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## MARKET ANALYSIS

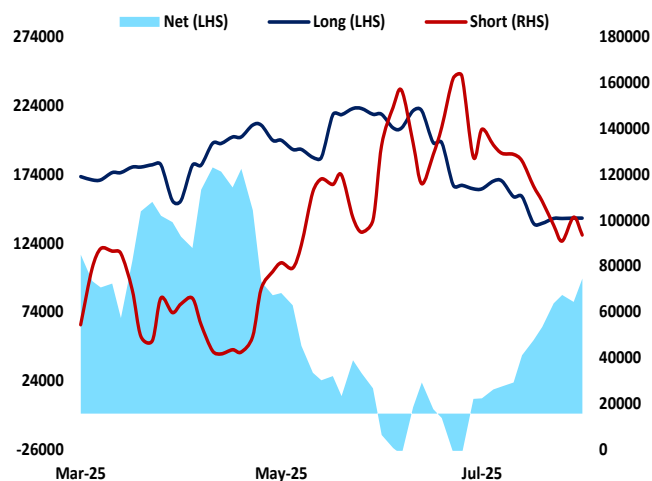
FUTURES PRICE ACTION						20th - 27th Feb '26	
COMMODITY	QUOTE	HIGH	LOW	CLOSE	CHANGE	CHANGE (%)	
BRENT CRUDE	\$/bbl	73.0	69.2	72.5	0.7	1.0%	
WTI CRUDE	\$/bbl	67.8	63.6	67.0	0.6	0.9%	
MCX CRUDE	Rs/bbl	6,189	5,801	6,092	35	0.6%	
NYMEX NATURAL GAS	\$/MMBtu	3.253	2.775	2.859	-0.2	-6.2%	
MCX NATURAL GAS	Rs/MMBtu	289.9	253.3	262.3	-19.9	-7.1%	
EUROPEAN DUTCH TTF	€/MWh	33.0	30.1	32.0	-0.1	-0.2%	
JAPAN KOREA MARKER (ASIA)	\$/MMBtu	11.1	10.1	10.7	0.1	0.8%	

Source : Bloomberg, KS Commodity Research

**Crude oil** – WTI crude oil climbed to \$67.8/bbl, its highest level since August 2025, buoyed by the rising likelihood of a strike on Iran as key sticking points remain unresolved in U.S.–Iran nuclear talks. Oil prices were volatile throughout the week, briefly slipping below \$64/bbl amid the resumption of talks, a sharp 16-million-barrel rise in U.S. crude inventories, and expectations that OPEC+ may increase output in April. Today, WTI and Brent crude prices briefly surged above \$75/bbl and \$82/bbl, respectively, highest levels since June and January 2025, in a sharp knee-jerk reaction on Monday amid Iran retaliatory strikes across the Middle East in response to ongoing military action by the U.S. and Israel, further amplifying fears of regional supply instability. The situation turned increasingly volatile following the reported death of Iranian Supreme Leader Ayatollah Ali Khamenei. Reports of attacks on at least three vessels near the Strait of Hormuz, significantly impacted tanker traffic through the critical waterway. Iran has reportedly warned ships against transiting the Strait, which handles nearly 20% of global oil and gas flows, leading to a precautionary pause by several shipowners and traders as the conflict continues to escalate. Crude prices have since retreated from their highs, with WTI and Brent slipping below \$73/bbl and \$79/bbl, respectively, as traders reassess the actual risk to physical supply. Sustained upside would likely require prolonged disruption in Hormuz, potentially lasting four to five weeks, in line with the timeframe referenced by Trump regarding military operations. Although OPEC+ plans to increase output by 206,000 bpd from April, additional supply would struggle to offset a major chokepoint closure. Also, Trump floated possible sanctions relief if Iran’s new leadership adopts a constructive approach, but Iran’s Supreme National Security Council Secretary Ali Larijani dismissed any immediate return to talks with the US, dimming diplomacy hopes and keeping oil risk premiums elevated in the near term.

**Natural Gas** - NYMEX gas futures fell 6% last week to \$2.77/MMBtu, pressured by warmer-than-normal early March forecasts, below average storage draws, and robust U.S. output. Commodity Weather Group expects above-normal temperatures nationwide on March 3–7 and across the eastern U.S. on March 8–12, curbing heating demand. Lower-48 output averaged 108.7 Bcf/day in February, up from 106.3 Bcf/day in January and just shy of December’s 109.7 Bcf/day record, according to LSEG data. Further, Edison Electric Institute reported U.S. lower-48 electricity generation fell 13.5% yoy for the week ended February 21. Prices rebounded Friday to \$2.89/MMBtu as rising U.S.–Iran tensions supported near-record LNG export flows, with feedgas deliveries averaging 18.3 Bcf/day in February, close to December’s peak. Today, gas futures surged 6% to above \$3/MMBtu and may remain buoyed as coordinated U.S. and Israel strikes on Iran, stoked fears of wider Middle East supply disruptions that could impact global natural gas trade. Any de-escalation, however, would shift focus back to milder weather and potential output growth, with the U.S. gas rig count now at 2.5 year high of 134.

