

APRIL 2026

Broadbill exists to create value differently. From our strong foundations we create unsurpassed value to boldly redefine the midstream industry as the partner of choice. We fearlessly pursue innovation and strategic opportunities. We are producer centric and we work with the right people.

**The Broadcast** is a monthly marketing newsletter from Broadbill Energy Inc. to provide market insight and company updates.

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## What's New in the Zoo

We have historically had a saying at Broadbill, “never a dull moment.” As I’m sure most of our readers are aware, the past several weeks has delivered one of the most volatile and consequential periods for global energy markets in recent memory. A convergence of geopolitical escalation, infrastructure constraints, and macroeconomic uncertainty has created sharp price swings, while simultaneously reinforcing the long-term importance of North American energy infrastructure.

Below, we outline the key developments shaping markets today and what they may signal going forward and provide a daily report timeline highlighting some of the key factors shaping the energy complex. It’s an amazing time to be in the industry and while thankfully we don’t have a front row seat to the situation, it’s difficult not to feel gripped by events taking place in the Middle East on a day-to-day basis.



## Pricing View - March 30, 2026

	February 2026 Index Diff	March 2026 Index Diff	April 2026 Index Diff	May 2026 Index Diff View
WCS	-\$14.22	-\$15.19	-\$12.63	-\$11.50
LIGHT SWEET (MSW)	-\$4.11	-\$3.35	-\$3.43	\$1.75
CONDENSATE (C5)	-\$0.76	-\$0.81	-\$2.33	\$3.00
LIGHT SOUR BLEND (LSB)	-\$5.32	-\$5.44	-\$5.08	\$0.50
MIDALE (MSM)	-\$6.22	-\$6.44	-\$6.06	-\$0.50

### APRIL 2026

#### MARKET SUMMARY & CANADIAN ENERGY

##### NATURAL GAS, LNG & TMX

Recent developments have brought renewed attention to the importance of Canadian energy infrastructure not just for Canada, but for the world.

Alberta Premier Danielle Smith has indicated that plans for a new 1 million bbl/day pipeline could be presented to the federal government by June, with potential approvals as early as the fall. While the ultimate destination remains uncertain, early indications suggest a West Coast deepwater export solution with meaningful First Nations participation.

At the same time, Mark Parsons of ATB Financial raised discussions regarding prospective GDP gains, highlighting what an incremental Crude Pipeline with an additional 1.5 million bbl/day of export capacity could bring across the nation. Given what is happening in the Middle East this all seems like stating the obvious, but the current global dislocation serves as a real-time case study: without sufficient egress, even energy-rich nations struggle to fully capitalize on periods of elevated pricing. And while no one could have or did predict the situation unfolding in the Middle East, it is fair to say the case for Canadian energy egress could not be greater at this time and likely into the future given our vast reserves and stable environment. Energy security has been growing in popularity of late even prior to these events so it's sure to force further discussion at all levels of government which is decisively positive.

More good news: many existing pipelines have announced egress enhancements over the next 2-3 years, which should see support from the federal government and U.S. counterparts alike. While it won't feel fast enough, we feel like given the events, it will be a critical timed event to press support into these initiatives and see them to completion in part or whole.

### NORTH AMERICA

Against this backdrop, North America continues to present as a relative anchor of stability, but not without its own limitations.

In Canada:

- The federal government and Alberta have introduced a draft cooperation framework on environmental and impact assessments, signaling a potential shift toward more aligned energy development.
- The Bank of Canada held rates at 2.25%, acknowledging that while economies are softening, energy-driven inflation risks remain elevated given global tensions.
- In what felt like a blunder, Prime Minister Carney announced an intention to contribute crude to coordinated strategic releases, though practical constraints remain due to the lack of a domestic strategic reserve and limited export capacity. Additionally, as Canada remains an energy exporter, we do not hold strategic reserves anyway, making any release of such volumes not possible.

In the United States:

- Policy responses have included potential tariff increases, waivers such as the Jones Act to stabilize domestic logistics, and efforts – though mostly unsuccessful – to secure global shipping lanes.
- Strategic reserve releases have been deployed to temper price spikes to the tune of another 178MM barrels from U.S. reserves and coordinated release amounting to over 400MM from other G7 nations, though their effectiveness feels limited in the face of physical supply disruptions.

### MACRO & GEOPOLITICS

The dominant force in global markets has been the rapidly evolving conflict involving Iran and the strategic chokepoint of the Strait of Hormuz.

Early in the month, initial signs pointed toward potential diplomatic resolution. However, markets quickly repriced risk as it became evident that the Strait would remain constrained. Crude rallied sharply, with WTI briefly approaching \$120US/bbl and Brent nearing similar levels—marking the highest prices since the onset of the Russia/Ukraine crisis.

