MarketWatch | Refined Products

Thursday, April 9, 2026

Market Commentary

Recap: The oil market on Wednesday tumbled below the $100 level after U.S. President Donald Trump on Tuesday announced a two-week ceasefire with Iran hours before his deadline for Iran to open the Strait of Hormuz or face strikes on its civilian infrastructure. The crude market sold off almost $22 on Tuesday evening as it gapped lower, breached a support line and posted a low of $91.05, following President Trump's turnaround and Iran's agreement to halt its attacks and allow safe transit through the Strait of Hormuz for two weeks, while talks continue to finalize a deal to end the war. The market later pared some of its losses and traded in a range from about $97.50 to $91.85 for much of the session. Relief over a two-week truce between the U.S. and Iran gave way to concern that fighting was continuing across the region, as Israel launched its biggest attack on Lebanon and Iran struck its Gulf neighbors' oil facilities. The market found some support on news that Saudi Arabia's East-West pipeline was targeted in an attack. Also, the top U.S. general said U.S. troops stood ready to resume fighting if Iran failed to strike a negotiated settlement, while an Iranian source warned that Iran would withdraw from the ceasefire if attacks on Lebanon continue. The May WTI contract ended the volatile trading session down $18.54 at $94.41 and the June Brent contract settled down $14.52 at $94.75. The product markets also sold off sharply, with the heating oil market settling down 11.63 cents at $3.8084 and the RB market settling down 29.93 cents at $3.0059.

Technical Analysis: The crude market on Thursday will remain driven by the latest headlines as the markets remain cautiously optimistic regarding the ceasefire between the U.S. and Iran. The market will continue to look to the developments following ceasefire violations. Israel struck Lebanon with its largest strikes yet on Wednesday, drawing a threat from Iran, which said the attacks violated the ceasefire deal. The oil market is seen finding support at $91.05, $89.51, $86.46, $86.34 and $84.37. Meanwhile, resistance is seen at $101.20, $104.34, $107.48, $109.19-$109.20 and $117.63.

Fundamental News: The EIA reported that U.S. crude production is expected to decline through the mid-2030s, with global crude futures trading below $70/barrel through 2030. The U.S. is expected to produce between 12.4 million bpd and 12.7 million bpd of crude by 2050, compared with 13.6 million bpd produced in 2025, with the Permian Basin accounting for most onshore output. Petroleum and other liquids consumption is estimated to fall by 11%-23% in 2050 compared to 2025, mainly due to increased use of electric vehicles. Brent crude futures will trade below $70/barrel through 2030, leading to decreased U.S. crude oil production through the mid-2030s. In the late 2030s, Brent crude prices are expected to increase above $75/barrel, supporting a rise in crude production through most of the 2040s, though output is expected to fall again in 2050. U.S. crude oil exports are projected to be between 3.3 million bpd and 4.7 million bpd, accounting for 25% to 33% of U.S. crude oil production in 2050. U.S. oil demand is expected to average 20.5 million bpd in 2027, up 0.24% on the year.

IIR Energy reported that U.S. oil refiners are expected to shut in about 704,000 bpd of capacity in the week ending April 10th, down from 911,000 bpd in the previous week. Offline capacity is expected to increase to 723,000 bpd in the week ending April 17th.

Several market experts said U.S. consumers will continue to pay high prices to fill up their vehicles or purchase airplane tickets through the peak summer travel season, even as wholesale fuel prices fell after President Donald Trump announced a two-week ceasefire in the U.S.-Israeli war on Iran. Data from GasBuddy showed that U.S. retail gasoline prices eased a penny to $4.16/gallon as of mid-day Wednesday, from a near four-year high of $4.17 a gallon on Tuesday. GasBuddy analyst, Patrick De Haan, said "If everything were to freeze right now, the national average could fall 5 or 10 cents a gallon for gasoline by this time next week."

