

## Market Commentary

**Recap:** The oil market continued to retrace the losses posted earlier in the week as the market remained concerned about the fading prospect for a ceasefire in the month-old war with Iran. While U.S. President Donald Trump gave Iran another 10 days to reopen the Strait of Hormuz or face strikes on its energy plants, there are little concrete signs of progress toward a truce as missiles continued to rain on Israel and Iran, which has shown signs of being able to sustain a long conflict. The U.S. Senior Iranian officials have stated the diplomacy continues, however, Tehran has given no direct sign that it was ready to negotiate or compromise. The crude market posted a low of \$92.08 in overnight trading before it bounced off that level and rallied higher throughout the session. The deferral of U.S. strikes on the Iranian grid seems to have faded with the market all too aware of the build up of U.S. military power. The crude market rallied to a high of \$100.04 ahead of the close. The May WTI contract settled up \$5.16 at \$99.64 and later posted a high of \$100.54 in the post settlement period. The May Brent contract settled up \$4.56 at \$112.57. The product markets also continued to rally, with the heating oil market settling up \$22.21 cents at \$4.4955 and the RB market settling up 11.99 cents at \$3.2501.

**Technical Analysis:** The crude market on Monday will be driven by the developments seen over the weekend, as the market remains concerned about a prolonged conflict. While President Trump extended a deadline for the reopening of the Strait of Hormuz and has made a proposal to end the war, the U.S. has sent thousands of troops to the Middle East, with President Trump weighing to use ground forces to seize Iran's Kharg Island. Resistance is seen at \$98.49, \$101.67, \$102.44 and \$113.41. Meanwhile, support is seen at \$92.08, \$90.82, \$89.51, \$89.40, \$86.46, \$86.34, \$84.37, \$80.60, and \$75.64.

**Fundamental News:** A senior Iranian official said U.S. attacks on Iran while simultaneously calling for talks were "intolerable," and added that Tehran had yet to decide whether to respond to a U.S. proposal due to attacks on industrial and nuclear infrastructure. Iran's response to U.S. proposals had originally been expected to be delivered on Friday or Saturday.

President Donald Trump's special envoy Steve Witkoff said that the United States was hopeful that there would be meetings with Iran this week. Earlier, Secretary of State Marco Rubio said the United States could achieve its objectives in Iran without the use of any ground troops and expected its operation to conclude in a matter of weeks, despite recent deployments of additional forces to the region.

Baker Hughes reported that U.S. energy firms this week cut the number of oil and natural gas rigs operating for a second consecutive week for the first time since mid-January. It reported that the oil and gas rig count fell by nine to 543 in the week ending March 27<sup>th</sup>, the lowest level since the week of January 16<sup>th</sup>. Baker Hughes said oil rigs fell by 5 to 409 this week, their lowest level since the week of February 27<sup>th</sup>, while gas rigs fell by 4 to 127, the lowest level since the week ending January 30<sup>th</sup>.

IIR Energy said U.S. oil refiners are expected to shut in about 1.03 million bpd of capacity in the week ending March 27<sup>th</sup>, cutting available refining capacity by 287,000 bpd. Offline capacity is expected to fall to 886,000 bpd in the week ending April 3<sup>rd</sup>.

The Trump administration finalized new biofuel blending volumes mandates for the U.S. refining industry, setting the 2026 biofuel obligations at 26.81 billion RINs and the 2027 obligation at 27.02 billion RINs, and requiring large refiners to make up for 70% of volumes waived.

**Early Market Call - as of 8:50 AM EDT**

**WTI - Apr \$100.81, down 37 cents**  
**RBOB - Apr \$3.2837, down 22 points**  
**HO - Apr \$4.5756, down \$1.22**

## All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-26	4.4955	0.2221	-0.1129
May-26	4.2363	0.1593	-0.0062
Jun-26	3.8247	0.1049	0.0646
Jul-26	3.5658	0.0706	0.0564
Aug-26	3.4009	0.0480	0.0557
Sep-26	3.2929	0.0338	0.0434
Oct-26	3.2065	0.0247	0.0303
Nov-26	3.1183	0.0161	0.0192
Dec-26	3.0284	0.0065	0.0081
Jan-27	2.9743	0.0029	0.0055
Feb-27	2.9266	0.0005	0.0034
Mar-27	2.8670	-0.0015	-0.0003
Apr-27	2.8037	-0.0032	-0.0034
May-27	2.7529	-0.0049	-0.0109
Jun-27	2.7107	-0.0044	-0.0144
Jul-27	2.6869	-0.0070	-0.0209
Aug-27	2.6683	-0.0091	-0.0263

## Sprague HeatCurve October 2026-April 2027 \$2.9765

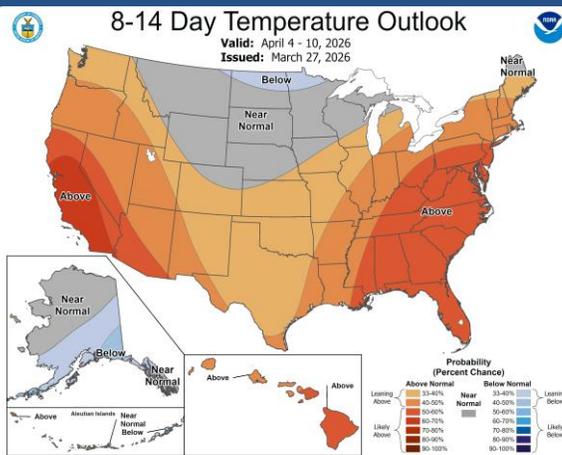
	Close	Change
Crude - WTI	\$94.6400	\$5.1600
Crude - Brent	\$112.5700	\$4.5600
Natural Gas	\$3.0950	\$0.0960
Gasoline	\$3.2501	\$0.1199



## April Heating Oil



## Weather Outlook



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