



MarketWatch | Refined Products

Friday, January 16, 2026

Market Commentary

Recap: The oil market on Thursday extended Wednesday's late sell off after the U.S. was seen adopting a wait and see posture after previously threatening intervention in Iran for the Iranian government's crackdown on protests. U.S. President Donald Trump said that the killings of demonstrators during protests in Iran were ending, easing concerns over potential military action against Iran and oil supply disruptions. The market's risk premium was further reduced as the security warning level at the U.S. Al Udeid air base in Qatar was lowered following a heightened alert triggered on Wednesday. The crude market traded sideways in overnight trading, posting a high of \$61.14 before it continued to retrace its previous gains. The market retraced more than 50% of its move from a low of \$55.76 to a high of \$62.36 as it sold off to a low of \$58.88 by mid-morning. It later settled in a sideways trading range during the remainder of the session. The February WTI contract settled down \$2.83 at \$59.19 and the March Brent contract settled down \$2.76 at \$63.76. The product markets ended the session lower, with the heating oil market settling down 7.36 cents at \$2.2083 and the RB market settling down 4.66 cents at \$1.7838.

Technical Analysis: The crude market will continue to look to the developments in Iran amid the Trump administration's wait and see stance. While protests in Iran appear to have abated and the threat of a potential U.S. military operation has eased after Saudi Arabia, Qatar, Oman and Egypt conducted diplomacy with the U.S. and Iran, the risk premium has not completely dissipated and could quickly escalate once again. The market will also look to the other geopolitical risks regarding Venezuela and the Russian war in Ukraine. The oil market is seen finding support at \$58.88, \$58.45, \$58.28, \$57.61 followed by \$55.97 and \$55.76. Meanwhile, resistance is seen at \$60.21, \$60.62, \$61.03, \$61.14, \$62.36, followed by \$64.19 and \$64.97.

Fundamental News: The Trump administration issued new Iran-related sanctions that target what appeared to be shipping, trading and energy companies.

Goldman Sachs lowered its 2027 Brent oil price forecast to \$58/barrel from \$63/barrel to reflect likely higher supply in the U.S., Venezuela and Russia.

The United States has seized another Venezuela-linked tanker, ahead of a meeting between U.S. President Donald Trump and Venezuelan opposition leader Maria Corina Machado. The seizure marks the sixth vessel targeted in recent weeks that was either carrying Venezuelan oil or had done so in the past. U.S. officials said the seizure took place in the Caribbean.

Venezuelan opposition leader Maria Corina Machado said that her meeting with U.S. President Donald Trump at the White House went very well and was "great."

In a Bloomberg interview, Harold Hamm, founder and chairman of Continental Resources, said oil companies need guarantees that their assets will not someday be seized by Venezuela if they help revive the country's oil production. He said there is a lot of geopolitical risk in Venezuela.

The Environmental Protection Agency reported that the U.S. generated more renewable blending credits in December than November. About 1.32 billion ethanol (D6) blending credits were generated in December, compared with about 1.14 billion in November. Credits generated from biodiesel (D4) blending increased to 670 million in December from 613 million in November.

Early Market Call - as of 8:40 AM EDT

WTI - Feb \$59.86, up 58 cents

RBOB - Feb \$1.7874, up 12 points

HO - Feb \$2.2413, up 3.4 cents

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jan-26	2.2083	-0.0736	0.0888
Feb-26	2.1957	-0.0741	0.0843
Mar-26	2.1690	-0.0730	0.0794
Apr-26	2.1479	-0.0712	0.0743
May-26	2.1317	-0.0687	0.0687
Jun-26	2.1268	-0.0664	0.0638
Jul-26	2.1257	-0.0639	0.0607
Aug-26	2.1288	-0.0622	0.0585
Sep-26	2.1322	-0.0610	0.0561
Oct-26	2.1324	-0.0604	0.0529
Nov-26	2.1296	-0.0604	0.0488
Dec-26	2.1301	-0.0603	0.0454
Jan-27	2.1273	-0.0600	0.0425
Feb-27	2.1179	-0.0586	0.0400
Mar-27	2.1021	-0.0567	0.0379
Apr-27	2.0929	-0.0548	0.0360
May-27	2.0870	-0.0531	0.0341

Sprague HeatCurve October 2026-April 2027

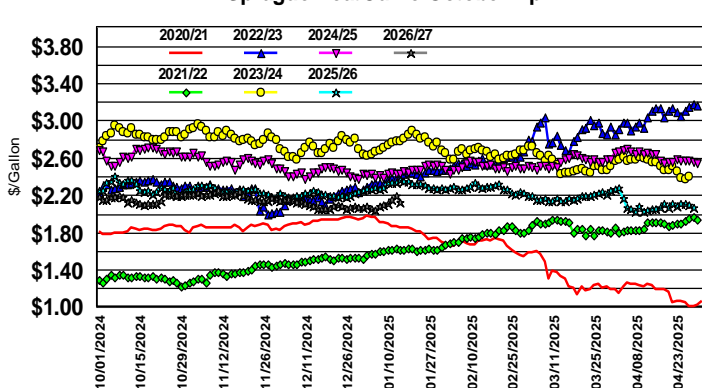
	Close	Change
Crude - WTI	\$59.0800	-\$2.8000
Crude - Brent	\$63.7600	-\$2.7600
Natural Gas	\$3.1280	\$0.0080
Gasoline	\$1.7838	-\$0.0466

EIA Working Gas Storage Report

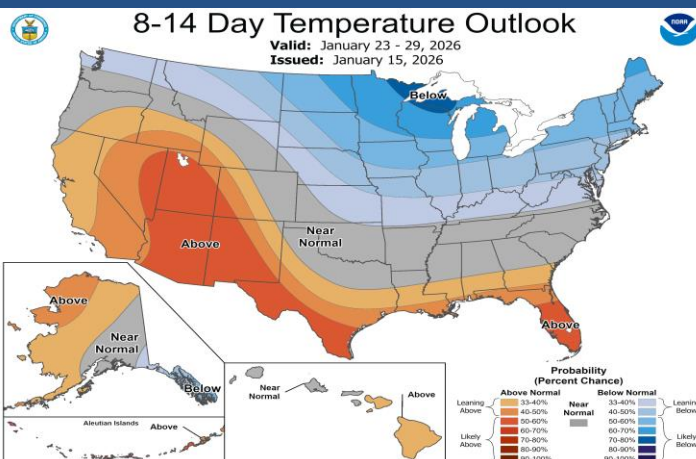
	09-Jan-26	02-Jan-26	Change	09-Jan-25
East	664	697	-33	679
Midwest	790	821	-31	818
Mountain	251	256	-5	242
Pacific	302	304	-2	284
South Central	1178	1178	0	1,127
Salt	355	343	12	331
Nonsalt	823	835	-12	796
Total	3185	3256	-71	3,152

Sprague HeatCurve

Sprague HeatCurve October-April



Weather Outlook



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