## WTI speculative positions (lots)



Source- US CFTC, ICE Europe, KS Commodity Research

## EIA Weekly Report for the week ended 24-Feb-26

(million barrels)	Last	Previous	Change
Commercial crude stocks	435.8	419.8	16.0
Crude oil in SPR	415.4	415.4	0.0
Cushing OK stocks	24.9	24.0	0.9
Motor gasoline	254.8	255.8	-1.0
Distillate fuel oil	120.4	120.1	0.3
US crude production (kbpd)	13,702	13,735	-33.0
US Petroleum imports (kbpd)	8,673	7,960	713
US petroleum exports (kbpd)	10,914	11,543	-629
Refinery utilization (%)	88.6	91.0	-2.4
Baker Hughes rigs (nos)	482	480	-4

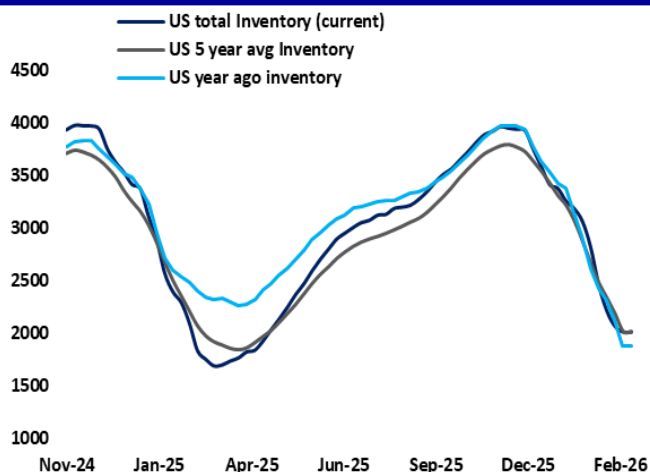
Source : EIA, Bloomberg, KS Commodity Research

## US LNG flows (billion cubic feet)

Terminals	20-Feb	21-Feb	22-Feb	23-Feb	24-Feb	25-Feb	26-Feb	week ago	month ago	year ago
Sabine Pass	-4.9	-5.0	-5.2	-5.2	-5.1	-4.9	-5.0	-4.9	-3.6	-4.7
Cove Point	-0.9	-0.8	-0.8	-0.8	-0.8	-0.8	-0.8	-0.9	-0.3	-0.9
Corpus Christi	-3.2	-3.2	-3.3	-3.3	-3.3	-3.3	-3.2	-3.2	-2.3	-2.6
Cameron	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-1.9	-2.2
Freeport	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-1.5	-2.3
Elba Island	-1.7	-1.7	-1.8	-1.7	-1.7	-1.7	-1.6	-1.6	-1.3	-1.4
Calcasieu Pass	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	-0.4	1.0	-0.3
<b>Total LNG exports</b>	<b>-15.4</b>	<b>-15.4</b>	<b>-15.8</b>	<b>-15.8</b>	<b>-15.7</b>	<b>-15.6</b>	<b>-15.4</b>	<b>-15.5</b>	<b>-9.8</b>	<b>-14.3</b>

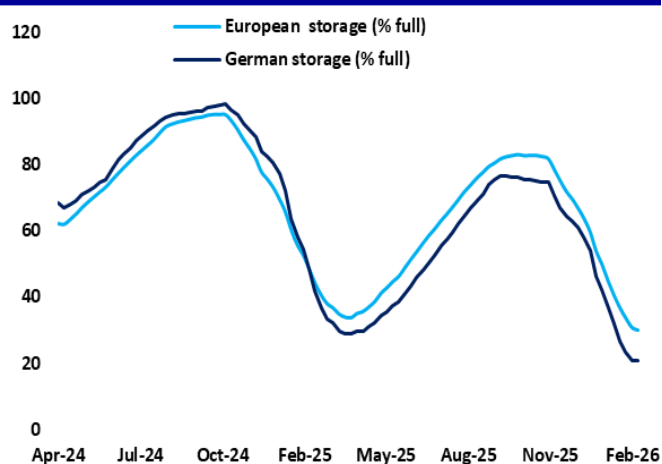
Source : Bloomberg, KS Commodity Research

