



Procurement at a turning point:

June 2026



Presentation by:
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Procurement Content Director





FOCUS FOR TODAY

- How CASME supports Procurement
- Procurement at a turning point and update on Middle East conflict implications

GLOBAL PROCUREMENT COMMUNITY



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30+

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Services



20 Indirect Procurement Categories
12 Procurement Processes

THE CASME COMMUNITY ADDING VALUE TO PROCUREMENT



ROBUST PEER-TO-PEER NETWORK

Global intelligence

No suppliers, consultants or sponsors

An unbiased platform to share ideas and best practice
procurement



A blurred background image of a business meeting. Several people are seated around a table with laptops and documents. One person's hand is visible holding a pen over a document. The overall scene is dimly lit with a blue tint. The text 'MIDDLE EAST CONFLICT IMPLICATIONS' is overlaid in the center in a large, white, sans-serif font.

MIDDLE EAST CONFLICT IMPLICATIONS

MACROECONOMIC AND MIDDLE EAST WAR LATEST NEWS UPDATES

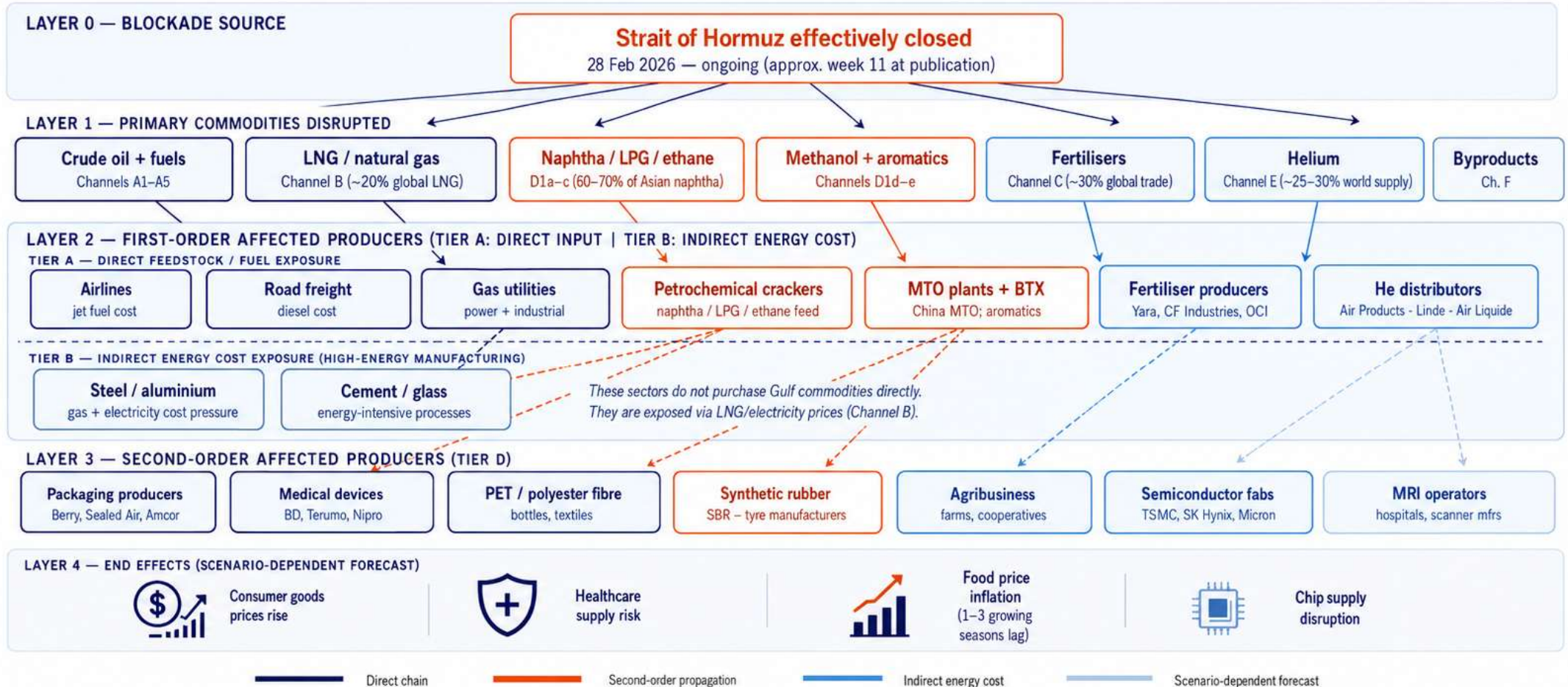
16 June 2026

- **Iran-US war update.** Markets have shifted further into cautious de-escalation after President Trump claimed the US-Iran agreement is signed and Hormuz will reopen by Friday, but shipping confidence remains conditional on evidence of safe passage.
 - **War moving into cautious de-escalation.** Conflict is less acute than early June, but the ceasefire remains fragile and politically reversible.
 - **No durable off ramp yet.** Core issues — uranium, sanctions relief, verification and regional fronts — remain unresolved; implementation risk is still high.
 - **Diplomacy more advanced but credibility still being tested.** Markets have welcomed the claimed agreement, but shipowners and insurers want proof that reopening is material and durable.
 - **Market response,** WTI c.\$75.8/bbl, Brent c.\$78.8/bbl, TTF gas c.€43.1/MWh, US NG c.\$3.22/MMBtu. Oil has fallen below \$80 on reopening expectations, while gas and freight/security risk remain sensitive to execution.
- **Energy supply situation**
 - **ME supply still constrained but improving.** Immediate supply fears have eased, but tanker backlogs, sea-mine clearance and cautious insurers mean normalisation may still take weeks.
 - **Asia and Europe still exposed.** Asian importers remain most exposed through oil/LNG dependence; Europe remains vulnerable to gas-price, freight and industrial-cost pass-through.
