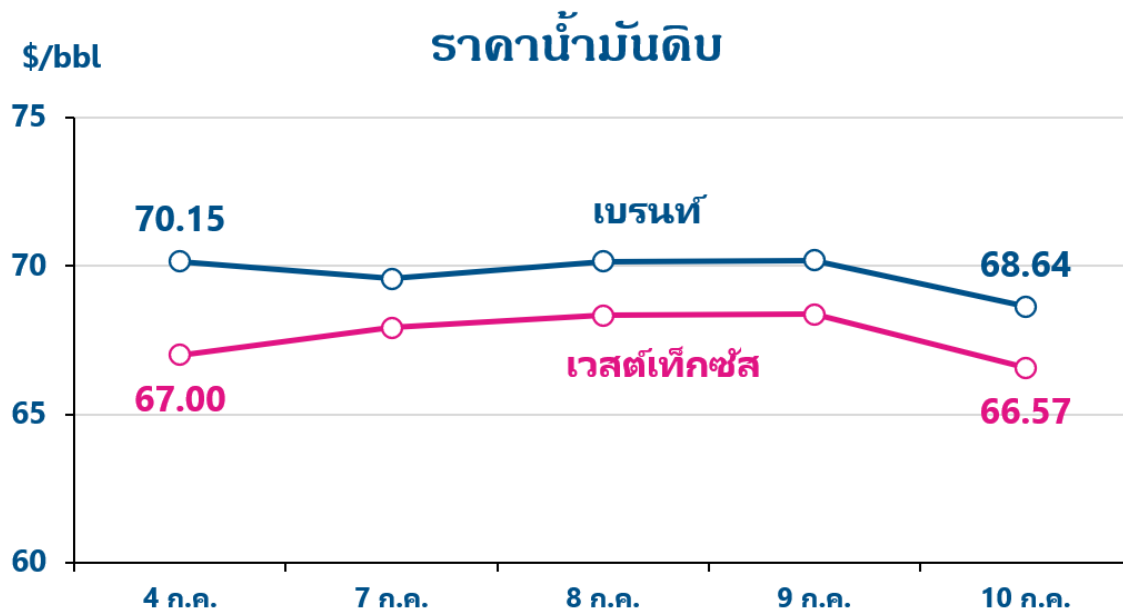


Crude oil price remain at low level following the OPEC+ revised production capacity in August 2025 along with the US trade tariff uncertainty

Weekly oil price situation analysis by Thai Oil Public Company Limited: 14 July 2025

Thai Oil forecasts on West Texas Crude Oil Outlook to perform at \$US 61-71 per barrel while Brent Crude Oil is expected to project price at \$US 63-73 per barrel



Crude Oil Market Outlook (11-17 July 2025)

The crude oil price is expected to stable at low level following the pressures drive by OPEC+ announcement on its increasing production capacity to 548,000 barrels/day in August 2025, rising from 411,000 barrels/day in May to July 2025. This represents OPEC+ positive outlook to the global economy and the strong market fundamental factors, particular oil reserve stockpile which remains at low level. Meanwhile, the analysts predict OPEC+ is expected to increase output capacity reaching 550,000 barrels/day in September 2025, marking the cancellation of the entire volunteer production amounting to 2.2 million barrels per day. Meanwhile, the US continues to proceed its tariff policies in several trade partners worldwide with a postponement of the enactment date to 1 August 2025 with aim to conclude all negotiations. EIA has revised the US oil production forecast in 2025 to 13.37 million/barrel/day whilst the global oil demand is expected to grow. However, the Middle East conflict is escalating following the attacks on the commercial marine vessels in the Red Sea, causing death for the first time this year.

Key factors likely to impact crude oil price situation this week:

- Pressures are widespread following the OPEC+ announce to increase the crude oil production output capacity at 548,000 barrels per day in August 2025, rising from the existing 411,000 barrels per day in May to July 2025. The revised capacity is based on the global economic trend and the market fundamental factors which remains projecting strong outlook due to the low oil reserve stockpile. Goldman Sachs has predicted that OPEC+ tends to increase its output capacity for another 550,000 barrels per day in September 2025, marking the final cancellation of volunteer production capacity of 2.2 million barrels per day. In addition, OPEC+ announced to revise its production policy highlighting the long-term sustainable production with adjustment on oil reserve production and increase the market share to normal level. Above all, the plan is set to encounter the competitive production contributed by the US shale oil production.
- The US import tariff is most-watched as Donald Trump, the US President continues to proceed its policy on reciprocal tariff with trade partners to implement the domestic manufacturing sector resilience to enable revenue for the government through tax and prevent trade exploitation by partner countries. The US administration has recently announced the postponement of the reciprocal tariff regulation to 1 August 2025, from 9 July 2025 as negotiation with key trade partners have not reached the conclusion. Meanwhile, Donald Trump announced the new tariff rates to 14 countries, including Thailand, projecting 36% increased tariff. Furthermore, addition 10% tariff will be enacted to countries launching policy in aligning to support BRICS state members as it is the approach against the US interests.
- EIA has revised the US crude oil production capacity in 2025 to 13.37 million barrels per day following concerns towards the new trade tariff and the acceleration of OPEC+ production capacity increase. Meanwhile EIA expects the global oil demand in 2025 to increase by 0.8 million barrels per day to 103.5 million barrels per day and maintain its forecast of an additional increase of 1.1 million barrels per day reaching 104.6 million barrels per day in 2026.
- In addition, conflicts in the Middle East are escalating after the attacks on marine vessels in the Red Sea continued for several days. The latest report stating death tolls for the first time since June 2025, caused by the Houthi group in Yemen used naval drones and armed speedboats to attack the commercial vessel *Eternity C* while it was sailing in the Red Sea near the Yemeni coast, resulting in casualties and injuries.
- The weekly economic trend including; the US significant economic index including the CPI in June 2025, Manufacturing Index in New York in July 2025, the Manufacturing Price Index in June 2025, and Industrial Manufacturing PMI in June 2025. China's significant economic index including export-import index in June 2025, retail sales index in June 2025, and unemployment rate in June 2025. The EU significant economic index including industrial PMI in May 2025, trade balance in May 2026, and CPI in June 2025.

Crude Oil Price Summary (4-10 July 2025)

The West Texas Crude Oil price increasing by \$US 1.54 per barrel to \$US 66.57 per barrel while Brent crude oil price also increasing by \$US 1.66 per barrel to \$US 68.64 per barrel. After the market is supported by the surge of ground travel and air traffic, both of which have reached record highs amid the U.S. Independence Day celebrations on 4 July 2025. Furthermore, concerns towards heated conflicts in the Red Sea remains overwhelming as the Houthi rebels claimed to have attacked the cargo ship *Magic Seas* in the Red Sea, and reports indicate that the vessel has sunk on 7 July 2025. However, the market

was pressured by an expectation of OPEC+ to raise crude oil production in August 2025, marking the fourth consecutive month of production increases. The group is scheduled to hold a meeting on its oil production plans on Saturday 5 July 2025. Should projections prove accurate, the resulting increase in crude oil supply could exert downward pressure on prices. Moreover, the global economy is exposed to uncertainty contributed by the US trade tariff which is expected to renew to higher level after the final tariff conclusion on 9 July 2025. As negotiation between the US and key trade partners such as Europe and Japan have not reached the conclusion, concerns are widespread on the economic trend and the possible delay of crude oil supply. Additionally, the U.S. Energy Information Administration (EIA) reported that U.S. Strategic Petroleum Reserves for the week ending 4 July 2025, rose by 7.07 million barrels to 426 million barrels, defying analysts' expectations of a 2.1 million barrel decline.