The good news is that more pipeline capacity is on the way in staged and largely on an 'as needed' basis with the WCSB expected to continue growing in the 100+ Mbbbl/d range per year for the foreseeable future. Over the next 18 months, we expect ~270 Mbbbl/d of capacity added (Express, TMX DRA, Mainline 1). Behind these, there is another 520 Mbbbl/d (Mainline 2 / TMX) from 2028-2030 – all of these have a high probability of moving ahead, in our view. Other expansion projects (including the recently discussed Prairie Connector by SOBO) are longer-term.

Project	Pipeline	Proponent	Proposed Capacity (mmbbl/d)	Target In-Service	Status
<b>High Probability Expansion Projects:</b>					
Express Enhancement	Express	ENB-T	30	2026	Sanctioned
Trans Mountain DRA	Trans Mountain	Trans Mountain	90	Q1/27	Sanctioned
Mainline Optimization 1	Mainline	ENB-T	150	2027	Sanctioned
Mainline Optimization 2	Mainline	ENB-T	250	2028 / 2029	2026 FID
Trans Mountain Optimization II	Trans Mountain	Trans Mountain	270	2029-2030 (est.)	Proposal
			790		
<b>Other Expansion Projects:</b>					
Mainline Optimization 3 / 4	Mainline	ENB-T	150 (est.)	2030+ (est.)	Potential project
Southern Lights Reversal	Southern Lights	ENB-T	150	2030+ (est.)	Unlikely
Prairie Connector	Keystone	SOBO-N	450	2030+ (est.)	Proposal
West Coast Pipeline	TBD	Alberta Gov.	1000 (est.)	2030+ (est.)	Proposal
			1,750		

Source: Scotiabank GBM, Company Reports, AER

Escalation intensified as:

- Direct strikes targeted critical infrastructure, including Tehran fuel depots, Iraqi oil fields, and major LNG facilities. Critical infrastructure such as airports and critical desalination facilities have also been targeted throughout the month.
- Up to 8–10 million barrels per day of crude production was shut in across the region almost immediately with the closure of Hormuz.
- Approximately **20–25% of global LNG supply** was effectively taken offline due to restricted passage through Hormuz.

The result has been extreme volatility:

- Prices surged on supply disruption and production shut-ins, especially for natural gas where buyers have little in the way of alternatives.
- Markets pulled back sharply on intermittent ceasefire headlines and strategic reserve release discussions.
- Physical markets, particularly in the Middle East, have traded at significant premiums, with some crude grades spiking toward \$150US/bbl equivalent (see discussion below).

Despite periodic announcements of ceasefire progress, the situation remains fluid.

Negotiations have repeatedly been extended, most recently pushing timelines into early April, while intermittent strikes and military positioning continue.

Notably, Iran appears to be selectively allowing tanker passage under a reported toll structure of upwards of \$2MM per cargo, introducing a new dynamic that could persist even in a de-escalation scenario, significantly propping up Iran's bank balances in the process. Just a slightly different situation than the Venezuelan crisis, which now seems like a very distant memory from earlier this year.