Early Market Call - as of 8:30 AM EDT

WTI - May $99.10, up $2.60

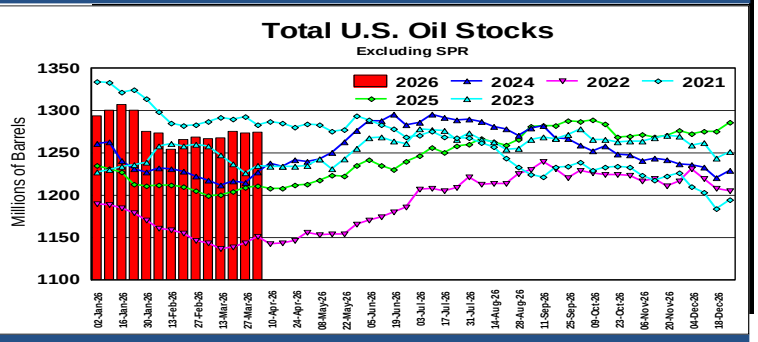
RBOB - May $3.0546, up 3.65 cents

HO - May $3.9902, up 11.51 cents

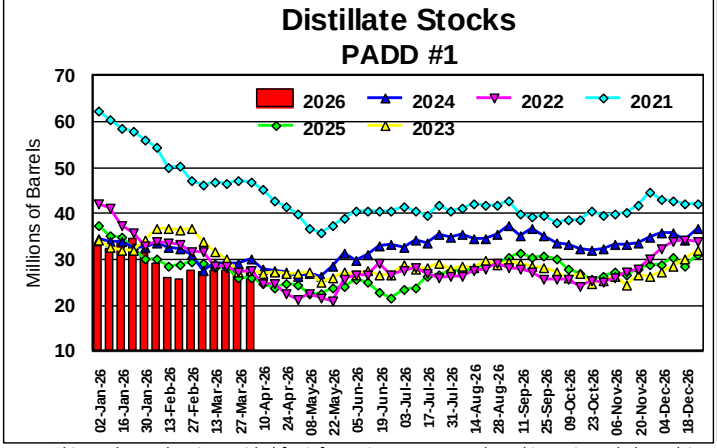
All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
May-26	3.8084	-0.6690	-0.2484
Jun-26	3.5842	-0.5129	-0.1310
Jul-26	3.4097	-0.3373	-0.0159
Aug-26	3.2868	-0.2309	0.0415
Sep-26	3.1995	-0.1783	0.0602
Oct-26	3.1231	-0.1418	0.0701
Nov-26	3.0429	-0.1108	0.0787
Dec-26	2.9645	-0.0848	0.0890
Jan-27	2.9173	-0.0711	0.0900
Feb-27	2.8739	-0.0625	0.0889
Mar-27	2.8189	-0.0559	0.0870
Apr-27	2.7581	-0.0487	0.0853
May-27	2.7145	-0.0430	0.0868
Jun-27	2.6814	-0.0347	0.0897
Jul-27	2.6653	-0.0281	0.0930
Aug-27	2.6520	-0.0214	0.0955
Sep-27	2.6409	-0.0169	0.0966
Sprague HeatCurve October 2026-April 2027			**$2.9175**

		Close	Change
Crude - WTI	**June Brent-WTI Spread $7.00**	$87.7500	-$11.6300
Crude - Brent		$94.7500	-$14.5200
Natural Gas		$2.7240	-$0.1460
Gasoline		$3.0059	-$0.2993



Weekly EIA Petroleum Status Report for the Week Ending April 3, 2026



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 3.1 million barrels

Cushing, OK Crude Stocks Up 24,000 barrels

Gasoline Stocks Down 1.6 million barrels

Distillate Stocks Down 3.1 million barrels

Refinery % Operated 92%, down 0.1%

PADD #1

Distillate Stocks (in million bbl)	Week Ending Apr 3, 2026	Week Ending Mar 27, 2026	Week Ending Apr 4, 2025
New England	3.7	3.8	3.9
Central Atlantic	13.5	13.6	12.2
Total PADD #1	28.3	28.1	26.1
Distillate Imports (thousands b/d)	107	105	61

This market update is provided for information purposes only and is not intended as advice on any transaction nor is it a solicitation to buy or sell commodities. Sprague makes no representations or warranties with respect to the contents of such news, including, without limitation, its accuracy and completeness, and Sprague shall not be responsible for the consequence or reliance upon any opinions, statements, projections and analyses presented herein or for any omission or error in fact.