

## Market Commentary

**Recap:** The crude oil market on Thursday posted an outside trading day as the market weighed the news of a U.S. federal court's ruling against President Donald Trump's tariffs, against the expectations that OPEC+ will unwind another 411,000 bpd of production cuts in July at its meeting on Saturday. The oil market rallied higher in overnight trading and posted a high of \$63.07 after a U.S. trade court on Wednesday ruled that President Trump overstepped his authority by imposing across-the-board duties on imports from U.S. trading partners. The market, however, erased its gains as it remained focused on the expectations that OPEC+ will increase its output at its upcoming meeting. It breached its support line at \$61.08 and sold off to a low of \$60.55 by mid-morning after the International Energy Agency's director warned of weaker demand in China. The market later retraced some of its losses but remained in negative territory as a U.S. appeals court reinstated the Trump administration's tariffs. The July WTI contract settled down 90 cents at \$60.94 and the July Brent contract settled down 75 cents at \$64.15. The product markets ended the session lower, with the heating oil market settling down 5.53 cents at \$2.0328 and the RB market settling down 2.98 cents at \$2.0594.

**Technical Analysis:** The oil market on Friday will remain in its sideways trading range as traders reassess the U.S. court rulings on the Trump administration's tariffs. The market is also awaiting OPEC+'s decision on its output policy on Saturday. OPEC+ producers are expected to accelerate its unwinding of its output cuts, with another increase of 411,000 bpd in July. The market is also awaiting for further developments on the U.S.-Iran nuclear talks. The crude market is seen finding support at its low of \$60.55, \$60.26, \$60.02, \$59.64, \$59.49, \$58.49 and \$57.37. Resistance is seen at \$61.36, its high of \$63.07, \$64.19 and \$65.82.

**Fundamental News:** A federal appeals court on Thursday reinstated President Donald Trump's tariffs, a day after a U.S. trade court found the president had exceeded his authority by imposing across-the-board duties on imports from U.S. trading partners. An order from the U.S. Court of Appeals for the Federal Circuit in Washington provided no opinion or reasoning but directed the plaintiffs in the case to respond by June 5<sup>th</sup> and the administration by June 9<sup>th</sup>.

Interfax reported Thursday that Kazakhstan said OPEC+ will raise crude production levels at its meeting Saturday. Earlier, Kazakhstan's Deputy Energy Minister, Alibek Zhamaurov, said Kazakhstan notified OPEC that it does not intend to cut its oil production. He said OPEC+ member countries will decide to increase July oil output when they meet on May 31<sup>st</sup>, but the size of the potential hike remains unclear. On Wednesday, the OPEC+ group agreed to leave its output policy unchanged. A separate meeting on Saturday of eight OPEC+ countries is expected to decide on an increase in oil output for July.

Kazakhstan's Energy Minister, Erlan Akkenzhenov, said that an oil price above \$70-\$75/barrel is likely to be suitable for all countries.

Kremlin spokesman, Dmitry Peskov, said Russia's President Vladimir Putin currently has no plans to speak to U.S. President Donald Trump. Separately, the Kremlin said it was still awaiting a response from Ukraine on Russia's proposal to hold the next round of peace talks in Istanbul on June 2<sup>nd</sup> to begin discussions on draft memorandums for a peace accord. Previous talks on May 16<sup>th</sup> failed to reach an agreement on a ceasefire, which Russia has said is impossible to achieve before certain conditions are met.

### Early Market Call - as of 8:25 AM EDT

WTI - Jul \$60.41, down 51 cents  
 RBOB - Jun \$2.0460, down 91 points  
 HO - Jun \$2.0349, down 99 points

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jun-25	2.0482	-0.0399	-0.0693
Jul-25	2.0343	-0.0364	-0.0483
Aug-25	2.0258	-0.0367	-0.0421
Sep-25	2.0325	-0.0365	-0.0399
Oct-25	2.0400	-0.0367	-0.0387
Nov-25	2.0424	-0.0366	-0.0386
Dec-25	2.0414	-0.0360	-0.0385
Jan-26	2.0447	-0.0361	-0.0382
Feb-26	2.0422	-0.0365	-0.0380
Mar-26	2.0328	-0.0371	-0.0384
Apr-26	2.0178	-0.0370	-0.0383
May-26	2.0114	-0.0366	-0.0380
Jun-26	2.0094	-0.0359	-0.0373
Jul-26	2.0162	-0.0353	-0.0373
Aug-26	2.0240	-0.0346	-0.0375
Sep-26	2.0327	-0.0338	-0.0380
Oct-26	2.0406	-0.0333	-0.0383

### Sprague HeatCurve October 2025-April 2026

	Close	Change
Crude - WTI	\$60.9400	-\$0.9000
Crude - Brent	\$64.1500	-\$0.7500
Natural Gas	\$3.5220	-\$0.0350
Gasoline	\$2.0594	-\$0.0298

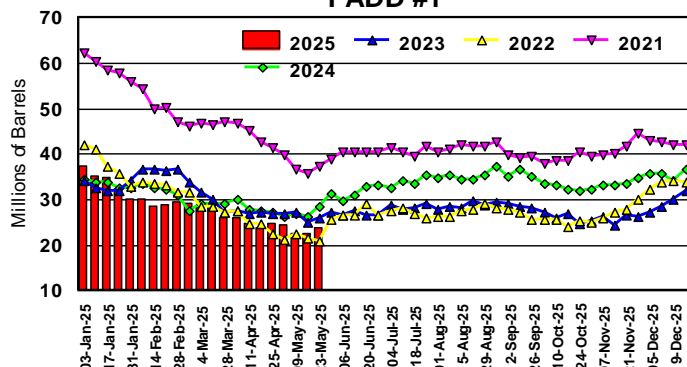
### EIA Working Gas Storage Report

	23-May-25	16-May-25	Change	23-May-24
East	462	432	30	534
Midwest	541	512	29	657
Mountain	198	192	6	209
Pacific	254	244	10	266
South Central	1021	996	25	1,127
Salt	328	321	7	324
Nonsalt	693	674	19	802
Total	2476	2375	101	2,792

## Weekly EIA Petroleum Status Report for the Week Ending May 23, 2025

### Distillate Stocks

#### PADD #1



### Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 2.795 million barrels

Cushing, OK Crude Stocks Up 75,000 barrels

Gasoline Stocks Down 2.441 million barrels

Distillate Stocks Down 724,000 barrels

Refinery % Operated 90.2%, down 0.5%

#### PADD #1

Distillate Stocks (in million bbl)	Week Ending May 23, 2025	Week Ending May 16, 2024	Week Ending May 24, 2024
New England	3.0	3.1	3.9
Central Atlantic	11.3	11.1	13.3
Total PADD #1	23.6	22.6	28.4
Distillate Imports (thousands b/d)	90	76	109