

## Market Commentary

**Recap:** The oil market posted an inside trading day on Tuesday following an outside trading day on Monday. The market remained mostly under pressure following early gains after Iran said it was prepared to take any necessary steps to reach a deal with the United States ahead of nuclear talks scheduled for Thursday. The crude market retraced some of Monday's afternoon losses and traded to a high of \$67.15 in early morning trading. However, the market erased its gains and sold off to a low of \$65.55 ahead of the close. The April WTI contract settled down 68 cents at \$65.63 and the April Brent contract settled down 72 cents at \$70.77. The product markets ended the session in mixed territory once again, with the heating oil market settling up 87 points at \$2.6869 and the RB market settling down 1.78 cents at \$1.9714.

**Technical Analysis:** The crude market will remain in its recent trading range as it awaits for further developments on the tensions between the U.S. and Iran, ahead of their scheduled meeting on Thursday. It will have to be seen if Iran can agree to a deal on its nuclear program. The market will also look to the weekly petroleum stocks report for further direction. The inventory reports are expected to show builds in crude stocks of about 1.5 million barrels and draws in product stocks. The oil market is seen finding support at its low of \$65.55, \$65.38, \$64.77, \$64.00, \$63.88, followed by \$62.04 and \$61.76. Meanwhile, resistance is seen at \$67.15, \$67.28, \$67.74, \$69.58, \$70.41 and \$70.51

**Fundamental News:** Iran's Deputy Foreign Minister, Majid Takht-Ravanchi, said Iran is ready to take any necessary steps to reach a deal with the United States, as the two countries head to a new round of talks. The Iranian diplomat said any U.S. strike on Iran is "a real gamble", adding that Tehran is ready to reach a deal with Washington as soon as possible.

The White House said U.S. President Donald Trump's first option with Iran is always diplomacy but he is willing to use lethal force if necessary.

Executives said the oil industry needs crude prices to increase and sustain at \$70/barrel in order to grow output. Vicki Hollub, CEO of U.S. oil producer Occidental, said U.S. oil production can be maintained at its current level in the \$60 to \$65 price range. Meanwhile, Scott Sheffield, founder of Pioneer Natural Resources, echoed the comments, warning that production from the Permian Basin in the U.S. would drop off if crude prices declined to about \$50/barrel.

On Tuesday, UBS said it expects a modest decline in oil prices in coming weeks provided there is no escalation of tensions in the Middle East that could disrupt supply. It said a gradual fading of the risk premium and easing supply disruptions should bring Brent back into the \$60 to \$70/barrel range. UBS also set an end-March 2027 Brent forecast of \$67/barrel and widened its assumed WTI-Brent discount to \$4/barrel from \$3/barrel.

According to sources and data, trading houses and buyers of Venezuelan oil have chartered the first very large crude carriers to export from Venezuela since a Caracas-Washington supply deal began, which is set to increase shipments from March while raising deliveries to India. The majority exports have gone in Panamax and Aframax tankers to U.S. refineries, and in Suezmaxes to terminals in Curacao, St. Lucia, St. Eustatius and the Bahamas in the Caribbean, where the traders have been storing and shipping to U.S. and European ports.

**Early Market Call - as of 8:55 AM EDT**

WTI - Mar \$65.92, down 15 cents  
 RBOB - Mar \$1.9950, down 4 points  
 HO - Mar \$2.6550, down 6.31 cents

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Mar-26	\$2.6869	\$0.0087	\$0.2963
Apr-26	\$2.5139	-\$0.0053	\$0.2035
May-26	\$2.4490	-\$0.0064	\$0.1731
Jun-26	\$2.4085	-\$0.0063	\$0.1554
Jul-26	\$2.3902	-\$0.0057	\$0.1466
Aug-26	\$2.3794	-\$0.0048	\$0.1410
Sep-26	\$2.3769	-\$0.0035	\$0.1379
Oct-26	\$2.3761	-\$0.0019	\$0.1355
Nov-26	\$2.3694	-\$0.0002	\$0.1312
Dec-26	\$2.3572	\$0.0019	\$0.1257
Jan-27	\$2.3489	\$0.0039	\$0.1207
Feb-27	\$2.3354	\$0.0052	\$0.1145
Mar-27	\$2.3145	\$0.0057	\$0.1078
Apr-27	\$2.2865	\$0.0062	\$0.1007
May-27	\$2.2659	\$0.0075	\$0.0940
Jun-27	\$2.2493	\$0.0082	\$0.0877
Jul-27	\$2.2427	\$0.0084	\$0.0817

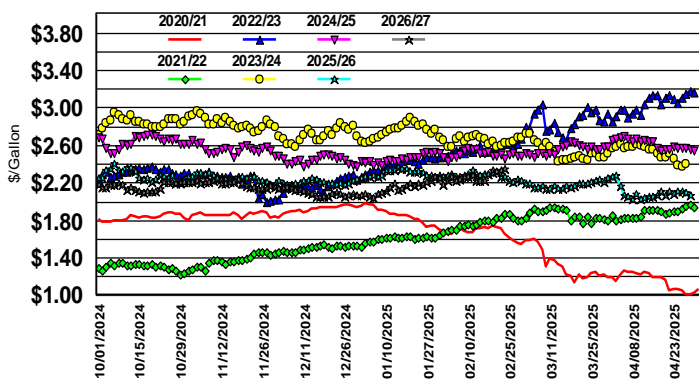
Sprague HeatCurve October 2026-April 2027		Close	Change
Crude - WTI	Apr Brent-WTI Spread \$5.14	\$65.6300	-\$0.6800
Crude - Brent		\$70.7700	-\$0.7200
Natural Gas		\$2.9150	-\$0.0700
Gasoline		\$1.9714	-\$0.0178

## API Report for the Week Ending February 20, 2025

	Actual	Mkt Expectations
Crude Oil Stocks(exl SPR)	Up 11.43 million barrels	Up 1.5 million barrels
Gasoline Stocks	Down 1.54 million barrels	Down 600,000 barrels
Distillate Stocks	Down 2.77 million barrels	Down 1.6 million barrels
Refinery Runs		Unchanged, at 90.5%

## Sprague HeatCurve

### Sprague HeatCurve October-April



## Weather Forecast

### 8-14 Day Temperature Outlook

Valid: March 4 - 10, 2026  
 Issued: February 24, 2026

