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**NEWS & ANALYSIS**

Petroleum futures were selling off further as of this writing in the overnight session on Wednesday amid reports that the US and Iran are close to an agreement to end the conflict, despite bullish crude oil and refined products inventory data from the American Petroleum Institute (API), a drop in the US dollar index, and gains in global equities. Market participants looked ahead to the US ADP Employment Report, Canadian Ivey PMI, and to weekly petroleum stock data from the Energy Information Administration (EIA) for further direction.

Axios reported that the US and Iran are getting close to a one-page memorandum of understanding to end the war in the Middle East. The memorandum includes both sides lifting restrictions on the Strait of Hormuz and the US expects Iran to respond within 48 hours. Bloomberg also reported that the US has paused an effort to help stranded ships exit the Strait to see if a deal with Iran can be reached. In bullish news, the API reported an 8.10mb draw from crude oil stockpiles, for the week ended May 1, well above forecasts at 2.36mb (average of polls by Bloomberg and the Wall Street Journal). Data for distillates and gasoline were also bullish as the agency reported larger-than-estimated draws of 4.60mb and 6.10mb, respectively. An OPIS poll calls for a 0.57mb build in propane/propylene inventories in today's EIA report.

The Chinese S&P Global Composite PMI for April came in at 53.1, up from 51.5 the month prior. The final Markit/Nikkei Composite PMI for India for the same month came in at 58.2, just below the 58.3 flash estimate. The Shanghai Composite added 1.17% and the Hang Seng jumped 1.22% higher. The Tokyo Stock Exchange remained closed today for a holiday.

In Europe, the final April S&P Global Composite PMI for Germany (48.4) and the Eurozone as whole (48.8) came in above their respective flash readings of 48.3 and 48.6, although both indexes fell into contractionary territory. The index for the UK came in at 52.6, also beating the 52.0 flash estimate. The French S&P Global Composite PMI for the same month was finalized at 47.6, as widely expected. In more economic news, French industrial production grew 1.0% in March, well above forecasts at 0.5%. The Producer Price Index for the Eurozone showed a 3.4% jump in prices in March, as expected. As of this writing, European shares were rallying with the FTSE 100 up 2.6%, the DAX having jumped 2.9% higher, and the CAC 40 having shot up 3.5%. US stock market index futures were seeing smaller gains of between 0.9% (S&P 500 futures) and 1.4% (Nasdaq futures). Also supportive for crude oil prices, the US dollar index was down 0.7% this morning.

The complex sold off yesterday led by crude oil futures amid news that the US-Iran ceasefire was still holding up following attacks in the Persian Gulf, despite gains in global equities. Brent crude dropped \$4.57 lower to close at \$109.87/bbl and WTI lost \$4.15, settling at \$102.27/bbl. RBOB futures tumbled 11.76 cents to hit \$3.6206/g and ULSD (HO) fell by 4.30 cents to close at \$4.0302/g. The New York Harbor ULSD barge price differential to spot NYMEX weakened by 15 points to +1.25c/g, while the ULSHO differential held steady at -22.00c/g. 2026 biomass-based diesel (D4) RIN prices rose by 2.00 cents to \$2.05/RIN. The B99 NYH barge price dropped 4.30 cents lower to \$3.6602/g. Spot propane prices closed flat to lower yesterday as Mt. Belvieu TET prices fell by 38 points to 89.88c/g (37.4% of crude), while Conway prices held steady at 77.75c/g (32.4% of crude).

NYMEX natural gas futures fell by 7.9 cents to \$2.788/mmBtu amid a sell-off in gas prices abroad, despite an upgrade to the two-week total degree day forecast and a tighter US market balance expectation.

**Heating Oil 5/5/2026**
**May 06, 2026**

Heat Curve	Month	Price	Change	Overnight
3.50 %	May 2026	4.0302	(0.0430)	(0.2791)
1.50 %	Jun 2026	3.8760	(0.0451)	
0.50 %	Jul 2026	3.7346	(0.0369)	
2.50 %	Aug 2026	3.6223	(0.0301)	
3.80 %	Sep 2026	3.5244	(0.0235)	
5.00 %	Oct 2026	3.4232	(0.0182)	
8.50 %	Nov 2026	3.3211	(0.0132)	
13.50 %	Dec 2026	3.2525	(0.0091)	
20.50 %	Jan 2027	3.1857	(0.0060)	
18.00 %	Feb 2027	3.1075	(0.0037)	
15.70 %	Mar 2027	3.0235	(0.0026)	
7.00 %	Apr 2027	2.9581	(0.0038)	

**Heating Oil Strips (Weighted by HDD)**

12 Month Strip	May 2026 - Apr 2027	3.2291
9 Month Strip	Sep 2026 - May 2027	3.1648
Winter Strip	Nov 2026 - Mar 2027	3.1607

**RBOB Gasoline 5/5/2026**

Month	Price	Change	Overnight
May 2026	3.6206	(0.1176)	(0.1962)
Jun 2026	3.4694	(0.1015)	
Jul 2026	3.3155	(0.0823)	
Aug 2026	3.1585	(0.0652)	
Sep 2026	2.8627	(0.0458)	
Oct 2026	2.7101	(0.0359)	
Nov 2026	2.5912	(0.0298)	
Dec 2026	2.5113	(0.0260)	
Jan 2027	2.4710	(0.0236)	
Feb 2027	2.4631	(0.0230)	
Mar 2027	2.6542	(0.0207)	

DOE Stocks	4/24/2026	vs 5-year avg.	(000 bbls)
Crude	459,495	7,140	
Distillate	103,638	-11,379	
Gasoline	222,299	-5,679	

Other	Price	Change	Overnight
Crude Oil (Jun 2026)	102.2700	(4.1500)	(8.4100)
Natural Gas (Jun 2026)	2.7880	(0.0790)	(0.0620)
Propane - Mont Belvieu	0.8988		

	Price	vs. NYMEX HO
NYH ULSD	4.0427	0.0125
NYH ULSHO	3.8102	(0.2200)
NY Harbor #2	3.5526	(0.4776)