### **OPEC & OPEC+**

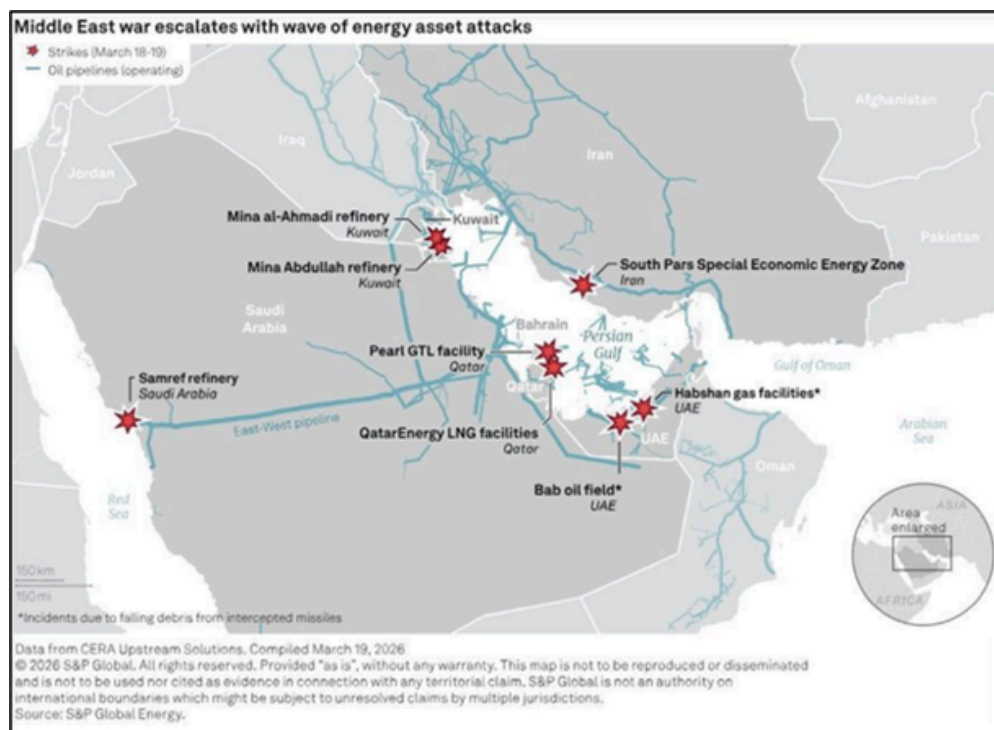
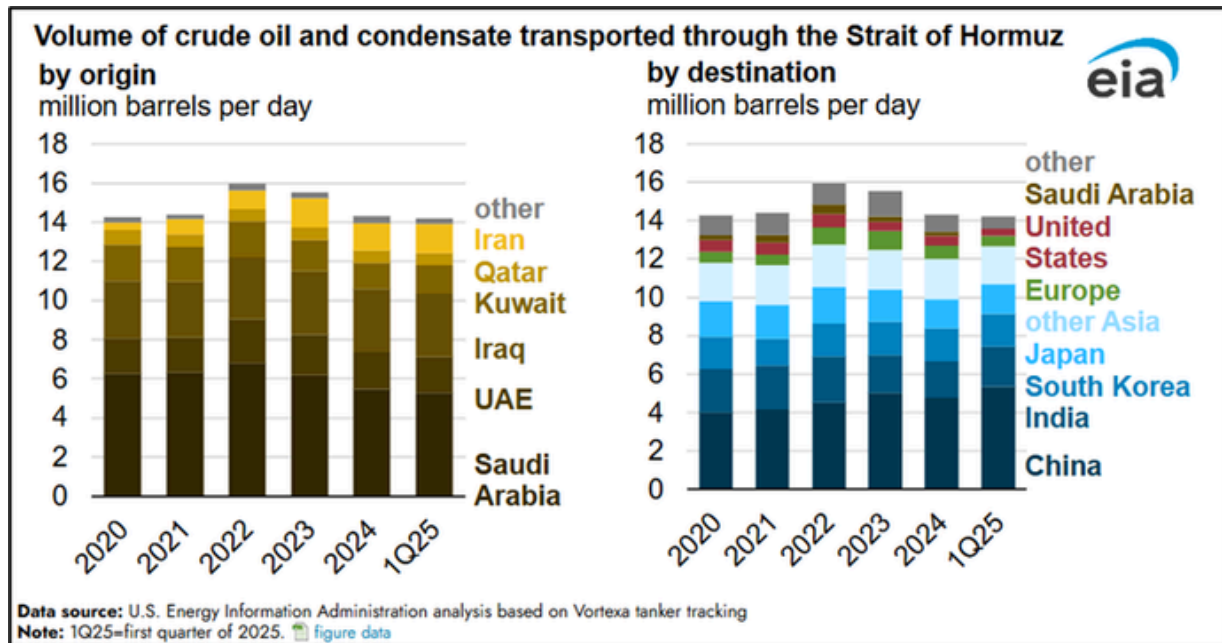
OPEC's planned production increases have been overtaken by events on the ground. Instead of adding supply, key producers—including Saudi Arabia, Iraq, Kuwait, and the UAE—have been forced to curtail output due to storage constraints, export bottlenecks, and attacks that Iran have undertaken through the month of March on vessels attempting passage and export infrastructure itself. With limited ability to move barrels through Hormuz, production cuts have become a logistical necessity rather than a policy choice.

Even once the conflict subsides, supply recovery may lag:

- Iran remains the lone Middle East producer who can safely pass the Strait given the U.S.'s reluctance to avoid attacks on energy related infrastructure and its desire to keep prices down as best as possible.
- Kuwait has indicated it could take **up to four months** to fully restore shut-in production.
- Estimates place Iraq's current production 80-90% offline, given its geographical location and reliance on the Strait for any meaningful shipping routes.

- LNG exports remain particularly vulnerable, as the Strait represents a critical and largely irreplaceable export route. Additionally, Iran successfully struck Ras Laffan during the month, crippling 20% of global LNG export capability. Truly unprecedented events.
- Even Saudi Arabia has discussed curtailment as storage fills and their East/West pipeline ships to export on the Red Sea. Saudi Aramco operates the 5 million-b/d East-West crude oil pipeline, which runs from the Abqaiq oil processing center near the Persian Gulf to the Yanbu port on the Red Sea. Expect to see expansion and addition to this system as the conflict continues on.

This dynamic underscores how fragile global energy logistics remain when key transit corridors are disrupted.



