



MarketWatch | Refined Products

Friday, April 11, 2025

Market Commentary

Recap: The oil market on Thursday erased Wednesday's sharp gains as the markets reassessed the details of a planned reprieve in the sweeping U.S. tariffs and turned its focus on the escalating U.S.-China trade war. The market rallied to a high of \$63.34 on the opening but quickly began to erase some of the gains seen during Wednesday's trading session following the announcement of a 90-day pause, which excluded China, whose tariffs were increased to 145% from 104%, deepening a trade standoff with the world's second-largest economy. The crude market erased more than 50% of its move from Wednesday's low of \$55.12 to Thursday's high of \$63.34 as it sold off to a low of \$58.76 by mid-morning as the market remained concerned about a possible recession. The market later retraced some of its losses and remained in a sideways trading range. The May WTI contract settled down \$2.28 at \$60.07 and the June Brent contract settled down \$2.15 at \$63.33. The product markets also settled in negative territory, with the heating oil market settling down 6.72 cents at \$2.0464 and the RB market settling down 7.71 cents at \$1.9613.

Technical Analysis: The crude market is seen trending within its recent trading range as the market remains on edge with fears of a deepening U.S.-China trade war and a possible recession, while it awaits for further developments on the talks between the U.S. and Iran over the latter's nuclear program over the weekend. The oil market is seen finding support at its low of \$58.76, \$58.26, \$56.42 and \$55.12. More distant support is seen at \$51.64. Meanwhile, resistance is seen at \$60.50, \$61.50, \$62.30, its high of \$63.34, \$63.70, \$65.72 and \$66.90.

Fundamental News: In its Short Term Energy Outlook, the EIA reported that it sees 2025 world oil demand at 103.6 million bpd, down from a previous forecast of 104.1 million bpd and sees 2026 world oil demand increasing by 1.1 million bpd on the year to at 104.7 million bpd, down from a previous forecast of 105.3 million bpd. World oil output in 2025 is forecast at 104.1 million bpd, down 100,000 bpd from a previous forecast, while output in 2026 is forecast to increase by 1.2 million bpd to 105.3 million bpd, which is down from a previous forecast of 105.8 million bpd. U.S. oil output in 2025 is forecast total 13.51 million bpd, down 100,000 bpd from a previous forecast, while output in 2026 is estimated at 13.56 million bpd, down 200,000 bpd from a previous forecast. The EIA sees U.S. oil demand in 2025 at 20.4 million bpd, down 100,000 bpd from a previous forecast and demand in 2026 is seen at 20.5 million bpd, down 100,000 from a previous estimate. The EIA sees the 2025 Brent price at \$67.87/barrel, down from a previous forecast of \$74.22/barrel and the 2026 Brent price forecast is \$61.48/barrel, down from a previous forecast of \$68.47/barrel. The EIA forecast a 2025 WTI price of \$63.88/barrel, down from a previous estimate of \$70.68/barrel and forecast a 2026 WTI price of \$57.48/barrel, down from a previous forecast of \$64.97/barrel.

China's Foreign Ministry said China is not interested in a fight but will not fear if the United States continues its tariff threats. The foreign ministry's spokesman, Lin Jian, said "The U.S. cause doesn't win the support of the people and will end in failure." Meanwhile, China's Commerce Ministry said that China is open to dialogue with the U.S. but this must be on the basis of mutual respect and equality.

European Commission chief, Ursula von der Leyen, said the European Union will pause its first countermeasures against U.S. tariffs after President Donald Trump temporarily lowered the duties he had just imposed on dozens of countries.

The Trump administration's high pressure campaign to deal with Iran's nuclear program has put U.S. allies in the Middle East on edge that failure at the negotiating table could spark another war. U.S. President Donald Trump said he prefers a diplomatic solution to stop Iran from acquiring a nuclear weapon but he has threatened that Iran is "going to be in great danger" if talks do not go well. President Trump's special envoy for Middle East and Russia issues, Steve Witkoff, is expected to talk with Iranian Foreign Minister Abbas Araghchi in Oman on Saturday.

