

Market Commentary

Recap: The crude market retraced its previous losses as it rallied more than 4.5% as the talks between Russia and Ukraine ended with no breakthrough on Wednesday. Also, while tensions appeared to have eased between the U.S. and Iran after Iran's Foreign Minister said the country had reached an understanding on the main guiding principles of their nuclear talks, the market was well supported by the news that Iran and Russia are expected to conduct navy drills in the Sea of Oman and the northern Indian Ocean on Thursday. The market posted a low of \$62.12 on the opening and remained within Tuesday's trading range as the market awaited the outcome of the trilateral talks between the U.S., Russia and Ukraine. However, the market breached its previous high and extended its gains to over \$3 as it rallied to a high of \$65.45 ahead of the close. The March WTI contract settled up \$2.86 at \$65.19 and later continued to trend higher in the post settlement period, when it posted a new high of \$65.56. The April Brent contract settled up \$2.93 at \$70.35. The product markets also ended the session higher, with the heating oil market settling up 12.81 cents at \$2.5187 and the RB market settling up 5.36 cents at \$1.9680.

Technical Analysis: The oil market will remain headline driven amid the continuing geopolitical tensions between the U.S. and Iran and Russian war in Ukraine. The market will also look for further direction from the weekly petroleum stocks reports, which are expected to show builds in crude stocks of over 2.5 million barrels in the week ending February 13th. The crude market is seen finding resistance at \$65.56, \$65.83, \$66.11 and \$66.48. Meanwhile, support is seen at \$62.12, \$61.87, \$61.12, \$60.66, \$60.14, \$59.52, \$59.29 and \$58.96.

Fundamental News: The secretary of Ukraine's National Security and Defense Council, Rustem Umerov, said the second day of U.S.-mediated peace negotiations between Russia and Ukraine in Geneva were substantive and there was progress. He said a number of issues were clarified and added that Ukraine's goal remained a just and sustainable peace. Separately, Russia's chief negotiator Vladimir Medinsky said that U.S.-mediated peace talks between Russia and Ukraine in Geneva had been difficult but business-like, and that a new round of talks would be held soon. Later, White House spokeswoman, Karoline Leavitt, said the U.S. has made meaningful progress in talks this week to bring an end to the war in Ukraine and more discussions are expected in the near future.

White House spokeswoman, Karoline Leavitt, said the U.S. has many arguments to justify a strike on Iran, but added that Tehran would be wise to reach an agreement to avoid any conflict.

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.17 million bpd of capacity in the week ending February 20th, increasing available refining capacity by 410,000 bpd. Offline capacity is expected to fall to 757,000 bpd in the week ending February 27th.

PBF Energy reported an unplanned flaring event at its 160,000 bpd Torrance, California refinery.

Phillips 66 and Citgo Petroleum are seeking to buy heavy crude directly from Venezuela's PDVSA starting in April to maximize profits, rather than purchasing through trading houses and U.S. oil major Chevron. Sources stated that Phillips 66 is seeking compliance and internal clearance to purchase directly from PDVSA. Once the company is ready, it plans to charter tankers to load the crude at PDVSA's terminals.

Early Market Call - as of 7:05 AM EDT

WTI - Mar \$66.20, up \$1.12

RBOB - Mar \$1.9878, up 1.98 cents

HO - Mar \$2.5638, up 4.60 cents

All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Mar-26	\$2.5187	\$0.1281	\$0.0783
Apr-26	\$2.4307	\$0.1203	\$0.0623
May-26	\$2.3870	\$0.1111	\$0.0564
Jun-26	\$2.3549	\$0.1018	\$0.0492
Jul-26	\$2.3367	\$0.0931	\$0.0397
Aug-26	\$2.3249	\$0.0865	\$0.0326
Sep-26	\$2.3214	\$0.0824	\$0.0289
Oct-26	\$2.3200	\$0.0794	\$0.0267
Nov-26	\$2.3145	\$0.0763	\$0.0248
Dec-26	\$2.3044	\$0.0729	\$0.0227
Jan-27	\$2.2977	\$0.0695	\$0.0203
Feb-27	\$2.2862	\$0.0653	\$0.0176
Mar-27	\$2.2671	\$0.0604	\$0.0148
Apr-27	\$2.2410	\$0.0552	\$0.0121
May-27	\$2.2220	\$0.0501	\$0.0094
Jun-27	\$2.2059	\$0.0443	\$0.0061
Jul-27	\$2.2005	\$0.0395	\$0.0037

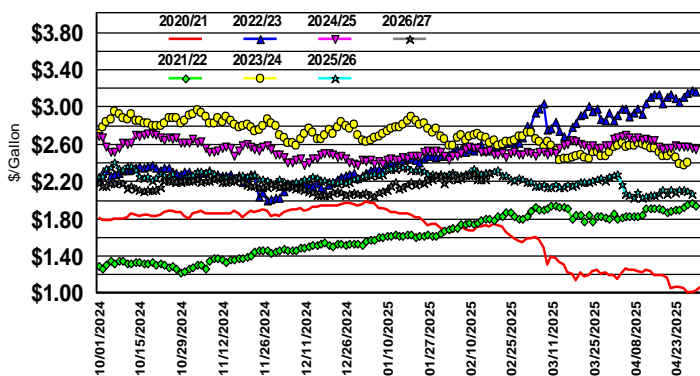
Sprague HeatCurve October 2026-April 2027		\$2.2905	
	Close	Change	
Crude - WTI	Apr Brent- WTI Spread \$5.30	\$65.0500	\$2.7900
Crude - Brent		\$70.3500	\$2.9300
Natural Gas		\$3.0110	-\$0.0200
Gasoline		\$1.9680	\$0.0536

API Report for the Week Ending February 13, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Down 609,000 barrels	Up 2.7 million barrels
Gasoline Stocks	Down 312,000 barrels	Down 1.2 million barrels
Distillate Stocks	Down 1.57 million barrels	Down 900,000 barrels
Refinery Runs		Unchanged, at 90.5%

Sprague HeatCurve

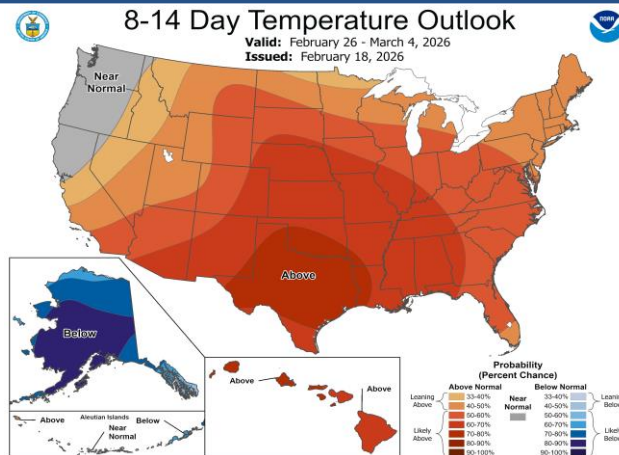
Sprague HeatCurve October-April



Weather Forecast

8-14 Day Temperature Outlook

Valid: February 26 - March 4, 2026
 Issued: February 18, 2026



This market update is provided for information purposes only and is not intended as advice on any transaction nor is it a solicitation to buy or sell commodities. Sprague makes no representations or warranties with respect to the contents of such news, including, without limitation, its accuracy and completeness, and Sprague shall not be responsible for the consequence or reliance upon any opinions, statements, projections and analyses presented herein or for any omission or error in fact.