

Market Commentary

All NYMEX | Prior Settlements

Recap: The oil market continued to trend higher on Thursday, with the expiring March WTI contract ending the session up 0.44% amid the continuing concerns over supply disruptions. The market traded lower in overnight trading in light of the API report late Wednesday showing a build in crude stocks of over 3.3 million barrels. It posted a low of \$71.85 before it bounced off that level and retraced some of its losses ahead of the release of the EIA's weekly petroleum report on Thursday afternoon. The market failed to test its previous low as it remained buoyed by the supply concerns, with an arctic blast in the U.S. freezing wells and cutting output and the news earlier this week of Caspian Pipeline Consortium oil flows falling by 30%-40% after a Ukrainian drone attack on a pumping station. The market rallied to a high of \$73.25 following the release of the EIA report, which showed a larger than expected build in crude stocks of 4.6 million barrels, while distillate and gasoline stocks fell on the week. The expiring March contract later erased some of its gains ahead of the close and went off the board up 32 cents at \$72.57. The April WTI contract settled up 38 cents at \$72.48 and the April Brent contract settled up 44 cents at \$76.48. Meanwhile, the heating oil market settled up 4.69 cents at \$2.5034 and the RB market settled unchanged at \$2.0865.

Technical Analysis: The crude market on Friday is seen trending sideways as the market erases some of its gains on easing supply concerns. The oil output that was shut due to freezing temperatures in North Dakota is expected to begin its resumption as temperatures moderate. The market is also seen trending sideways as it awaits further developments on the Ukraine-Russia peace talks. The oil market, basis the April contract, is seen finding support at \$71.73, \$71.69, \$70.12-\$70.10, \$70.00 and \$69.75. Meanwhile, resistance is seen at \$73.14, \$73.33, \$74.00, \$74.06, \$74.32, \$74.51 and \$74.90.

Fundamental News: The EIA reported that crude oil stocks in the week ending February 14th built by over 4.6 million barrels to 432.5 million barrels. It reported there was no crude oil addition to the SPR in the latest week for the first time since December 2023. The EIA also reported that distillate stocks fell by 2.051 million barrels on the week to 116.6 million barrels. The U.S. four-week average product supplied of distillate fuel oil increased by 64,000 bpd to 4.289 million bpd, the highest level since March 2022.

Justin Kringstad, director of the North Dakota Pipeline Authority, said North Dakota's oil production was estimated to be down between 130,000 and 160,000 bpd as of Thursday morning due to the recent extreme cold and related operational challenges. Associated wellhead natural gas production was estimated to be down 0.37-0.45 bcf/d. The director said that with warmer weather moving into the region on Thursday, he expects it take up to a week for most of the curtailed production to resume.

U.S. President Donald Trump's Ukraine and Russia envoy Keith Kellogg met Ukraine's President Volodymyr Zelenskyy in Kyiv on Thursday. Ukraine's President Zelenskyy had earlier struck a conciliatory tone after accusing U.S. President Trump of repeating Russian disinformation in response to the U.S. president's accusation that Ukraine had started the war with Russia. President Trump referred to Ukraine's President as a "dictator" who should act fast or lose Ukraine.

NatGasWeather reported that an Arctic blast will continue to impact much of the eastern half of the U.S. through Saturday, with highs of -0s to 40s and lows of -20s-30s, with very strong heating demand. The warmer exception will be the West and far southern and western U.S., with highs of 50s-70s. Temperatures will begin to moderate over much of the U.S. late this weekend into early next week, with highs of 40s-70s.

Early Market Call - as of 8:35AM EDT

WTI - Apr \$72.05, down 42 cents
 RBOB - Mar \$2.0764, down 1.01 cents
 HO - Mar \$2.4773, down 2.55 cents

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Mar-25	2.5034	0.0469	0.0547
Apr-25	2.4466	0.0396	0.0561
May-25	2.3857	0.0279	0.0459
Jun-25	2.3467	0.0202	0.0382
Jul-25	2.3302	0.0168	0.0328
Aug-25	2.3230	0.0151	0.0315
Sep-25	2.3259	0.0150	0.0339
Oct-25	2.3302	0.0149	0.0364
Nov-25	2.3286	0.0145	0.0366
Dec-25	2.3226	0.0142	0.0355
Jan-26	2.3195	0.0134	0.0335
Feb-26	2.3102	0.0122	0.0319
Mar-26	2.2940	0.0108	0.0303
Apr-26	2.2722	0.0096	0.0297
May-26	2.2586	0.0087	0.0296
Jun-26	2.2485	0.0087	0.0292
Jul-26	2.2469	0.0081	0.0292

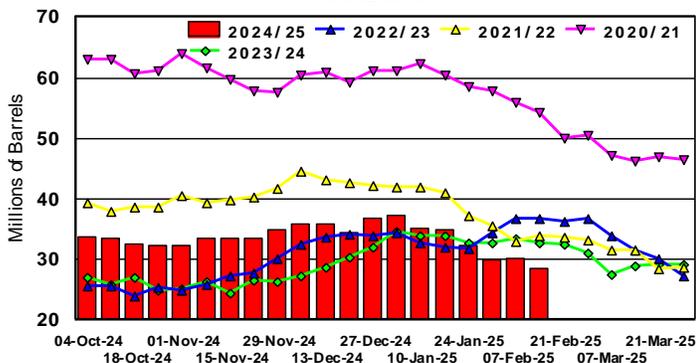
Sprague HeatCurve October 2025-April 2026		\$2.3120	
		Close	
Crude - WTI	Apr Brent-	\$72.4800	\$0.3800
Crude - Brent	WTI Spread	\$76.4800	\$0.4400
Natural Gas	\$4.00	\$4.1520	-\$0.1280
Gasoline		\$2.0865	\$0.0000

EIA Working Gas Storage Report

	14-Feb-25	07-Feb-25	Change	14-Feb-24
East	419	468	-49	513
Midwest	494	559	-65	640
Mountain	182	193	-11	174
Pacific	208	224	-16	218
South Central	799	853	-54	942
Salt	214	229	-15	276
Nonsalt	585	624	-39	666
Total	2101	2297	-196	2,487

Weekly EIA Petroleum Status Report for the Week Ending February 14, 2025

Distillate Stocks PADD #1



Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 4.633 million barrels
 Cushing, OK Crude Stocks Up 1.472 million barrels
Gasoline Stocks Down 151,000 barrels
Distillate Stocks Down 2.051 million barrels
Refinery % Operated 84.9%, up 0.1%

PADD #1

Distillate Stocks (in million bbl)	Week Ending Feb. 14, 2025	Week Ending Feb. 7, 2024	Week Ending Feb. 15, 2024
New England	4.3	5.2	4.8
Central Atlantic	13.6	14.6	17.5
Total PADD #1	28.5	30.0	32.6
Distillate Imports (thousands b/d)	257	215	233

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