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Pipeline Energy Fuels

NEWS & ANALYSIS

Crude oil futures were seeing losses of under one percent as of this writing in the overnight session of Wednesday following reports that Chevron Corp. plans to invest in Venezuela's oil sector, mostly lower trade in global equities, and some strength in the US dollar, despite news of further clashes in the Middle East and bullish crude oil stock data from the American Petroleum Institute (API). Market participants looked ahead to the Bank of Canada Announcement (no rate change is expected), the US ADP Employment Report, US factory orders, and to the weekly Petroleum Status Report from the Energy Information Administration (EIA) for further direction.

In bearish news this morning, Bloomberg reports 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 more bullish news, the API reported a 2.60mb draw from crude oil stockpiles, for the week ended August 28, well above the 0.33mb expected decline (average of polls by Bloomberg and the Wall Street Journal). Data for distillates, on the other hand, were more neutral as the API reported an as-expected draw of 0.27mb – in line with forecasts at 0.74mb. Meanwhile, gasoline figures were bearish with the API reporting a surprise build 0.35mb, against expectations calling for a 1.74mb draw. An OPIS poll calls for a 1.42mb build in propane/propylene inventories in today's EIA report.

Asian stock market closed lower overnight as Hong Kong's Hang Seng edged down 0.07%, China's Shanghai Composite fell by 0.97%, and as the Nikkei in Japan dropped 2.85% lower. European equities were seeing losses this morning with the UK FTSE 100 down 0.36%, the French CAC 40 having lost 0.38%, and with the German DAX having fallen 0.56%. Futures for the major US stock market indexes were trading more mixed as S&P 500 futures were steady, while Dow futures were up 0.1% and Nasdaq futures were down 0.3%. The US dollar index had strengthened by 0.1% against a basket of foreign currencies as of this writing, which is unsupportive for crude oil prices.

Crude oil and ULSD futures rallied sharply on Tuesday as fighting between the US and Iran intensified, despite losses in global equities and strength in the US dollar index. Brent crude jumped $4.16 higher to $94.65/bbl and WTI shot up $4.46 at $90.22/bbl. ULSD (HO) futures closed 18.20 cents stronger at $4.6773/g, while RBOB futures tumbled 34.69 cents lower with sharp backwardation in the front-month switch, settling at $3.1351/g. The New York Harbor ULSD barge price differential to spot NYMEX weakened by 2.00 cents to +3.50c/g and the ULSHO differential weakened by 3.50 cents to -15.00c/g. A wider ULSD-ULSHO spread was consistent with a 2.00-cent rise in 2026 biomass-based diesel (D4) RIN prices to $2.29/RIN. The B99 NYH barge price rose by 26.67 cents to $4.5373/g. Spot propane prices made similar moves to crude oil futures yesterday as Mt. Belvieu TET prices edged up 50 points, averaging 76.25c/g (35.8% of crude) and Conway prices jumped 2.50 cents higher to 67.00c/g (31.5% of crude).

NYMEX natural gas futures closed lower on Tuesday, settling 3.1 cents weaker at $2.904/mmBtu amid a downgrade to the two-week cooling degree day forecast, despite a tighter US market balance expectation from Bloomberg and a rally in international gas prices. The National Hurricane Center (NHC) is keeping eyes of Tropical Depression Edouard as it weakens over land, causing heavy rains and strong winds across Southeast Texas.

Heating Oil 9/1/2026 — **September 02, 2026**

Heat Curve	Month	Price	Change	Overnight
3.80 %	Sep 2026	4.6773	0.2667	(0.0763)
5.00 %	Oct 2026	4.5054	0.2537	
8.50 %	Nov 2026	4.3085	0.2332	
13.50 %	Dec 2026	4.1646	0.2143	
20.50 %	Jan 2027	4.0401	0.1971	
18.00 %	Feb 2027	3.9075	0.1811	
15.70 %	Mar 2027	3.7676	0.1656	
7.00 %	Apr 2027	3.6539	0.1519	
3.50 %	May 2027	3.5609	0.1402	
1.50 %	Jun 2027	3.4993	0.1319	
0.50 %	Jul 2027	3.4503	0.1259	
2.50 %	Aug 2027	3.4111	0.1218	

Heating Oil Strips (Weighted by HDD)

12 Month Strip	Sep 2026 - Aug 2027	3.9900
9 Month Strip	Sep 2026 - May 2027	3.9882
Winter Strip	Nov 2026 - Mar 2027	4.0046

RBOB Gasoline 9/1/2026

Month	Price	Change	Overnight
Sep 2026	3.1351	0.0581	(0.0003)
Oct 2026	2.9661	0.0769	
Nov 2026	2.8125	0.0804	
Dec 2026	2.7202	0.0785	
Jan 2027	2.6900	0.0758	
Feb 2027	2.6911	0.0740	
Mar 2027	2.8854	0.0735	
Apr 2027	2.8610	0.0665	
May 2027	2.8177	0.0598	
Jun 2027	2.7652	0.0544	
Jul 2027	2.7076	0.0495	

DOE Stocks	8/21/2026	vs 5-year avg.	(000 bbls)
Crude	428,910	6,878	
Distillate	103,391	-17,346	
Gasoline	206,842	-13,124	

Other	Price	Change	Overnight
Crude Oil (Oct 2026)	90.2200	4.4600	(0.8300)
Natural Gas (Oct 2026)	2.9040	(0.0310)	0.0320
Propane - Mont Belvieu	0.7625		

	Price	vs. NYMEX HO
NYH ULSD	4.7123	0.0350
NYH ULSHO	4.5273	(0.1500)
NY Harbor #2	4.2171	(0.4602)