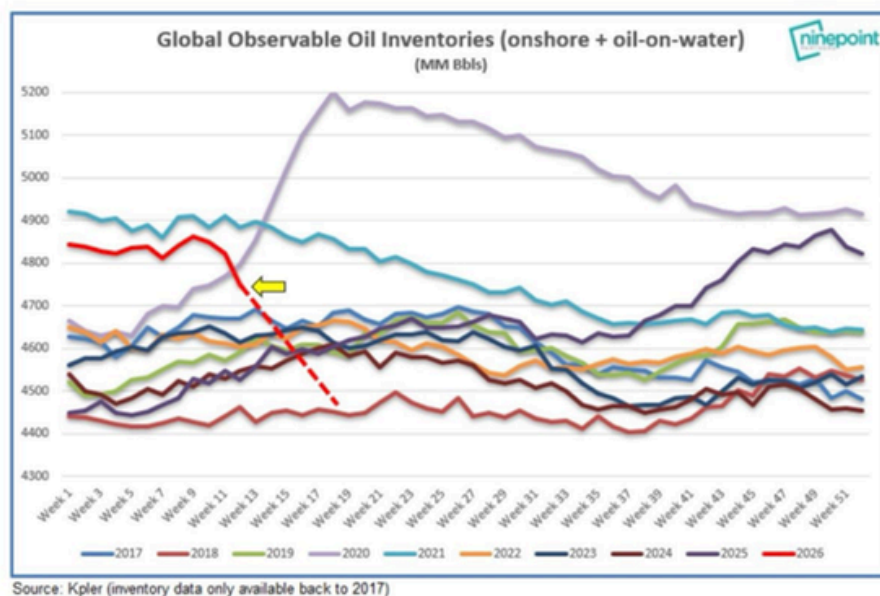
### TRADE, TARIFFS & MARKET SENTIMENT

Markets have all been taken down a notch over the past month. Apart from oil, gas, and refined products, the remaining equity markets have seen a 10% sell off (see Dow Jones chart below) while traders grapple with what may come next. Gold, silver and other metals, which had been on the best run in history have also come back to earth with gold now testing \$4,250 US/oz, down ~18% off its highs last month of \$5,400 US/oz. Astonishing considering the metal is historically where traders flock in times of unrest and uncertainty. Clearly old playbooks may not necessarily apply in these new markets.

Tariffs were barely in the news the last month with all eyes being focused on Iran. Though we did see Trump place blanket 15% tariffs in lieu of the Supreme Court ruling the Trump tariffs were illegal. Should hostilities cool off, we would expect to see markets reverse positive, but this feels distant given the current tension in the air.

### WTI & MARKET FUNDAMENTALS

Super Glut? What Super Glut? My how the tides (and crude balances) have turned on this market dynamic with the closure of the Strait.

