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MARKET ANALYSIS

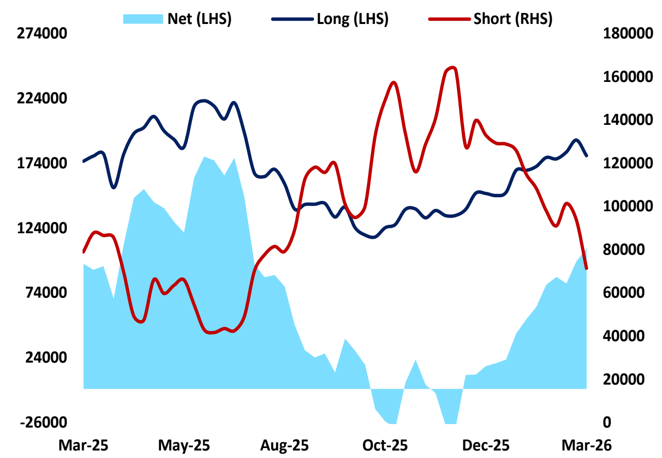
FUTURES PRICE ACTION						27th Feb - 06 Mar '26
COMMODITY	QUOTE	HIGH	LOW	CLOSE	CHANGE	CHANGE (%)
BRENT CRUDE	$/bbl	94.6	75.8	92.7	20.2	27.9%
WTI CRUDE	$/bbl	92.6	69.2	90.9	23.9	35.6%
MCX CRUDE	Rs/bbl	8,518	6,210	8,363	2271	37.3%
NYMEX NATURAL GAS	$/MMBtu	3.280	2.867	3.186	0.3	11.4%
MCX NATURAL GAS	Rs/MMBtu	298.6	264.9	295.6	33.3	12.7%
EUROPEAN DUTCH TTF	€/MWh	65.8	38.0	53.4	21.4	67.0%
JAPAN KOREA MARKER (ASIA)	$/MMBtu	42.0	10.8	15.7	4.9	45.8%

Source : Bloomberg, KS Commodity Research

Crude oil – WTI crude oil surged to $92.6/bbl, its highest level since September 2023, before settling above $91/bbl, marking a 35.6% weekly gain, the largest since 1983, driven by escalating U.S.–Israel–Iran tensions that disrupted energy supplies and shipping routes, intensifying after Trump demanded Iran's unconditional surrender. Supply concerns deepened as China halted fuel exports, Japan considered releasing strategic reserves, and Iraq cut production, Saudi Arabia reportedly shut down its largest refinery and Qatar halted operations at key LNG facilities. Qatar also warned that Gulf producers could halt exports if tankers are unable to pass through the Strait of Hormuz, a scenario that could potentially push oil prices toward $150/bbl. Reflecting heightened demand for U.S. crude amid Middle East supply risks, the Brent–WTI spread narrowed to below $2/bbl. Today, WTI crude jumped 30% earlier in the session to $119.5/bbl as the U.S.–Israel conflict with Iran entered its 10th day with no clear signs of de-escalation. The spike followed fresh drone attacks that prompted more Gulf producers to reduce output with UAE and Kuwait being latest addition to the list, while shipping through the Strait of Hormuz was suspended. With export routes disrupted, Persian Gulf producers have been forced to store crude in onshore facilities. In total, these disruptions could remove more than 4 million barrels per day of crude from global supply, along with significant volumes of liquefied natural gas, further tightening energy markets. The unusually tight Brent–WTI spread, which briefly slipped to $0.2/bbl earlier today, lowest since June 2022, highlighted strong demand for U.S. crude as global buyers sought alternative supplies amid potential disruptions around the Strait of Hormuz. Oil markets are likely to remain highly volatile amid reports that Iran has named the son of the late Ayatollah Ali Khamenei as its new supreme leader, while Trump stated that higher oil prices are "a very small price to pay" for "safety and peace."

