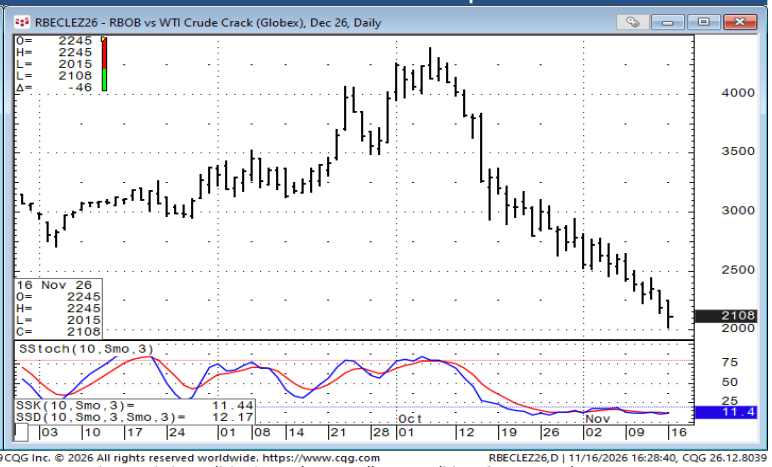
ICE January Brent-WTI Spread



December Heating Oil Crack Spread



December RBOB Crack Spread



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