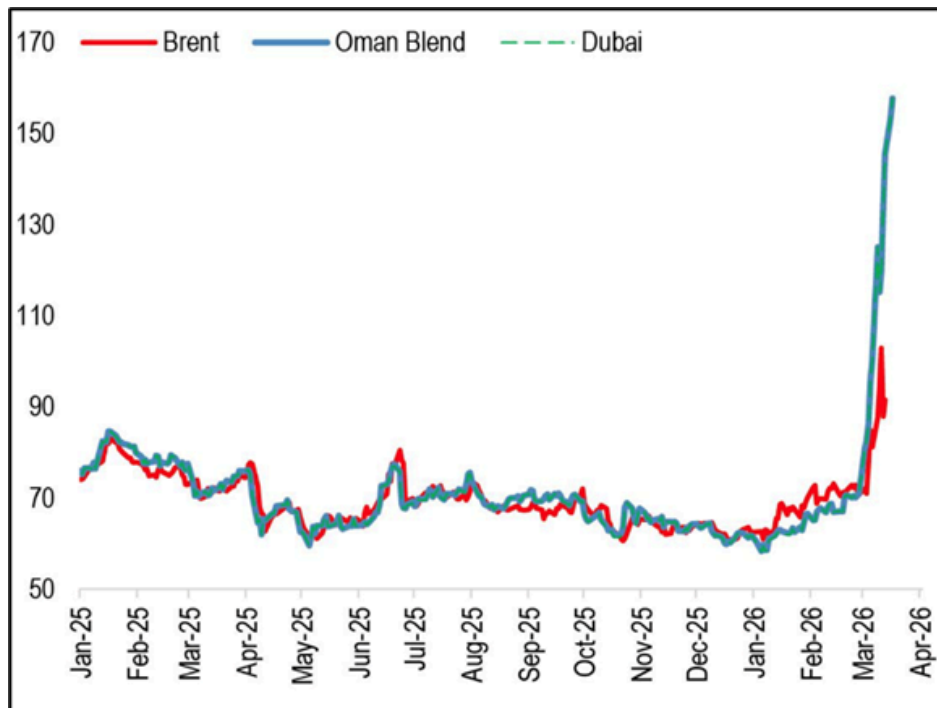


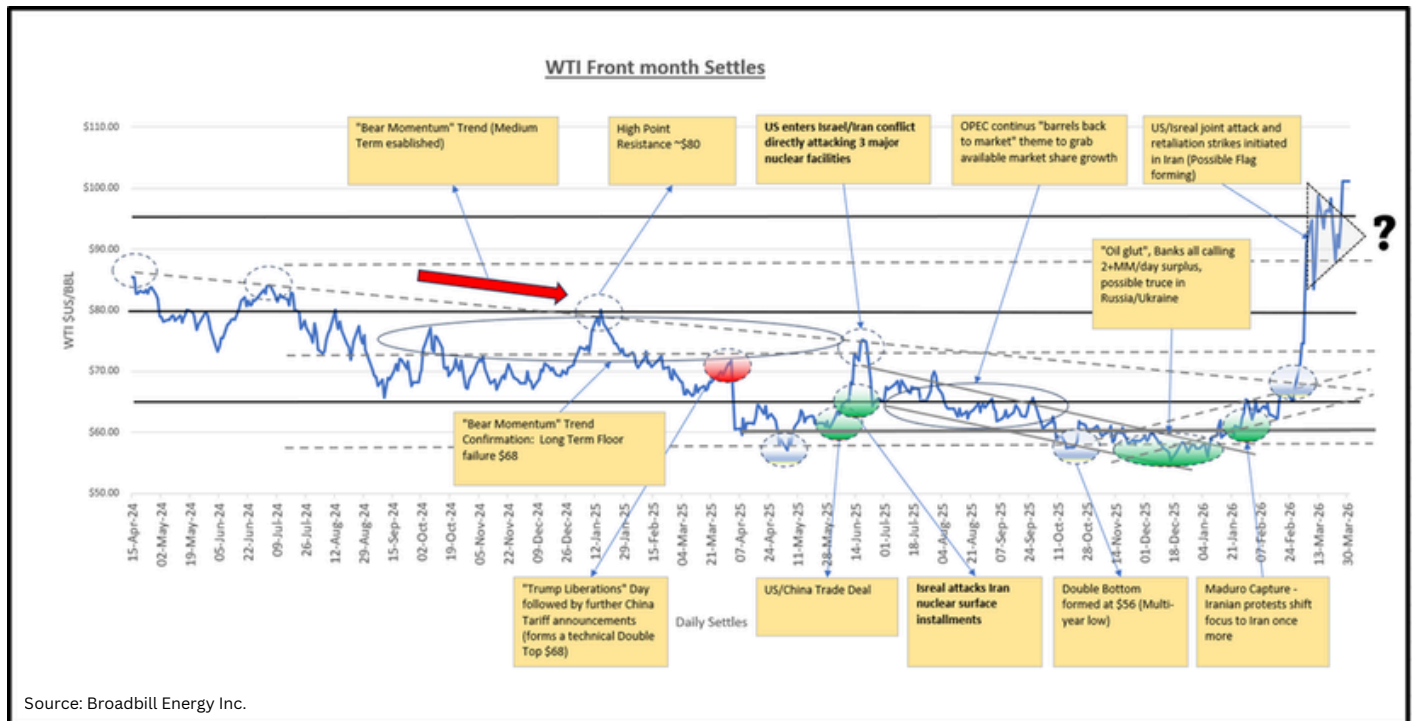
The physical market response has been swift and broad-based:

- Iraqi Basrah heavy flows are at risk, tightening heavy crude availability and supporting Canadian crude differentials.
- Product markets have reacted sharply, with crack spreads widening across gasoline, diesel, and jet fuel amid refining and logistics disruptions.
- Additional unplanned outages, including a refinery explosion last week in Port Arthur, have compounded product tightness.
- The Brent-WTI relationship continues to reflect global dislocation, with international benchmarks carrying elevated risk premiums tied to supply insecurity.

While WTI and Brent both remain elevated, many market pundits have remained in relative shock given the magnitude of Hormuz now being effectively closed for a full month, likely impacting some 300MM barrels of crude and refined liquids. After the first week of March, we saw an initial trade spike over the weekend as WTI rallied to almost \$120US/bbl. By Monday morning however, we saw opening closer to \$100 and closing barely above the Friday close at ~\$94US/bbl. By Tuesday, given Trump’s quick trigger news texts of an imminent end to the crisis, we actually almost fell back below \$80. As the month progressed, we saw plenty of whipsaw action, as traders wrestled with Trump tweets, Iran’s retaliatory claims of Trumps tweets amounting to nothing more than fake news and ultimately a straight, which still primarily remains shuttered along with 8-10MM barrels per day of related energy.