 - **US and OPEC supply additions help at the margin.** Reserve use and OPEC+ supply provide some cushion, but the latest price fall reflects reopening expectations and softer demand more than fresh supply growth.
- **Forecast revisions.** IMF Apr-26 WEO remains latest IMF baseline; World Bank Jun-26 GEP remains the latest multilateral downgrade and still points to a weaker near-term outlook.
 - **Significant uncertainty** outturn dependent on whether the Hormuz reopening becomes durable and on where oil stabilises. Recent oil range c.\$126 to c.\$76-79; currently Brent c.\$78.8 and WTI c.\$75.8.
 - **World Bank June 2026,** global growth projected at 2.5% in 2026, the weakest since the pandemic, reflecting higher energy prices, inflation and borrowing costs.
 - **IMF April 2026 baseline,** global growth projected at 3.1% in 2026 and 3.2% in 2027; UK/EU remain vulnerable to energy-price pass-through and procurement watchpoints remain fuel, freight, chemicals, fertiliser, plastics and air travel.

Sources: World Bank GEP Jun-26, IMF WEO Apr-26, OPEC+, Trading Economics, AP/FT market news data as of 16 June 2026

Strait of Hormuz Blockade – Supply Chain Propagation to Non-Gulf Producers

How the blockade transmits through commodity chains to reach producers outside the Gulf region • Based on documented trade flows (IEIA, EIA, Coface, IFPRI)



Supply chain structure: IEA, EIA, Coface (Mar 2026), IFPRI (Apr 2026). • Tier B producers do not purchase Gulf commodities directly — they face higher energy costs because gas utilities and power generators do. • MTO = methanol-to-olefins. BTX = benzene, toluene, xylene. SBR = styrene-butadiene rubber. Company names are illustrative of sector, not exhaustive.

Professor Simon Evenett
Professor of Geopolitics & Strategy and Co-Chair, World Economic Forum Trade & Investment Council

WHY THIS MATTERS TO NORTH AMERICAN PROCUREMENT TEAMS

- Exposure may be indirect, not obvious
- Supplier cost claims may arrive before physical disruption
- Logistics, energy, insurance, travel and technology services are all vulnerable
- Contract terms written for normal volatility may not be enough
- Procurement may need to act before stakeholders recognise the risk

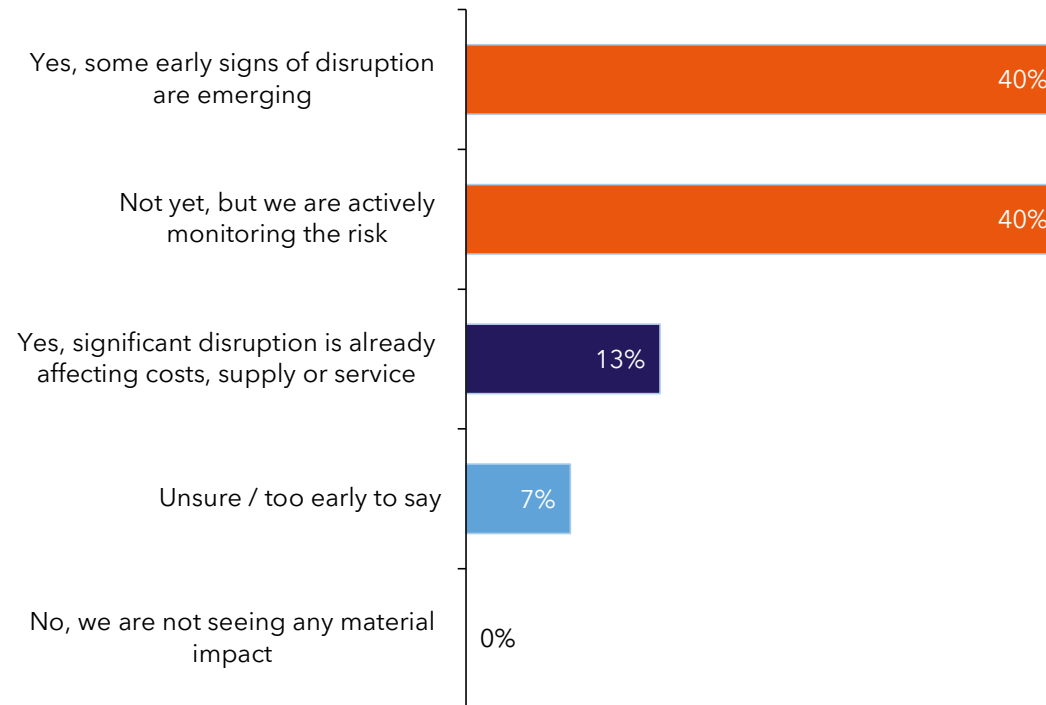
A hand holding a white pen is pointing at a checklist on a laptop screen. The checklist has three items, each with a checkmark in a blue box. The background is a blue-tinted image of a person's hand and a laptop keyboard.

