MarketWatch | Refined Products

Wednesday, April 8, 2026

Market Commentary

Recap: The oil market ended the session higher ahead of a deadline set by U.S. President Donald Trump for Iran to reopen the Strait of Hormuz or face attacks in its civilian infrastructure. President Trump gave Iran until 8 p.m. Tuesday to reopen the waterway or face potential strikes on key infrastructure, including power plants. In the hours leading up to the deadline, Iran signaled resistance but ultimately moved toward a conditional agreement, and a two-week ceasefire was reached Tuesday evening. Prior to the agreement, Iranian officials had warned of possible retaliation against infrastructure in the Gulf. The crude market breached its previous high in overnight trading as it traded to $116.56. The market later gave up some of its gains and sold off to a low of $111.28, only to breach its earlier high amid the market's concerns over the possible escalation in the war against Iran. The oil market posted a high of $117.63 by mid-day and erased some of its gains during the remainder of the session. The May WTI contract settled up 54 cents at $112.95. However the market sold off further to a new low of $109.20 on the news that Pakistan's Prime Minister Shehbaz Sharif requested U.S. President Donald Trump make a two-week extension to a deadline he imposed on Iran to end its blockade of Gulf oil, with the White House stating that President Trump will respond. Meanwhile, the June Brent contract settled down 50 cents at $109.27. The product markets also ended the session in mixed territory, with the heating oil market settling up 1.49 cents at $4.4774 and the RB market settling down 30 points at $3.3052.

Technical Analysis: The crude market on Wednesday will be driven by the developments seen on Tuesday evening amid the deadline imposed by President Trump for Iran to reopen the Strait of Hormuz or face strikes on its civilian infrastructure while Pakistan requested a two-week extension to the deadline. The market will sell off on any news of President Trump backing off the deadline. The oil market is seen finding support at $109.20, $108.89, $103.60, $99.93, $97.50, $96.50, $96.25 followed by $92.08, $89.51, $86.46 and $84.37. Meanwhile, resistance is seen at $117.63, $119.48 and $123.68.

Fundamental News: The EIA said fuel prices could keep increasing for months even after the Strait of Hormuz reopens, deviating from President Donald Trump's assurances that consumers will see immediate relief when he ends the war with Iran. The EIA said the trajectory of fuel prices depends on a number of variables, including the duration of the Strait of Hormuz's closure and the amount of oil production that has been shut in the Middle East due to it, both of which the agency can only estimate. The EIA said it expects full restoration of flows through the Strait of Hormuz will take months even after the conflict ends, and it expects uncertainty around future supply disruptions to keep oil prices above pre-conflict levels through the rest of this year. The EIA said U.S. retail gasoline prices are likely to peak at a monthly average of $4.30/gallon in April, and average more than $3.70/gallon for the year. The EIA said it expects diesel prices to peak at a monthly average of $5.80/gallon in April, and average $4.80/gallon for the year. The EIA also cut its forecast for global oil demand growth to half its previous estimate due to reports of fuel shortages in parts of the world, and government initiatives aimed at cutting fuel usage and exports. Global oil demand is now expected to grow by about 600,000 bpd to 104.6 million bpd, down from its prior forecast for growth of 1.2 million bpd this year. Oil demand will rebound next year once supply flows return to normal later this year. It expects demand growth to average 1.6 million bpd next year. The EIA expects U.S. oil output to average 13.64 million bpd in April, the highest level since December 2025.

GasBuddy data showed that the U.S. national average price of gasoline stood at $4.14/gallon as of Tuesday, the highest level since August 2022.

Early Market Call - as of 9:50 AM EDT
WTI - May $93.00, down $17.34
RBOB - May $2.9372, down 29.12 cents
HO - May $3.7717, down 52.96 cents

All NYMEX | Prior Settlements

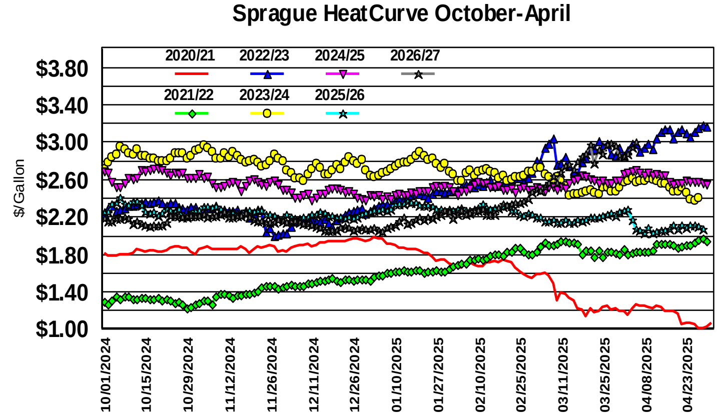
	ULSD (HO) Close	Prior Settle Change	Change In One Week
May-26	$4.4774	$0.1490	$0.3636
Jun-26	$4.0971	$0.1269	$0.3562
Jul-26	$3.7470	$0.1410	$0.2934
Aug-26	$3.5177	$0.1217	$0.2414
Sep-26	$3.3778	$0.0988	$0.2116
Oct-26	$3.2649	$0.0840	$0.1886
Nov-26	$3.1537	$0.0694	$0.1682
Dec-26	$3.0493	$0.0543	$0.1529
Jan-27	$2.9884	$0.0481	$0.1439
Feb-27	$2.9364	$0.0446	$0.1360
Mar-27	$2.8748	$0.0421	$0.1289
Apr-27	$2.8068	$0.0402	$0.1196
May-27	$2.7575	$0.0401	$0.1164
Jun-27	$2.7161	$0.0402	$0.1136
Jul-27	$2.6934	$0.0397	$0.1127
Aug-27	$2.6734	$0.0394	$0.1092
Sep-27	$2.6578	$0.0387	$0.1070
Sprague HeatCurve October 2026-April 2027			**$2.9947**

		Close	Change
Crude - WTI	June Brent-WTI Spread $9.89	$99.3800	$0.9100
Crude - Brent		$109.2700	-$0.5000
Natural Gas		$2.8700	$0.0590
Gasoline		$3.3052	-$0.0030

API Report for the Week Ending April 3, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Up 3.719 million barrels	Up 700,000 barrels
Gasoline Stocks	Down 3.97 million barrels	Down 1.4 million barrels
Distillate Stocks	Down 599,000 barrels	Down 1.5 million barrels
Refinery Runs		Up 0.4%, at 92.5%

Sprague HeatCurve



WTI Forward Curve