



MarketWatch | Refined Products

Friday, February 20, 2026

Market Commentary

Recap: The oil market rallied higher on Thursday and ended the session at its highest level in six months amid worries of escalating tensions between the U.S. and Iran. U.S. President Donald Trump warned Iran on Thursday that it must reach a deal over its nuclear program or "bad things" will happen, and appeared to set a 10-day deadline before the U.S. might take action. The U.S. has deployed aircraft carriers, warships and jets to the region, with U.S. Vice President JD Vance saying Washington was considering whether it should continue diplomatic engagement with Tehran or pursue another option. Meanwhile, according to the U.S. Federal Aviation Administration, Iran issued a notice to airmen that it planned rocket launches in areas across the south of the country on Thursday. The market posted a low of \$64.88 on the opening and continued to trend higher throughout the session. The market was further supported by the EIA's weekly petroleum stocks report, which showed an unexpected draw in crude stocks of 9 million barrels in the week ending February 13th. The EIA also reported large draws in distillates and gasoline stocks amid higher demand. The oil market rallied to a high of \$66.88 in afternoon trading and settled in a sideways trading range ahead of the close. The March WTI ended the session up \$1.24 or 1.9% at \$66.43 and the April Brent contract settled up \$1.31 or 1.9% at \$71.66. The product markets ended the session higher, with the heating oil market settling up 9.6 cents at \$2.6147 and the RB market settling up 3.86 cents at \$2.0666.

Technical Analysis: While the crude market may see some selling on Friday ahead of the March contract's expiration at the close, the market's losses will be limited ahead of the weekend. The market remains concerned over the tensions between the U.S. and Iran and the possibility that the U.S. will pursue a military option if a deal is not reached with Iran on its nuclear program. The oil market is seen finding resistance at \$66.88 and \$69.80, while support is seen at \$66.90, \$62.12, \$61.87. Basis the April contract, the crude market is seen finding resistance at \$66.90 and \$68.11, while support is seen at \$64.77, \$64.46, \$63.75, \$63.03, \$62.04 and \$61.76.

Fundamental News: The EIA reported that U.S. crude, gasoline and distillate inventories fell last week as demand increased from refineries to the fuel pump. Crude inventories fell by 9 million barrels to 419.8 million barrels in the week ended February 13th. Crude stocks at the Cushing, Oklahoma fell by 1.1 million barrels. Total product supplied, a proxy for demand, increased by 540,000 bpd to 21.65 million bpd. U.S. product supplied of distillate fuel oil increased to 4.75 million bpd, the highest since January 2022. Gasoline demand increased by 449,000 bpd to 8.75 million bpd.

On Thursday, U.S. President Donald Trump warned Iran that it must reach a deal over its nuclear program or "bad things" will happen, and appeared to set a 10-day deadline before the U.S. might take action. President Trump said negotiations with Iran were going well but insisted Tehran has to reach a "meaningful" agreement. He called on Tehran to join the U.S. on the "path to peace." On Wednesday, a senior U.S. official said that Iran was expected to submit a written proposal on how to resolve its standoff with the United States after the talks in Geneva. The official said U.S. national security advisers met in the White House on Wednesday and were told all U.S. military forces deployed to the region should be in place by mid-March.

The Environmental Protection Agency reported that the U.S. generated fewer renewable blending credits in January. It reported that about 1.22 billion ethanol (D6) blending credits were generated in January, compared with about 1.32 billion in December. It reported that credits generated from biodiesel (D4) blending fell to 438 million in January from 670 million in December.

Early Market Call - as of 8:20 AM EDT

WTI - Mar \$66.09, down 69 cents

RBOB - Mar \$2.0039, down 81 points

HO - Mar \$2.6216, up 10 points

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Mar-26	2.6147	0.0960	0.2220
Apr-26	2.5076	0.0769	0.1972
May-26	2.4499	0.0629	0.1762
Jun-26	2.4104	0.0555	0.1599
Jul-26	2.3888	0.0521	0.1460
Aug-26	2.3740	0.0491	0.1349
Sep-26	2.3678	0.0464	0.1274
Oct-26	2.3636	0.0436	0.1211
Nov-26	2.3551	0.0406	0.1149
Dec-26	2.3421	0.0377	0.1084
Jan-27	2.3328	0.0351	0.1025
Feb-27	2.3190	0.0328	0.0962
Mar-27	2.2977	0.0306	0.0900
Apr-27	2.2691	0.0281	0.0827
May-27	2.2481	0.0261	0.0757
Jun-27	2.2314	0.0255	0.0683
Jul-27	2.2254	0.0249	0.0628

Sprague HeatCurve October 2026-April 2027

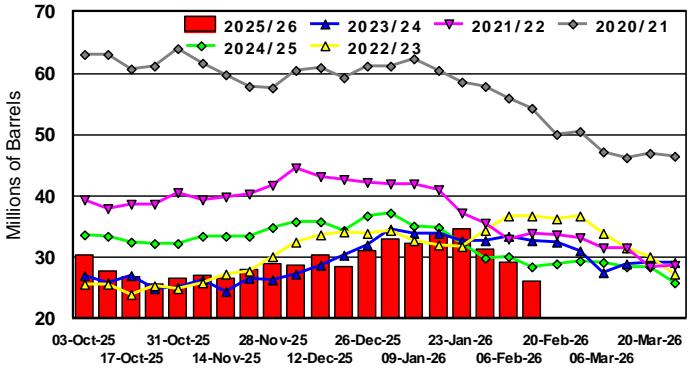
	Close	Change
Crude - WTI	Apr Brent- WTI Spread	\$66.4000
Crude - Brent		\$71.6600
Natural Gas	\$5.26	\$2.9960
Gasoline		\$2.0666

EIA Working Gas Storage Report

	13-Feb-26	06-Feb-26	Change	13-Feb-25
East	388	438	-50	426
Midwest	457	510	-53	503
Mountain	207	209	-2	184
Pacific	271	273	-2	210
South Central	747	784	-37	807
Salt	168	176	-8	216
Nonsalt	579	608	-29	591
Total	2070	2214	-144	2,129

Weekly EIA Petroleum Status Report for the Week Ending February 13, 2026

Distillate Stocks PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 9 million barrels

Cushing, OK Crude Stocks Down 1.09 million barrels

Gasoline Stocks Down 3.2 million barrels

Distillate Stocks Down 4.6 million barrels

Refinery % Operated 91%, up 1.6%

PADD #1

Distillate Stocks (in million bbl)	Week Ending Feb 13, 2026	Week Ending Feb 6, 2026	Week Ending Feb 14, 2025
New England	3.6	4.5	4.3
Central Atlantic	10.9	12.3	13.6
Total PADD #1	26.0	29.1	28.5
Distillate Imports (thousands b/d)	162	134	257

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