

## Market Commentary

**Recap:** The crude market settled lower in light of the EIA petroleum stocks report showing a much larger than expected draw in U.S. crude stocks. The oil market traded to a high of \$66.60 in overnight trading amid the concerns over a possible military campaign against Iran that could disrupt supply. U.S. President Donald Trump laid out his case for a possible attack on Iran in his State of the Union address to Congress on Tuesday night. The market later erased some of its gains ahead of the release of the weekly petroleum stocks reports. It sold off to a low of \$65.12 in light of the inventory report showing a larger than expected build in crude stocks of 16 million barrels on the week. However, the market's losses were limited and retraced some of its losses ahead of the close. The April WTI contract settled down 21 cents at \$65.42, while the Brent contract settled up 8 cents at \$70.85. The product markets ended the session in mixed territory, while the heating oil market gave up some of its previous sharp gains and settled down 1.29 cents at \$2.6740 and the RB market settled up 2 cents at \$1.9914.

**Technical Analysis:** The oil market is seen trending sideways as traders await the outcome of the meeting between the U.S. and Iranian officials on Thursday. It will remain supported as long as the threat of a military campaign against Iran is present. While Iran stated on Tuesday that a deal with the U.S. was within reach, it will have to be seen whether Iran's concessions will meet the U.S.' zero enrichment red line. However, it should be noted that Saudi Arabia has activated a plan for a short-term oil output and export increase in case a U.S. strike on Iran disrupts oil flows from the Middle East. The crude market is seen finding support at \$65.12, \$64.77, \$64.00, \$63.22 and \$62.04. Meanwhile, resistance is seen at \$66.60, \$67.15, \$67.28, \$67.74, \$69.58, \$70.41 and \$70.51.

**Fundamental News:** The EIA reported that U.S. crude inventories increased by the most last week since February 2023, as refinery utilization slowed and imports increased. Crude inventories increased by 16 million barrels to 435.8 million barrels in the week ending February 20<sup>th</sup>. Crude stocks at the Cushing, Oklahoma, delivery hub increased by 881,000 barrels. Net U.S. crude imports increased last week by 412,000 bpd to 2.35 million bpd. The EIA reported that U.S. crude oil imports from Venezuela increased by 290,000 bpd to 339,000 bpd in the week ending February 20<sup>th</sup>, the highest level since January 2025.

Bloomberg reported Iran has been loading oil onto tankers at a rapid pace in recent days, a potential sign of the Persian Gulf state's preparations in case of an attack by the U.S. According to Kpler data, exports from Kharg Island from February 15<sup>th</sup> to 20<sup>th</sup> were at nearly 20.1 million barrels. That's almost three times the amount loaded over the same dates in January and the equivalent of more than 3 million bpd, far beyond Iran's usual daily rate. According to Samir Madani, co-founder of TankerTrackers.com, estimates that Iranian exports will average between 1.5 million and 1.6 million barrels a day this month.

Three sources stated that OPEC+ will likely consider raising its oil output by 137,000 bpd for April to end a three-month pause in production increases, as the group prepares for peak summer demand and tensions between the U.S. and OPEC member Iran increase prices. The resumption would allow OPEC leader Saudi Arabia and fellow members, such as the UAE, to regain market share at a time other OPEC+ members, such as Russia and Iran, contend with Western sanctions and Kazakh output is recovering from a series of setbacks. Eight OPEC+ producers, Saudi Arabia, Russia, the United Arab Emirates, Kazakhstan, Kuwait, Iraq, Algeria and Oman, are scheduled to meet on March 1<sup>st</sup>.

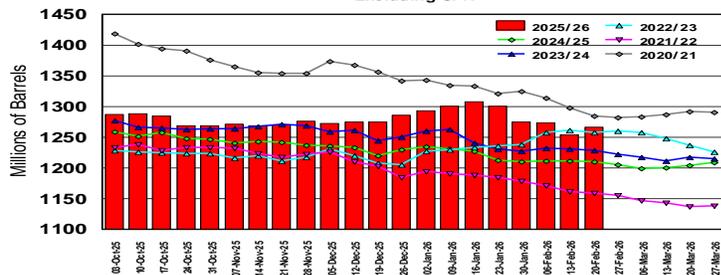
**Early Market Call - as of 9:30 AM EDT**  
**WTI - Mar \$64.17, down \$1.40**  
**RBOB - Mar \$1.9786, down 1.64 cents**  
**HO - Mar \$2.6134, down 5.93 cents**

## All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Mar-26	2.6740	-0.0129	0.1553
Apr-26	2.5309	0.0170	0.1002
May-26	2.4648	0.0158	0.0778
Jun-26	2.4226	0.0141	0.0677
Jul-26	2.4018	0.0116	0.0651
Aug-26	2.3889	0.0095	0.0640
Sep-26	2.3851	0.0082	0.0637
Oct-26	2.3834	0.0073	0.0634
Nov-26	2.3767	0.0073	0.0622
Dec-26	2.3646	0.0074	0.0602
Jan-27	2.3561	0.0072	0.0584
Feb-27	2.3429	0.0075	0.0567
Mar-27	2.3216	0.0071	0.0545
Apr-27	2.2932	0.0067	0.0522
May-27	2.2722	0.0063	0.0502
Jun-27	2.2552	0.0059	0.0493
Jul-27	2.2494	0.0067	0.0489

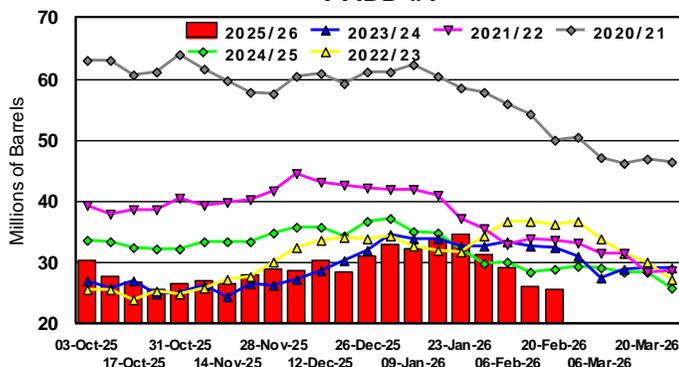
Sprague HeatCurve October 2026-April 2027		\$2.3486
	Close	Change
Crude - WTI	\$65.4200	-\$0.2100
Crude - Brent	\$70.8500	\$0.0800
Natural Gas	\$2.9690	\$0.0540
Gasoline	\$1.9914	\$0.0200

## Total U.S. Oil Stocks Excluding SPR



## Weekly EIA Petroleum Status Report for the Week Ending February 20, 2026

### Distillate Stocks PADD #1



### Overall U.S. Stats

**Crude Oil Stocks(excluding SPR) Up 16 million barrels**  
**Cushing, OK Crude Stocks Up 881,000 barrels**  
**Gasoline Stocks Down 1 million barrels**  
**Distillate Stocks Up 252,000 barrels**  
**Refinery % Operated 88.6%, down 2.4%**

### PADD #1

Distillate Stocks (in million bbl)	Week Ending Feb 20, 2026	Week Ending Feb 13, 2026	Week Ending Feb 21, 2025
New England	3.5	3.6	4.3
Central Atlantic	11.3	10.9	13.6
Total PADD #1	25.6	26.0	28.8
Distillate Imports (thousands b/d)	392	162	342

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