As mentioned above, Dubai and Oman cash and prompt cargoes (available for immediate delivery) have truly shown the magnitude of the crisis, spiking easily above \$150US/bbl, while WTI just printed its first daily close above \$100US/bbl since July 2022, which of course was due to the Russia/Ukraine war (still ongoing just in case you were wondering).





## APRIL 2026

### WCSB DIFFERENTIALS & WESTERN CANADIAN TRADE DESK OVERVIEW

#### Key highlights:

- On the heels of global hostilities, WCSB differentials tightened across the board with the exception of condensate in the April cycle.
- In May, we are seeing tightening differentials across all grades as shippers move to balance scale on the West Coast and primarily shift light grades into TMX capacity and take advantage of strong crack spreads, especially on the high yielding diesel cracks, which are not comfortably above \$70US/bbl on prompt trading and above \$50US/bbl for the balance of 2026. Gasoline, while in more abundant supply, has also gained strength and seen increases (as we all have witnessed at the pump over the last few weeks).
- April Enbridge Mainline apportionment announced at 23% for light grades at Kerrobert injection point, while heavies came through at 14% at Superior as downstream players work balances and pipeline routes through to Eastern and PADD3 refineries.

With the April cycle now behind us, it continued to have heavy showing weakness, while lights and C5 trended stronger throughout the April trade window.

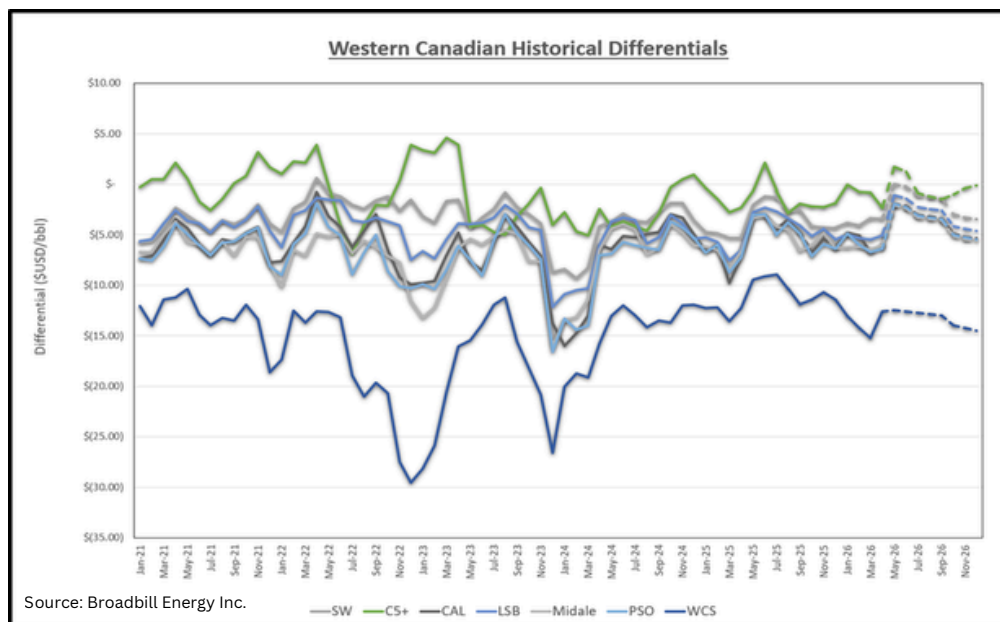
We also got a bit of a glimpse into what life would like for Canadian differentials with global supply being blocked. With the Strait of Hormuz being blocked it quickly put a strong bid on available supply, as refiners look for the cheapest and most economical way to fill their refineries with feedstock.

WCS opened the April trade window at \$(12.90) trading over a dollar stronger than where it was going precycle \$(14.00) on the TMW contract (WCS Financial). APR COMM WCS settled at \$(12.63).

With rumors of more light barrels headed to the West Coast on TMX, it would indicate less desire for the heavy barrel. One factor that could come into play for this would be spring turnaround season happening and with the heavy barrel being more difficult to breakdown, it left more of a premium to the lighter barrel. Weekly inventories showing distillate stocks falling also put more demand for the light barrel.

Edmonton sweet began the April trade window at \$(4.25), with the initial cycle print coming in stronger than where it was going pre trade window at \$(4.60). The lights gained strength throughout the cycle. Edmonton sweet traded at a cycle high of \$(2.15), before settling at \$(3.43) for APR MSW COMM. With synthetic turnaround season coming up, it caused the natural synthetic buyer to audible to the sweets to help ensure they have the necessary feedstock. They also have additional desire to make sure they have the volume needed, as crack spreads are looking for very lucrative right now for refiners given the current global landscape. C5 FSPL went \$(2.75) to begin the cycle before showing a little weakness on the first day of the trade window. TMF was going \$(2.90), while FSPL later climbed every day during the April window enroute to trading for a cycle high of flat. C5 FSPL for COMM settled at \$(2.06), while C5+ settled at \$(2.33). LSB in April settled at \$(5.08), while Midale finished off at \$(6.06).