Natural Gas - NYMEX natural gas futures jumped 11% last week to $3.28/mmBtu as the U.S.–Iran conflict escalated, leading to a halt in LNG production at QatarEnergy, the world's largest LNG facility, and larger-than-expected inventory withdrawals. The EIA reported that U.S. gas inventories fell by 132 bcf for the week, compared with market expectations of a 124 bcf draw, while the five-year average decline for the same period is around 96 bcf. However, U.S. gas prices have not risen as sharply as European and Japanese gas prices, which surged over 50%, as the domestic market remains relatively insulated. U.S. LNG export facilities are already operating near capacity, limiting the ability to ship significantly more gas abroad even if global prices surge. Further gains were capped by forecasts of above-average temperatures across much of the U.S. through mid-March, along with elevated production and expectations of weaker demand. Today, gas prices climbed to one month high of $3.49/mmBtu as the deepening conflict in West Asia raised concerns about potential supply disruptions though warmer weather and limited impact on U.S. exports may cap sharp upside.

WTI speculative positions (lots)



Source- US CFTC, ICE Europe, KS Commodity Research

EIA Weekly Report for the week ended			03-Mar-26
(million barrels)	Last	Previous	Change
Commercial crude stocks	439.3	435.8	3.5
Crude oil in SPR	415.4	415.4	0.0
Cushing OK stocks	26.5	24.9	1.6
Motor gasoline	253.1	254.8	-1.7
Distillate fuel oil	120.8	120.4	0.4
US crude production (kbpd)	13,696	13,702	-6.0
US Petroleum imports (kbpd)	7,733	8,673	-940
US petroleum exports (kbpd)	11,010	10,914	96
Refinery utilization (%)	89.2	88.6	0.6
Baker Hughes rigs (nos)	482	480	-4

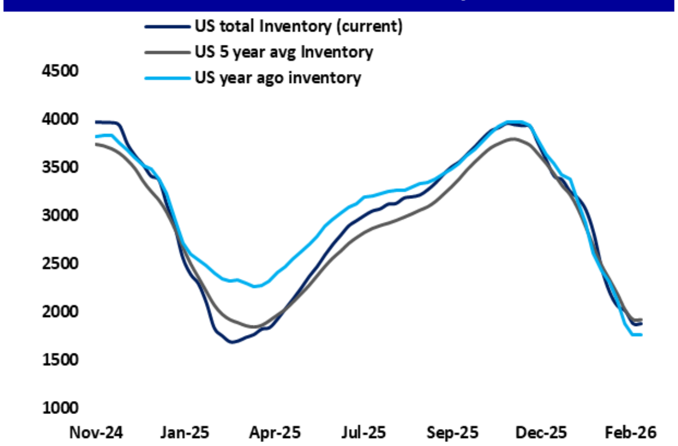
Source : EIA, Bloomberg, KS Commodity Research

US LNG flows (billion cubic feet)

Terminals	27-Feb	28-Feb	1-Mar	2-Mar	3-Mar	4-Mar	5-Mar	week ago	month ago	year ago
Sabine Pass	-5.0	-5.0	-4.9	-4.8	-4.8	-4.7	-4.7	-5.0	-5.2	-5.0
Cove Point	-0.8	-0.8	-0.9	-0.9	-0.9	-0.9	-0.9	-0.8	-0.8	-0.9
Corpus Christi	-3.2	-3.3	-3.0	-3.0	-3.0	-3.1	-3.1	-3.2	-3.2	-2.6
Cameron	-2.2	-2.2	-2.2	-0.5	-1.5	-2.1	-2.2	-2.2	-2.2	-2.2
Freeport	-2.1	-2.1	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2	-2.2
Elba Island	-1.7	-1.7	-1.7	-1.9	-1.7	-1.7	-1.7	-1.6	-1.5	-1.3
Calcasieu Pass	-0.4	-0.4	-0.3	-0.3	-0.3	-0.3	-0.3	-0.4	-0.2	-0.3
Total LNG exports	**-15.4**	**-15.5**	**-15.2**	**-13.5**	**-14.4**	**-15.0**	**-15.2**	**-15.4**	**-15.3**	**-14.5**