POLL 1

Are you currently seeing disruption linked to the Middle East conflict in your procurement categories or supplier base?

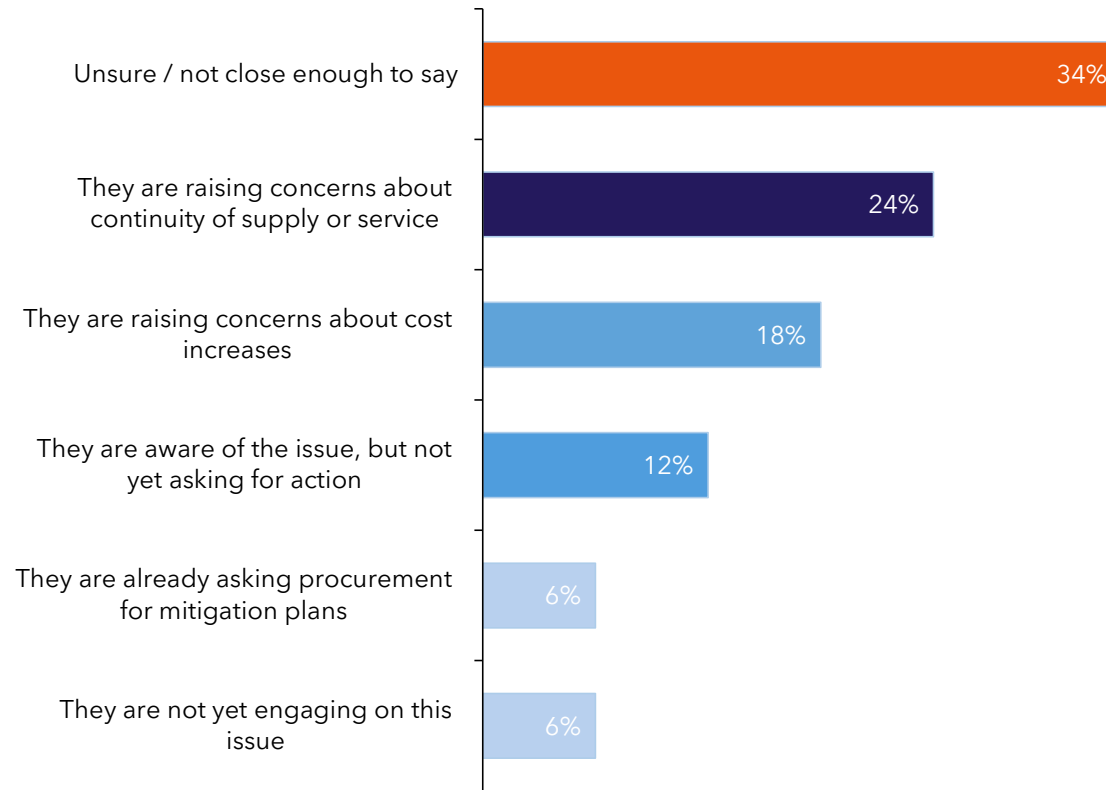
CASME Webinar held 13th May

Are you currently seeing disruption linked to the Middle East conflict in your indirect procurement categories or supplier base?

