COMMENTARY: PETROLEUM COMPLEX (WTI | BRENT | ULSD | RBOB)

Crude oil futures saw modest gains today following bullish crude oil stock data from the Energy Information Administration (EIA), news of continued US-Iran clashes in the Middle East, higher trade in US shares, and some weakness the US dollar index. Reports of Chevron looking to double its crude output in Venezuela and losses in European equities, however, may have weighed on prices today. As noted in Pipeline, Bloomberg reported that Chevron Corp. is looking to invest upwards of $7bn over the next five years to more than double its oil production in Venezuela, after winning the right to develop two giant oil fields in the Carabobo area. Chevron is expected to be producing roughly 600kb/d of oil from Venezuela by 2031. In supportive news, fighting in the Persian Gulf intensified further as the US military carried out a second round of strikes against Iran overnight, targeting radar systems and mine-laying capabilities along Iran's southern coast, according to US Central Command. Iran has since retaliated with drone and missile volleys on US bases across the Middle East, per Bloomberg. In today's weekly Petroleum Status Report, for the week ended August 28, the EIA reported a larger-than-predicted draw from commercial crude oil inventories and a surprise decline in propane/propylene storage, but an unexpected build in distillate stockpiles and draw from gasoline stocks that came in below forecasts (see our DOE report for details). In North American economic news today, the Bank of Canada kept rates steady at 2.25%, as widely expected. The US ADP Employment Report showed a 38,000 increase in private payrolls last month, missing forecasts calling for larger 47,000 monthly increase. US factory orders, on the other hand, rose by 0.9% month-on-month in July, beating the 0.7% expectation. US shares were trading higher this afternoon as the Dow, the S&P 500, and the Nasdaq were all seeing gains of around 0.4%. Across the pond, European equities closed lower with the French CAC 40 down 0.26%, the UK FTSE 100 closing 0.30% lower, and with the German DAX losing 0.50%. The US dollar index was down 0.1% as of this writing, which is supportive for dollar-denominated assets such as crude oil.

TECHNICAL LEVELS: ULSD (HO)			Price
RESISTANCE	↑	3	$5.0000
		2	$4.9282
		1	$4.7236
SETTLEMENT PRICE			$4.6822
SUPPORT	↓	1	$4.6709
		2	$4.6307
		3	$4.5000

VOLUME	159,975	AVERAGE
RSI	69.5	NEUTRAL
SLOW STOCHASTICS		BULLISH
MACD		BULLISH
CANDLE STICKS		BULLISH
MOVING AVERAGES		BULLISH
ADX	26.3	RISING
TECHNICAL DIRECTION		↑

COMMODITY	OPEN	HIGH	LOW	CLOSE	CHANGE $	CHANGE %
WTI Crude	$90.65	$92.29	$88.97	$91.01	+$0.79	+0.9%
BRENT Crude	$95.25	$97.04	$93.52	$95.63	+$0.98	+1.0%
ULSD (HO)	$4.7045	$4.7661	$4.5718	$4.6822	+$0.0049	+0.1%
RBOB Gasoline	$3.1625	$3.1924	$3.0957	$3.1038	-$0.0313	-1.0%
Natural Gas	$2.946	$2.986	$2.910	$2.956	+$0.052	+1.8%

COMMENTARY: NATURAL GAS | WEATHER | INVENTORIES

NYMEX natural gas futures turned back north to gains of over one percent today amid a sharp upgrade to the two-week cooling degree day forecast and further gains in gas prices abroad, despite a looser daily US market balance expectation. In unsupportive US news today, Bloomberg analysts see total US demand falling by 2.6bcf/d to 96.9bcf/d today, while total US supply is seen down by a lesser 1.8bcf/d at 100.2bcf/d. Moreover, the nuclear power rate in the US fell from 3% yesterday to 2% today, which is above last year's 1% outage rate but below the 4% five-year average. In the supportive column, the GFS raised its two-week cooling degree day forecast for the Lower 48 states by 28 to 185 CDDs, which now sits well above the 30-year average of 136. Overseas, Dutch TTF prices gained 41.4 cents to hit $24.858/mmBtu today and Japan Korea Marker prices shot up $1.475 to $25.998/mmBtu. The National Hurricane Center (NHC) continues to track Tropical Depression Edouard as it causes heavy rains and strong wings across eastern Texas. The weekly EIA natural gas storage report due tomorrow, for the week ended August 28, is expected to show a 30bcf build according to a Bloomberg survey of analysts.

