

## Market Commentary

**Recap:** The oil market on Tuesday posted an outside trading day and settled 0.89% lower after a meeting between the U.S. and Iran over Tehran's nuclear program helped ease fears of conflict in the Middle East. After the market retraced some of its previous losses during Monday's shortened trading session ahead of the meeting, the market continued to trend higher early Tuesday morning, posting a high of \$64.14. The market was well supported amid the news that Iran was partially shutting the Strait of Hormuz for a few hours due to security precautions while Iran's Revolutionary Guards conducted military drills. However, the market erased its gains and sold off to a low of \$61.87 after Iran's Foreign Minister said Iran and the U.S. reached an understanding on main "guiding principles" in talks aimed at resolving the nuclear dispute. The market later settled in a sideways trading range during the remainder of the session. The March WTI contract ended the session down 56 cents at \$62.33 and the April Brent contract settled down \$1.23 at \$67.42. However, the product markets ended the session in positive territory, with the heating oil market settling up 27 points at \$2.3906 and the RB market settling up 34 points at \$1.9144.

**Technical Analysis:** The oil market will remain in a wait and see mode following the latest meeting between the U.S. and Iran. While Iran stated that the two countries reached a general agreement on some guiding principles, the U.S. said Iran would make detailed proposals in the next two weeks to close the gap in the nuclear talks. Iran's Supreme Leader has continued to state Iran's position that its missile stockpile is non-negotiable. The crude market will also look to headlines regarding the trilateral talks that began on Tuesday between the U.S., Russia and Ukraine in an effort to end the war in Ukraine. The oil market is seen finding support at \$61.87, \$61.12, \$60.66, \$60.14, \$59.52, \$59.29 and \$58.96. Meanwhile, resistance is seen at \$63.38, \$63.85, \$64.14, \$64.32, \$65.10, \$65.83 followed by \$66.11 and \$66.48.

**Fundamental News:** Iranian Foreign Minister, Abbas Araqchi, said Iran and the United States reached an understanding on the main "guiding principles" in a second round of nuclear talks in Geneva on Tuesday but added that work still needs to be done. He said the progress does not mean an agreement will be reached soon but the path has started.

Two U.S. officials said the U.S. military is preparing for the possibility of sustained, weeks-long operations against Iran if President Donald Trump orders an attack. The disclosure by the officials raises the stakes for the diplomacy underway between the United States and Iran. One official said that in a sustained campaign, the U.S. military could hit Iranian state and security facilities, not just nuclear infrastructure. Experts say the risks to U.S. forces would be far greater in such an operation against Iran, which boasts a formidable arsenal of missiles. Retaliatory Iranian strikes also increase the risk of a regional conflict. Iran's Revolutionary Guard has warned that in case of strikes on Iranian territory, it could retaliate against any U.S. military base.

The U.S. Environmental Protection Agency is expected to submit proposed biofuel blending quotas for 2026 to the White House this week for final review. President Donald Trump's administration is racing to meet a self-imposed deadline to finalize delayed new U.S. biofuel blending mandates by the end of March. In June, the EPA proposed total biofuel blending volumes at 24.02 billion gallons in 2026 and 24.46 billion gallons in 2027, up from 22.33 billion gallons in 2025. The total included a target of 5.61 billion gallons for bio-based diesel, a significant increase from the 3.35 billion gallons in 2025. The agency is now weighing a slightly lower range of 5.2 billion to 5.6 billion gallons for biomass-based diesel in 2026.

**Early Market Call - as of 9:40 AM EDT**

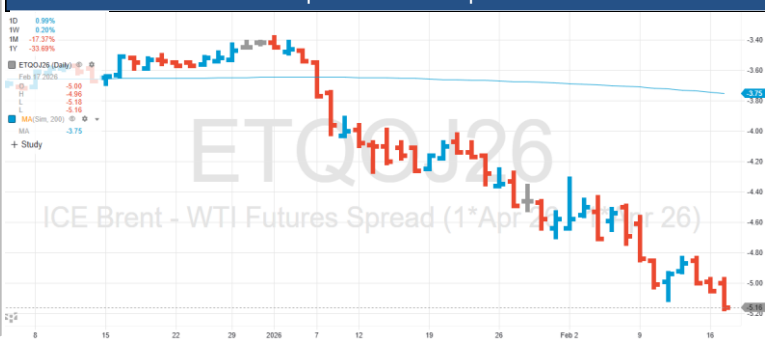
**WTI - Mar \$64.26, up \$1.96**  
**RBOB - Mar \$ 1.9647, up 5.17 cents**  
**HO - Mar \$2.4672, up 7.53 cents**

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Mar-26	2.3906	0.0027	-0.0082
Apr-26	2.3104	0.0101	-0.0262
May-26	2.2759	0.0105	-0.0262
Jun-26	2.2531	0.0092	-0.0258
Jul-26	2.2436	0.0084	-0.0281
Aug-26	2.2384	0.0074	-0.0303
Sep-26	2.2390	0.0067	-0.0314
Oct-26	2.2406	0.0060	-0.0325
Nov-26	2.2382	0.0056	-0.0328
Dec-26	2.2315	0.0053	-0.0328
Jan-27	2.2282	0.0051	-0.0332
Feb-27	2.2209	0.0046	-0.0332
Mar-27	2.2067	0.0046	-0.0323
Apr-27	2.1858	0.0040	-0.0317
May-27	2.1719	0.0028	-0.0309
Jun-27	2.1616	0.0010	-0.0295
Jul-27	2.1610	0.0002	-0.0281

Sprague HeatCurve October 2026-April 2027		\$2.2224
	Close	Change
Crude - WTI	\$62.2600	-\$0.4900
Crude - Brent	\$67.4200	-\$1.2300
Natural Gas	\$3.0300	-\$0.2120
Gasoline	\$1.9144	\$0.0034

### ICE April Brent-WTI Spread



### March Heating Oil Crack Spread



### March RBOB Crack Spread

