

## Market Commentary

**Recap:** The oil market on Friday continued on its upward trend as geopolitical tensions in the Middle East outweighed the IEA's forecast released on Thursday showing slowing demand. Gaza's largest functioning hospital was under siege in Israel's war with Islamist group Hamas, as warplanes struck Rafah, the largest refuge for Palestinians. Meanwhile, Hezbollah chief, Hassan Nasrallah, said the group will escalate its fight with Israel as the country's war with Hamas continues. The oil market traded mostly sideways in overnight trading and posted a low of \$77.22 early in the morning. However, the market bounced off that level and retraced its earlier losses. The market breached its previous highs as it posted a high of \$79.24 in afternoon trading. The market remained well supported ahead of the long Presidents' Day holiday weekend, with the March WTI contract settling up \$1.16 at \$79.19 and the April Brent contract settling up 61 cents at \$83.47. The product markets ended the session mixed, with the heating oil market settling down 1.71 cents at \$2.8066 and the RB market settling up 1.77 cents at \$2.3360.

**Technical Analysis:** Following the Presidents' Day holiday weekend, the market on Tuesday will remain driven by the headlines regarding the situation in the Middle East. The market is technically seen trending higher as its stochastics are still pointing higher. The market is seen finding upside as its high of \$79.35, \$79.56 and \$80.08. Further upside is seen at \$81.07 and \$82.04. Meanwhile, support is seen at \$77.22, \$75.78, \$75.54, \$73.56, \$73.23, \$72.38 and \$71.41.

**Fundamental News:** The U.S. State Department said an Indian-bound tanker carrying crude oil has been attacked with a missile in the Red Sea. Earlier, the United Kingdom Maritime Trade Operations agency and British maritime security firm Ambrey said a Panama-flagged tanker had reportedly been hit 72 nautical miles northwest of the port of Mokha, off Yemen.

Baker Hughes reported that U.S. energy firms this week cut the number of oil and natural gas rigs operating for the second time in three weeks. It reported that the oil and gas rig count fell by two to 621 in the week ending February 16<sup>th</sup>. Baker Hughes said U.S. oil rigs fell by two to 497, while gas rigs were unchanged at 121.

IIR Energy reported that U.S. oil refiners are expected to shut in about 2.3 million bpd of capacity in the week ending February 16<sup>th</sup>, cutting available refining capacity by 257,000 bpd. Offline capacity is expected to fall to 1.8 million bpd in the week ending February 23<sup>rd</sup>, and further to 1.2 million bpd in the week ending March 1<sup>st</sup>.

The Teamsters union said it wants to negotiate a new contract with Marathon Petroleum for its members at the 140,000 bpd Detroit refinery without having to go on a strike. There are 270-280 Teamsters working at the refinery in a variety of roles, of which 273 workers voted to authorize a strike at the Detroit refinery on Thursday, with their most recent contract having expired last month.

Motiva Enterprises has delayed restarting the large coker at its 626,000 bpd Port Arthur, Texas refinery for at least a week of needed repairs after a planned overhaul. Valves on the 110,000 bpd DCU-2 coker are being repaired and welding is being done on the coke drums. DCU-2 was scheduled to restart by Thursday. The refinery's 350,000 bpd VPS-5 crude distillation unit was shut along with the coker for a planned overhaul on January 8<sup>th</sup>. VPS-5 was restarted on February 8<sup>th</sup>.

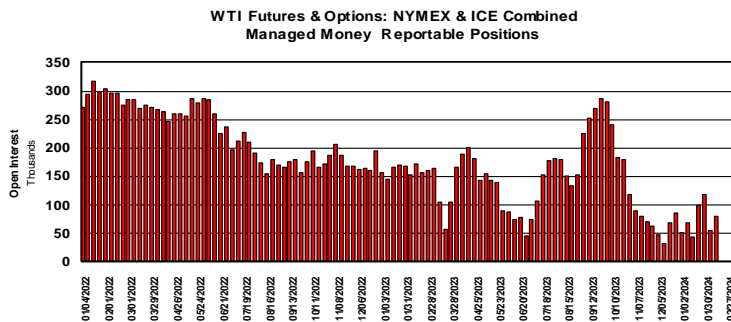
**Early Market Call - as of 8:30 AM EDT**

WTI - March \$79.20, up 1 cent  
 RBOB - March \$2.3026, down 3.34 cents  
 HO - March \$2.7899, down 1.67 cents

## All NYMEX | Prior Settlements

Month	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Mar-24	2.8066	-0.0171	-0.1576
Apr-24	2.7521	-0.0129	-0.1192
May-24	2.6758	-0.0104	-0.0939
Jun-24	2.6188	-0.0070	-0.0733
Jul-24	2.5953	-0.0052	-0.0592
Aug-24	2.5806	-0.0031	-0.0516
Sep-24	2.5753	-0.0011	-0.0495
Oct-24	2.5715	0.0002	-0.0509
Nov-24	2.5621	0.0016	-0.0496
Dec-24	2.5451	0.0026	-0.0467
Jan-25	2.5311	0.0038	-0.0426
Feb-25	2.5129	0.0049	-0.0390
Mar-25	2.4894	0.0061	-0.0345
Apr-25	2.4613	0.0073	-0.0292
May-25	2.4415	0.0098	-0.0239
Jun-25	2.4246	0.0114	-0.0194
Jul-25	2.4137	0.0126	-0.0160

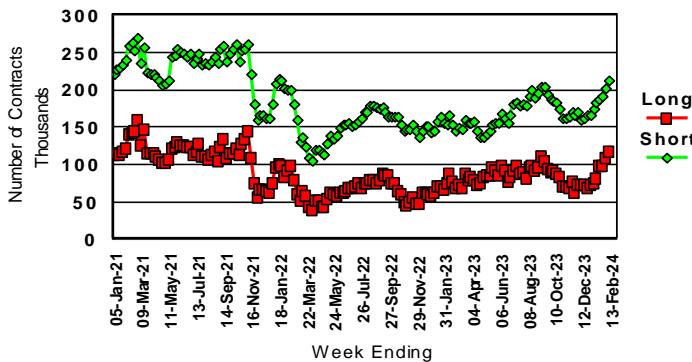
Sprague HeatCurve October 2024-April 2025		Close	Change
Crude - WTI	Mar Brent- WTI Spread \$5.02	\$78.4600	\$0.8700
Crude - Brent		\$83.4770	\$0.6100
Natural Gas		\$1.6090	\$0.0280
Gasoline		\$2.3360	\$0.0177



## Commitment of Traders Report for the Week Ending February 13, 2024

### Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



### Managed Money Heat Positons

CFTC Commitment of Traders Report