As we look ahead to May heavies are trading at ~ \$(11.50) while sweets and condensate continue to trade more strongly. Precycle trading has Edmonton sweet going +\$1.75, while C5 is trading at +\$3.00. On the light side, certain middle east barrels are going for substantial premium's globally, which is causing the lights to catch a bid here in Canada. Synthetic turnaround is also a factor to consider as it is causing the SYN bbl to trade pre trade window at +\$5.00, with SYN running up it is also causing the lights at Edmonton to follow. One reason C5 may be getting a lift as the U.S. department of energy is temporarily putting a waiver allowing sales of E15 fuel. This waiver will allow for greater vapor pressure for fuel sales, which could create greater demand for higher RVP blending components such as C4 and C5. The current waiver is only until May 20, so something to keep eyes towards as we move into the summer season.



## CLOSING THOUGHTS

1. **Geopolitics is firmly back in control of energy markets**, with the Strait of Hormuz and surrounding infrastructure serving as the critical lever.
2. **Supply disruptions are real and material**, not just risk premiums—millions of barrels remain offline with uncertainty on how long they may be offline and available even in the event of ceasefire.
3. **North American infrastructure constraints are increasingly visible**, limiting the ability to respond to global shortages.
4. **Volatility is likely to persist**, driven by headline risk, shifting negotiations, and physical supply uncertainty.
5. **Long-term signals remain constructive for infrastructure and export capacity**, particularly in stable jurisdictions.

### March 2026: Key events through the month

#### March 3

- Reports surfacing Iran wants to discuss terms to end conflict diplomatically.
- Trump announces the U.S. will insure vessels through the Strait of Hormuz but a Naval escort is required (some insurers indicating premiums could be offered for \$20/bbl vs the normal \$3....got to love the insurance guys. Always in the market, whether it's housing or conflicted energy transport = big business \$).

#### March 5/6

- Crude continues to rally on signs the Strait of Hormuz will not open soon enough. We closed Friday over \$90US/bbl for the first time since September 2023.

#### March 8

- Israel hits Tehran Oil Depot for the first time with a drone attack. The facility supplies fuel to the city (10M+ population) and strikes a major blow for Tehran to have access to fuel for the continued war efforts.

#### March 9

- A new Supreme Leader to be named shortly in Iran to succeed Ayatollah Ali Khamenei and that will be his son hardliner Mojtaba Khamenei.
- OPEC nations begin to shut production as storage fills (Iraq, Kuwait, UAE and even the Saudis may need to curb production as long as the Strait is closed).
- Weekend trade wti hits \$117US/bbl, while Brent stays a breath under \$120US/bbl but has subsided to open just over \$100US/bbl in the highest crude levels since the Russian/Ukraine crisis emerged in 2022.
- WTI crude futures fell below \$90US/bbl per barrel on Tuesday after surging to nearly \$120US/bbl in the previous session, as U.S. President Donald Trump signaled that the war with Iran may be nearing its end and that the U.S. military operation is progressing well ahead of its initial timetable. Trump also said he plans to waive oil-related sanctions and have the U.S. Navy escort tankers through the Strait of Hormuz in an effort to keep oil prices in check. Adding to the downward pressure, G7 finance ministers said the group “stands ready” to release oil from strategic reserves if necessary, although no action has been taken so far.

- Oil prices had surged on Monday after major Middle Eastern producers began cutting output following disruptions in the Strait of Hormuz. With tanker traffic heavily restricted, several key producers, including Saudi Arabia, the United Arab Emirates, Kuwait, and Iraq, have started curbing production as storage facilities fill.

**March 13**

- Oil prices fell this morning after Iran permitted an Indian-flagged ship to pass through the Strait of Hormuz and the U.S. supported measures aimed at easing supply concerns. The Indian tanker passed through the Strait shortly after Iran declared the waterway would stay closed to keep pressure on the U.S. and Israel. The Trump administration announced a 30-day license allowing countries to purchase Russian crude and petroleum products currently stranded at sea in an effort to stabilize the global energy market. The announcement follows the U.S. decision to release 172 million barrels from the Strategic Petroleum Reserve (SPR) as part of the International Energy Agency (IEA's) coordinated plan to deploy 400 million barrels, including the U.S. contribution. Canada for its part will somehow contribute 22MM to the cause, although we're not sure how this will actually come to pass given all our export lines are shipping at maximums.