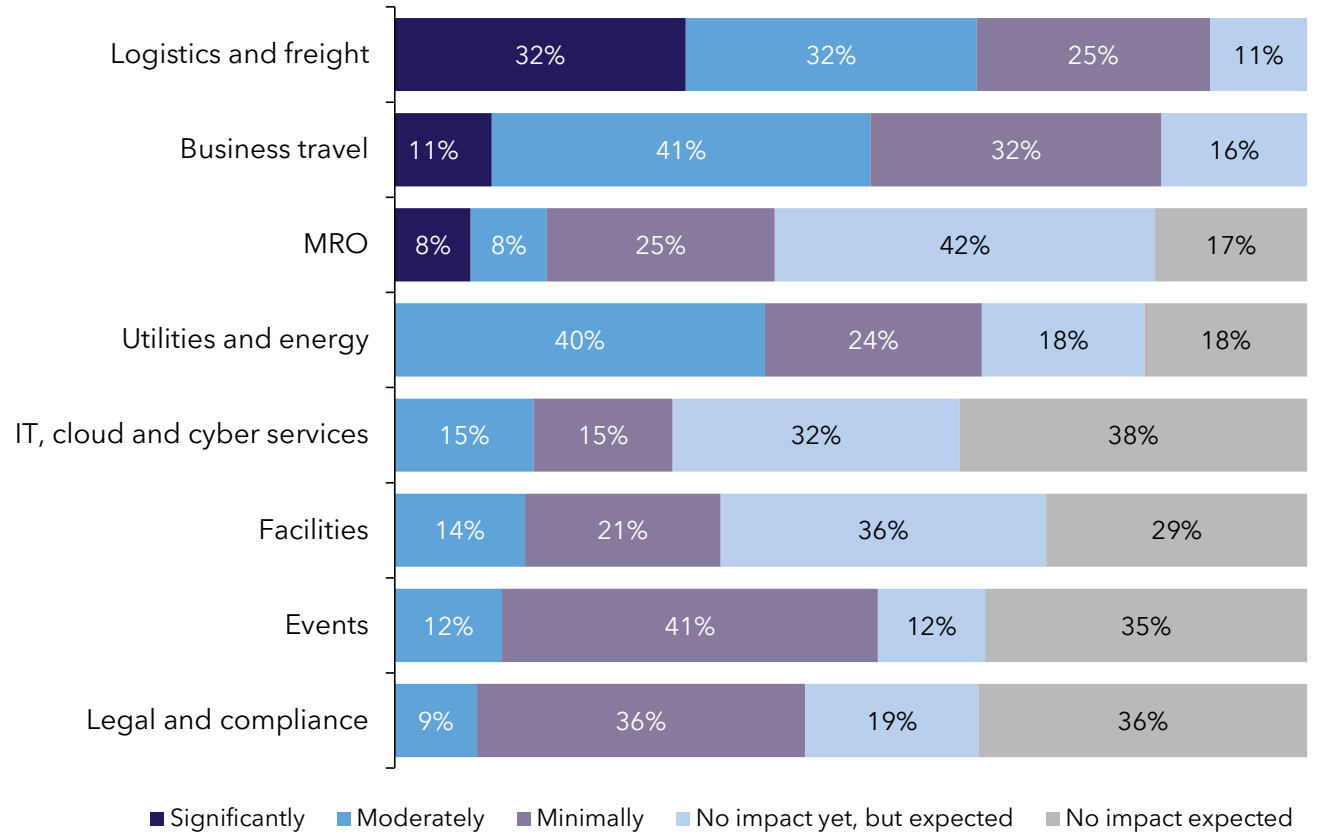


POLL 2 RESULTS

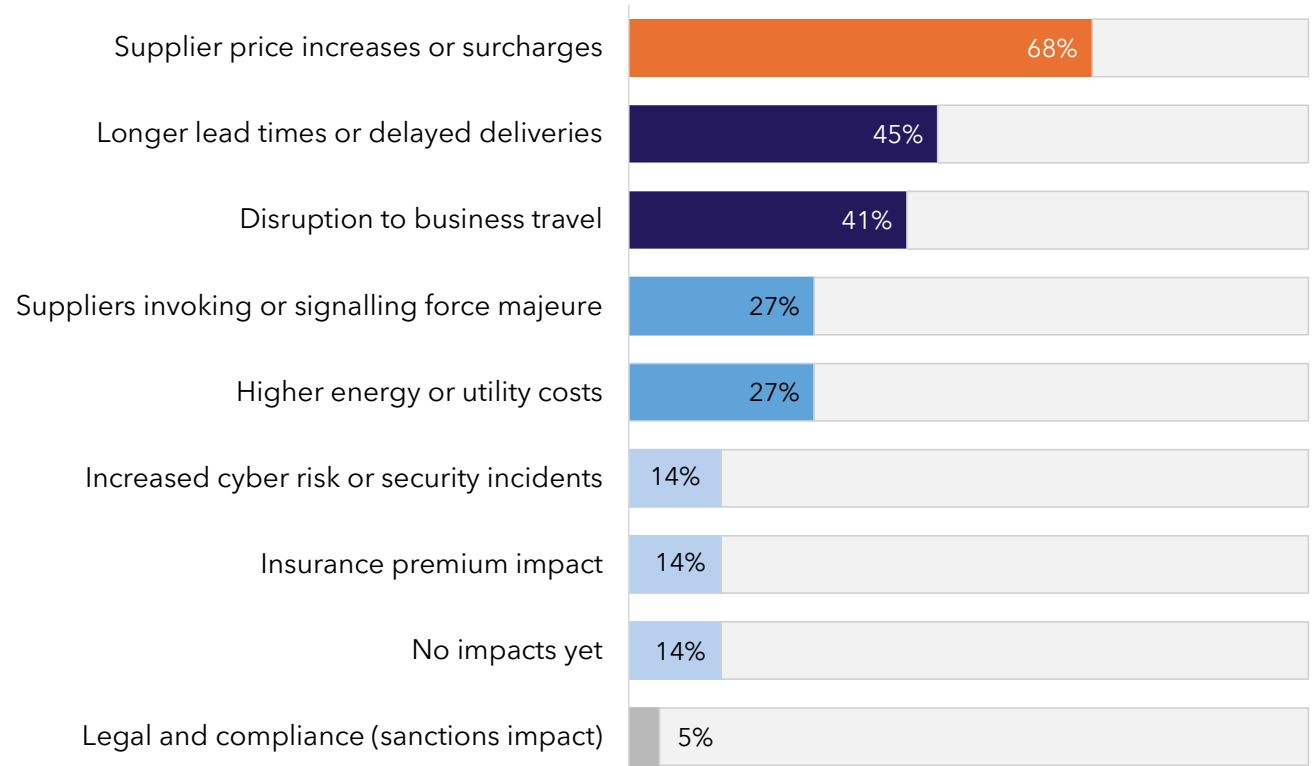
How are your external customers reacting to the potential impact of the Middle East conflict?



