

Market Commentary

Recap: The crude market continued to weigh the threats by U.S. President Donald Trump to impose tariffs on Russian crude exports and attack Iran against the start of OPEC+'s gradual unwinding of its output cuts in place since 2022 and concerns over a trade war and its economic impact. The oil market traded lower towards the \$71.00 level in overnight trading before it continued to trade higher and retraced 62% of its move from a high of \$76.57 to a low of \$64.85 as it posted a high of \$72.10. The market was also supported amid the news of new Iran-related sanctions. However, the market erased its gains and posted a low of \$71.03 ahead of the close. This followed the news that eight OPEC+ members are expected to meet on Thursday and will likely continue to increase its output for a second consecutive month in May. The market was also awaiting the Trump administration's announcement on tariffs expected on Wednesday afternoon. The May WTI contract settled down 28 cents at \$71.20 and the June Brent contract settled down 28 cents at \$74.49. The product markets ended the session higher, with the heating oil market settling up 95 points at \$2.2889 and the RB market settling up 1.18 cents at \$2.3025.

Technical Analysis: The oil market on Wednesday will continue to trade sideways. It will likely find some support from the weekly petroleum stocks reports which are expected to show draws in crude stocks and product stocks for the week ending March 27th. The market will also remain driven by any further news on the threats made by President Trump of imposing tariffs on Russian crude oil exports and of military action against Iran. However, the market's gains will remain limited as the market awaits the Trump administration's announcement on reciprocal tariffs on U.S. trading partners scheduled for Wednesday afternoon. The market is seen finding resistance at its high of \$72.10, \$72.90, \$73.17 and \$73.82. Meanwhile, support is seen at its low of \$71.03, \$70.71, \$69.32, \$68.81, \$68.52, \$67.95, \$67.65, \$66.63 and \$66.09.

Fundamental News: The White House said reciprocal tariffs that President Donald Trump will announce on April 2nd will go into effect immediately and auto tariffs will proceed as scheduled on April 3rd. President Trump plans to announce the tariffs on global trading partners during an event planned for 4 p.m. on Wednesday. White House Press Secretary Karoline Leavitt did not disclose the size and scope of the levies but said President Trump would be willing to listen to foreign governments and corporate leaders who ask for lower rates. Earlier, The Washington Post reported that White House aides are proposing tariffs of around 20% on most U.S. imports, as markets and consumers await details of U.S. President Donald Trump's reciprocal tariff plan. On Sunday, President Trump, who has promised to unveil his sweeping plan on Wednesday, said the reciprocal tariffs will target all nations. The White House said on Monday any country that had treated Americans unfairly should expect to receive a tariff. According to The Washington Post, White House advisers say no final decision has been made and that several options are on the table.

Three OPEC+ sources stated that eight OPEC+ members who are gradually raising oil output from April will hold a meeting on Thursday and are likely to approve a further increase in output from May. Eight members of OPEC+ are scheduled to raise their output by 135,000 bpd in May. That would be the second monthly increase under a plan to unwind some of the cuts the group has had in place since 2022. One source said the meeting was to review plans for some members to make additional output cuts to compensate for pumping above their quotas. Two others said the group's plan to continue to unwind their most recent layer of oil output cuts was expected to remain unchanged for May.

Early Market Call - as of 8:45 AM EDT
 WTI - May \$70.74, down 46 cents
 RBOB - May \$2.2967, down 58 points
 HO - May \$2.2866, down 23 points

All NYMEX | Prior Settlements

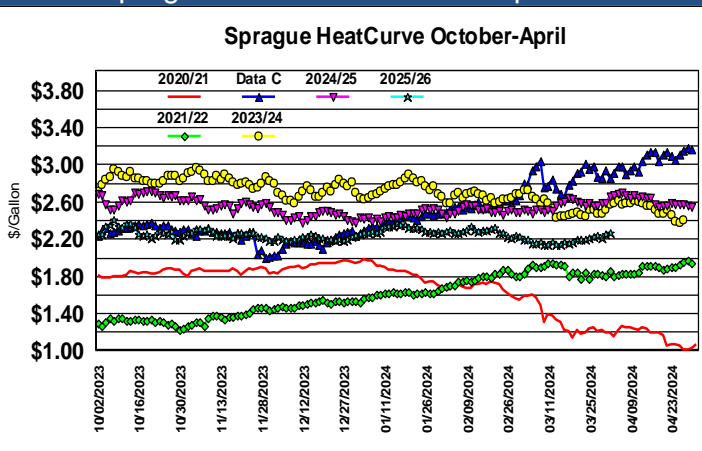
	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
May-25	\$2.2889	\$0.0095	\$0.0456
Jun-25	\$2.2655	\$0.0064	\$0.0530
Jul-25	\$2.2588	\$0.0040	\$0.0545
Aug-25	\$2.2573	\$0.0030	\$0.0555
Sep-25	\$2.2615	\$0.0035	\$0.0560
Oct-25	\$2.2661	\$0.0040	\$0.0558
Nov-25	\$2.2664	\$0.0038	\$0.0548
Dec-25	\$2.2641	\$0.0037	\$0.0540
Jan-26	\$2.2631	\$0.0029	\$0.0522
Feb-26	\$2.2566	\$0.0024	\$0.0505
Mar-26	\$2.2430	\$0.0019	\$0.0491
Apr-26	\$2.2239	\$0.0014	\$0.0478
May-26	\$2.2125	\$0.0011	\$0.0470
Jun-26	\$2.2042	\$0.0008	\$0.0462
Jul-26	\$2.2029	\$0.0002	\$0.0451
Aug-26	\$2.2030	\$0.0002	\$0.0442
Sep-26	\$2.2042	\$0.0005	\$0.0430

Sprague HeatCurve October 2025-April 2026			\$2.2561
		Close	Change
Crude - WTI	Jun Brent- WTI Spread \$3.75	\$70.7400	-\$0.2100
Crude - Brent		\$74.4900	-\$0.2800
Natural Gas		\$3.9510	-\$0.1680
Gasoline		\$2.3025	\$0.0118

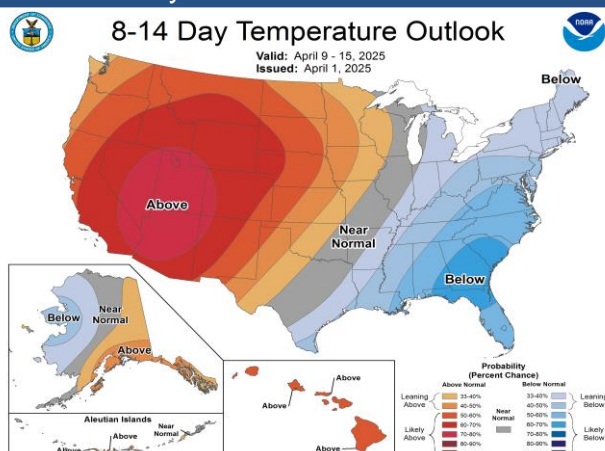
API Report for the Week Ending March 28, 2024

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Up 6 million barrels	Down 2.1 million barrels
Gasoline Stocks	Down 1.6 million barrels	Down 1.7 million barrels
Distillate Stocks	Down 11,000 barrels	Down 1 million barrels
Refinery Runs		Up 0.7% at 87.7%

Sprague HeatCurve October-April



8-14 Day Weather Forecast



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