

Market Commentary

Recap: The crude market traded lower on Thursday as concerns over the geopolitical tensions between the U.S. and Iran eased after the U.S. and Iran agreed to hold talks in Oman on Friday. The strength in the U.S. dollar also weighed on the oil complex. The oil market traded sideways in overnight trading, posting a high of \$64.67 in early morning trading as the market weighed the likelihood of escalation versus diplomacy. The market later sold off to a low of \$62.65 by mid-morning and settled in a sideways trading range during the remainder of the session. The March WTI contract settled down \$1.85 at \$63.29 and the April Brent contract settled down \$1.91 at \$67.55. The product markets ended the session lower, with the heating oil market settling down 7.68 cents at \$2.3932 and the RB market settling down 3.86 cents at \$1.9266.

Technical Analysis: The oil market will look to the meeting between the U.S. and Iran, scheduled to take place on Friday in Oman, for further direction. The market will remain in a wait and see mode and will be driven by the outcome of the meeting. The talks come as the U.S. has built up its forces in the Middle East and neighboring countries seek to avoid a military confrontation that some fear could escalate into a wider regional war. The crude market is seen finding resistance at \$64.67, \$65.53, \$66.11, \$66.48 followed by more distant resistance at \$66.75, \$67.74, \$69.50 and \$70.51. Meanwhile, support is seen at \$62.65, \$62.03, \$61.12, \$60.66, \$60.14, \$59.52 and \$59.29.

Fundamental News: The Iranian Foreign Ministry's spokesperson said Iran's Foreign Minister Abbas Araqchi has departed for the Omani capital Muscat at the head of a diplomatic delegation for nuclear talks with the U.S. due to be held on Friday. The spokesperson, Esmail Baghaei, said Iran will engage in the talks "with authority and with the aim of reaching a fair, mutually acceptable and dignified understanding on the nuclear issue."

Turkey's President Tayyip Erdogan said Turkey is working hard to prevent U.S.-Iran tensions from tipping the Middle East into a new conflict, as the two adversaries signal that disagreement over Tehran's missile arsenal threatens to collapse a deal. He added that talks at the level of the U.S. and Iranian leadership would be helpful after lower-level nuclear negotiations due in Oman on Friday. Iran and the U.S. remain at odds over Washington's insistence that negotiations include Iran's missile arsenal and Iran's vow to discuss only its nuclear program, in a standoff that has led to mutual threats of airstrikes. Differences over the scope and venue for the discussions have raised doubts whether the meeting would take place, leaving open the possibility that U.S. President Donald Trump could carry out a threat to strike Iran.

On Thursday, United States envoy Steve Witkoff said that trilateral discussions with Russia and Ukraine were constructive and would continue in the coming weeks. He said they had wide-ranging discussions on the remaining open issues including methods to implement a ceasefire and monitor the cessation of military activities.

The Trump administration said it would hold a sale of oil and gas drilling rights across 5.5 million acres of Alaska's National Petroleum Reserve on March 9th.

Exxon Mobil reported a unit upset at its 264,000 bpd Joliet, Illinois refinery on February 4th.

United Steelworkers is asking members at BP's 440,000 bpd refinery in Whiting, Indiana, to prepare for a strike or lockout.

Early Market Call - as of 8:40 AM EDT

WTI - Mar \$62.92, down 20 cents
 RBOB - Mar \$1.9280, up 38 points
 HO - Mar \$2.3805, down 94 points

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Mar-26	2.3932	-0.0768	-0.0906
Apr-26	2.3305	-0.0622	-0.0720
May-26	2.2933	-0.0551	-0.0589
Jun-26	2.2641	-0.0499	-0.0494
Jul-26	2.2526	-0.0458	-0.0424
Aug-26	2.2461	-0.0425	-0.0384
Sep-26	2.2456	-0.0399	-0.0367
Oct-26	2.2462	-0.0376	-0.0357
Nov-26	2.2424	-0.0355	-0.0351
Dec-26	2.2348	-0.0336	-0.0348
Jan-27	2.2309	-0.0319	-0.0345
Feb-27	2.2226	-0.0308	-0.0354
Mar-27	2.2066	-0.0296	-0.0361
Apr-27	2.1838	-0.0279	-0.0357
May-27	2.1686	-0.0265	-0.0360
Jun-27	2.1571	-0.0255	-0.0367
Jul-27	2.1555	-0.0241	-0.0364

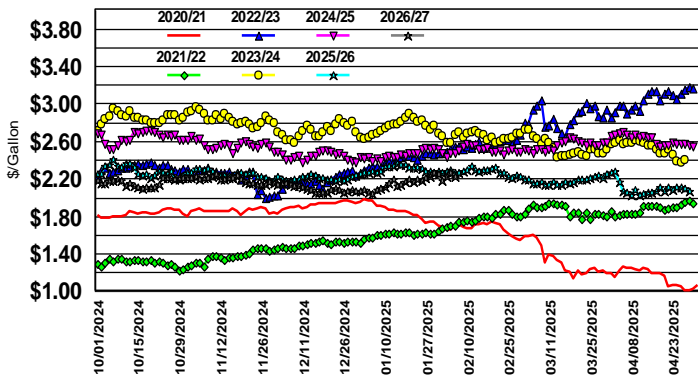
Sprague HeatCurve October 2026-April 2027		Close	Change
Crude - WTI	Mar Brent- WTI Spread \$4.54	\$63.0100	-\$1.7400
Crude - Brent		\$67.5500	-\$1.9100
Natural Gas		\$3.5090	\$0.0440
Gasoline		\$1.9266	-\$0.0386

EIA Working Gas Storage Report

	30-Jan-26	23-Jan-26	Change	30-Jan-25
East	502	577	-75	513
Midwest	584	676	-92	613
Mountain	213	228	-15	202
Pacific	272	291	-19	232
South Central	891	1052	-161	861
Salt	228	313	-85	219
Nonsalt	663	737	-74	643
Total	2463	2823	-360	2,422

Sprague HeatCurve

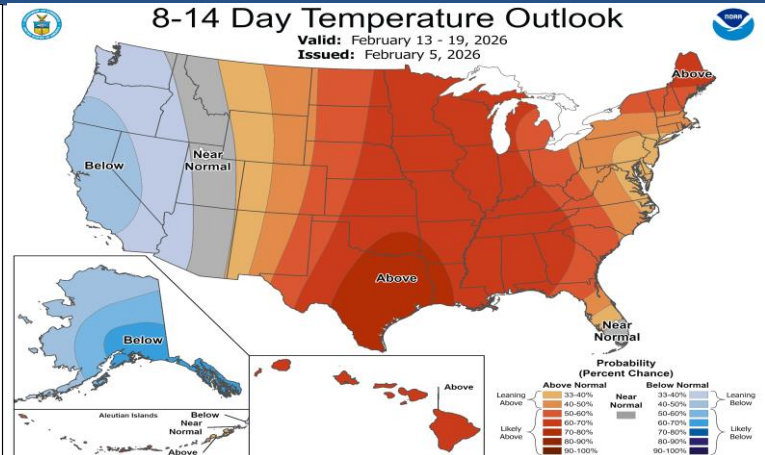
Sprague HeatCurve October-April



Weather Outlook

8-14 Day Temperature Outlook

Valid: February 13 - 19, 2026
 Issued: February 5, 2026



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