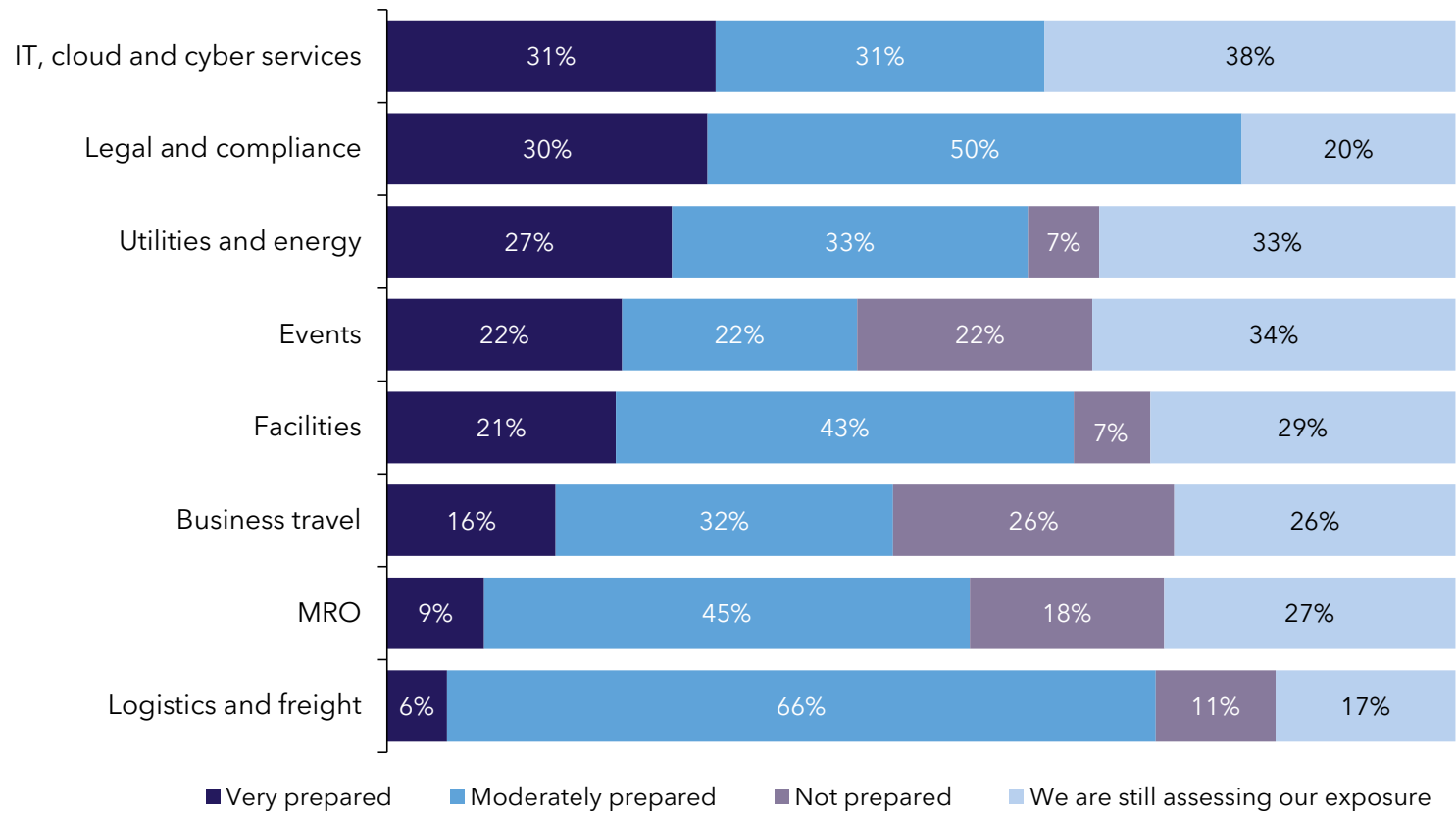
Logistics, freight and business travel are the first indirect categories feeling the impact



