

## Market Commentary

**Recap:** The crude market traded higher on Wednesday on news that Iran suspended its cooperation with the U.N.'s IAEA and the U.S. and Vietnam reached a trade deal. Early in the session, the market was well supported by the news that Iran enacted a law passed by Iran's parliament last week to suspend its cooperation with the U.N. nuclear agency. The law stipulates that any future inspection of its nuclear sites by the IAEA needs approval by Iran's Supreme National Security Council. The market traded to \$66.43 early in the session and sold off to a low of \$65.28 in light of the EIA showing a large build in crude stocks of 3.8 million barrels on the week. However, the market bounced off its low and rallied higher on the news that the U.S. and Vietnam struck a trade agreement that sets 20% tariffs on many of the Southeast Asian country's exports. The market rallied to a high of \$67.58 ahead of the close. The August WTI contract settled up \$2.00 at \$67.45 and the September Brent contract settled up \$2.00 at \$69.11. The product markets ended higher, with the heating oil market settling up 8.48 cents at \$2.4117 and the RB market settling up 2.26 cents at \$2.1229.

**Technical Analysis:** The oil market, which posted a trading range of over \$2.10 during Wednesday's session after it traded within about \$1.75 range over the previous five days, is seen trading within its range posted last Tuesday from \$64.00 to \$67.83. The market on Thursday will position itself ahead of the long Fourth of July holiday weekend and the OPEC+ meeting on Sunday, when the OPEC+ producers are expected to increase their output by another 411,000 bpd for August. The market will also remain driven by the trade talks ahead of the July 9<sup>th</sup> deadline when reciprocal tariffs take effect. The market is seen finding resistance at its high of \$67.58, \$67.83, \$69.50, \$71.20 and \$72.90. Meanwhile, support is seen at \$65.23, \$64.67, \$64.50, \$64.15 and \$64.00.

**Fundamental News:** Iranian state media reported that Iran's President Masoud Pezeshkian put into effect on Wednesday a law passed by parliament last week to suspend cooperation with the U.N.'s IAEA.

U.S. President Donald Trump said that the United States has struck a trade deal with Vietnam, after months of negotiations, that imposes a 20% tariff rate on many imports from the Southeast Asian country. The rate is lower than an initial 46% levy Trump announced in April on goods from Vietnam, largely as a result of its big trade surplus with Washington. President Trump said that goods from Vietnam would face a 20% tariff and that any trans-shipments from third countries would face a 40% levy.

On Tuesday, President Donald Trump said Israel had agreed "to the necessary conditions to finalize" a 60-day ceasefire in Gaza during which efforts will be made to end Israel's war in the Palestinian enclave. He later urged Iran-backed Hamas militants to agree to what he called a "final proposal" for a 60-day ceasefire with Israel in Gaza that will be delivered by mediating officials from Qatar and Egypt.

Goldman Sachs does not expect a large market reaction if OPEC+ decides to increase production on Sunday as consensus has already shifted towards this outcome. It said it assumes the August increase is the last one as a large inflow of non-OPEC shale projects softens the balance. However it said the risk skew to further OPEC+ quota increases after August.

IIR Energy reported that U.S. oil refiners are expected to shut in about 113,000 bpd of capacity in the week ending July 4<sup>th</sup>, increasing available refining capacity by 33,000 bpd. Offline capacity is expected to fall to 104,000 bpd in the week ending July 11<sup>th</sup>.

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

WTI - Aug \$67.40, down 12 cents

RBOB - Aug \$2.1165, down 75 points

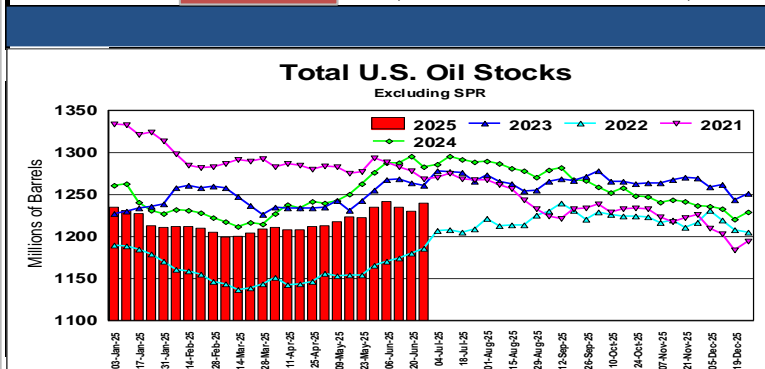
HO - Aug \$2.4078, down 1.19 cent

## All NYMEX | Prior Settlements

	ULSD (HO)	Prior Settle	Change In
	Close	Change	One Week
Aug-25	2.4117	0.0848	0.1552
Sep-25	2.3609	0.0708	0.1200
Oct-25	2.3364	0.0652	0.1073
Nov-25	2.3074	0.0598	0.0975
Dec-25	2.2737	0.0536	0.0868
Jan-26	2.2596	0.0504	0.0787
Feb-26	2.2470	0.0476	0.0739
Mar-26	2.2238	0.0443	0.0674
Apr-26	2.1915	0.0398	0.0606
May-26	2.1694	0.0359	0.0547
Jun-26	2.1550	0.0325	0.0515
Jul-26	2.1561	0.0307	0.0501
Aug-26	2.1596	0.0292	0.0496
Sep-26	2.1650	0.0278	0.0494
Oct-26	2.1703	0.0269	0.0486
Nov-26	2.1723	0.0261	0.0471
Dec-26	2.1716	0.0261	0.0463

### Sprague HeatCurve October 2025-April 2026

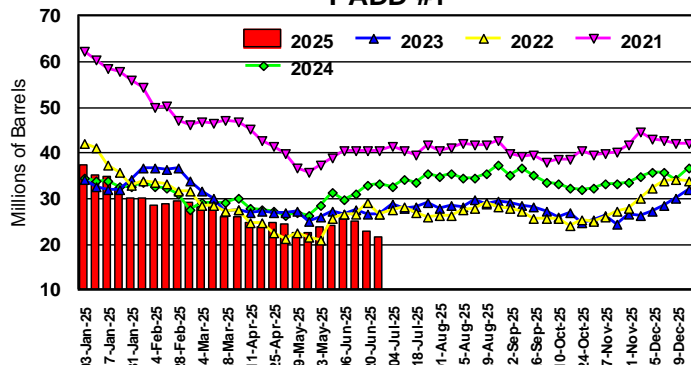
	Close	Change
Crude - WTI	\$66.0100	\$1.8600
Crude - Brent	\$69.1100	\$2.0000
Natural Gas	\$3.4880	\$0.0730
Gasoline	\$2.1229	\$0.0226



## Weekly EIA Petroleum Status Report for the Week Ending June 27, 2025

### Distillate Stocks

#### PADD #1



### Overall U.S. Stats

Crude Oil Stocks(excluding SPR) Up 3.845 million barrels

Cushing, OK Crude Stocks Down 1.493 million barrels

Gasoline Stocks Up 4.188 million barrels

Distillate Stocks Down 1.71 million barrels

Refinery % Operated 94.9%, up 0.2%

#### PADD #1

	Week Ending June 27, 2025	Week Ending Jun 20, 2024	Week Ending June 28, 2024
Distillate Stocks (in million bbl)			
New England	3.1	3.3	4.2
Central Atlantic	10.0	10.9	16.7
Total PADD #1	21.5	22.9	33.3
Distillate Imports (thousands b/d)	99	54	78