

## Market Commentary

**Recap:** The oil market posted yet another inside trading day on Wednesday as the market continued to digest the contradictory rhetoric. The market remained pressured following reports that the U.S. sent Iran a 15-point proposal aimed at ending the war, prompting talk of progress toward a ceasefire, while Iran continued to deny that direct talks had taken place. The oil market remained within Tuesday's late session trading range, posting a low of \$86.46 early in the morning before it retraced some of its losses throughout the session, posting a high of \$90.95 in afternoon trading as the market awaited to hear Iran's formal response to the U.S. proposal to end the war. According to comments made by a senior Iranian official, the proposal was still under review, although the initial response was not positive, contradicting an earlier report that Iran had rejected it. The U.S. issued a warning to Iran saying that President Donald Trump would hit Iran harder if Iran failed to accept that they have been defeated militarily. The crude market later settled in a sideways trading range during the remainder of the session. The May WTI contract ended the session down \$2.03 at \$90.32. However, the market later rallied to a new high of \$91.73 as Iran's Foreign Minister, said there are no talks with the U.S. and added that Iran has no intention to hold talks with the U.S. Meanwhile, the May Brent contract settled down \$2.27 at \$102.22. The product markets also ended the session in negative territory. The April heating oil contract settled down 28.46 cents at \$4.0063 following a build in distillates stocks of over 3 million barrels on the week, while the RB market settled down 13.56 cents at \$3.0124 amid the news that the Trump administration was suspending anti-smog regulations on seasonal gasoline blends.

**Technical Analysis:** The crude market will be driven by the latest developments regarding the Iranian response to the U.S. proposal. While Iran's Foreign Minister stated that Iran's top authorities are reviewing the offered proposals, he said Iran has no intention to negotiate with the U.S. This is likely to escalate tensions after the White House warned it would hit Iran harder if it failed to understand that it had been defeated militarily. The oil market is seen finding resistance at \$90.95, \$93.36, \$93.75, \$95.03, \$101.67, \$102.44 and \$113.41. Meanwhile, support is seen at \$86.46, \$86.34, \$84.37, \$80.60, \$75.64, followed by \$73.79 and \$72.19.

**Fundamental News:** Iran's Foreign Minister, Abbas Araqchi, said that the U.S. proposal to end the war was being reviewed by top authorities in Tehran, but the exchange of messages through mediators "does not mean negotiations with the U.S.". He said that Tehran has no intention to hold talks with the U.S. Sources stated that Iran has told intermediaries that Lebanon must be included in any ceasefire agreement with the United States and Israel, linking an end of the war to a halt to Israel's offensive against Hezbollah.

IIR Energy said U.S. oil refiners are expected to have about 643,000 barrels per day of capacity offline in the week ending March 27, increasing available refining capacity by 99,000 bpd.

President Donald Trump's administration announced on Wednesday it will temporarily suspend federal anti-smog regulations on seasonal gasoline blends to curb higher pump prices since the start of the war on Iran. The move by the Environmental Protection Agency will allow retailers to sell less expensive formulations of gasoline, including mixtures that include 15% ethanol, known as E15, that are typically not permitted during warmer months. The waiver takes effect for 20 days starting May 1<sup>st</sup>, and can be extended if needed. It will also remove all federal impediments to selling E10, gasoline blended with 10 percent ethanol, across the country.

Valero Energy Corp began preparing its 380,000 bpd Port Arthur, Texas, oil refinery for a restart this week after it was shut on Tuesday following an explosion and ensuing fire on Monday night. Workers were blocking pipelines that feed the damaged 47,000 bpd unit 247 diesel hydrotreater unit early on Wednesday morning.

**Early Market Call - as of 12:20 AM EDT**

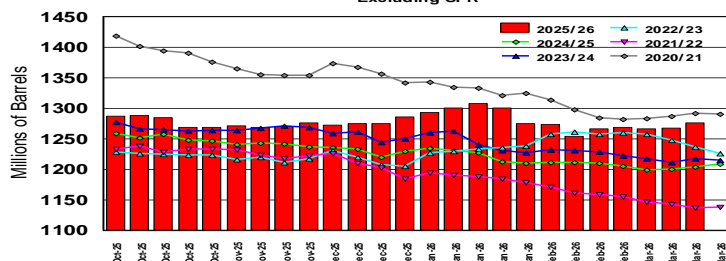
WTI - Apr \$94.57, up \$3.26  
 RBOB - Apr \$3.1408, up 11.58 cents  
 HO - Apr \$4.3215, up 30.33 cents

## All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-26	4.0063	-0.2846	-0.1915
May-26	3.8105	-0.2028	-0.1783
Jun-26	3.4851	-0.1081	-0.0755
Jul-26	3.3108	-0.0715	-0.0012
Aug-26	3.1928	-0.0568	0.0375
Sep-26	3.1162	-0.0484	0.0436
Oct-26	3.0528	-0.0428	0.0408
Nov-26	2.9856	-0.0375	0.0392
Dec-26	2.9172	-0.0318	0.0404
Jan-27	2.8737	-0.0297	0.0382
Feb-27	2.8345	-0.0281	0.0365
Mar-27	2.7821	-0.0275	0.0338
Apr-27	2.7265	-0.0266	0.0333
May-27	2.6855	-0.0247	0.0313
Jun-27	2.6527	-0.0233	0.0304
Jul-27	2.6364	-0.0216	0.0285
Aug-27	2.6231	-0.0209	0.0256

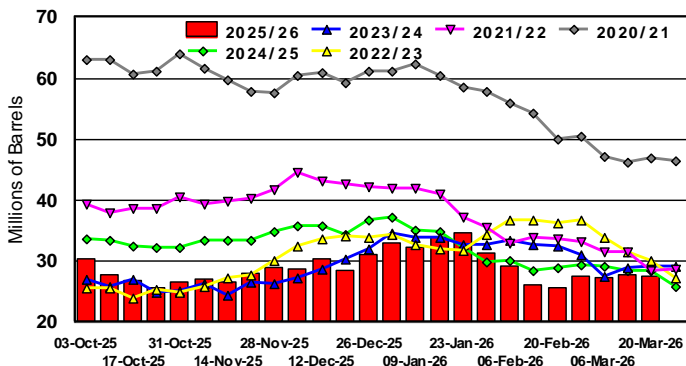
Sprague HeatCurve October 2026-April 2027		Close	Change
Crude - WTI	May Brent- WTI Spread \$11.90	\$90.3200	-\$2.0300
Crude - Brent		\$102.2200	-\$2.2700
Natural Gas		\$2.9520	\$0.0090
Gasoline		\$3.0124	-\$13.5600

### Total U.S. Oil Stocks Excluding SPR



## Weekly EIA Petroleum Status Report for the Week Ending March 20, 2026

### Distillate Stocks PADD #1



### Overall U.S. Stats

**Crude Oil Stocks(excluding SPR)** Up 6.9 million barrels  
 Cushing, OK Crude Stocks Up 3.42 million barrels  
**Gasoline Stocks** Down 2.6 million barrels  
**Distillate Stocks** Up 3.0 million barrels  
**Refinery % Operated** 92.9%, up 1.5%

### PADD #1

Distillate Stocks (in million bbl)	Week Ending Mar 20, 2026	Week Ending Mar 13, 2026	Week Ending Mar 21, 2025
New England	3.9	4.0	4.0
Central Atlantic	14.0	13.0	14.0
Total PADD #1	27.4	27.6	28.3
Distillate Imports (thousands b/d)	104	167	100

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