



MarketWatch | Refined Products

Friday, June 12, 2026

Market Commentary

Recap: The oil market erased overnight gains and ended the session lower after U.S. President Donald Trump canceled strikes against Iran that had been scheduled for later on Thursday evening. The market posted an outside trading day as the market weighed the escalating tension in the Middle East against the news that the U.S. and Iran had discussed and approved final points in a peace deal and were ready to sign an agreement. Hostilities between the U.S. and Iran had escalated further, with tit-for-tat attacks across Iran and on U.S. bases in the region following Monday's downing of a U.S. Apache helicopter near the Strait of Hormuz. On Wednesday evening, the U.S. military's Central Command announced strikes were complete about four hours after they began soon after midnight in Tehran, while Iran's Islamic Revolutionary Guard Corps said it had launched counter-attacks on 18 U.S. military targets at airbases in Kuwait and Bahrain, as well as the U.S. Navy's Fifth Fleet in Bahrain. Also, Iran's joint military command announced the closure of the Strait of Hormuz, including for oil tankers and commercial ships, saying any vessel attempting passage would come under fire. The crude market gapped higher on the opening from \$91.87 to \$92.25 and posted a high of \$93.64. However, the market erased its gains amid reports that U.S. and Iranian negotiations were still continuing despite the strikes against each other. The market backfilled its gap and traded to \$88.63 in early morning trading before the market bounced off that level and traded back over the \$91.00 level as President Trump once again stated that the U.S. would strike Iran on Thursday. The market later sold off to a low of \$86.54 ahead of the close after President Trump reversed course and cancelled planned strikes against Iran. The July WTI contract settled down \$2.32 at \$87.71 and continued to sell off in the post settlement period, posting a low of \$85.81. The August Brent contract settled down \$2.72 at \$90.38. The product markets ended the session lower, with the heating oil market settling down 9.95 cents at \$3.5131 and the RB market settling down 85 points at \$3.1014.

Technical Analysis: The crude market will remain headline driven. The market will await for further news on the peace deal between the U.S. and Iran after Iran's Foreign Ministry said Iran has not yet reached a final decision on an agreement and added that Iran will not compromise on its red lines. Any further losses will remain limited as long as the U.S. naval blockade remains in full force until the peace agreement is finalized. The market is seeing finding support at \$85.81, \$84.28, \$82.50 and \$77.22. Meanwhile, resistance is seen at \$93.64, \$95.47, \$95.91, \$97.00 and \$99.43. More distant resistance is seen at \$102.66, \$104.45, \$104.86 and \$105.21.

Fundamental News: OPEC on Thursday lowered its forecast for world oil demand growth in 2026 to 970,000 bpd, marking the second straight downward revision. The current OPEC forecast reduced the expected oil demand growth this year from 1.17 million bpd seen previously. For 2027, OPEC expects oil demand to increase by 1.73 million bpd, up 190,000 bpd from the previous forecast. OPEC+ crude output averaged 33.13 million bpd in May, down 190,000 bpd from April.

Saudi Arabia's crude oil sales to China are expected to remain at record lows in July as elevated prices in the wake of the U.S.-Israeli war on Iran continue to weigh on demand from the world's largest crude importer. The allocations indicate that refiners remain reluctant to import high-priced barrels following run cuts and as they draw on domestic inventories. Saudi Aramco will ship about 12 million barrels or about 387,096 bpd of oil to customers in China for July loading.

Canada's Trans Mountain pipeline is running at full capacity for the first time since the completion of a major expansion two years ago, but an executive said that ongoing global turmoil makes predicting future capacity rates difficult. The 890,000 bpd pipeline, which carries oil from the province of Alberta to British Columbia's west coast, is at apportionment for the month of June.

Early Market Call - as of 8:50 AM EDT

WTI - July \$85.20, down \$1.22
 RBOB - July \$3.0413, down 1.94 cents
 HO - July \$3.3956, down 7.05 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Jul-26	3.5131	-0.0995	-0.1607
Aug-26	3.4831	-0.0957	-0.1379
Sep-26	3.4544	-0.0920	-0.1159
Oct-26	3.4159	-0.0875	-0.1013
Nov-26	3.3619	-0.0827	-0.0894
Dec-26	3.2968	-0.0778	-0.0794
Jan-27	3.2514	-0.0739	-0.0723
Feb-27	3.2052	-0.0699	-0.0658
Mar-27	3.1459	-0.0668	-0.0604
Apr-27	3.0798	-0.0628	-0.0553
May-27	3.0297	-0.0594	-0.0515
Jun-27	2.9889	-0.0567	-0.0490
Jul-27	2.9637	-0.0549	-0.0467
Aug-27	2.9423	-0.0533	-0.0445
Sep-27	2.9239	-0.0524	-0.0427
Oct-27	2.9064	-0.0510	-0.0411
Nov-27	2.8858	-0.0493	-0.0393

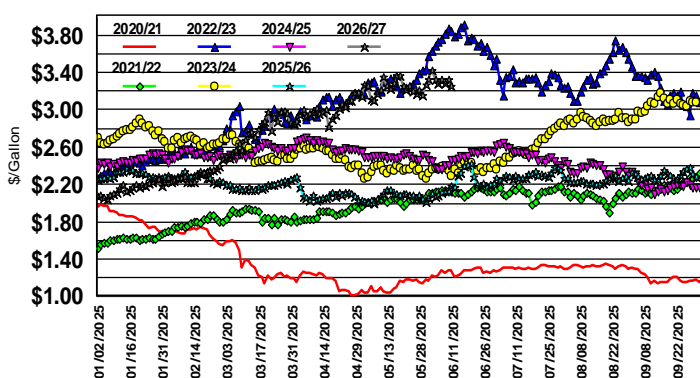
Sprague HeatCurve October 2026-April 2027			\$3.2438
		Close	Change
Crude - WTI	Aug Brent- WTI Spread \$4.22	\$86.1600	-\$2.1800
Crude - Brent		\$90.3800	-\$2.7200
Natural Gas		\$3.0870	-\$0.0980
Gasoline		\$3.1014	-\$0.0085

Working Gas Storage Report

	05-Jun-26	29-May-26	Change	05-Jun-25
East	514	480	34	526
Midwest	610	573	37	604
Mountain	222	218	4	209
Pacific	304	298	6	265
South Central	1037	1009	28	1,086
Salt	322	310	12	349
Nonsalt	715	699	16	736
Total	2686	2578	108	2,691

Sprague HeatCurve

Sprague HeatCurve October-April



July WTI



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