

Market Commentary

All NYMEX | Prior Settlements

Recap: The oil market posted an outside trading day on Monday. It weighed a scheduled third round of nuclear talks between the U.S. and Iran on Thursday and increased economic uncertainty after the U.S. Supreme Court last week struck down parts of President Donald Trump's tariff plans. Over the weekend, Iran indicated it is prepared to make concessions on its nuclear program in return for sanctions lifting and recognition of its right to enrich uranium. However, the risk of an attack on Iran remains high amid the U.S. military buildup in the Middle East. The oil market was pressured following the U.S. Supreme Court decision, with the U.S. Customs and Border Protection Agency saying it would halt collections of tariffs on Tuesday, while President Donald Trump said over the weekend that he would raise a temporary tariff from 10% to 15% on U.S. imports from all countries. The market sold off sharply on the opening and posted a low of \$65.38. It settled in a sideways trading range before it bounced higher and rallied to a high of \$67.28 by mid-morning. The market later retraced more than 62% of its earlier move and settled in a sideways trading range during the remainder of the session. The April WTI contract settled down 17 cents at \$66.31, while the April Brent contract settled down 27 cents at \$71.49. Meanwhile, the product markets ended the session in mixed territory, with the heating oil market settling up 9.24 cents at \$2.6782 following the winter storm that swept through the Northeast, while the RB market settled down 81 points at \$1.9892.

Technical Analysis: The crude market will remain headline driven as traders position themselves ahead of the meeting between the U.S. and Iran on Thursday. The market will likely find some pressure amid the economic uncertainty due to the tariff upheaval. The oil market is seen finding support at \$65.38, \$64.77, \$64.00, \$63.88, followed by \$62.04 and \$61.76. Meanwhile, resistance is seen at \$67.28, \$67.74, \$69.58, \$70.41 and \$70.51.

Fundamental News: Goldman Sachs said the global oil market was expected to remain with a surplus of 2.3 million bpd in 2026, assuming no Iran-related disruption to supply, while raising its Brent and WTI forecasts for the fourth quarter of 2026 by \$6 to \$60 and \$56 a barrel, respectively, citing lower OECD inventories. It sees potential sanctions relief in Iran/Russia accelerating stock builds and unlocking higher supply in the longer term, posing \$5/\$8 of downside risk to fourth quarter prices. It expects Brent/WTI to average \$65/\$61 in 2027 and to recover to \$70/\$66 by December 2027 on solid demand and slowing supply growth.

Morgan Stanley raised its near-term Brent forecasts, saying that the geopolitical risk premium is likely to persist for a period, but added that it still expects prices to soften to \$60/barrel later this year. The bank now sees Brent at \$62.50/barrel in the second quarter of this year, compared with \$57.50/barrel previously. It also raised its third-quarter forecast to \$60/barrel from \$57.50/barrel earlier.

IIR Energy reported that U.S. oil refiners are expected to shut in about 1.03 million bpd of capacity in the week ending February 27th, increasing available refining capacity by 118,000 bpd. Offline capacity is expected to fall to 751,000 bpd in the week ending March 6th.

Rob Carolan, owner of Hometown Forecast Services, which provides outlooks for Bloomberg Radio said the storm that hit the U.S. East Coast originated from a strong Pacific system that struck California with heavy snow and flooding rain last week, built off the clash of cold air above milder Atlantic water to morph into a so-called weather bomb. He said the eastern U.S. will probably remain locked in a colder regime for months because of all the snow and ice across the Great Lakes. He added that the only thing that will unlock the pattern is the sun rising higher in the sky as spring in the Northern Hemisphere advances.

Early Market Call - as of 9:10 AM EDT

- WTI - Mar \$66.79, up 50 cents
- ROBO - Mar \$1.9844, down 83 points
- HO - Mar \$2.7375, up 5.21 cents

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Mar-26	2.6782	0.0924	0.2903
Apr-26	2.5192	0.0411	0.2189
May-26	2.4554	0.0277	0.1900
Jun-26	2.4148	0.0196	0.1709
Jul-26	2.3959	0.0185	0.1607
Aug-26	2.3842	0.0187	0.1532
Sep-26	2.3804	0.0194	0.1481
Oct-26	2.3780	0.0199	0.1434
Nov-26	2.3696	0.0192	0.1370
Dec-26	2.3553	0.0175	0.1291
Jan-27	2.3450	0.0163	0.1219
Feb-27	2.3302	0.0146	0.1139
Mar-27	2.3088	0.0138	0.1067
Apr-27	2.2803	0.0125	0.0985
May-27	2.2584	0.0113	0.0893
Jun-27	2.2411	0.0098	0.0805
Jul-27	2.2343	0.0082	0.0735

Sprague HeatCurve October 2026-April 2027		Close	Change
Crude - WTI	Apr Brent-WTI Spread \$5.18	\$66.3100	-\$0.1700
Crude - Brent		\$71.4900	-\$0.2700
Natural Gas		\$2.9850	-\$0.0620
Gasoline		\$1.9892	-\$0.0081

April ROBO Crack Spread



April Heating Oil Crack Spread



Weather Forecast

8-14 Day Temperature Outlook

Valid: March 3 - 9, 2026
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