**March 15**

- Trump has been urging NATO and other allies to join the military escort brigade with little avail.

**March 16**

- While some vessels have been able to cross the Strait, attacks continue and specifically on local energy production sources. Loading platforms are being disrupted or outright shut in as 25% of global LNG continues remain offline given it's only passage is the Strait.
- Emirati loading port at Fujarrh 1.7M remains down after weekend drone attacks ave disrupted both gas and processing at the Shaw Gas Plant (5% of global gas processing taken offline).
- Iraq Majnoon oil field was attacked taking some 240,000bpd offline of medium sour crude grade.

**March 17**

- Trump lashing out at NATO allies for more support in their efforts against Iran to secure the Strait.

**March 18**

- Trump waived the Jones act in further attempt to provide stability to energy markets.
- Reports now showing almost 9MM/day of crude has been shut in the Middle East.
- Iraq resumes shipments to Turkey via the Kurdistan region pipeline. Once a major news snip on the ability for Iraq to increase production, it's only 250Kbd of increased production back in market against the millions not moving given the Strait closure.
- More energy attacks and now from both sides as escalation continued pushing WTI above \$100US/bbl. Cash prices in the Middle East have gone parabolic to \$150US/bbl (Dubai and Oman) reflecting the immediate supply disruption and possible concern moving forward. Israel hits largest Iranian gas fields, while Iran counters with strikes at Ras Laffan. Details not out on extent of damage to the worlds largest LNG loading terminal.

**March 20**

- Trump threatens attacks against Iranian electrical if the Strait is not opened within 48 hours, prompting retaliation comments from Iran that they will continue attacking neighboring infrastructure both desalination plants and energy alike.

**March 23**

- After a weekend of increased verbal threats between Trump and Iran for continued escalation, Trump reports productive weekend discussions leading to a 5-day ceasefire. Crude responds with a \$9/bbl sell off to start the Monday morning trade and falls as low as \$13/bbl thru the trading day. Iran has until Friday at 5:00 (just after market closes) to accept terms or risk further attacks on critical infrastructure.
- Marines are being deployed to the area in what some are calling probably escalation for the U.S. to seize key installments from Iran - possibly Karg Island Iran's primary crude oil loading terminal.

**March 24**

- Another TACO moment? Tehran was pretty quick to refute claims that any negotiation was taking place between the U.S. and strikes have continued between Israel and Iran.
- UAE and Saudi Arabia have indicated they are taking steps to join the conflict showing escalation could be forthcoming.
- Oil back up 4% on the news with WTI at \$92US/bbl and Brent once again moving over \$100US/bbl.
- By days end another media announcement had the U.S. delivering a 15-point ceasefire agreement - inclusive of Iran foregoing obtaining a nuclear weapon. Other details remain scarce as even in terms of who the negotiation is taking place with. Other reports have surfaced suggesting a 30-day truce for further negotiations to end the conflict. WTI fell back to \$87US/bbl on the news to where it ended a day prior, while strikes between Israel and Iran continued (albeit on noncritical infrastructure).

**March 25**

- Trump offers that Iran is desperate to get a deal done. They have apparently offered a "present" as a show of good faith surrounding the Strait and energy flows but nothing has been detailed as traders cling to hopes of ceasefire. WTI is off this morning to \$87US/bbl and Brent is back below \$100US/bbl as traders wait to see more as the week unfolds.
- Meanwhile, strikes continue between Iran and Israel, while Turkey plays diplomat attempting to keep other gulf states from joining the conflict though the strikes do appear to be "lessor in nature." The U.S. continues to send 2,000 marines into the fray as "negotiation continues."
- Iran may be allowing certain ships to pass through the Strait if they pay a "toll" to pass. \$2M is the reported cost and LNG vessels to India appear to be the first to make the voyage. Given the amount of traffic, this could be a significant revenue stream for Iran moving forward.

**March 26**

- Trump announces a 10-day can kick as negotiations to end the Iran conflict get pushed out again to April 6 (which is to say they will avoid strikes to energy infrastructure until that time) referencing that negotiations are going well despite the clear impasse between both Iran and the U.S.
- It's reported that Iran allowed 10 tankers to pass thru the Strait that signified the "present" offered by Iran as part of negotiations.
- 20% of global LNG supply still offline (Ras Laffan) as global LNG pushes to \$20/MCF.
- WTI crude back to \$96US/bbl.

**March 27**

- Crude continues its upward trajectory in the absence of any new news as we close above \$100US/bbl for the first time during the crisis and first since July 2022.

The Broadbill Energy Team



Broadbill Energy - 1000-355 4th Avenue SW, Calgary, AB, T2P 0H9, Canada

[www.broadbillenergy.com](http://www.broadbillenergy.com)

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Appendix

