

## Market Commentary

**Recap:** While the oil market traded higher and posted an inside trading day on Friday, it posted its second consecutive weekly decline of 0.79% amid concerns of an escalating trade war between the U.S. and China. The market posted a low \$59.43 in overnight trading as China announced that it will impose a 125% tariff on U.S. goods effective Saturday, up from the previously announced 84% after U.S. President Donald Trump raised tariffs against China to 145% on Thursday. The market later traded to \$61.11, where it held some resistance for much of the day. However, it later continued to trend higher in afternoon trading on possible Iran crude restrictions. U.S. Energy Secretary, Chris Wright, said the U.S. could end Iran's oil exports as part of an effort to bring the country to terms over its nuclear program, ahead of a high level nuclear meeting between the U.S. and Iran on Saturday. The White House press secretary said President Trump wants Iran to know that "all options are on the table" if it does not abandon its nuclear program. The market rallied to a high of \$61.87 and settled in a sideways trading range ahead of the close. The May WTI contract ended the session up \$1.43 at \$61.50 and the June Brent contract settled up \$1.43 at \$64.76. Meanwhile, the product markets ended the session higher, with the heating oil market settling up 1.89 cents at \$2.0653 and the RB market settling up 3.78 cents at \$1.9991.

**Technical Analysis:** The crude market will remain headline driven as the market awaits for the results of the nuclear meeting between U.S. and Iranian officials on Saturday. The market will also look for further updates on the tariff announcements, as China's latest retaliatory tariff increase goes into effect on Saturday. Barring any major news regarding the U.S.-Iran meeting, the market's gains will likely remain limited as the markets remain concerned about a possible recession. The oil market is seen finding resistance at its high of \$61.87, \$63.34, \$63.70, \$65.72 and 66.90. Support is seen at \$59.43, \$58.76, \$58.26, \$56.42 and \$55.12. More distant support is seen at \$51.64.

**Fundamental News:** Iran said it was giving high-level nuclear talks with the United States on Saturday "a genuine chance", after U.S. President Donald Trump threatened bombing if discussions failed. The Iranian Foreign Ministry said that the U.S. should value the Islamic Republic's decision to engage in talks despite what it called Washington's "prevailing confrontational hoopla". Iranian state media said the talks would be led by Foreign Minister Abbas Araghchi and U.S. special envoy Steve Witkoff, with Omani Foreign Minister Badr al-Busaidi as intermediary.

Baker Hughes reported that U.S. energy firms this week cut oil rigs by the most in a week since June 2023, cutting the total oil and natural gas rig count for a third consecutive week. It said the oil and gas rig count fell by seven to 583 in the week ending April 11<sup>th</sup>, the largest weekly decline since June 2024. Baker Hughes said oil rigs fell by nine to 480 this week, while gas rigs increased by one to 97.

According to the Federal Reserve Bank of Kansas City's quarterly survey, despite President Donald Trump's call to increase U.S. oil production, energy prices remain well below levels producers say they need before they substantially increase activity. Energy firms surveyed by the bank, on average, said they need to see oil prices at \$85/barrel and natural gas prices at \$5.10/mmBtu before they significantly increase drilling.

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.76 million bpd of capacity in the week ending April 11<sup>th</sup>, increasing available refining capacity by 12,000 bpd. Offline capacity is expected to fall to 1.54 million bpd in the week ending April 18<sup>th</sup> and to 940,000 bpd in the week ending April 25<sup>th</sup>.

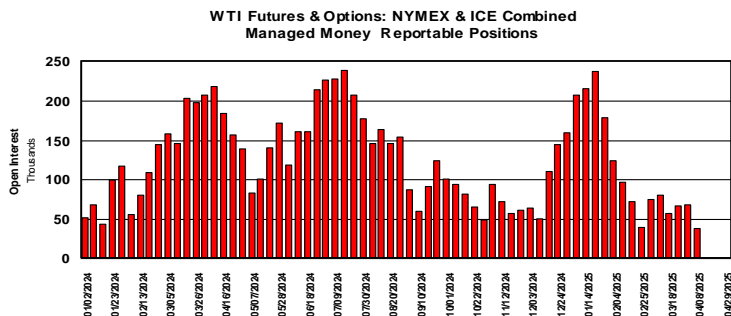
**Early Market Call - as of 9:25 AM EDT**

WTI - May \$62.13, up 63 cents  
 RBOB - Apr \$2.0352, up 3.61 cents  
 HO - Apr \$2.0980, up 3.27 cents

## All NYMEX | Prior Settlements

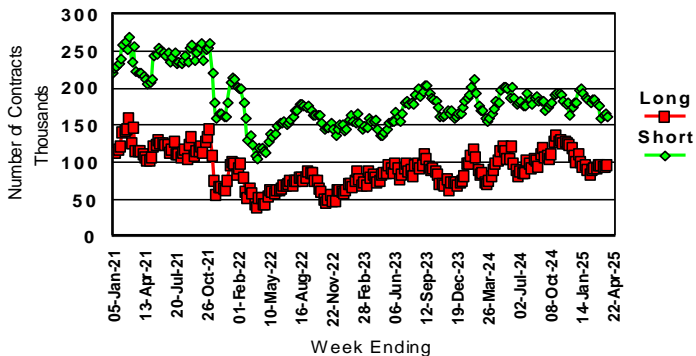
	ULSD (HO) Close	Prior Settle Change	Change In One Week
Apr-25	2.0653	0.0189	-0.0166
May-25	2.0283	0.0209	-0.0159
Jun-25	2.0175	0.0202	-0.0174
Jul-25	2.0180	0.0197	-0.0171
Aug-25	2.0244	0.0188	-0.0186
Sep-25	2.0321	0.0182	-0.0186
Oct-25	2.0362	0.0169	-0.0199
Nov-25	2.0380	0.0153	-0.0217
Dec-25	2.0444	0.0146	-0.0214
Jan-26	2.0442	0.0142	-0.0214
Feb-26	2.0366	0.0137	-0.0211
Mar-26	2.0247	0.0132	-0.0196
Apr-26	2.0216	0.0126	-0.0173
May-26	2.0226	0.0118	-0.0141
Jun-26	2.0305	0.0113	-0.0109
Jul-26	2.0389	0.0108	-0.0075
Aug-26	2.0481	0.0107	-0.0039

Sprague HeatCurve October 2025-April 2026		\$2.0385
	Close	Change
Crude - WTI	\$60.9000	\$1.2700
Crude - Brent	\$64.7600	\$1.4300
Natural Gas	\$3.5270	-\$0.0300
Gasoline	\$1.9991	\$0.0378



## Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



## Managed Money Heat Positons

CFTC Commitment of Traders Report

