

## Market Commentary

**Recap:** The oil market posted an outside trading day but continued to trade within Wednesday's over \$3 trading range the market weighed the uncertainty of tariff talks between the U.S. and China and concerns of oversupply from OPEC+. The market breached its previous high of \$63.31 and posted a high of \$63.35 in overnight trading after U.S. President Donald Trump on Thursday said trade talks between the U.S. and China were underway. Also, there were signs of easing tariff tensions amid reports that China was considering tariff exemptions on more than 130 U.S. goods. However, the market gave up those gains, breached its previous low of \$61.99 and sold off to a low of \$61.80. The market was pressured after China's Foreign Ministry again contradicted President Trump's comments and said that Beijing and Washington were not having any consultations or negotiations on tariffs. Prices also remained under pressure amid the possibility that OPEC+ members may accelerate oil output increases for a second month in June. The market later retraced all of its earlier losses but failed to test its high and settled in a sideways trading range ahead of the close. The June WTI contract ended the session up 23 cents or 0.37% at \$63.02 but was down 1.55% on the week. The June Brent contract settled up 32 cents or 0.48% at \$66.87. The product markets ended the session higher, with the heating oil market settling up 2.36 cents at \$2.1673 and the RB market settling up 1.32 cents at \$2.1189.

**Technical Analysis:** The oil market will remain headline driven as the market continues to look for any further easing of tariff tensions between the U.S. and China amid reports that China is considering tariff exemptions and the contradicting statements regarding talks between the two trading partners. The market will also look for further news regarding a meeting between the U.S. and Iran on Saturday regarding the Islamic Republic's nuclear program. The crude market is seen finding resistance at its high of \$63.35, \$63.95, \$64.87, \$65.22 and \$66.41. Support is seen at \$61.80, \$61.53, \$59.87, \$59.00 and \$58.29.

**Fundamental News:** Baker Hughes reported that U.S. energy firms added oil and natural gas rigs for a second consecutive week for the first time since February. The oil and gas rig count increased by two to 587 in the week ending April 25<sup>th</sup>. It reported that oil rigs increased by two to 483 this week, while gas rigs increased by one to 99.

IIR Energy said U.S. oil refiners are expected to shut in about 1.62 million bpd of capacity in the week ending April 25<sup>th</sup>, cutting available refining capacity by 27,000 bpd.

Vitol Group has increased its oil purchases in Venezuela in the final weeks of U.S. license that allow the company to do business in Venezuela. Vitol is set to load at least 2.5 million barrels of Venezuelan oil this month, more than double March's level of 1 million barrels. The company's license to operate in Venezuela is set to expire on May 27<sup>th</sup>, and it aims to move Venezuelan oil for as long as it can while remaining in compliance with sanctions. Vitol is also supply Venezuela with heavy naphtha and has chartered vessels to deliver Venezuelan oil to refineries in Texas and the U.S. Gulf Coast.

The U.S. Department of Interior announced Thursday it will allow oil producers to operate at greater pressure differences, which could result in boosting oil output by 100,000 b/d over the next ten years. The Department's Bureau of Safety and Environmental Enforcement in a release said it has "implemented new parameters for Downhole Commingling in the Paleogene (Wilcox) reservoirs, expanding allowable pressure differential from 200 psi to 1500 psi." The new rules are seen as allowing producers to open up more reservoirs simultaneously rather than develop them sequentially. The U.S. Department of Interior also announced Thursday it will implement alternative permitting procedures aimed at accelerating the pace of energy development on federal lands and waters. The new procedures will reduce the length of environmental assessments, which can take up to a year, to only 14 days.

**Early Market Call - as of 9:10 AM EDT**

WTI - Jun \$62.83, down 19 cents

RBOB - May \$2.1235, up 46 points

HO - May \$2.1764, up 91 points

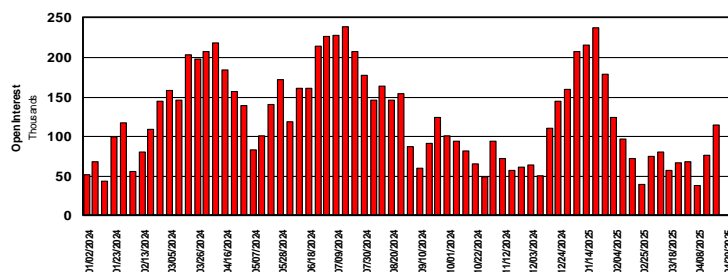
## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-25	2.1673	0.0236	0.0584
May-25	2.1123	0.0143	0.0437
Jun-25	2.0923	0.0106	0.0382
Jul-25	2.0923	0.0097	0.0383
Aug-25	2.0987	0.0093	0.0392
Sep-25	2.1057	0.0091	0.0390
Oct-25	2.1103	0.0090	0.0399
Nov-25	2.1129	0.0090	0.0407
Dec-25	2.1165	0.0084	0.0399
Jan-26	2.1138	0.0074	0.0389
Feb-26	2.1038	0.0063	0.0376
Mar-26	2.0888	0.0055	0.0357
Apr-26	2.0821	0.0045	0.0348
May-26	2.0792	0.0041	0.0338
Jun-26	2.0848	0.0036	0.0336
Jul-26	2.0915	0.0032	0.0335
Aug-26	2.0993	0.0026	0.0337

## Sprague HeatCurve October 2025-April 2026

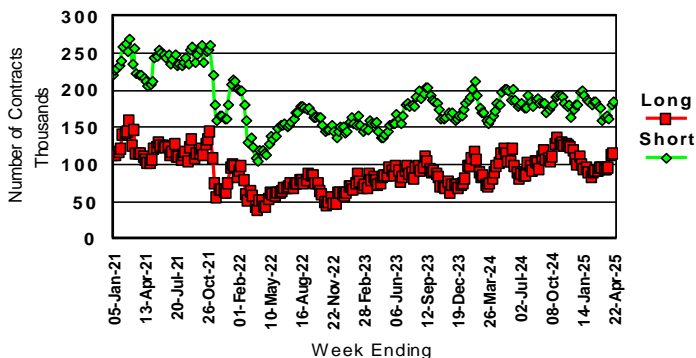
	Close	Change
Crude - WTI	\$63.0200	\$0.2300
Crude - Brent	\$66.8700	\$0.3200
Natural Gas	\$2.9370	\$0.0070
Gasoline	\$2.1189	\$0.0132

WTI Futures & Options: NYMEX & ICE Combined  
Managed Money Reportable Positions



## Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



## Managed Money Heat Positons

CFTC Commitment of Traders Report