ULTRA LOW SULFUR DIESEL (HO)

ULSD ($/gallon)	9/2/2026	9/1/2026	Change (△)		
OCT 26	$4.6822	$4.6773	↑	$0.0049	+0.1%
NOV 26	$4.4951	$4.5054	↓	$0.0103	-0.2%
DEC 26	$4.2959	$4.3085	↓	$0.0126	-0.3%
Strip: 12-Months Ratable	$3.8988	$3.9122	↓	$0.0134	-0.3%
Strip: 9-Months Ratable	$4.0536	$4.0651	↓	$0.0115	-0.3%
Strip: Winter (Oct-Apr)	$4.0143	$4.0275	↓	$0.0132	-0.3%

RBOB GASOLINE and PROPANE

RBOB ($/gallon)	9/2/2026	9/1/2026	Change (△)		
OCT 26	$3.1038	$3.1351	↓	$0.0313	-1.0%
NOV 26	$2.9382	$2.9661	↓	$0.0279	-0.9%
DEC 26	$2.7899	$2.8125	↓	$0.0226	-0.8%
PROPANE ($/gallon)	9/1/2026	8/31/2026	Change (△)		
Mt. Belvieu	$0.7646	$0.7155	↑	$0.049	+6.9%
Conway	$0.6721	$0.6298	↑	$0.042	+6.7%

COMMENTARY: ENERGY TECHNICALS (WTI | ULSD | RBOB | NG)

ULSD (HO) futures edged up 0.1% in an upside session (higher high, higher low) – fairly in line with our bullish bias which we maintain. Slow stochastics are bullish, along with the MACD, the ADX (26.3), candlesticks, and moving averages. The RSI, meanwhile, is now flat just below overbought territory at 69.5. Resistance is still seen at the top of the upward price channel ($4.7236) and then at $4.9282, with next support at $4.6709 and $4.6307. RBOB futures shed 1.0% but in an upside session, which was consistent with our neutral/bullish bias. We'll keep this stance, looking to the 50-day ma ($3.1817 – tested today) and then to the 100-day ma ($3.2419) for resistance, while $3.0885 and $2.9593 continue to offer nearby support. Slow stochastics and the RSI point south, while the MACD is neutral and moving averages are bullish. WTI futures gained 0.9% in an upside session. Technical indicators here are largely bullish, save for moving averages and the ADX which are more neutral. We'll continue to side with bulls, still seeing nearby resistance at $95.38 and then at the $100.00 mark, with next support seen at $90.19 followed by the 100-day ma ($86.77). NYMEX natural gas futures added 1.8% in an upside session, settling back above the 100-day ma at $2.916. Slow stochastics, the RSI, and candlesticks point north, while the MACD is neutral/bullish and moving averages remain bearish. We'll maintain our flat-to-higher price perspective, now looking to the $3.000 mark and $3.250 for next resistance, whereas the aforementioned 100-day ma and the 9-day ma ($2.862) are expected to offer nearby support.

CRUDE OIL: WTI

WTI ($/barrel)	9/2/2026	9/1/2026	Change (△)		
OCT 26	$91.01	$90.22	↑	$0.79	+0.9%
NOV 26	$88.28	$87.75	↑	$0.53	+0.6%
DEC 26	$85.25	$84.97	↑	$0.28	+0.3%

NATURAL GAS: HH

NG ($/MMBTU)	9/2/2026	9/1/2026	Change (△)		
OCT 26	$2.9560	$2.9040	↑	$0.0520	+1.8%
NOV 26	$3.0900	$3.0340	↑	$0.0560	+1.8%
DEC 26	$3.5520	$3.4930	↑	$0.0590	+1.7%

ECONOMIC INDICATORS

INDICATOR	2-Sep	1-Sep	Change (△)		
DJI	53,014	52,767	↑	247.25	+0.5%
Dollar Index (DXY)	99.59	99.68	↓	-0.09	-0.1%
EUR/USD	$1.1586	$1.1592	↓	-$0.0006	-0.1%
Gold	$4,387.9	$4,362.8	↑	$25.1	+0.6%

NYMEX FORWARD CURVES

MONTH	ULSD	RBOB	WTI	NAT GAS
Oct26	$4.6822	$3.1038	$91.01	$0.083
Nov26	$4.4951	$2.9382	$88.28	$0.083
Dec26	$4.2959	$2.7899	$85.25	$0.083
Jan27	$4.1529	$2.7016	$82.50	$0.077
Feb27	$4.0272	$2.6729	$80.10	$0.073
Mar27	$3.8932	$2.6748	$78.13	$0.053
Apr27	$3.7531	$2.8707	$76.56	$0.042

EIA Inventories Week to: 28-Aug-2026

COMMODITY	Current	Previous	Change (△)		
Crude Oil (mbbl)	424.460	428.910	↓	-4.450	-1.0%
Cushing (mbbl)	22.508	22.428	↑	0.080	0.4%
Distillates (mbbl)	104.187	103.391	↑	0.796	0.8%
East Coast	19.318	21.003	↓	-1.685	-8.0%
Heating Oil	5.875	5.908	↓	-0.033	-0.6%
East Coast	0.273	0.293	↓	-0.020	-6.8%
ULSD	94.181	93.590	↑	0.591	0.6%
East Coast	18.432	20.083	↓	-1.651	-8.2%
New England	2.247	2.405	↓	-0.158	-6.6%
Mid Atlantic	9.896	9.985	↓	-0.089	-0.9%
Propane (mbbl)	107.411	109.483	↓	-2.072	-1.9%
East Coast	7.858	8.141	↓	-0.283	-3.5%
Refinery Utilization (%)	98.00	97.40	↑	0.600	0.6%
Natural Gas (bcf)	3,184	3,169	↑	15	0.5%