Price increases and lead-time risk are the first visible symptoms in indirect spend



Preparedness is uneven, with many teams still assessing their exposure after escalation



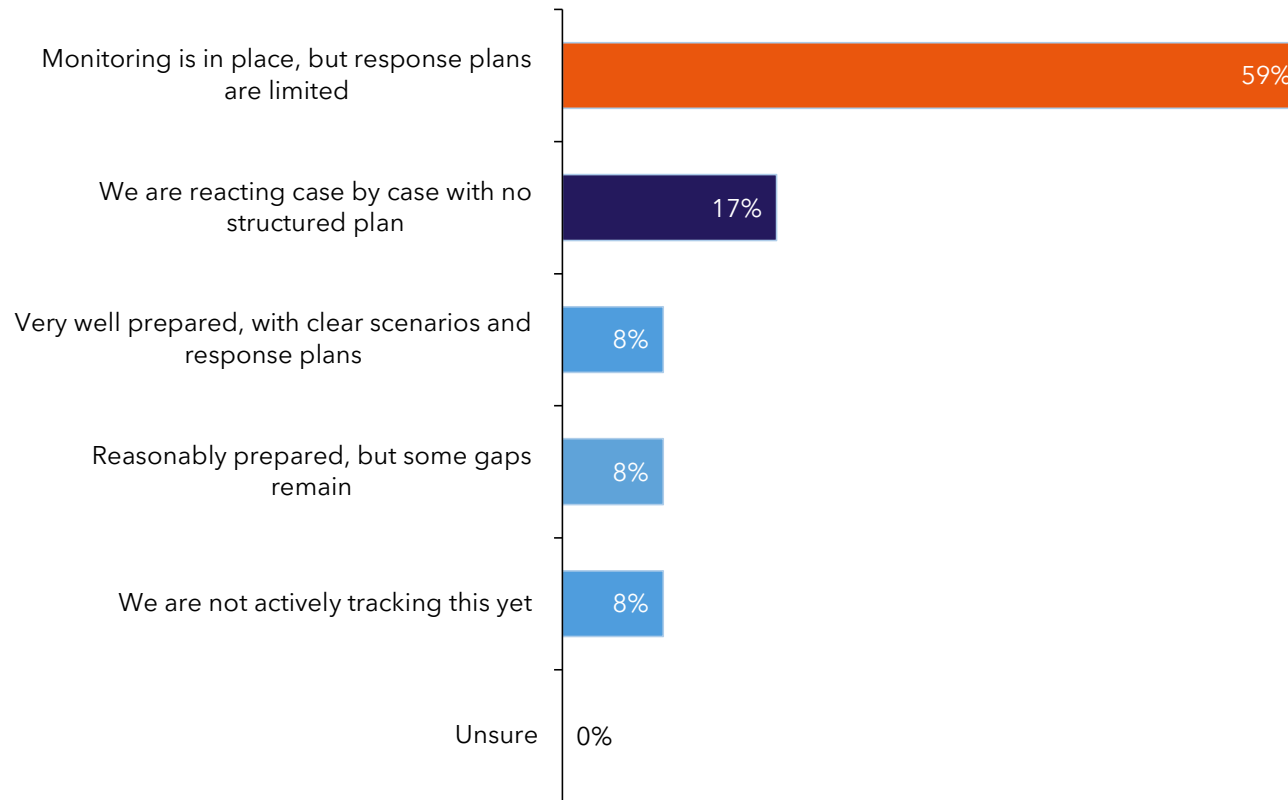
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POLL 2

