



MarketWatch | Refined Products

Wednesday, April 29, 2026

Market Commentary

Recap: The oil market extended its previous gains on Tuesday amid the lack of any progress in ending the Iran war and the Strait of Hormuz remaining mostly shut. According to a U.S. official, President Donald Trump was unhappy with the latest Iranian proposal to end the war as Iranian sources disclosed that the proposal avoided addressing the nuclear program until hostilities cease and Gulf shipping disputes are resolved. The oil market posted a low of \$96.24 in overnight trading before it bounced off that level and breached its previous highs. The market posted a high of \$101.85 in early morning trading. It later retraced some of its gains after the UAE announced that it would exit OPEC and the wider OPEC+ group. While the announcement could mean increased output from the fourth largest producer in the group, there is currently nowhere for the supply to go with the closure of the Strait of Hormuz. The market traded in a sideways trading range during the remainder of the session as the supply constraints outweighed concerns over the UAE's decision to leave OPEC. The June WTI contract settled up \$3.56 at \$99.93 and the June Brent contract settled up \$3.03 at \$111.26. The product markets ended the session in mixed territory, with the heating oil market settling down 35 points at \$3.9712 and the RB market settling up 6.94 cents at \$3.5604.

Technical Analysis: The crude market will remain supported as peace talks remain stalled. Any agreement between the U.S. and Iran will likely still leave the Strait of Hormuz issue unresolved, with the U.S. retaining its blockade and Iran shutting shipping flows through the waterway. The oil market is seen finding resistance at \$101.85, \$104.34, \$109.17, \$111.20, \$117.63 and \$119.48. Meanwhile, support is seen at \$96.24, \$94.59, \$92.68, \$92.30 followed by \$87.64, \$85.50, \$85.45 and \$78.97.

Fundamental News: Bloomberg reported that Iran's ability to keep producing oil is quickly eroding as the U.S. blockade tests the country's economic resilience. According to Kpler, Iran has 12 to 22 days left before its unsold production fills its storage capacity. It is longer than President Trump has predicted, but still a pressing issue for Iran. Once storage is full, Iran would have nowhere to put barrels it pumps out of the ground, forcing it to start shutting production. On Monday, U.S. Treasury Secretary, Scott Bessent, said that Iran had already started shutting down wells. Iran may find itself in the same difficult position as other oil producers in the Persian Gulf. Countries like Iraq and Kuwait that were quickly forced to cut output after the Strait of Hormuz was effectively closed. U.S. Energy Secretary, Chris Wright, said that if Iran has to take similar action, it could damage their old, low-pressure reservoirs.

Saudi Crown Prince Mohammed bin Salman chaired a consultative meeting of the Gulf Cooperation Council in Jeddah on Tuesday, the first in-person meeting of Gulf leaders since their states became a front in the Iran war two months ago. A Gulf official said the meeting aimed to craft a response to the thousands of Iranian missile and drone attacks Gulf states have faced since the U.S. and Israel launched the war with strikes on Iran on February 28th. Saudi state media said the summit discussed "topics and issues related to regional and international developments, and the coordination of efforts regarding them."

The United Arab Emirates said it would exit OPEC and OPEC+ effective May 1st. According to an official statement, the move "reflects the UAE's long-term strategic and economic vision and evolving energy profile," and disruptions in the Strait of Hormuz "continues to affect supply dynamics."

According to data from the American Automobile Association, the U.S. average gasoline price average increased to nearly \$4.18/gallon on Tuesday, reaching its highest level since August 2022. National average retail gasoline prices have increased about \$1.19/gallon or about 40%, since the U.S. and Israel attacked Iran at the end of February.

Early Market Call - as of 8:35 AM EDT

WTI - June \$103.88, up \$4.26

RBOB - May \$3.6635, up 8.61 cents

HO - May \$4.1014, up 12.98 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
May-26	\$3.9712	-\$0.0035	\$0.2424
Jun-26	\$3.8927	\$0.0117	\$0.2568
Jul-26	\$3.7312	\$0.0302	\$0.2469
Aug-26	\$3.5800	\$0.0332	\$0.2248
Sep-26	\$3.4658	\$0.0251	\$0.2090
Oct-26	\$3.3648	\$0.0171	\$0.1960
Nov-26	\$3.2603	\$0.0105	\$0.1819
Dec-26	\$3.1550	\$0.0035	\$0.1657
Jan-27	\$3.0882	-\$0.0005	\$0.1506
Feb-27	\$3.0271	-\$0.0034	\$0.1367
Mar-27	\$2.9574	-\$0.0056	\$0.1236
Apr-27	\$2.8831	-\$0.0074	\$0.1115
May-27	\$2.8259	-\$0.0097	\$0.0997
Jun-27	\$2.7804	-\$0.0104	\$0.0905
Jul-27	\$2.7540	-\$0.0104	\$0.0849
Aug-27	\$2.7310	-\$0.0109	\$0.0795
Sep-27	\$2.7118	-\$0.0113	\$0.0745

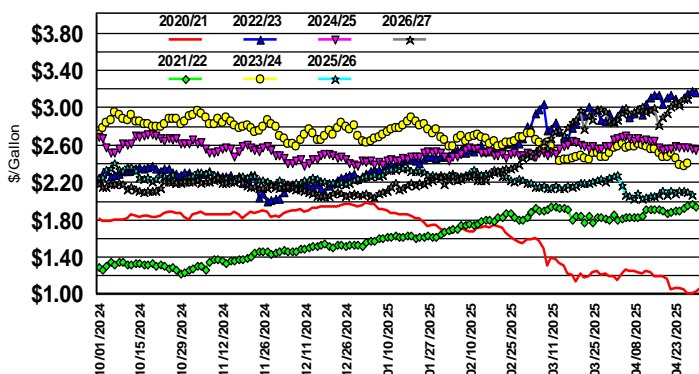
Sprague HeatCurve October 2026-April 2027		Close	Change
Crude - WTI	June Brent- WTI Spread \$11.33	\$99.9300	\$3.5600
Crude - Brent		\$111.2600	\$3.0300
Natural Gas		\$2.5590	\$0.0090
Gasoline		\$3.5604	\$0.0694

API Report for the Week Ending April 24, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Down 1.79 million barrels	Down 200,000 barrels
Gasoline Stocks	Down 8.47 million barrels	Down 2.1million barrels
Distillate Stocks	Down 2.6 million barrels	Down 2.2 million barrels
Refinery Runs		Up 0.2%, at 89.3%

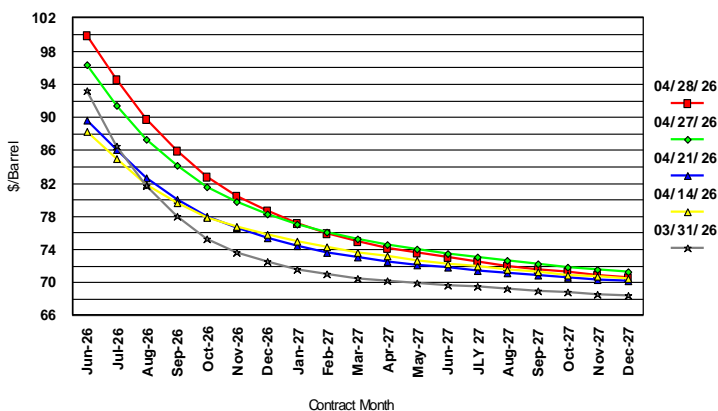
Sprague HeatCurve

Sprague HeatCurve October-April



WTI Forward Curve

NYMEX WTI Forward Curve



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