

Market Commentary

Recap: The crude market on Friday settled lower and posted an outside trading day after posting an inside trading day on Thursday. Early in the session, the market remained supported by the 25% tariffs announcement earlier this week on potential buyers of Venezuelan crude, days after the U.S. announced sanctions targeting China's imports of Iranian crude oil. The market breached its previous high of \$69.97 and posted a high of \$70.09. However, the market erased its gains and sold off to a low of \$68.87 on concerns that a trade war could spark a global recession. The University of Michigan's consumer sentiment index showed consumers took a gloomier view of the economy in March. The market later retraced some of its losses and traded in a sideways trading range ahead of the close. The May WTI contract settled down 56 cents at \$69.36 and the May Brent contract settled down 40 cents at \$73.63. The product markets also ended the session lower, with the heating oil market settling down 2.38 cents at \$2.2609 and the RB market settling down 1.17 cents at \$2.2347.

Technical Analysis: The oil market will remain headline driven as the Trump administration plans to announce reciprocal tariffs targeting a wide range of imports, effective on April 2nd. Concerns about a potential trade war will likely weigh on sentiment, while the market also contends with tariffs on Venezuelan crude buyers and sanctions imposed on Iranian crude. The crude market is seen finding support at its low of \$68.87, \$68.52, \$67.95, \$67.65, \$66.63 and \$66.09. Meanwhile, resistance is seen at its high of \$70.09, \$70.22, \$70.71, \$70.98 and \$72.09.

Fundamental News: Baker Hughes reported that U.S. energy firms cut the number of oil and natural gas rigs operating for the first time in three weeks. It said the oil and gas rig count fell by one to 592 in the week ending March 28th. Baker Hughes said oil rigs fell by two to 484 this week, while gas rigs increased by one to 103.

Canada Energy Regulator data released this week shows that crude by rail exports from Western Canada to refineries in the U.S. and the Canadian East Coast averaged 88,701 b/d in 2024, a decrease of nearly 10% from the previous year. Volumes in 2022 had reached 143,300 b/d.

IIR Energy said U.S. oil refiners are expected to shut in about 1.7 million bpd of capacity in the week ending March 28th, reducing the available refining capacity by 374,000 bpd. Offline capacity is expected to increase to 1.9 million bpd in the week ending April 4th and then fall to 1.6 million bpd in the week ending April 11th.

Trade sources and consultancy FGE, said China has issued export quotas for 12.8 million metric tons of gasoline, diesel and aviation fuel in its second batch of allowances this year, down by 1.2 million tons from a year earlier.

The Kremlin warned that Russia reserves the right to withdraw from a U.S.-brokered moratorium on Russia and Ukraine striking each other's energy infrastructure if Ukraine continues to attack such targets. Ukraine's military said it "strictly adheres" to an agreement to halt strikes on Russian energy infrastructure, denying Moscow's accusations of such attacks. Earlier on Friday, Russia and Ukraine accused each other of attacking a Russian gas metering station in Russia's western Kursk region.

The speaker of the Iranian parliament, Mohammad Qalibaf, said Iran would strike U.S. bases in the region if Washington follows through on its warning of military consequences for Iran in the absence of a new nuclear deal.

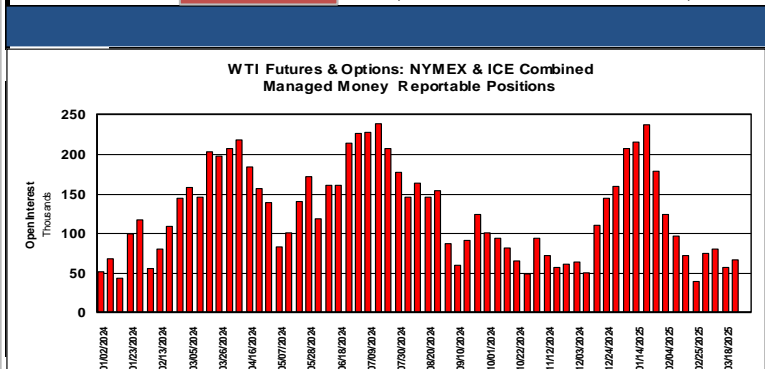
Early Market Call - as of 8:35 AM EDT

WTI - May \$69.57, up 21 cents
 RBOB - Apr \$2.2365, up 18 points
 HO - Apr \$2.2690, up 81 points

All NYMEX | Prior Settlements

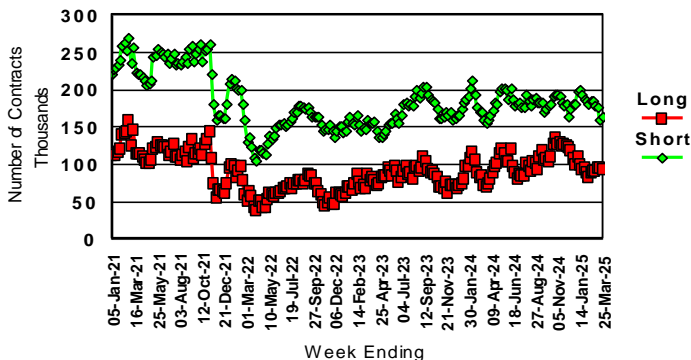
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-25	2.2609	-0.0238	0.0113
May-25	2.2288	-0.0254	0.0191
Jun-25	2.2088	-0.0221	0.0255
Jul-25	2.2058	-0.0207	0.0289
Aug-25	2.2052	-0.0201	0.0282
Sep-25	2.2091	-0.0196	0.0250
Oct-25	2.2134	-0.0194	0.0218
Nov-25	2.2145	-0.0196	0.0202
Dec-25	2.2135	-0.0197	0.0201
Jan-26	2.2144	-0.0194	0.0191
Feb-26	2.2094	-0.0189	0.0178
Mar-26	2.1975	-0.0185	0.0167
Apr-26	2.1801	-0.0179	0.0160
May-26	2.1703	-0.0173	0.0151
Jun-26	2.1640	-0.0162	0.0130
Jul-26	2.1648	-0.0157	0.0122
Aug-26	2.1665	-0.0156	0.0110

Sprague HeatCurve October 2025-April 2026		\$2.2076
	Close	Change
Crude - WTI	\$69.6000	-\$0.5600
Crude - Brent	\$73.6300	-\$0.4000
Natural Gas	\$4.0650	\$0.1400
Gasoline	\$2.2347	-\$0.0117



Commitment of Traders Report for the Week Ending March 25, 2025

Producer/Merchant Heat Positons
 CFTC Commitment of Traders Report



Managed Money Heat Positons
 CFTC Commitment of Traders Report

