

Market Commentary

Recap: The oil market on Wednesday continued on its downward trend but settled 0.01% as the geopolitical risk premium continued to fade on expectations of renewed U.S.-Iran talks aimed at ending the war in the Middle East while shipping through the Strait of Hormuz remained constrained. The crude market sold off sharply in overnight trading to a low of \$86.96 on optimism about the prospect for a resolution to the war after U.S. President Donald Trump said talks with Iran could resume this week. However, the market bounced off its low and pared its losses after President Trump said China and the U.S. are working together and that China is happy that he is opening the Strait of Hormuz. The market traded to a high of \$93.30 early in the morning. The market later settled in a sideways trading range, holding its support, as traders focused on the continuing supply disruptions. The May WTI contract settled up 1 cent at \$91.29 and the June Brent contract settled up 14 cents at \$94.93. The product markets ended the session higher in light of the builds reported product stocks, with the heating oil market settling up 12.89 cents at \$3.7532 and the RB market settling up 2.97 cents at \$3.0692.

Technical Analysis: The oil market will remain headline driven as the market awaits for news on whether there will be renewed talks between the U.S. and Iran this week. The market will weigh the expectations of talks aimed at ending the war with Iran against the concerns over supply as shipping on the Strait of Hormuz is constrained by the US. blockade that began on Monday morning. It is interesting to note that while the Trump administration may resume talks with Iran, it is also sending thousands of more troops to the Middle East in the coming days. The crude market is seen finding support at \$86.96, \$86.46, \$86.34 and \$84.37. Meanwhile, resistance is seen at \$93.30, \$97.27, \$98.00, \$98.68, \$102.30, \$105.63, \$105.91, \$109.19-\$109.20 and \$117.63.

Fundamental News: Analysts said Iran can withstand a complete halt in oil exports of up to two months before being forced to cut production, after the U.S. began blocking shipping in and out of the country's ports on April 13th. The blockade could prevent about 2 million bpd of Iranian crude from reaching its main buyer in China. Any Iranian production shutdowns would add to more than 12 million bpd of supply already disrupted by the regional war, tightening markets further and lifting oil prices. With its exports blocked, Iran faces having to divert crude into onshore storage tanks. Once those tanks are filled, the OPEC member would be required to cut upstream output. Consultancy FGE NextantECA estimates Iran has about 90 million barrels of available onshore crude storage capacity, out of total capacity of about 122 million barrels. Energy Aspects assumes significantly lower available onshore storage of about 30 million barrels, based on data from Kayrros. Under that scenario, Iran could maintain current export levels for about 16 days before storage capacity runs out, based on export levels of 1.8 million bpd.

Goldman Sachs flagged both upside and downside risks to its average 2026 crude forecasts for Brent/WTI at \$83/78 per barrel, citing increasing uncertainty around Middle East developments and oil flows through the Strait of Hormuz. It said reduced flows through Hormuz pose the biggest upside risk to its price forecasts, with estimated oil flows through the strait still at 10% of normal or 2.1 million bpd. The bank estimates 8 million bpd of average crude production shut-ins in the Persian Gulf in March, roughly in line with OPEC Secondary Sources but lower than IEA estimates of 10 million bpd.

IIR Energy said U.S. oil refiners are expected to shut in about 839,000 bpd of capacity in the week ending April 17th, decreasing available refining capacity by 50,000 bpd from the previous week. Offline capacity is expected to fall to 523,000 bpd in the week through April 24th.

Early Market Call - as of 8:30 AM EDT

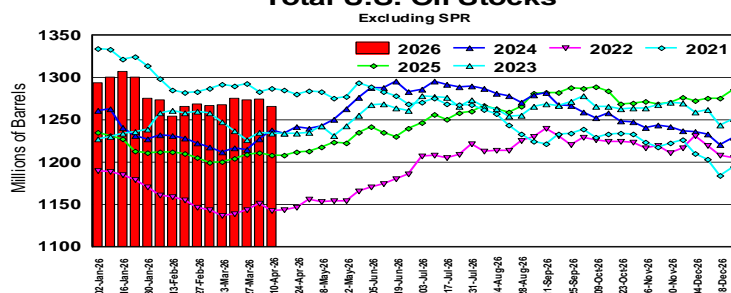
WTI - May \$92.02, down 62 cents
 RBOB - May \$3.0954, up 3.29 cents
 HO - May \$3.8276, up 6.02 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
May-26	3.7532	0.1289	-0.1838
Jun-26	3.5626	0.0900	-0.1344
Jul-26	3.4172	0.0612	-0.1015
Aug-26	3.3135	0.0396	-0.0686
Sep-26	3.2346	0.0269	-0.0435
Oct-26	3.1638	0.0205	-0.0221
Nov-26	3.0873	0.0157	-0.0057
Dec-26	3.0085	0.0121	0.0051
Jan-27	2.9614	0.0110	0.0089
Feb-27	2.9160	0.0103	0.0076
Mar-27	2.8603	0.0109	0.0069
Apr-27	2.8004	0.0126	0.0089
May-27	2.7587	0.0155	0.0124
Jun-27	2.7277	0.0183	0.0171
Jul-27	2.7116	0.0195	0.0197
Aug-27	2.6977	0.0205	0.0211
Sep-27	2.6857	0.0210	0.0218

Sprague HeatCurve October 2026-April 2027		\$2.9604
	Close	Change
Crude - WTI	\$88.1300	-\$0.0600
Crude - Brent	\$94.9300	\$0.1400
Natural Gas	\$2.6100	\$0.0110
Gasoline	\$3.0692	\$0.0297

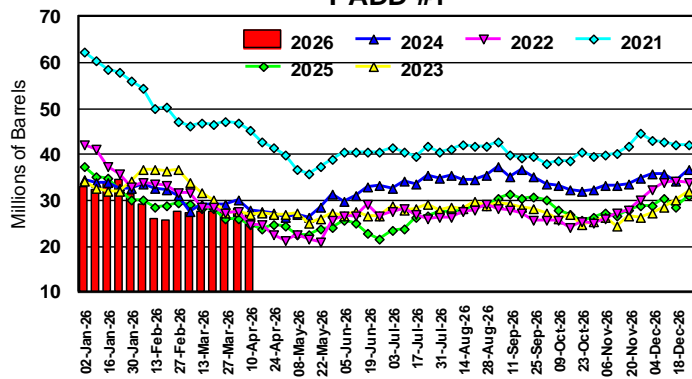
Total U.S. Oil Stocks



Weekly EIA Petroleum Status Report for the Week Ending April 10, 2026

Distillate Stocks

PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 913,000 barrels
 Cushing, OK Crude Stocks Down 1.73 million barrels
Gasoline Stocks Down 6.3 million barrels
Distillate Stocks Down 3.1 million barrels
Refinery % Operated 89.6%, down 2.4%

PADD #1

Distillate Stocks (in million bbl)	Week Ending Apr 10, 2026	Week Ending Apr 3, 2026	Week Ending Apr 11, 2025
New England	4.0	3.7	3.3
Central Atlantic	13.7	13.5	12.2
Total PADD #1	26.9	28.3	24.7
Distillate Imports (thousands b/d)	98	107	71