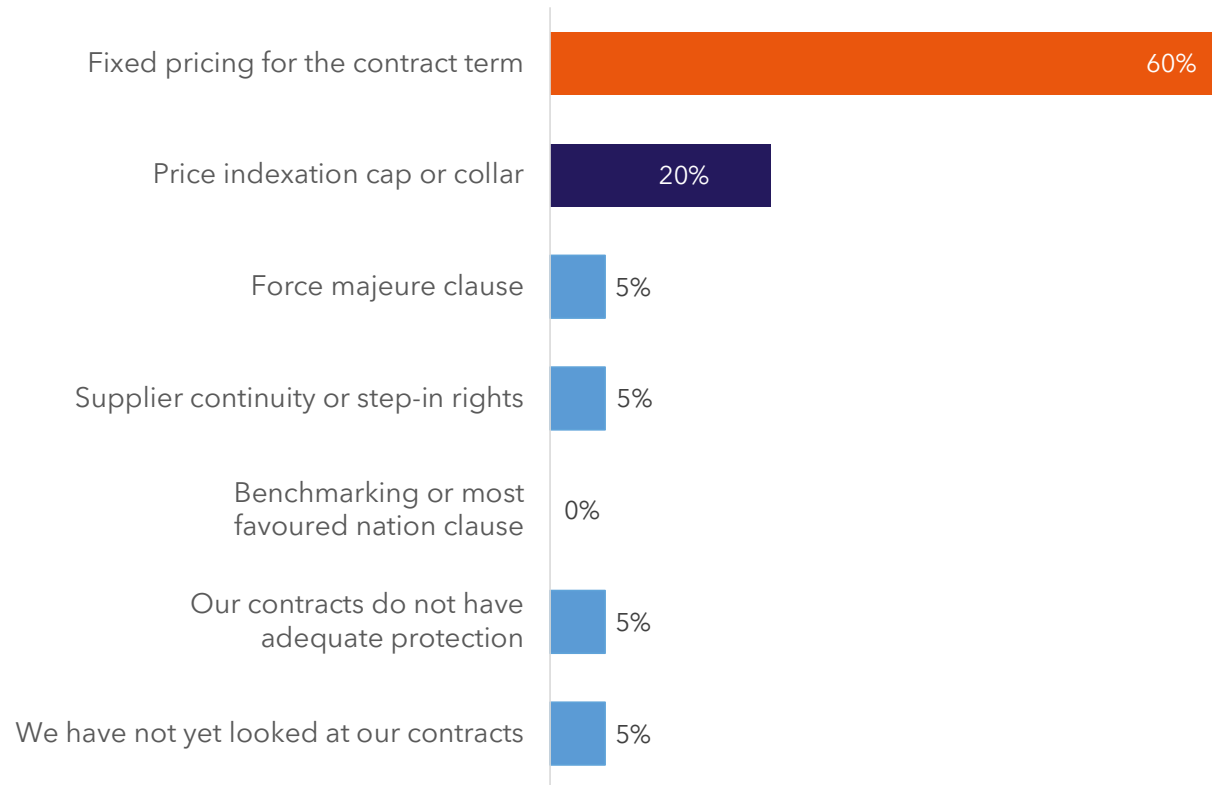
How well prepared is your organisation to track, assess and respond to further disruption from the Middle East conflict?

CASME Webinar held 13th May

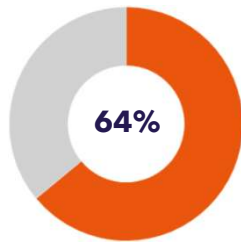
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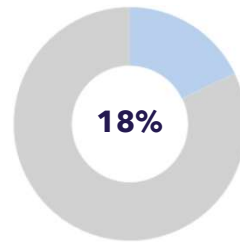
Fixed pricing is providing protection, but broader contractual resilience mechanisms appear thin



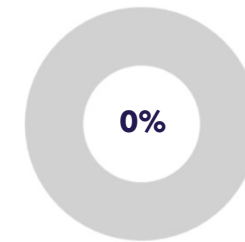
Most suppliers are engaging, but a material minority are already rising prices, force majeure or responsiveness concerns



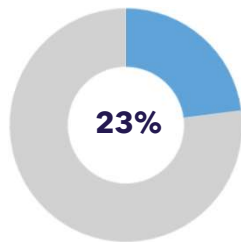
Proactively sharing information and working collaboratively with us



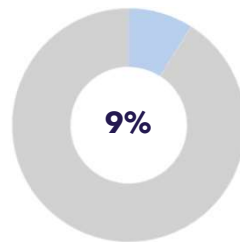
Responding openly when we ask but not volunteering information



