



MarketWatch | Refined Products

Wednesday, June 10, 2026

Market Commentary

Recap: The crude market erased its previous gains on Tuesday and ended the session lower as Israel and Iran halted strikes on each other following an appeal from U.S. President Donald Trump. The market was also under pressure as President Trump said an agreement to end the Middle East conflict could be signed in two to three days. The oil market opened at its high of \$91.55 before it started its downward trend as the market awaits for further clarity, as both Israel and Iran have warned that they could resume their hostilities. The crude market breached a support line at \$88.88 and extended its losses to \$5.35 as it sold off to a low of \$85.95 in afternoon trading after the U.S. embassy in Jerusalem lifted its shelter in place order. However, the market retraced some of its sharp losses and traded back to about \$89.50 after U.S. President Trump said Iranians shot down an Apache helicopter patrolling over the Strait of Hormuz and stated that the U.S. must respond to the attack on the helicopter. The July WTI contract settled down \$3.10 at \$88.20 and the August Brent contract settled down \$2.80 at \$91.45. The product markets ended the session lower, with the heating oil market settling down 5.81 cents at \$3.5418 and the RB market settling down 4.95 cents at \$3.0211.

Technical Analysis: The oil market is seen trending sideways as it retraces its losses amid the uncertainty over whether there will be an agreement to end the war, with President Trump stating that the U.S. must respond to the Iranian attack of a U.S. helicopter. Any diplomatic setback will increase the risk premium and send prices back towards its highs. Also, even if the Strait of Hormuz is reopened it will still take months to restore flows to their normal levels. The crude market is seen finding support at \$85.95, \$84.28, \$82.50 and \$77.22. Meanwhile, resistance is seen at \$90.17, \$91.48, \$91.55, \$92.78, \$95.47, \$95.91, \$97.00 and \$99.43.

Fundamental News: U.S. Energy Secretary, Chris Wright, said that ship traffic through the Strait of Hormuz is rising "very meaningfully" as the conflict with Iran continues. He added that it would take many months to get back to normal flows of energy once the war is over.

The EIA stated in its Short Term Energy Outlook that oil stockpiles in the world's largest economies were headed toward the lowest levels since at least 2003 as top consuming nations tapped inventories at a record pace to offset the loss of over 11 million bpd of Middle Eastern output due to the Iran war. It said total oil inventories in the members of the Organization for Economic Cooperation and Development will fall to just under 2.3 billion barrels by December, based on its current assumption that marine traffic through the Strait of Hormuz is unlikely to return to pre-conflict levels until early 2027. The EIA projected that the Iran war would cut world petroleum production to an average of 99 million bpd in 2026, down from a record 106.1 million bpd in 2025. Meanwhile, it forecast world oil demand would fall to 102.9 million bpd in 2026, down from a record 104 million bpd in 2025. It sees demand in 2027 increasing to 105.3 million bpd. The EIA reported that U.S. oil output in 2026 is forecast at 13.72 million bpd, up from a previous forecast of 13.65 million bpd, while U.S. oil demand in 2026 is estimated at 20.7 million bpd, unchanged from a previous forecast. The EIA sees the Brent price averaging \$95.39/barrel in 2026, up from previous estimate of \$94.85/barrel and the price for 2027 is forecast at \$79.39/barrel, unchanged from a previous estimate. The price of WTI crude in 2026 is seen at \$88.32/barrel, up from a previous estimate of \$85.68/barrel and the price in 2027 is seen at \$74.39/barrel, unchanged from a previous forecast.

Barclays said that if the Strait of Hormuz remains blocked beyond the end of this month, Brent crude is likely to average above its current forecasts. Barclays forecasts Brent crude will average \$100/barrel in 2026 and \$88/barrel in 2027, assuming freedom of navigation through the Strait is restored by the end of this month. If normalization is delayed until the end of July, it expects Brent to average \$105/barrel in 2026 and \$95/barrel in 2027. A further delay until the end of August would raise the averages to \$110/barrel in 2026 and \$105 in 2027, respectively.

