

## Market Commentary

**Recap:** The oil market ended the session lower while still trading within its recent trading range as the market weighed the possibility of supply disruptions against potential direct U.S. involvement in the Iran-Israel conflict. The market traded higher as it remained supported by President Donald Trump's warning on Tuesday that U.S. patience was wearing thin and called for an "unconditional surrender" from Iran, an option that Iran's Supreme Leader Ayatollah Ali Khamenei rejected on Wednesday. It posted a high of \$76.07 ahead of the release of the EIA's weekly petroleum stocks report. However, the market sold off to its low of \$72.94 after President Trump declined to answer questions on whether the U.S. was planning to strike Iran or its nuclear facilities and added that the Iranians has reached out and proposed to visit the White House for talks. The market later settled in a sideways trading range despite the EIA reporting a larger than expected draw in crude stocks of over 11.4 million barrels. The July WTI settled up 30 cents at \$75.14 and the August Brent settled up 25 cents at \$76.70. The product markets ended the session higher, with the heating oil market settling up at \$2.5334 and the RB market settling up 3.67 cents at \$2.3086.

**Technical Analysis:** The crude market will continue to trend sideways within its recent trading range as the market is in a wait and see mode. The market will weigh the chances of supply disruptions from the conflict between Israel and Iran and the potential direct U.S. involvement, with President Trump stating on Wednesday afternoon that he has not made a decision on how to proceed on Iran. The market is seen finding support at its low of \$72.94, \$71.00, \$69.38, \$68.96 and \$69.49. Further downside is seen at \$66.72, \$66.28 and \$64.60. Resistance is seen at \$76.07, \$77.49 and \$77.62.

**Fundamental News:** Iran and Israel launched new missile strikes at each other on Wednesday as the air war between the two countries entered a sixth day despite a call for Tehran's "unconditional surrender" from U.S. President Donald Trump. Thousands of people were fleeing Tehran on Wednesday after U.S. President Donald Trump said they should leave the capital, while a source said President Trump was considering options that include joining Israel in attacking Iranian nuclear sites. Authorities have placed limits on how much fuel can be purchased. Iran's Oil Minister Mohsen Paknejad said that restrictions were in place to prevent shortages but there would be no problem supplying fuel to the public. Later on Wednesday, President Donald Trump declined to answer reporters' questions on whether the U.S. was planning to strike Iran or its nuclear facilities, and said the Iranians had reached out but he feels "it's very late to be talking." He said that Iran had proposed to come for talks at the White House. He did not provide details. He described Iran as totally defenseless, with no air defense whatsoever.

Iran's Supreme Leader Ayatollah Ali Khamenei rejected U.S. President Donald Trump's demand for unconditional surrender on Wednesday.

Bloomberg is reporting that according to data from TankerTrackers.com Iran's oil exports since June 13<sup>th</sup> when hostilities broke out have jumped by 44% to an average of 2.33 million b/d. Most of these exports have flowed from Kharg Island. Bloomberg is also reporting that its tanker tracking suggests there is no notable change in regional oil shipments through the Straits of Hormuz.

IIR Energy said U.S. oil refiners are expected to shut in about 228,000 bpd of capacity in the week ending June 20<sup>th</sup>, increasing available refining capacity by 40,000 bpd. Offline capacity is expected to fall to 127,000 bpd in the week ending June 27<sup>th</sup>.

### Early Market Call - as of 8:30 AM EDT

WTI - Jul \$75.31, up 44 cents

RB0B - Jul \$2.3145, up 1.55 cents

HO - Jul \$2.5859, up 4.49 cents

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jul-25	2.5334	0.0283	0.3281
Aug-25	2.4949	0.0238	0.3004
Sep-25	2.4796	0.0218	0.2840
Oct-25	2.4668	0.0219	0.2709
Nov-25	2.4457	0.0211	0.2554
Dec-25	2.4208	0.0182	0.2395
Jan-26	2.4092	0.0158	0.2287
Feb-26	2.3956	0.0132	0.2208
Mar-26	2.3716	0.0099	0.2101
Apr-26	2.3375	0.0053	0.1954
May-26	2.3129	0.0013	0.1815
Jun-26	2.2936	-0.0029	0.1691
Jul-26	2.2904	-0.0047	0.1620
Aug-26	2.2895	-0.0057	0.1564
Sep-26	2.2907	-0.0065	0.1518
Oct-26	2.2920	-0.0079	0.1475
Nov-26	2.2900	-0.0099	0.1435

### Sprague HeatCurve October 2025-April 2026

	Close	Change
Crude - WTI	\$73.5000	\$0.2300
Crude - Brent	\$76.7000	\$0.2500
Natural Gas	\$3.9890	\$0.1380
Gasoline	\$2.3086	\$0.0337

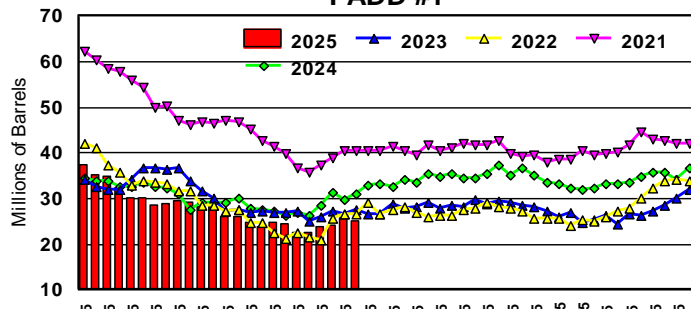
### EIA Working Gas Storage Report

	13-Jun-25	06-Jun-25	Change	13-Jun-24
East	563	531	32	627
Midwest	638	608	30	733
Mountain	216	210	6	229
Pacific	274	266	8	279
South Central	1111	1091	20	1,167
Salt	350	351	-1	337
Nonsalt	761	740	21	830
Total	2802	2707	95	3,035

## Weekly EIA Petroleum Status Report for the Week Ending June 13, 2025

### Distillate Stocks

#### PADD #1



### Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Down 11.473 million barrels

Cushing, OK Crude Stocks Down 995,000 barrels

Gasoline Stocks Up 209,000 barrels

Distillate Stocks Up 514,000 barrels

Refinery % Operated 93.2%, down 1.1%

#### PADD #1

Distillate Stocks (in million bbl)	Week Ending June 13, 2025	Week Ending Jun 13, 2024	Week Ending June 13, 2024
New England	3.1	3.1	3.9
Central Atlantic	11.9	11.8	15.5
Total PADD #1	25.1	25.5	30.9
Distillate Imports (thousands b/d)	119	89	131