

Market Commentary

Recap: The oil market traded sideways ahead of the long President's Day holiday weekend as the market weighed the risks of the U.S.-Iran tensions. While U.S. President Donald Trump said on Thursday that the U.S. could make a deal with Iran on its nuclear program over the next month, U.S. officials stated that the U.S. was sending a second aircraft carrier to the Middle East. The crude market traded to a high of \$63.26 in early morning trading before it quickly erased its gains and sold off to a low of \$62.14. The market's gains were also limited as the U.S. eased sanctions on Venezuela's energy sector as it issued two general licenses allowing global energy companies to resume oil and gas operations in Venezuela. The market settled in a sideways trading range during the remainder of the session. The March WTI contract settled up 5 cents at \$62.89 and the April Brent contract settled up 23 cents at \$67.75. Meanwhile, the product markets ended the session lower, with the heating oil market settling down 48 points at \$2.3879 and the RB market settling down 49 points at \$1.9111.

Technical Analysis: The crude market will remain in a sideways trading range unless there is some major news over the holiday weekend regarding Iran. The market will also look to any news regarding the Russia-Ukraine peace talks scheduled for next week in Geneva. The oil market is seen finding support at \$62.14, \$62.03, \$61.12, \$60.66, \$60.14, \$59.52, \$59.29 and \$58.96. Meanwhile, resistance is seen at \$63.26, \$63.55, \$63.99, \$64.42, \$65.10, \$65.83 followed by \$66.11 and \$66.48.

Fundamental News: Two U.S. officials said the Pentagon is sending an aircraft carrier from the Caribbean to the Middle East, a move that would put two carriers in the region amid tensions between the United States and Iran. The Gerald R. Ford will join the Abraham Lincoln carrier, several guided-missile destroyers, fighter jets and surveillance aircraft that have been moved to the Middle East in recent weeks.

On Friday, U.S. President Donald Trump said Ukrainian President Volodymyr Zelenskiy will miss an opportunity for peace if he doesn't "get moving," saying Russia wants to make a deal amid the ongoing war in Ukraine.

Baker Hughes reported that U.S. energy firms this week cut three oil rigs and added three natural gas rigs, keeping the overall rig count unchanged. After increasing for three consecutive weeks, the oil and gas rig count held at 551 in the week ending February 13th. Baker Hughes said oil rigs fell by three to 409 this week, their lowest level since early January, while gas rigs increased by three to 133, the highest level since July 2023.

Three OPEC+ sources said OPEC+ is leaning towards resuming increases to oil output from April, as the group prepares for peak summer demand and price strength is supported by tensions over U.S.-Iran relations. The resumption of production increases will allow Saudi Arabia and the UAE to regain market share at a time members such as Russia, Venezuela and Iran contend with Western sanctions and a series of setbacks restrain Kazakh output. Eight OPEC+ producers, Saudi Arabia, Russia, the United Arab Emirates, Kazakhstan, Kuwait, Iraq, Algeria and Oman, are scheduled to meet on March 1st. Two sources said no decision has yet been made and talks will continue in the weeks ahead of the meeting.

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.54 million bpd of capacity in the week ending February 13th, decreasing available refining capacity by 200,000 bpd.

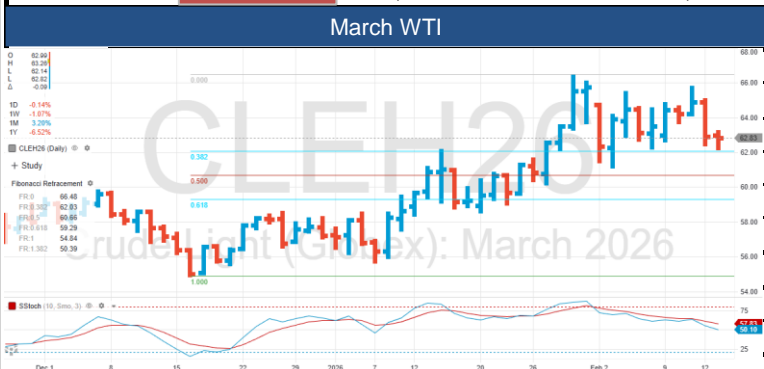
Early Market Call - as of 8:50 AM EDT

WTI - Mar \$62.71, down 9 cents
RBOB - Mar \$1.9054, down 4 points
HO - Mar \$2.3960, up 1.19 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Mar-26	2.3879	-0.0048	-0.0254
Apr-26	2.3003	-0.0101	-0.0425
May-26	2.2654	-0.0083	-0.0380
Jun-26	2.2439	-0.0066	-0.0301
Jul-26	2.2352	-0.0076	-0.0268
Aug-26	2.2310	-0.0081	-0.0246
Sep-26	2.2323	-0.0081	-0.0226
Oct-26	2.2346	-0.0079	-0.0209
Nov-26	2.2326	-0.0076	-0.0192
Dec-26	2.2262	-0.0075	-0.0177
Jan-27	2.2231	-0.0072	-0.0169
Feb-27	2.2163	-0.0065	-0.0151
Mar-27	2.2021	-0.0056	-0.0133
Apr-27	2.1818	-0.0046	-0.0112
May-27	2.1691	-0.0033	-0.0086
Jun-27	2.1606	-0.0025	-0.0050
Jul-27	2.1608	-0.0018	-0.0032

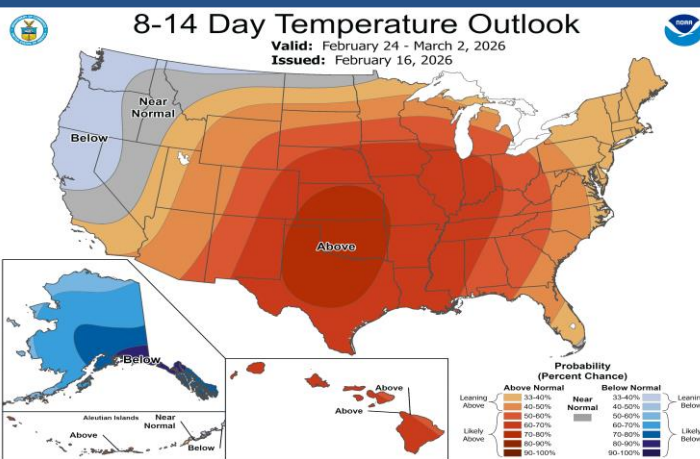
Sprague HeatCurve October 2026-April 2027		\$2.2174
	Close	Change
Crude - WTI	\$62.7500	\$0.1000
Crude - Brent	\$67.7500	\$0.2300
Natural Gas	\$3.2430	\$0.0260
Gasoline	\$1.9110	-\$0.0049



March Heating Oil



Weather Outlook



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