

## Market Commentary

**Recap:** The oil market on Friday traded lower and posted a second consecutive weekly decline, as the market weighed the uncertainty surrounding the U.S. tariff policy after a reversal of a trade court decision and a potentially larger OPEC+ output increase for July. The market traded mostly sideways in overnight trading after the market was pressured on Thursday after a federal appeals court temporarily reinstated the Trump administration's tariffs, reversing a trade court's decision to put an immediate block on the tariffs. The market posted a high of \$61.72 early in the morning before it continued to trend lower. The market was pressured by the possibility that OPEC+ on Saturday may discuss an output increase for July that is larger than the 411,000 bpd increase that the group agreed to for May and June. The market posted a low of \$59.74 in afternoon trading before it retraced some of its losses ahead of the close. The July WTI contract settled down 15 cents at \$60.79 and the July Brent contract settled down 25 cents at \$63.90. The product markets also ended the session lower, with the heating oil market settling down 31 points at \$2.0172 and the RB market settling down 21 points at \$2.0384.

**Technical Analysis:** The crude market on Monday will be driven by the outcome of the OPEC+ meeting scheduled for Saturday, when the producer group may decide to accelerate further its unwinding of its output cuts, with an increase of more than 411,000 bpd for July. The market will also look to the possibility of further talks on Monday between Ukraine and Russia on a possible ceasefire and any developments on the U.S.-Iran nuclear talks. It is interesting to note that the market's losses will be limited if the U.S. Senate proceeds with a bill imposing sanctions on Russia next week. The oil market is seen finding support at \$59.74, \$59.57, \$59.49, \$58.49 and \$57.37. Resistance is seen at \$61.72, \$63.07, \$64.19 and \$65.82.

**Fundamental News:** Saudi Arabia's Defense Minister delivered a message to Iranian officials in Tehran last month, stating it should take President Donald Trump's offer to negotiate a nuclear agreement seriously because it presents a way to avoid the risk of war with Israel.

Kremlin spokesman, Dmitry Peskov, said the Kremlin expects Russia and Ukraine to discuss the list of conditions for a ceasefire in the war in Ukraine next week in Istanbul. He said the Russian delegation would be travelling to Istanbul and would be ready for talks with Ukraine on Monday morning. Ukraine is yet to reply to Russia's proposals to hold the talks in Istanbul next week.

The Wall Street Journal reported that President Donald Trump's administration is considering a stopgap effort to impose tariffs on large parts of the global economy under an existing law that includes language allowing for tariffs of up to 15% for 150 days. The administration has not made a final decision and it could wait to impose any plans after a federal appeals court on Thursday temporarily reinstated the most sweeping of Trump's tariffs following a trade court ruling to immediately block them.

U.S. President Donald Trump said he will speak to China's President Xi Jinping and hopefully work out their differences on trade and tariffs. Earlier, President Trump said China had violated an agreement on tariffs with the United States. U.S. Treasury Secretary, Scott Bessent, said U.S. trade talks with China were "a bit stalled" and getting a deal over the finish line will likely need the direct involvement of President Donald Trump and Chinese President Xi Jinping.

Baker Hughes said U.S. energy firms this week cut the number of oil and natural gas rigs operating for a fifth consecutive week. It was the lowest total since November 2021. The oil and gas rig count fell by three to 563 in the week ending May 30<sup>th</sup>. Baker Hughes said oil rigs fell by four to 461 this week, their lowest since November 2021, while gas rigs increased by one to 99.

### Early Market Call - as of 8:50 AM EDT

WTI - Jul \$63.43, up \$2.64

RB0B - Jul \$2.0793, up 6.61 cents

HO - Jul \$2.0772, up 7.51 cents

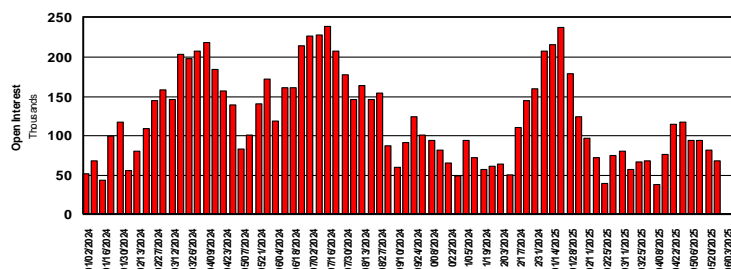
## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jun-25	2.0172	-0.0310	-0.0876
Jul-25	2.0054	-0.0289	-0.0721
Aug-25	1.9971	-0.0287	-0.0689
Sep-25	2.0052	-0.0273	-0.0655
Oct-25	2.0130	-0.0270	-0.0644
Nov-25	2.0154	-0.0270	-0.0647
Dec-25	2.0148	-0.0266	-0.0645
Jan-26	2.0187	-0.0260	-0.0639
Feb-26	2.0169	-0.0253	-0.0634
Mar-26	2.0081	-0.0247	-0.0636
Apr-26	1.9934	-0.0244	-0.0635
May-26	1.9874	-0.0240	-0.0636
Jun-26	1.9855	-0.0239	-0.0637
Jul-26	1.9928	-0.0234	-0.0635
Aug-26	2.0009	-0.0231	-0.0633
Sep-26	2.0098	-0.0229	-0.0632
Oct-26	2.0182	-0.0224	-0.0626

## Sprague HeatCurve October 2025-April 2026

	Close	Change
Crude - WTI	\$60.7900	-\$0.1500
Crude - Brent	\$63.9000	-\$0.2500
Natural Gas	\$3.4470	-\$0.0750
Gasoline	\$2.0384	-\$0.0021

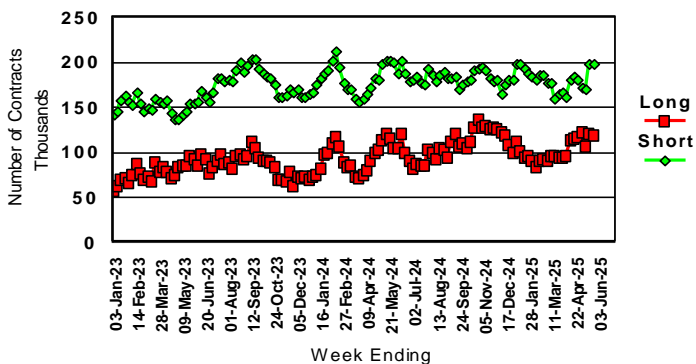
## WTI Futures & Options: NYMEX & ICE Combined Managed Money Reportable Positions



## Commitment of Traders Report for the Week Ending May 27, 2025

### Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



### Managed Money Heat Positons

CFTC Commitment of Traders Report