Early Market Call - as of 8:30 AM EDT

WTI - June \$89.78, up \$1.08
 RBOB - June \$3.0509, up 1.55 cents
 HO - June \$3.5943, up 4.47 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Jul-26	\$3.5418	-\$0.0581	-\$0.1569
Aug-26	\$3.5177	-\$0.0561	-\$0.1183
Sep-26	\$3.4886	-\$0.0525	-\$0.0930
Oct-26	\$3.4484	-\$0.0486	-\$0.0786
Nov-26	\$3.3938	-\$0.0442	-\$0.0637
Dec-26	\$3.3284	-\$0.0399	-\$0.0491
Jan-27	\$3.2823	-\$0.0360	-\$0.0389
Feb-27	\$3.2350	-\$0.0326	-\$0.0284
Mar-27	\$3.1754	-\$0.0300	-\$0.0177
Apr-27	\$3.1082	-\$0.0277	-\$0.0071
May-27	\$3.0573	-\$0.0259	\$0.0030
Jun-27	\$3.0158	-\$0.0249	\$0.0114
Jul-27	\$2.9902	-\$0.0235	\$0.0154
Aug-27	\$2.9678	-\$0.0225	\$0.0163
Sep-27	\$2.9491	-\$0.0213	\$0.0150
Oct-27	\$2.9309	-\$0.0206	\$0.0114
Nov-27	\$2.9094	-\$0.0200	\$0.0085

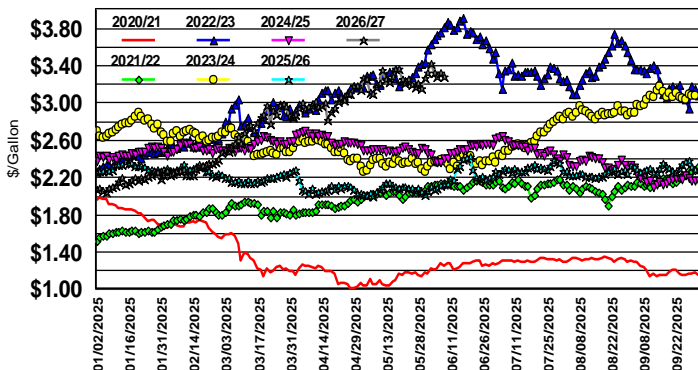
Sprague HeatCurve October 2026-April 2027		Close	Change
Crude - WTI	Aug Brent-WTI Spread \$	\$86.5800	-\$2.6700
Crude - Brent		\$91.4500	-\$2.8000
Natural Gas		\$3.1400	-\$0.0070
Gasoline		\$3.2350	\$0.1644

API Report for the Week Ending June 5, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Down 9.12 million barrels	Down 4 million barrels
Gasoline Stocks	Down 1.19 million barrels	Down 500,000 barrels
Distillate Stocks	Up 1.32 million barrels	Down 500,000 barrels
Refinery Runs		Unchanged, at 94.7%

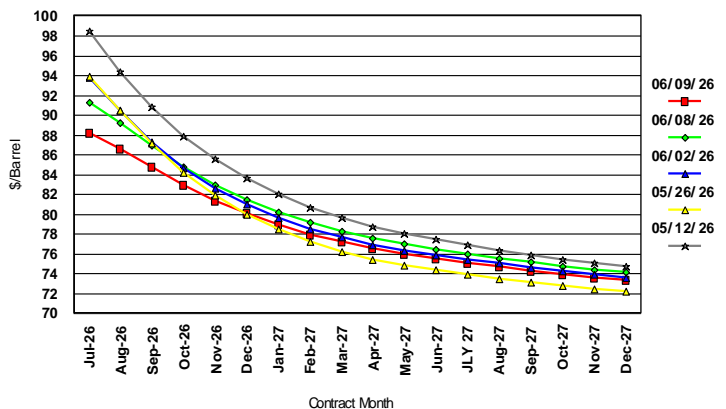
Sprague HeatCurve

Sprague HeatCurve October-April



WTI Forward Curve

NYMEX WTI Forward Curve



This market update is provided for information purposes only and is not intended as advice on any transaction nor is it a solicitation to buy or sell commodities. Sprague makes no representations or warranties with respect to the contents of such news, including, without limitation, its accuracy and completeness, and Sprague shall not be responsible for the consequence or reliance upon any opinions, statements, projections and analyses presented herein or for any omission or error in fact.