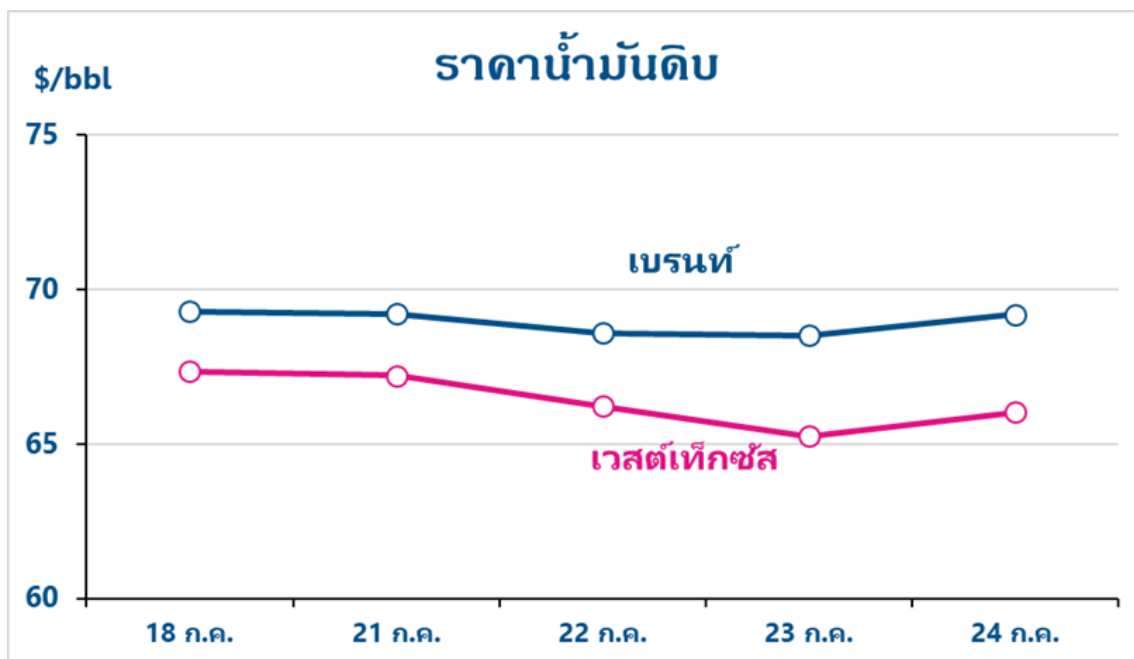


**Crude oil prices remain low due to concerns towards the US tariff
set to take effect on 1 August 2025**

Weekly oil price situation analysis by Thai Oil Public Company Limited: 29 July 2025

**Thai Oil forecasts on West Texas Crude Oil Outlook to perform at \$US 62-72 per barrel while
Brent Crude Oil is expected to project price at \$US 64-74 per barrel**



Crude Oil Market Outlook (25-31 July 2025)

The crude oil price is expected to remain at a low level following the US trade tariff uncertainty emerging to impact the global economy and oil demand despite the negotiation between the US and the European Union is closed to an end. Meanwhile, the FED is expected to maintain the interest rate in July amid the risk driven by the high inflation contributed by the custom tax. OPEC+ is set to continue increasing production capacity, maintaining its previously outlined strategy. On the demand side, China is anticipated to raise its crude oil imports, supported by improved refining margins. On the other hand, the nuclear negotiation with Iran is uncertain and set to additional sanctions imposed from the E3 state members.

Key factors likely to impact crude oil price situation this week

- Impacts driven by the US tariff are closely monitored as the deadline on 1 August 2025 is approaching. The tariff increase is expected to pile pressures on the global economy and oil demand. Lately, the negotiation between the US and the European Union is closer to an end, drawing expectations for the US to reduce the EU import tariff from 30% down to 15%. The European Commission plans to implement retaliatory tariff measures against the United States, unless the trade agreement is concluded. This may include additional tariffs on U.S. imports valued at over €93 billion.

- FED continues to hold the interest rate at 4.25-4.50% at the meeting on 29-30 July 2025. According to CME Fed Watch Tool, FED is expected to implement another 2 rate cuts in 2025 for 0.25% each time at the meeting in September and December 2025. Analysts from various bureaus agree that the US trade tariff will drive increase on inflation and impacts on countries across the world. Meanwhile, Bank of America forecast the rate will remain at the same level in 2025 as the inflation is expected to accelerate following the impact of U.S. tariff measures.
- OPEC+ is scheduled to hold a meeting on August 3, 2025. Market expectations suggest the group will proceed with a substantial production increase of approximately 550,000 barrels per day in September 2025. This high output supply enables OPEC to achieve the production plan of 2.2 million barrels per day by September 2025, faster than the existing plan set to complete in September 2026. The ongoing increase of the crude oil price in Q3/2025 and Q4/2025 amid the uncertain global oil supply driven by the US trade tariff is the key factor pressing the oil market going forward.
- The nuclear negotiation between Iran and E3 countries (UK, France, Germany) remains uncertain despite the negotiations having been established since September 2024 where several issues have been addressed. However, during the past few months, the E3 has threatened to reinstate previously suspended sanctions should Iran fail to comply with the terms of the agreement. In response, Iran has reaffirmed its stance and signaled its intent to escalate confrontations if the sanctions are reimposed.
- China's crude oil imports are expected to continue rising, driven by higher refinery throughput as refining margins have improved in recent months. According to China's Customs Administration, crude oil imports in June 2025 increased by 7.4% year-on-year, reaching 12.14 million barrels per day. Notably, crude oil imports from Saudi Arabia rose by over 16% year-on-year, reaching approximately 1.9 million barrels per day.
- The weekly economic trend including the US significant economic index including GDP Q2/2025, CPI in June 2025, ADP's non-agriculture employment in July 2025, CB consumer confidence report in July 2025. China significant economic index including Manufacturing PMI in July 2025. The EU significant economic index includes GDP in Q2/2025, unemployment rate in June 2025, Manufacturing PMI in July 2025, and the CPI in July 2025.

Crude Oil Price Summary (18-24 July 2025)

The West Texas Crude Oil price decreasing by \$US 0.77 per barrel to \$US 66.41 per barrel while Brent crude oil price also decreasing by \$US 0.31 per barrel to \$US 68.95 per barrel following pressures contributed by the announcement of India's refined crude oil import figures in June 2025, falling by 4.2% from the previous month to 5.41 million barrels per day due to the domestic declining demand during the monsoon season. Meanwhile, OPEC announced that Iran production output in June 2025 is falling by 62,000 barrels per day from the previous month to 3.24 million barrels per day which is contributed by the conflicts between Israel and Iran. The European Union has reached an agreement on its 18th round of sanctions against Russia, which includes a reduction in the price cap on Russian crude oil from the previous USD 60 per barrel to USD 45–50 per barrel, or approximately 15% below market prices. The new measures will take place on 3 September 2025. Furthermore, the EU is set to ban imports of refined petroleum products produced from Russian crude oil, with a six-month transition period granted for implementation. Nevertheless, the measures are expected to target India's refinery plant Nayara in which Rosneft, Russian oil company holds the majority of the share. However, the measure is expected to spread light impacts on the market as the target is set to one India refinery oil plant. Furthermore, the weakened US currency since the beginning of the year has driven interest among the holders of other currencies for

the crude purchase in the US dollar. EIA report states the US Strategic Petroleum Reserves on week ending 18 July 2025, falling by 3.2 million barrels to 419 million barrels, higher than the analysts' forecast of a 1.66 million barrels decrease.