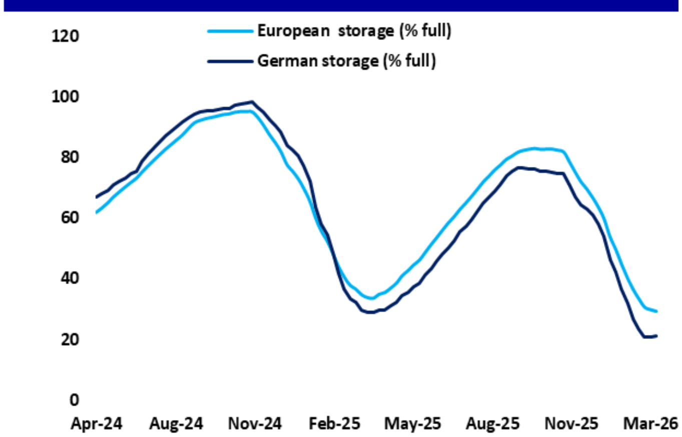
Source : Bloomberg, KS Commodity Research

US Natural Gas Inventory



Source- Bloomberg, KS Commodity Research

European Gas Storage levels



Source- Bloomberg, KS Commodity Research

TECHNICAL OUTLOOK

MCX Crude Oil (Mar) RANGE: 8000 – 9800

Source: Trading View, KS Commodity Research

On the weekly chart of MCX Crude Oil Futures, prices have witnessed a sharp bullish breakout after a prolonged phase of sideways consolidation, signaling a potential shift in the broader market structure. The contract has decisively breached the long-standing descending trendline resistance, indicating a structural reversal and renewed upside momentum. The recent surge has been supported by strong bullish candles, reflecting aggressive buying interest and a transition towards a higher high formation on the weekly timeframe. Prices have also moved decisively above the 21-period EMA, while the Supertrend indicator has flipped positive, reinforcing the strengthening bullish trend. Momentum indicators further validate the move, with the RSI surging into the 80+ zone, indicating strong bullish momentum though approaching overbought territory in the near term. On the downside, immediate support is placed around 8000 followed by 7700, which may act as key demand zones on any corrective pullback. On the upside, resistance is seen near 9800 and 10,170, which could act as the next potential supply zones. Overall, technical setup remains constructively bullish, and sustained trading above the 8000 zone could keep the upward trajectory intact in the coming weeks.

MCX Natural Gas (Mar) RANGE: 271.9 – 353.7

Source: Trading View, KS Commodity Research

On the daily chart of MCX Natural Gas Futures, prices are witnessing a strong recovery after a sharp bullish breakout, followed by a phase of consolidation near higher levels, indicating sustained upward momentum in the broader structure. The contract earlier surged decisively above the long-term descending trendline, signaling a structural trend reversal and triggering strong upside participation. Post the vertical rally, prices have entered a short-term consolidation range while continuing to hold above the rising 21-period EMA, reflecting underlying bullish strength. The Supertrend indicator has flipped positive, suggesting that the broader trend bias remains upward despite intermittent pullbacks. Momentum indicators remain supportive, with RSI hovering near the 60–65 zone, indicating positive momentum without being in an overbought territory. On the downside, immediate support is placed around 271.9–257.5. On the upside, resistance is seen near 353.7 and 378.5, which could act as key hurdles for the next leg of the rally. The overall bias remains constructively bullish with a buy-on-dips approach, while a decisive move above 353 could open further upside momentum.

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BUY	We expect the commodity to deliver 2% or more returns
SELL	We expect the commodity to deliver (-2%) or more returns
SIDEWAYS	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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