## US Natural Gas Inventory



Source- Bloomberg, KS Commodity Research

## European Gas Storage levels



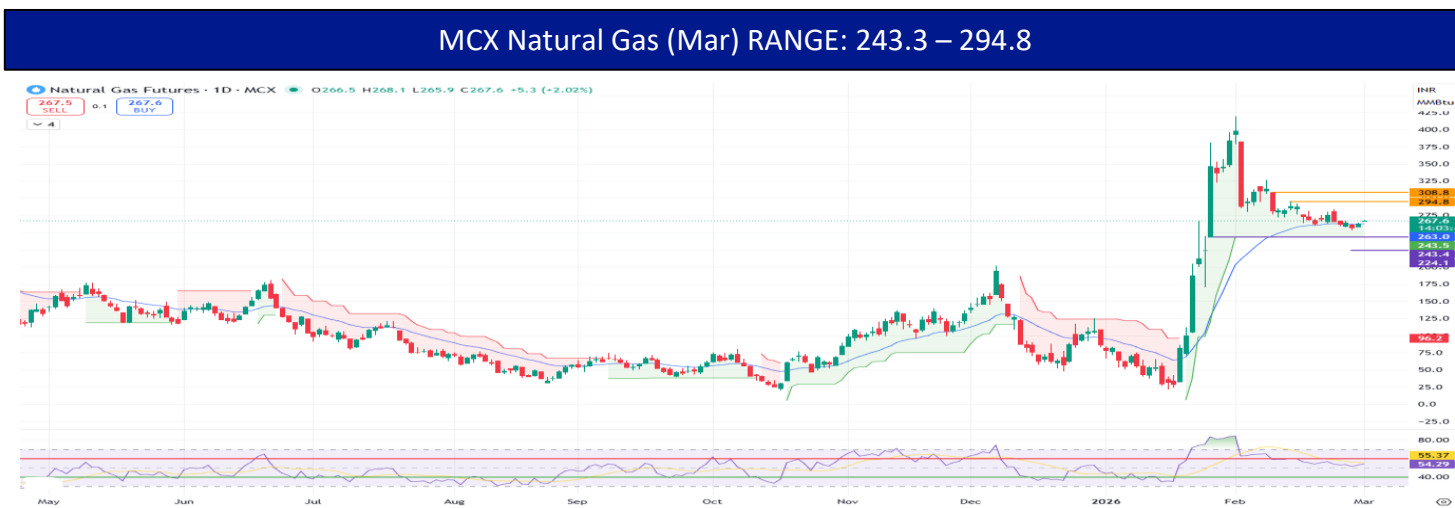
Source- Bloomberg, KS Commodity Research

## TECHNICAL OUTLOOK



Source: Trading View, KS Commodity Research

On the daily chart, MCX Crude Oil Futures have confirmed a decisive bullish breakout after successfully breaching a long-term descending trendline, signaling a structural shift from a corrective phase to a potential uptrend. The breakout is supported by a strong bullish momentum candle, indicating aggressive buying participation and renewed upside conviction. Price action has moved firmly above the 21-day EMA, which has started to slope higher, reflecting strengthening short-term trend dynamics. Additionally, the Supertrend indicator has turned positive, reinforcing the improving trend structure and suggesting continuation of bullish momentum. The prior resistance zone near 6,092–5,942 is now expected to act as immediate support, while the breakout opens room for a potential move toward higher resistance levels placed at 6,721 followed by 6,827. Momentum indicators remain supportive, with RSI sustaining above the 60 mark and rising toward the overbought region, highlighting strong underlying strength rather than exhaustion. Overall, the technical setup remains constructive, and as long as prices hold above the breakout support zone, dips are likely to attract buying interest, favoring a buy-on-decline approach in the near term.



Source: Trading View, KS Commodity Research

On the daily chart, MCX Natural Gas Futures have witnessed a strong bullish reversal following a sharp breakout from a prolonged base, confirming a clear shift in market structure. The impulsive rally reflects strong buying momentum, while the recent price action indicates a phase of healthy consolidation rather than trend weakness. Prices are holding above the rising 21-day EMA, maintaining a positive short-term bias, with the Supertrend also supporting the prevailing uptrend. The market is currently consolidating between immediate resistance at 294.8–308.8. The RSI has cooled from overbought levels and is stabilizing around the mid-range, signaling momentum normalization within a bullish setup. A sustained move above 308 may extend the upside momentum, whereas a break below 243.4 could lead to a corrective pullback toward 224.1. Overall, the broader trend remains constructive while supports hold.

## RATING SCALE FOR WEEKLY REPORT

<b>BUY</b>	We expect the commodity to deliver 2% or more returns
<b>SELL</b>	We expect the commodity to deliver (-2%) or more returns
<b>SIDEWAYS</b>	We expect the commodity to trade in the range of (+/-)2%
NOTE - The recommendations are valid for one day from the date of issue of the report, subject to mentioned stop loss, if any	

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