

Market Commentary

Recap: The oil market on Wednesday posted an outside trading day, with a trading range of over \$7.80. The market bounced off four-year lows earlier in the session and ended the session up 4.65%, breaking a four day losing streak, in light of the ever changing Trump administration tariff policies. The market sold off sharply in overnight trading, posting a low of \$55.12 early in the morning as tariffs on dozens of nations went into effect on Wednesday morning and China announced additional tariffs on U.S. goods, imposing 84% tariffs starting Thursday, in retaliation against President Trump's tariff policy which increased its duties on Chinese goods by a further 50% to 104%. The market later retraced some of its losses and traded mostly sideways within a range from \$56-\$58 before it rallied sharply higher. It retraced almost 50% of its move from a high of \$72.28 to today's low of \$55.12 as it posted a high of \$62.93 after President Trump announced a pause in the new tariffs for 90 days to non-retaliating countries as he raised the tariffs further on Chinese imports to 125%. The May WTI settled up \$2.77 at \$62.35 and the June Brent contract settled up \$2.66 at \$65.48. The product markets settled sharply higher, with the heating oil market settling up 5.66 cents at \$2.1136 and the RB market settling up 4.7 cents at \$2.0384.

Technical Analysis: Barring any major headlines regarding the Trump administration's tariff policy, the crude market on Thursday is seen trending sideways following Wednesday's volatile trading session. The market is seen finding resistance at its high of \$62.93, \$63.70, \$63.90 and \$65.72. Meanwhile, support is seen at \$60.10, \$59.95, \$59.00, \$58.10, \$56.42, \$55.12 and \$51.64.

Fundamental News: U.S. President Donald Trump said he would pause many of his new tariffs for 90 days, as he raised them further on imports from China. He said he would raise the tariff on Chinese imports to 125% from the 104% level that took effect at midnight, further escalating a high stakes confrontation between the world's two largest economies. He said he authorized a 90-day pause to non-retaliating nations to allow time for U.S. officials to negotiate with countries that have sought to reduce them. The White House said a 10% blanket duty on almost all U.S. imports will remain in place.

China's Finance Ministry said the country will impose 84% tariffs on U.S. goods starting Thursday, up from the 34% previously announced, firing back in a global trade war sparked by U.S. President Donald Trump. China also imposed restrictions on 18 U.S. companies, mostly in defense-related industries, adding to the 60 or so American firms punished over Trump's tariffs. The move comes after Trump made good on his threat to impose an additional 50% tariff on China unless it withdrew its retaliatory levies on the United States, taking total new U.S. duties on Chinese goods this year to 104%.

The EIA reported that total U.S. distillate fuel oil stocks fell last week to 111.08 million barrels, the lowest level since November 2023. Distillate fuel inventories fell by 3.54 million barrels in the week ending April 4th, the largest decline since the end of January.

IIR Energy said U.S. oil refiners are expected to shut in about 1.7 million bpd of capacity in the week ending April 11th, increasing available refining capacity by 59,000 bpd. Offline capacity is expected to fall to 1.47 million bpd in the week ending April 18th.

The owner of the Keystone Pipeline, South Bow Corp, issued a force majeure notice to companies that ship oil on the pipeline after a leak in North Dakota on Tuesday released an estimated 3,500 barrels. According to the notice, Keystone pipeline, which transports more than 620,000 bpd, may not be able to meet obligations to send oil down the pipeline as of 5 p.m. Tuesday.

Early Market Call - as of 8:50 AM EDT

WTI - May \$60.64, down \$1.70

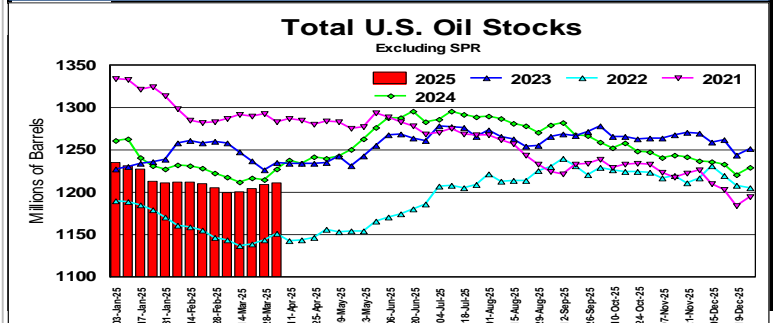
RBOB - Apr \$1.9840, down 5.44 cents

HO - Apr \$2.0597, down 5.39 cents

All NYMEX | Prior Settlements

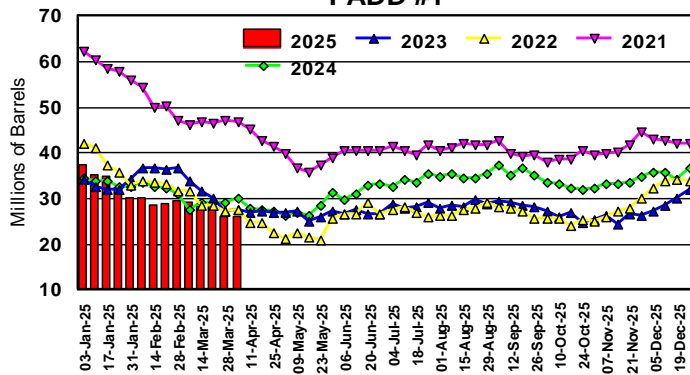
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-25	2.1136	0.0566	-0.2084
May-25	2.0702	0.0652	-0.2227
Jun-25	2.0579	0.0663	-0.2262
Jul-25	2.0579	0.0665	-0.2236
Aug-25	2.0645	0.0668	-0.2205
Sep-25	2.0718	0.0666	-0.2174
Oct-25	2.0759	0.0655	-0.2134
Nov-25	2.0779	0.0637	-0.2085
Dec-25	2.0834	0.0630	-0.2015
Jan-26	2.0821	0.0613	-0.1956
Feb-26	2.0735	0.0594	-0.1899
Mar-26	2.0607	0.0580	-0.1826
Apr-26	2.0566	0.0573	-0.1746
May-26	2.0568	0.0571	-0.1653
Jun-26	2.0651	0.0588	-0.1556
Jul-26	2.0730	0.0595	-0.1475
Aug-26	2.0809	0.0597	-0.1407

Sprague HeatCurve October 2025-April 2026		\$2.0770
	Close	Change
Crude - WTI	\$61.8200	\$2.7200
Crude - Brent	\$65.4800	\$2.6600
Natural Gas	\$3.8160	\$0.3510
Gasoline	\$2.0384	\$0.0470



Weekly EIA Petroleum Status Report for the Week Ending April 4, 2025

Distillate Stocks PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 2.553 million barrels

Cushing, OK Crude Stocks Up 681,000 barrels

Gasoline Stocks Down 1.6 million barrels

Distillate Stocks Down 3.544 million barrels

Refinery % Operated 86.7%, up 0.7%

PADD #1

	Week Ending Apr. 4, 2025	Week Ending Mar. 28, 2024	Week Ending Apr. 5, 2024
Distillate Stocks (in million bbl)	3.9	4.2	4.2
New England	12.2	13.0	14.5
Central Atlantic	26.1	25.9	30.2
Distillate Imports (thousands b/d)	61	125	119