

Market Commentary

Recap: The oil market on Monday pared its early sharp gains and posted an outside trading day as Iran's retaliation following the U.S. airstrikes against Iran over the weekend focused on regional U.S. military bases and oil and gas transit continued on tankers from the Middle East. The market's fear of the U.S. attacking Iran was realized and caused the oil market to rally over 4.6%, only for the surge in prices to fade within hours. Early Sunday, U.S. President Donald Trump said he attacked Iran's nuclear sites, joining an Israeli assault in an escalation of conflict in the Middle East as Iran vowed to retaliate. The oil market gapped higher from \$75.74 to \$78.00 and rallied to a high of \$78.40. However, the market gave up its sharp gains and backfilled its gap as the market awaited for Iran's response and production and shipment of oil out of the Middle East continued, with traders keeping an eye on the Strait of Hormuz. The oil market sold off just as sharply and posted a low of \$68.20 after Iran attacked a U.S. military base in Qatar and took no action to disrupt oil and gas tanker traffic through the Strait of Hormuz. The August WTI contract settled down \$5.33 or 7.22% at \$68.51 and the August Brent contract ended the session down \$5.53 or 7.18% at \$71.48. The product markets were also pressured, with the heating oil market settling down 17.87 cents at \$2.3631 and the RB market settling down 11.13 cents at \$2.2182.

Technical Analysis: The crude market on Tuesday will remain in its recent trading range as it remains driven by the latest headlines regarding the conflict in the Middle East. The market's gains will remain limited following what seems to be Iran's response to the U.S. airstrikes against its nuclear sites, with oil flows not being the primary target. The market is seen finding support at its low of \$68.20, \$67.84, \$67.11, \$66.33, \$65.51 and \$63.51. Resistance is seen at \$74.95, \$76.15, \$78.40, \$79.44 and \$80.00.

Fundamental News: Iran said that the U.S. attack on its nuclear sites expanded the range of legitimate targets for its armed forces and called U.S. President Donald Trump a "gambler" for joining Israel's military campaign against the Islamic Republic. Iran and Israel traded another wave of air and missile strikes on Monday as the world braced for Tehran's response. The spokesperson for Qom Province's Crisis Management Headquarters said Iran's nuclear facility of Fordow was hit again on Monday in an Israeli attack, a day after the U.S. struck the same target. On Saturday, the U.S. attacked key Iranian nuclear sites, joining Israel in the biggest Western military action against Iran since its 1979 revolution. Iran vowed to defend itself after the U.S. dropped 30,000-pound bunker-buster bombs onto the mountain above Iran's Fordow nuclear site while American leaders urged Tehran to stand down.

Later on Monday, Iran's military said it had carried out a "devastating and powerful" missile attack on the Al Udeid U.S. airbase in Qatar, after explosions were heard across the Qatari capital following Tehran's threat to retaliate for U.S. airstrikes. Qatar's Defense Minister said its air defenses had intercepted missiles directed at the Al Udeid airbase, the largest U.S. military installation in the Middle East, situated across the Gulf from Iran. Qatari authorities said there were no casualties in the attack, which it condemned and said it reserved the right to respond. The attack came shortly after a Western diplomat told Reuters there had been a credible threat to a U.S. military base in the Gulf state following the U.S. airstrikes on Iran.

Iraq's state-run Basra Oil Company said Eni, BP, and Total Energies operating in Iraqi oilfields have evacuated a number of their foreign personnel. However, oil operations in Iraq's southern oilfields have not been affected, with exports averaging 3.32 million bpd.

Baker Hughes has taken temporary precautionary measures to demobilize personnel from Iraq. The company also said it was continuing to monitor the evolving situation.

Early Market Call - as of 8:15 AM EDT

WTI - Aug \$65.73, down \$1.50

RB0B - Jul \$2.1404, down 4.39 cents

HO - Jul \$2.2583, down 6.16 cents

All NYMEX | Prior Settlements

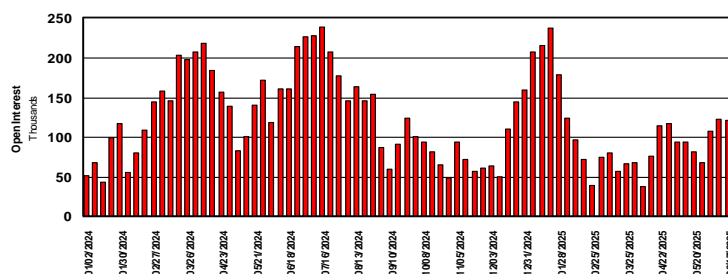
	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Jul-25	2.3631	-0.1787	-0.0302
Aug-25	2.3382	-0.1654	-0.0353
Sep-25	2.3286	-0.1597	-0.0344
Oct-25	2.3212	-0.1543	-0.0329
Nov-25	2.3074	-0.1468	-0.0318
Dec-25	2.2854	-0.1395	-0.0368
Jan-26	2.2792	-0.1347	-0.0368
Feb-26	2.2715	-0.1286	-0.0350
Mar-26	2.2548	-0.1216	-0.0330
Apr-26	2.2300	-0.1131	-0.0315
May-26	2.2140	-0.1048	-0.0304
Jun-26	2.2023	-0.0974	-0.0300
Jul-26	2.2024	-0.0938	-0.0300
Aug-26	2.2039	-0.0905	-0.0301
Sep-26	2.2069	-0.0881	-0.0306
Oct-26	2.2098	-0.0865	-0.0323
Nov-26	2.2091	-0.0852	-0.0344

Sprague HeatCurve October 2025-April 2026

	Close	Change
Crude - WTI	\$68.5100	-\$5.3300
Crude - Brent	\$71.4800	-\$5.5300
Natural Gas	\$3.6980	-\$0.1490
Gasoline	\$2.2182	-\$0.1113

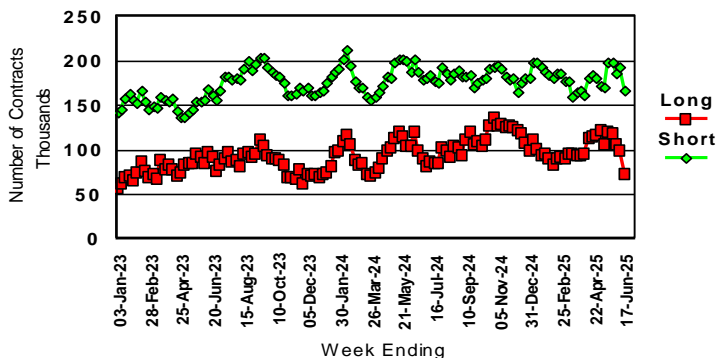
ICE August Brent-WTI Spread

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



Producer/Merchant Heat Positons

CFTC Commitment of Traders Report



Managed Money Heat Positons

CFTC Commitment of Traders Report

