MarketWatch | Refined Products

Thursday, April 2, 2026

Market Commentary

Recap: The oil market on Wednesday traded lower after U.S. President Donald Trump again suggested that the U.S.-Israeli war with Iran could be nearing an end. On Tuesday, President Trump said the U.S. could end the military campaign within two to three weeks, even if Iran did not make a deal to end the conflict. In overnight trading, the market retraced some of Tuesday's losses as the market remained cautious amid the expectations that crude oil supplies through the Strait of Hormuz would be slow to return to levels seen before the conflict even if a ceasefire were announced in light of President Trump indicating that he could end the war before the waterway is reopened. However, the market sold off further to a low of $96.50. President Trump later stated that the U.S. would be out of Iran pretty quickly and could return for "spot hits" if needed hours ahead of his scheduled address to the nation later in the evening. The market later settled in a sideways trading range during the remainder of the session. The May WTI contract settled down $1.26 at $100.12 and the June Brent contract settled down $2.81 at $101.16. The product markets ended the session lower, with the heating oil market settling down 10.66 cents at $4.0568 and the RB market settling down 22.09 cents at $3.0914.

Technical Analysis: The crude market on Thursday will be driven by President Trump's address to the country regarding the war with Iran. While President Trump has stated that the U.S. could end the war soon, the New York Times reported that the U.S. is doubling its fleet of A -10 attack planes in the Middle East. It should be noted that even if the U.S. does end its military operations soon, the supply of oil moving through the Strait of Hormuz would still take time to normalize. The crude oil market is seen finding support at $96.50, $95.62, $93.98, $92.96, $92.08, $89.51, $86.46, $86.34, $84.37, $80.60 and $75.64. Meanwhile, resistance is seen at $103.31, $106.86, $113.41, $119.48 and $123.68.

Fundamental News: The EIA reported that U.S. crude stocks increased to the highest level since June 2023 last year, while fuel inventories fell last week as international demand increased, driving product exports to a record high. Crude inventories increased by 5.5 million barrels to 461.6 million barrels in the week ending March 27th. Crude stocks at the Cushing, Oklahoma, delivery hub increased by 520,000 barrels on the week, the highest level since July 2024. Distillate stocks fell by 2.1 million barrels on the week to 117.8 million barrels. U.S. distillate exports increased by 226,000 bpd to 1.41 million bpd last week and were well above the 2026 four-week average of 1.22 million bpd. Weekly exports of total petroleum products increased by 302,000 bpd to 7.9 million bpd, the highest level on record, while net imports hit their lowest level since November 2024.

Russia's Foreign Ministry said it expects the OPEC+ monitoring panel to discuss the recent increase in oil prices when it meets on April 5th. The Joint Ministerial Monitoring Committee of OPEC+ is due to hold its online meeting on Sunday.

The head of the IEA, Fatih Birol, said oil supply disruptions from the Middle East will increase in April and will impact Europe as supplies dwindle due to the closure of the Strait of Hormuz. He said the loss of oil in April will be twice the loss in March, in addition to the loss of LNG.

Bloomberg reported that it may not be a coincidence that President Donald Trump talked about an end to the Iran conflict the same day that gasoline prices passed the $4/gallon level. However, while the price of WTI futures fell on the news, the price of gasoline may not fall as quickly. Bloomberg said that if Iran is maintaining its hold on the Strait of Hormuz when the U.S. ends the war, energy supplies will remain uncertain and prices could remain elevated for some time. In 2022, when gasoline prices surpassed the $4/gallon level, it took five months for prices to fall below that level.

Early Market Call - as of 9:10 AM EDT

WTI - May $112.19, up $13.28

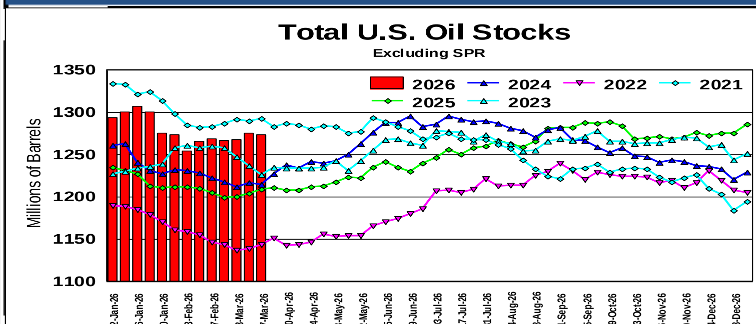
RBOB - Apr $3.2843, up 21.49 cents

HO - Apr $4.5830, up 53.84 cents

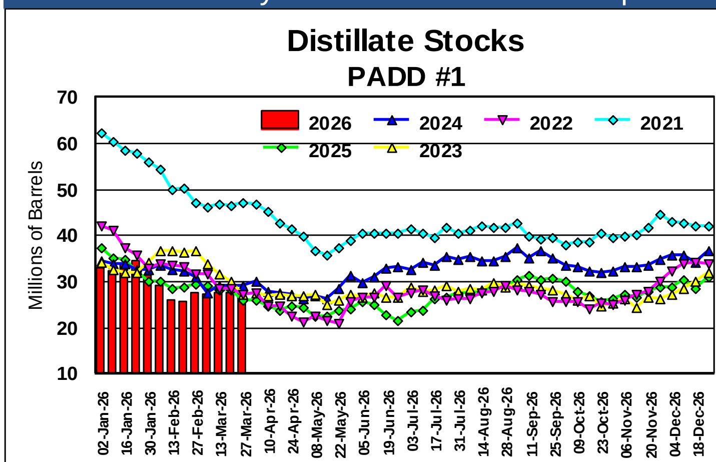
All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
May-26	4.0568	-0.0570	0.2463
Jun-26	3.7152	-0.0257	0.2301
Jul-26	3.4256	-0.0280	0.1148
Aug-26	3.2453	-0.0310	0.0525
Sep-26	3.1393	-0.0269	0.0231
Oct-26	3.0530	-0.0233	0.0002
Nov-26	2.9642	-0.0213	-0.0214
Dec-26	2.8755	-0.0209	-0.0417
Jan-27	2.8273	-0.0172	-0.0464
Feb-27	2.7850	-0.0154	-0.0495
Mar-27	2.7319	-0.0140	-0.0502
Apr-27	2.6728	-0.0144	-0.0537
May-27	2.6277	-0.0134	-0.0578
Jun-27	2.5917	-0.0108	-0.0610
Jul-27	2.5723	-0.0084	-0.0641
Aug-27	2.5557	-0.0086	-0.0675
Sep-27	2.5443	-0.0065	-0.0692
Sprague HeatCurve October 2026-April 2027			**$2.8315**

		Close	Change
Crude - WTI	**Jun Brent-WTI Spread $1.04**	$100.1200	-$1.2600
Crude - Brent		$101.1600	-$2.8100
Natural Gas		$2.8190	-$0.0650
Gasoline		$3.0914	-$0.2209



Weekly EIA Petroleum Status Report for the Week Ending March 27, 2026



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 5.5 million barrels

Cushing, OK Crude Stocks Up 520,000 barrels

Gasoline Stocks Down 586,000 barrels

Distillate Stocks Down 2.1 million barrels

Refinery % Operated 92.1%, down 0.8%

PADD #1

Distillate Stocks (in million bbl)	Week Ending Mar 27, 2026	Week Ending Mar 20, 2026	Week Ending Mar 28, 2025
New England	3.8	3.9	4.2
Central Atlantic	13.6	14.0	13.0
Total PADD #1	28.1	27.4	25.9
Distillate Imports (thousands b/d)	105	104	125