

Market Commentary

Recap: The oil market erased some of its gains on Wednesday following Tuesday's technical rebound as the market remained concerned about a possible oversupply at a time when U.S. tariffs have increased concerns about demand. In overnight trading, the oil market breached its previous high of \$59.84 and retraced more than 50% of its move from a high of \$64.87 to a low of \$55.30 as it rallied to a high of \$60.26. The market was supported by the news that the U.S. and China are scheduled to meet in Switzerland on Saturday, which could be the first step towards resolving a trade war that is disrupting the global economy. However, the crude market pared its gains and traded to a low of \$57.81 after the Federal Reserve left interest rates unchanged, as expected, and said uncertainty about the economic outlook has increased. The June WTI contract settled down \$1.02 at \$58.07 and the July Brent contract settled down \$1.03 at \$61.12. The product markets also settled in negative territory, with the heating oil market settling down 3.22 cents at \$1.9766 and the RB market settling down 3.67 cents at \$2.0278.

Technical Analysis: The crude market on Thursday will remain range bound as the market will look towards the U.S.-China trade talks scheduled for Saturday. The market will also await for development on the U.S.-Iran nuclear talks scheduled to take place sometime over the weekend. Also, while the market has been pressured by the recent OPEC+ decision to accelerate its output hikes for the second consecutive month in June, the market's losses may be limited as some U.S. producers have signaled that they would cut spending, cautioning that the country's oil output may have peaked. The oil market is seen finding support at its low of \$58.23, \$57.03, \$55.30 and \$54.67. Meanwhile, resistance is seen at its high of \$60.26, \$60.43, \$61.22 and \$62.07.

Fundamental News: U.S. Treasury Secretary Scott Bessent and chief trade negotiator Jamieson Greer will meet China's economic tsar He Lifeng in Switzerland on Saturday for talks that could be the first step toward resolving a trade war disrupting the global economy. The talks come after weeks of escalating tensions that have seen duties on goods imports between the world's two largest economies increase well beyond 100%, amounting to what Treasury Secretary Bessent on Tuesday described as the equivalent of a trade embargo. The negotiating teams convening in Switzerland are expected to discuss reductions to the broader tariffs. The talks should also cover duties on specific products, export controls and President Trump's decision to end de minimis exemptions on low-value imports.

India attacked Pakistan and Pakistani Kashmir on Wednesday and Pakistan said it had shot down five Indian fighter jets in the worst fighting in more than two decades between the nuclear-armed enemies. India hit targets in Pakistan's most populous province of Punjab for the first time since their last full-scale war more than half a century ago, triggering fears of a further escalation of military hostilities. Islamabad called the attacks a "blatant act of war" and said it had informed the U.N. Security Council that Pakistan reserved the right to respond appropriately to Indian aggression.

Yemen's Houthis said a ceasefire deal between the group and the United States does not include sparing Israel from operations, suggesting shipping attacks that disrupted global trade will not come to a complete halt.

Shipments of most energy products are slowing in sync with the global economy. Exports of crude oil, gasoline, diesel and thermal coal all contracted during the January to April period when compared with the same months in 2024, as the economies of importer nations cut their demand in response to heightened trade uncertainty. According to data from commodity intelligence firm Kpler, global export volumes of crude oil from January through April totaled 4.93 billion barrels. That total was 1.3% lower than during the same period in 2024 and was driven mainly by a 9% decline in imports by China.

Early Market Call - as of 8:15 AM EDT

WTI - Jun \$59.14, up \$1.19

RB0B - Jun \$2.0518, up 2.89 cents

HO - Jun \$2.0027, up 2.88 cents

All NYMEX | Prior Settlements

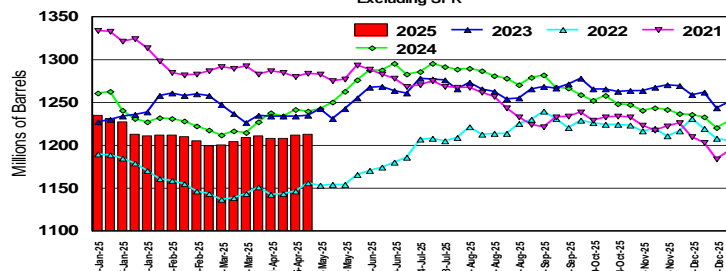
	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Apr-25	1.9766	-0.0322	-0.0252
May-25	1.9610	-0.0336	-0.0240
Jun-25	1.9659	-0.0332	-0.0220
Jul-25	1.9759	-0.0329	-0.0213
Aug-25	1.9860	-0.0327	-0.0203
Sep-25	1.9932	-0.0325	-0.0194
Oct-25	1.9976	-0.0322	-0.0188
Nov-25	2.0031	-0.0311	-0.0187
Dec-25	2.0011	-0.0302	-0.0191
Jan-26	1.9922	-0.0297	-0.0190
Feb-26	1.9787	-0.0292	-0.0188
Mar-26	1.9740	-0.0293	-0.0183
Apr-26	1.9730	-0.0299	-0.0177
May-26	1.9812	-0.0294	-0.0174
Jun-26	1.9910	-0.0287	-0.0169
Jul-26	2.0019	-0.0280	-0.0164
Aug-26	2.0119	-0.0277	-0.0158

Sprague HeatCurve October 2025-April 2026

	Close	Change
Crude - WTI	\$57.7000	-\$0.9800
Crude - Brent	\$61.1200	-\$1.0300
Natural Gas	\$3.6210	\$0.1580
Gasoline	\$2.0278	-\$0.0367

Total U.S. Oil Stocks

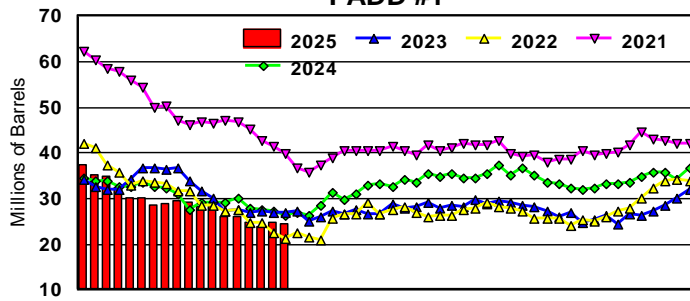
Excluding SPR



Weekly EIA Petroleum Status Report for the Week Ending May 2, 2025

Distillate Stocks

PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 2.032 million barrels

Cushing, OK Crude Stocks Down 740,000 barrels

Gasoline Stocks Up 188,000 barrels

Distillate Stocks Down 1.107 million barrels

Refinery % Operated 89%, up 0.4%

PADD #1

	Week Ending May 2, 2025	Week Ending Apr. 25, 2024	Week Ending May 3, 2024
Distillate Stocks (in million bbl)			
New England	2.8	3.0	3.4
Central Atlantic	11.5	11.8	13.6
Total PADD #1	24.3	24.6	26.3
Distillate Imports (thousands b/d)	84	42	75