



# MarketWatch | Refined Products

Friday, October 11, 2024

## Market Commentary

**Recap:** The oil market on Thursday traded within its recent trading range after the market retraced its previous losses as the market remained concerned over the escalating tensions between Israel and Iran. The market posted a low of \$73.26 on the opening and began its upward trend for the day. The crude market remained well supported after Israeli Defense Minister Yoav Gallant on Wednesday promised that any strike against Iran would be "lethal, precise and surprising." The market was further supported as Israeli forces fired on positions used by U.N. peacekeepers in Lebanon on Wednesday and Thursday, as Israel warned Lebanese civilians not to return to homes in the south and pursued a widening offensive against the Iran-backed Hezbollah group. The market retraced more than 62% of its move from a low of \$71.53 to a high of \$78.46 as it rallied to a high of \$76.24 on the close. The November WTI contract settled up \$2.61 at \$75.85 and the December Brent contract settled up \$2.82 at \$79.40. The product markets ended the session sharply higher, with the heating oil market settling up 7.4 cents at \$2.3509 and the RB market settling up 8.45 cents at \$2.1509.

**Technical Analysis:** The crude market on Friday is seen remaining supported and will continue to trade within its recent trading range as the market is still wary and awaiting Israel's response to Iran's missile attack on Israel last week. The market will remain headline driven, with the market's direction depending on how Israel responds. The oil market is seen finding resistance at \$76.24, \$78.46, \$79.08, \$79.69 and \$80.00. Meanwhile, support is seen at its low of \$73.26, \$71.53, \$70.52, \$69.87 and \$66.33.

**Fundamental News:** Three Gulf sources said Gulf states are lobbying the U.S. to stop Israel from attacking Iran's oil sites because they are concerned their own oil facilities could come under fire from Tehran's proxies if the conflict escalates. The sources stated that as part of their attempts to avoid being caught in the crossfire, Gulf states including Saudi Arabia, the United Arab Emirates and Qatar are also refusing to let Israel fly over their airspace for any attack on Iran and have conveyed this to Washington.

A White House National Security Council spokesperson said the U.S. is deeply concerned about reports that Israeli forced fired on U.N. peacekeepers' positions in southern Lebanon and is pressing Israel for details on the incidents.

The North Dakota Pipeline Authority estimated that oil production in North Dakota fell by 60,000-90,000 bpd due to the ongoing wildfires. It said the associated wellhead natural gas production is estimated to be down 0.17-0.27 bcfd.

Libya's National Oil Corporation said that it has restored production close to levels before the country's central bank crisis, reaching 1.22 million bpd on Thursday. Last week, Libya's eastern-based government and Tripoli-based NOC announced that all oilfields and export terminals had been reopened after a dispute over leadership of the central bank was resolved. Oil and condensate production levels reached 1.217 million bpd on Thursday, up from 1.158 million bpd on Wednesday. NOC says that Libya produced about 1.3 million barrels per day before output at the Sharara, El Feel and Essider oilfields was halted in late August and early September.

U.S. consumer prices increased slightly more than expected in September, but the annual increase in inflation was the smallest in more than 3-1/2 years, potentially keeping the Federal Reserve on track to cut interest rates again next month. The Labor Department's Bureau of Labor Statistics said the Consumer Price Index increased 0.2% in September after gaining 0.2% in August. In the 12 months through September, the CPI increased 2.4%. That was the smallest year-on-year rise since February 2021 and followed a 2.5% advance in August. Analysts had forecast the CPI increasing 0.1% and rising 2.3% year-on-year. Excluding the food and energy components, the CPI increased 0.3% in September after rising 0.3% in August. In the 12 months through September, the core CPI increased 3.3%. That followed a 3.2% gain in August.

**Early Market Call - as of 8:30 AM EDT**

WTI - Nov \$75.38, down 47 cents  
 RBOB - Nov \$2.1446, down 63 points  
 HO - Nov \$2.3415, down 94 points

## All NYMEX | Prior Settlements

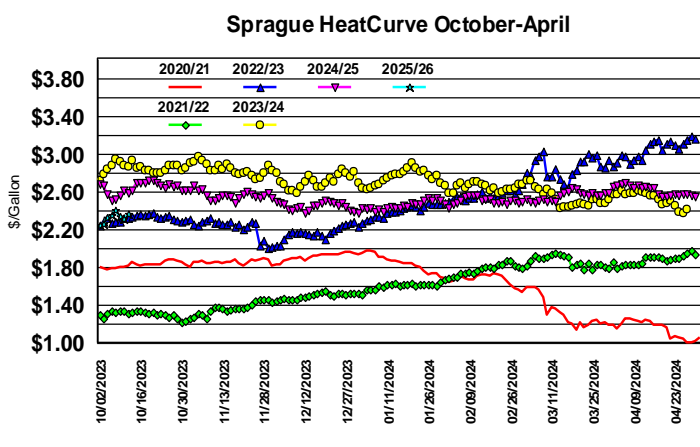
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Nov-24	2.3509	0.0740	0.0562
Dec-24	2.3616	0.0746	0.0566
Jan-25	2.3697	0.0743	0.0558
Feb-25	2.3716	0.0733	0.0556
Mar-25	2.3625	0.0723	0.0546
Apr-25	2.3510	0.0703	0.0528
May-25	3.3435	1.0680	1.0504
Jun-25	2.3386	0.0656	0.0476
Jul-25	2.3434	0.0635	0.0452
Aug-25	2.3488	0.0615	0.0430
Sep-25	2.3555	0.0597	0.0417
Oct-25	2.3627	0.0579	0.0404
Nov-25	2.3673	0.0562	0.0401
Dec-25	2.3701	0.0547	0.0402
Jan-26	2.3734	0.0533	0.0390
Feb-26	2.3686	0.0517	0.0371
Mar-26	2.3573	0.0502	0.0353

Sprague HeatCurve October 2025-April 2026		Close	Change
Crude - WTI	Dec Brent- WTI Spread \$4.29	\$75.1100	\$2.5200
Crude - Brent		\$79.4000	\$2.8200
Natural Gas		\$2.6750	\$0.0150
Gasoline		\$2.1509	\$0.0845

## EIA Working Gas Storage Report

	01-Oct-24	27-Sep-24	Change	04-Oct-23
East	873	846	27	866
Midwest	1041	1013	28	1,012
Mountain	286	283	3	243
Pacific	293	293	0	278
South Central	1137	1113	24	1,106
Salt	275	261	14	265
Nonsalt	861	852	9	841
Total	3629	3547	82	3,505

## Sprague HeatCurve October-April



## November WTI



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