

## Market Commentary

**Recap:** The oil market on Monday traded higher after China announced plans to increase domestic consumption and the Trump administration vowed to keep attacking Yemen's Houthi rebels. China released a policy plan aimed at reviving consumption by raising wages, increasing pensions and creating incentives for childbirth, while also reporting increased industrial output and higher retail sales in the first two months of the year. The market was also well supported by the news that the Trump administration launched military strikes against the Houthis on Saturday in response to the group's attacks against Red Sea shipping. The market opened higher and breached its previous highs as it rallied to a high of \$68.37 in overnight trading. The market later traded to a low of \$67.25 by mid-day and settled in a sideways trading range during the remainder of the session. The April WTI contract settled up 40 cents at \$67.58 and the May Brent contract settled up 49 cents at \$71.07. The product markets ended the session in positive territory, with the heating oil market settling up 3.72 cents at \$2.2038 and the RB market settling up 3.25 cents at \$2.1812.

**Technical Analysis:** The crude market will remain supported and continue to trade within its recent trading range from \$65-\$68.50 as the market weighs some supportive economic news against some renewed geopolitical tensions following the U.S. strikes on the Houthi militia over the weekend. The market will look for further development on talks between President Donald Trump and Russian President Vladimir Putin scheduled for Tuesday possibly impacting the future of the Russia-Ukraine conflict. The oil market is seen finding support at its low of \$67.25, \$66.59, \$66.37, \$66.15 and \$65.22. Meanwhile, resistance is seen at \$68.37, \$68.56 and \$70.60.

**Fundamental News:** U.S. Defense Secretary, Pete Hegseth, said the United States will keep attacking Yemen's Houthis until they end attacks on shipping, as the Iran-aligned group signaled it could escalate in response to deadly U.S. strikes the day before. The airstrikes, which the Houthi-run health ministry said killed at least 53 people, are the biggest U.S. military operation in the Middle East since President Donald Trump took office in January. One U.S. official told Reuters the campaign might continue for weeks. President Trump said that Iran will be held responsible and face "dire" consequences for any further attacks by Yemen's Houthis. On Sunday, Houthi leader Abdul Malik al-Houthi said that his militants would target U.S. ships in the Red Sea as long as the U.S. continues its attacks on Yemen. Meanwhile, Hossein Salami, the top commander of Iran's Revolutionary Guards, said the Houthis made their own decisions. He said "We warn our enemies that Iran will respond decisively and destructively if they carry out their threats." United Nations Secretary-General Antonio Guterres on Sunday called for "utmost restraint and a cessation of all military activities" in Yemen and warned new escalation could "fuel cycles of retaliation that may further destabilize Yemen and the region, and pose grave risks to the already dire humanitarian situation in the country."

U.S. President Donald Trump said he has no intention of creating exemptions on steel and aluminum tariffs and said reciprocal and sectoral tariffs will be imposed on April 2<sup>nd</sup>.

U.S. President Donald Trump said he plans to speak to Russian President Vladimir Putin on Tuesday and discuss ending the war in Ukraine, with territorial concessions by Ukraine and control of the Zaporizhzhia nuclear power plant likely to feature prominently in the talks, after positive talks between U.S. and Russian officials in Moscow.

Goldman Sachs lowered its December 2025 and average 2026 forecasts for Brent and WTI crude oil prices, citing slower oil demand growth prospects and expectations of higher OPEC+ supply. The bank expects Brent crude at \$71/barrel in December, down \$5 from its previous forecast, and sees WTI at \$67/barrel. It also cut its 2026 average Brent forecast to \$68/barrel from \$73/barrel, and WTI to \$64/barrel from \$68/barrel.

**Early Market Call - as of 9:15 AM EDT**

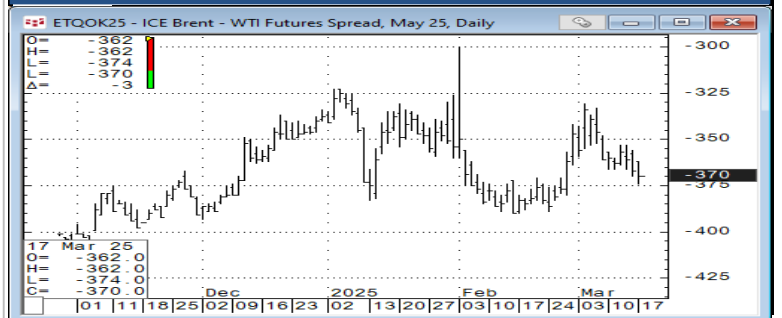
WTI - Apr \$68.13, up 55 cents  
 RBOB - Apr \$2.1960, up 1.48 cents  
 HO - Apr \$2.2257, up 2.19 cents

## All NYMEX | Prior Settlements

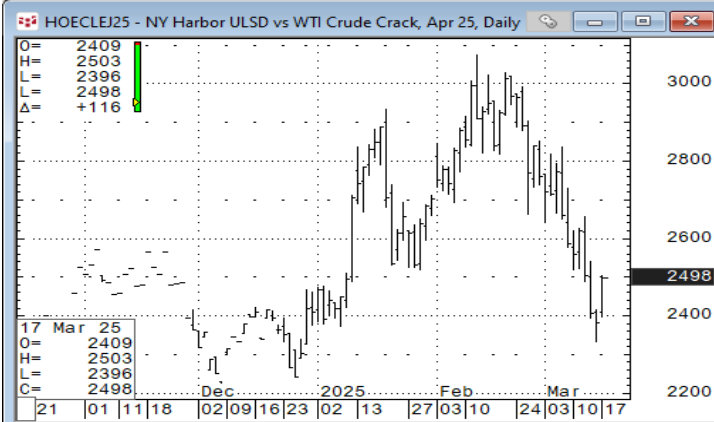
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-25	2.2038	0.0372	0.0239
May-25	2.1662	0.0314	0.0182
Jun-25	2.1459	0.0281	0.0267
Jul-25	2.1414	0.0256	0.0310
Aug-25	2.1439	0.0239	0.0336
Sep-25	2.1532	0.0240	0.0340
Oct-25	2.1624	0.0243	0.0340
Nov-25	2.1663	0.0242	0.0337
Dec-25	2.1658	0.0234	0.0327
Jan-26	2.1685	0.0231	0.0324
Feb-26	2.1653	0.0228	0.0325
Mar-26	2.1553	0.0223	0.0325
Apr-26	2.1400	0.0220	0.0326
May-26	2.1327	0.0218	0.0324
Jun-26	2.1280	0.0213	0.0319
Jul-26	2.1302	0.0205	0.0308
Aug-26	2.1332	0.0201	0.0304

Sprague HeatCurve October 2025-April 2026		Close	Change
Crude - WTI	May Brent-	\$67.5800	\$0.4000
Crude - Brent	WTI Spread	\$71.0700	\$0.4900
Natural Gas	\$3.49	\$4.0180	-\$0.0860
Gasoline		\$2.1812	\$0.0325

### ICE May Brent-WTI Spread



## April Heating Oil Crack Spread



## April RBOB Crack Spread

