



MarketWatch | Refined Products

Thursday, January 22, 2026

Market Commentary

All NYMEX | Prior Settlements

Recap: The crude market on Wednesday continued to trade higher on the temporary shutdown at two large fields in Kazakhstan and the low volume of Venezuelan oil exports highlighting the slow progress in reversing the country's output cuts. In overnight trading, the market continued to erase some of Tuesday's early gains as it posted a low of \$59.22. The market remained under pressure as increased geopolitical tensions and threat of increased tariffs on the United States' European allies could slow economic growth. However, the market bounced off its low and rallied higher in light of expectations that Kazakhstan will halt output at the Tengiz and Korolev oilfields for another seven to 10 days after the fields were shut in on Sunday due to power distribution issues. TCO, the operator of the Tengiz oilfield, declared force majeure on crude oil deliveries into the CPC pipeline system. In its first session as the spot contract, the March WTI contract rallied to high of \$60.89 early in the session. The market, which retraced more than 62% of its move from a high of \$62.20 to a low of \$58.53, later erased some of its gains and settled in a sideways trading range. The March WTI contract ended the session up 28 cents at \$60.62 and the March Brent settled up 32 cents at \$65.24. The heating oil market settled sharply higher, up 9.2 cents at \$2.4305 amid the frigid weather forecasts, while the RB market settled up 3.36 cents at \$1.8574.

Technical Analysis: The oil market will continue to look to headlines for further direction following the announcement on Wednesday afternoon by President Donald Trump that a framework of a future deal with respect to Greenland had been formed. The market's gains will be limited as the weekly petroleum stocks reports are expected to show builds across the board, with a build of 1.7 million barrels expected in crude stocks. The crude market is seen finding resistance at \$60.89, \$61.01 and \$62.20. Meanwhile, support is seen at \$59.22, \$58.53, \$58.32, \$57.48 followed by \$55.89 and \$55.65.

Fundamental News: The International Energy Agency revised its 2026 global oil demand growth forecasts higher in its latest monthly oil market report, suggesting a slightly narrower surplus for the market this year. The IEA raised its 2026 average oil demand growth forecast to 930,000 bpd from a previous forecast of 860,000 bpd. It said high balances provide some comfort amid increasing geopolitical tensions. It sees world oil supply 3.69 million bpd higher than demand in 2026, up from a previous estimate of 3.84 million bpd. The IEA said it's too early to assess the longer term impact of the recent developments on supply in Venezuela and Iran and left its forecast largely unchanged. It said world oil supply will increase by 2.5 million bpd in 2026, slightly higher from a previous estimate of 2.4 million bpd. It said a significant surplus may emerge in the first quarter barring a major supply disruption as refiners enter their maintenance period.

U.S. President Donald Trump said he would meet with Ukrainian President Volodymyr Zelenskiy on Wednesday, adding that he believed both the Ukrainian leader and Russian President Vladimir Putin were now at a point where they could reach a deal to end the war.

U.S. President Donald Trump said it should be known within three weeks whether Hamas will agree to give up its weapons, and threatened action if the group does not.

U.S. Energy Secretary Chris Wright told oil company executives, in a closed-door meeting on the sidelines of the World Economic Forum in Davos, that Venezuela's output can increase 30% from its current level of 900,000 bpd in the short- to medium-term. U.S. President Donald Trump wants U.S. oil executives to invest \$100 billion to fix Venezuela's oil industry and increase its output. One executive at the meeting noted an increase of 300,000 bpd would have little impact on the global market.

Early Market Call - as of 8:45 AM EDT

WTI - Mar \$59.66, down \$1.01

RBOB - Feb \$1.8279, down 2.72 cents

HO - Feb \$2.3917, down 1.37 cents

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Feb-26	\$2.4305	\$0.0920	\$0.1486
Mar-26	\$2.3588	\$0.0611	\$0.0890
Apr-26	\$2.2917	\$0.0428	\$0.0497
May-26	\$2.2478	\$0.0332	\$0.0287
Jun-26	\$2.2160	\$0.0269	\$0.0156
Jul-26	\$2.2023	\$0.0244	\$0.0091
Aug-26	\$2.1955	\$0.0231	\$0.0059
Sep-26	\$2.1963	\$0.0224	\$0.0053
Oct-26	\$2.1984	\$0.0218	\$0.0052
Nov-26	\$2.1971	\$0.0212	\$0.0043
Dec-26	\$2.1927	\$0.0209	\$0.0027
Jan-27	\$2.1916	\$0.0201	\$0.0012
Feb-27	\$2.1874	\$0.0195	\$0.0001
Mar-27	\$2.1757	\$0.0186	-\$0.0008
Apr-27	\$2.1571	\$0.0173	-\$0.0017
May-27	\$2.1458	\$0.0156	-\$0.0019
Jun-27	\$2.1373	\$0.0138	-\$0.0028

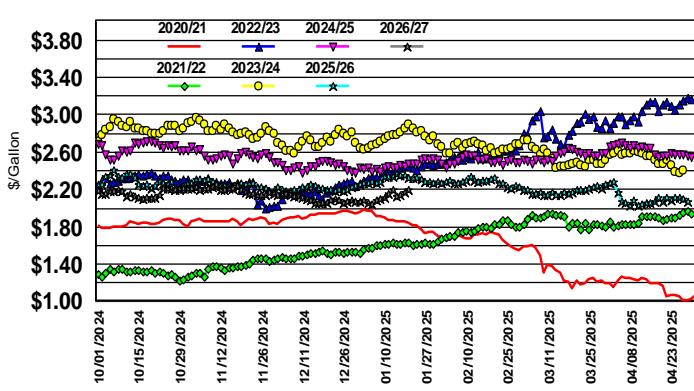
Sprague HeatCurve October 2026-April 2027		\$2.1866
	Close	Change
Crude - WTI	Mar Brent- WTI Spread	\$60.6200
Crude - Brent		\$65.2400
Natural Gas	\$4.62	\$4.8750
Gasoline		\$1.8574

API Report for the Week Ending January 16, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Up 3.04 million barrels	Up 1.7 million barrels
Gasoline Stocks	Up 6.21 million barrels	Up 3.8 million barrels
Distillate Stocks	Down 33,000 barrels	Up 1 million barrels
Refinery Runs		Down 0.8%, at 94.5%

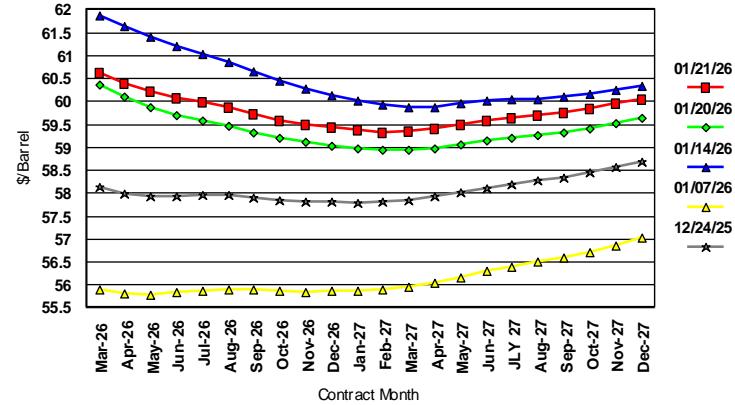
Sprague HeatCurve

Sprague HeatCurve October-April



WTI Forward Curve

NYMEX WTI Forward Curve



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