Early Market Call - as of 8:45 AM EDT

WTI - May \$60.18, up 11 cents
 RBOB - Apr \$1.9777, up 1.66 cents
 HO - Apr \$2.0490, up 26 points

All NYMEX | Prior Settlements

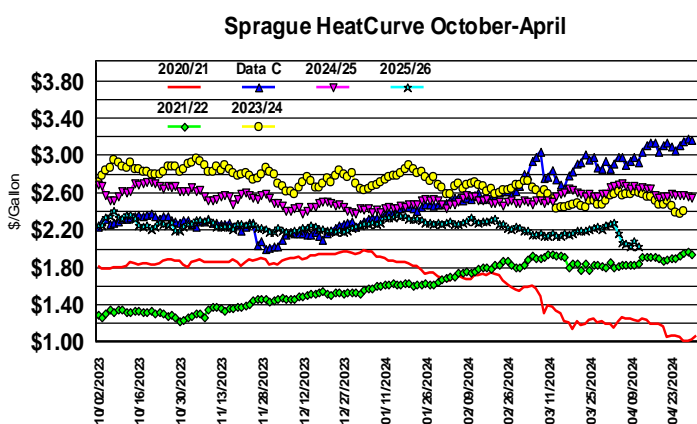
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-25	2.0464	-0.0672	-0.1425
May-25	2.0074	-0.0628	-0.1513
Jun-25	1.9973	-0.0606	-0.1526
Jul-25	1.9983	-0.0596	-0.1501
Aug-25	2.0056	-0.0589	-0.1497
Sep-25	2.0139	-0.0579	-0.1482
Oct-25	2.0193	-0.0566	-0.1461
Nov-25	2.0227	-0.0552	-0.1436
Dec-25	2.0298	-0.0536	-0.1393
Jan-26	2.0300	-0.0521	-0.1357
Feb-26	2.0229	-0.0506	-0.1321
Mar-26	2.0115	-0.0492	-0.1265
Apr-26	2.0090	-0.0476	-0.1199
May-26	2.0108	-0.0460	-0.1126
Jun-26	2.0192	-0.0459	-0.1070
Jul-26	2.0281	-0.0449	-0.1017
Aug-26	2.0374	-0.0435	-0.0963

Sprague HeatCurve October 2025-April 2026		Close	Change
Crude - WTI	June Brent- WTI Spread \$3.70	\$59.6300	-\$2.1900
Crude - Brent		\$63.3300	-\$2.1500
Natural Gas		\$3.5570	-\$0.2590
Gasoline		\$1.9613	-\$0.0771

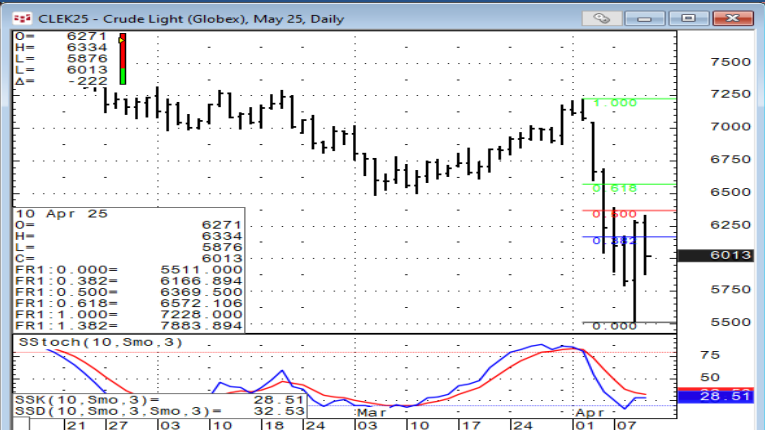
EIA Working Gas Storage Report

	04-Apr-25	28-Mar-25	Change	04-Apr-24
East	296	284	12	362
Midwest	373	364	9	512
Mountain	165	165	0	165
Pacific	206	202	4	229
South Central	789	758	31	1,011
Salt	233	218	15	298
Nonsalt	557	540	17	712
Total	1830	1773	57	2,280

Sprague HeatCurve October-April



May WTI



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