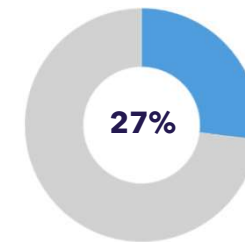
Largely unresponsive or hard to engage



Presenting price increases or surcharges with limited justification

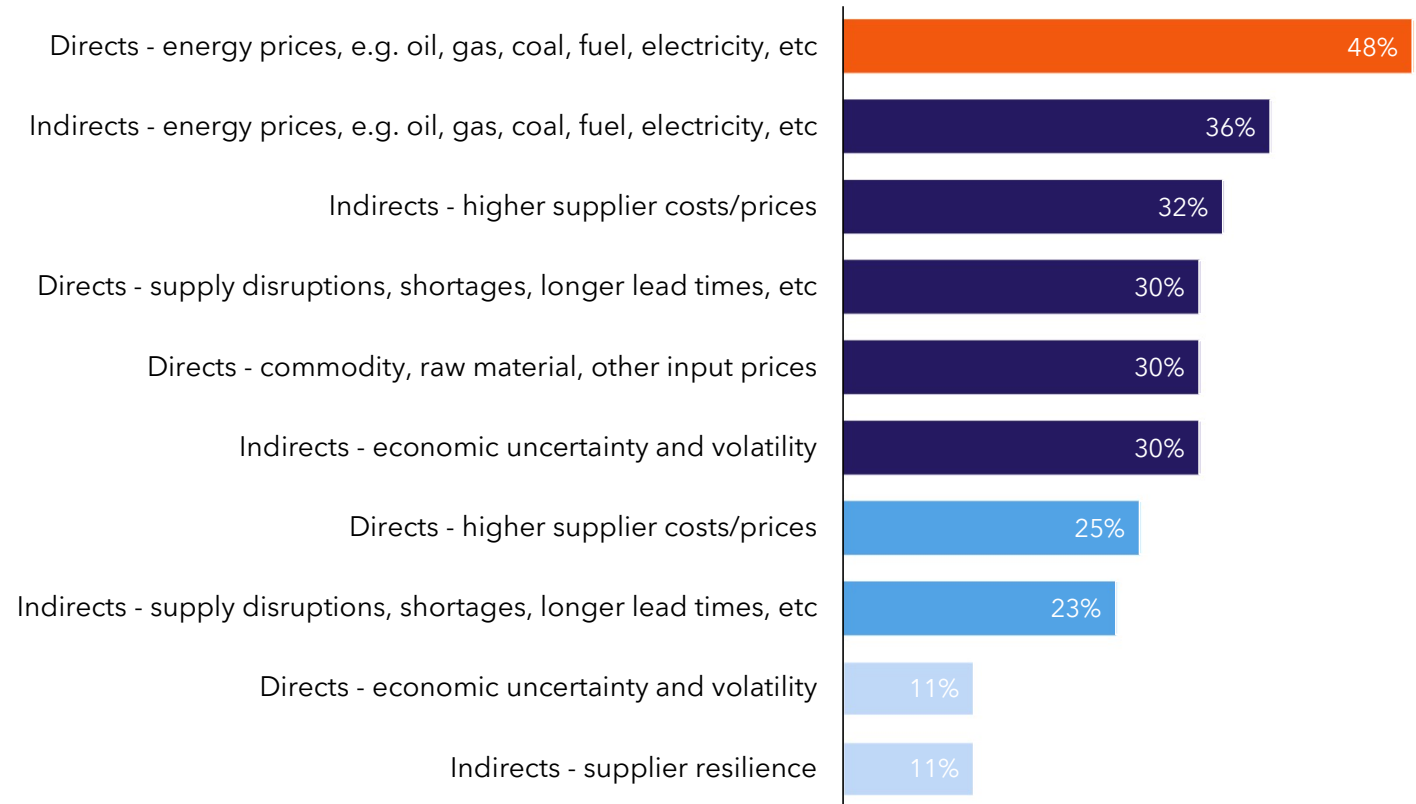


Invoking or threatening force majeure



Too early to say

Energy is the headline risk, but indirect supplier cost and volatility are already visible



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POLL 3

Which contractual protections are most likely to help your organisation manage disruption, cost volatility or supplier risk? Select all that apply.

INFLATION - CONFLICT IS LANDING IN AN ALREADY VOLATILE COST ENVIRONMENT

Inflationary factors	Jul 2021	Apr 2022	Jan 2023	Jan 2024	Jan 2025	Jan 2026
Increased production costs	3	3	2	1	1	1
Impact of government policy, tariffs, trade measures, fiscal regulation and currency fluctuations	-	-	11	10	8	2
A shortage and rising cost of labour	10	5	1	2	2	3
The impact of increased fuel prices on logistics	-	2	3	3	5	4
Consumer demand impacts	1	7	7	4	7	5
Volatility in commodity prices	4	1	6	5	4	6
The impact of increased energy prices on utilities	8	4	4	7	3	7
The shortage of components	2	6	5	8	9	8
Increased local demand restricting the availability of goods from overseas countries	6	9	9	9	10	9
Impact of interest rates and credit conditions	-	-	-	6	6	10
The consequences of wars or conflicts	-	12	-	-	11	11

1 is the most impactful, 11 is the least impactful



A CHALLENGE

PROCUREMENT IS AT A TURNING POINT

- The Middle East conflict is not an isolated event. It is a stress test of how Procurement is built
- Energy markets disrupted, driving inflation and cost volatility
- Critical supply chains exposed, from logistics to high-tech inputs
- Trade routes and shipping stability increasingly uncertain

This is not a temporary shock. It is the new operating environment.

You cannot control geopolitics, but you can control how exposed you are to it.



Questions?



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