

Market Commentary

Recap: The crude oil market on Thursday traded higher on supply concerns after U.S. President Donald Trump revoked a license granted to Chevron to operate in Venezuela. Chevron will no longer be able to export Venezuelan crude following the revocation of its license. Chevron exported about 240,000 bpd of crude from its Venezuelan operations, more than a quarter of the country's oil output. The oil market traded mostly sideways in overnight trading, posting a low of \$68.61. The market, however, bounced off that level and rallied higher on the Chevron license news. The crude market retraced more than 38% of its move from a high of \$73.14 to Wednesday's low of \$68.36 as it traded to a high of \$70.54 in afternoon trading. The market later traded in a sideways trading range ahead of the close. The April WTI contract settled up \$1.73 at \$70.35 and the April Brent contract settled up \$1.51 at \$74.04. The product markets also ended higher, with the heating oil market ending the session up 5.16 cents at \$2.3959 and the RB market settling up 4.77 cents at \$1.9966.

Technical Analysis: The oil market on Friday is seen remaining in its sideways trading range as the market weighs the latest policy changes by the Trump administration, with the Chevron license revocation and sanctions imposed on Iran and Russia, against a potential peace deal in Ukraine. The market will also look for further direction from the economic news, with the Personal Consumption Expenditures price index due out on Friday morning. The crude market is seen finding support at its low of \$68.61, \$68.36, \$68.00, \$67.92, \$67.75, \$67.67, \$67.18 followed by \$66.62 and \$66.41. Meanwhile, resistance is seen at its high of \$70.54, \$70.75, \$71.26, \$71.31 and \$72.77.

Fundamental News: On Thursday, U.S. President Donald Trump said that his proposed tariffs on Mexico and Canada will go into effect March 4th as scheduled because drugs are still pouring into the United States from those countries. He also said China will be charged an additional 10% on that day. Earlier on Thursday, White House economic adviser, Kevin Hassett, said U.S. President Donald Trump will decide on tariff policies after the completion of a study on April 1st.

Sources said the announced cancellation of a license for Chevron to operate in Venezuela is expected to lead to the negotiation of a fresh agreement with state company PDVSA to export crude to destinations other than the U.S. As of Thursday, cargoes chartered by Chevron were departing as scheduled from Venezuelan ports bound for the U.S. The U.S. Treasury Department has not published the license's cancellation terms nor set a deadline to wind down exports.

Several OPEC+ sources said OPEC+ is debating whether to raise oil output in April as planned or freeze it as its members struggle to read the global supply picture because of new U.S. sanctions on Venezuela, Iran and Russia. Some of the sources said the United Arab Emirates, keen to make use of its increasing output capacity, would like to proceed with the increase, as would Russia, while other members including Saudi Arabia favor a delay.

A court document showed and a government official said the Iraqi government has made a new attempt to deem all Kurdish production-sharing oil contracts illegal by filing new papers to a court in Baghdad. The move casts further doubt on the speedy resumption of oil exports from Iraq's semi-autonomous Kurdistan region, promised by Baghdad, after a nearly two-year halt. The Iraqi government has challenged the legality of existing production-sharing contracts of foreign firms in the Kurdistan region via a court case which began in 2022.

Early Market Call - as of 8:20 AM EDT

WTI - Apr \$69.42, down 93 cents
 RBOB - Mar \$1.9839, down 1.27 cents
 HO - Mar \$2.3756, down 2.03 cents

All NYMEX | Prior Settlements

	ULSD (HO) Close	Prior Settle Change	Change In One Week
Mar-25	2.3959	0.0516	-0.1075
Apr-25	2.3481	0.0561	-0.0985
May-25	2.2874	0.0510	-0.0983
Jun-25	2.2494	0.0454	-0.0973
Jul-25	2.2377	0.0431	-0.0925
Aug-25	2.2340	0.0420	-0.0890
Sep-25	2.2390	0.0419	-0.0869
Oct-25	2.2450	0.0415	-0.0852
Nov-25	2.2465	0.0413	-0.0821
Dec-25	2.2442	0.0407	-0.0784
Jan-26	2.2454	0.0403	-0.0741
Feb-26	2.2402	0.0399	-0.0700
Mar-26	2.2284	0.0392	-0.0656
Apr-26	2.2098	0.0383	-0.0624
May-26	2.1999	0.0371	-0.0587
Jun-26	2.1927	0.0352	-0.0558
Jul-26	2.1941	0.0348	-0.0528

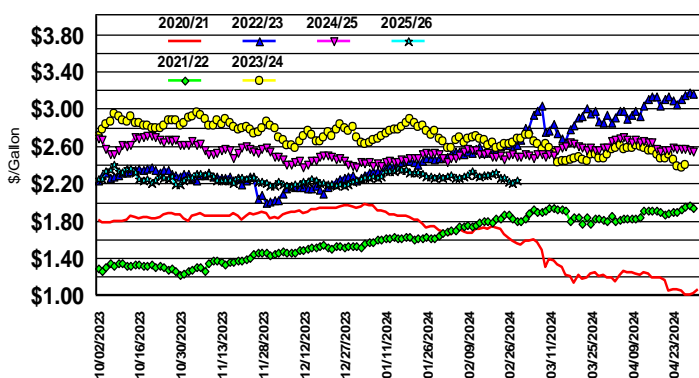
Sprague HeatCurve October 2025-April 2026		Close	Change
Crude - WTI	Apr Brent- WTI Spread \$3.69	\$70.3500	\$1.7300
Crude - Brent		\$74.0400	\$1.5100
Natural Gas		\$3.9340	\$0.0280
Gasoline		\$1.9966	\$0.0477

EIA Working Gas Storage Report

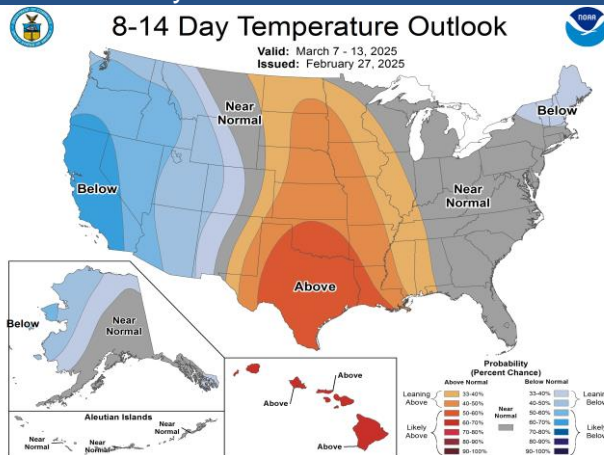
	21-Feb-25	14-Feb-25	Change	21-Feb-24
East	362	419	-57	468
Midwest	424	494	-70	609
Mountain	168	182	-14	170
Pacific	198	208	-10	217
South Central	688	799	-111	938
Salt	159	214	-55	276
Nonsalt	528	585	-57	662
Total	1840	2101	-261	2,401

Sprague HeatCurve October-April

Sprague HeatCurve October-April



8-14 Day Weather Forecast



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