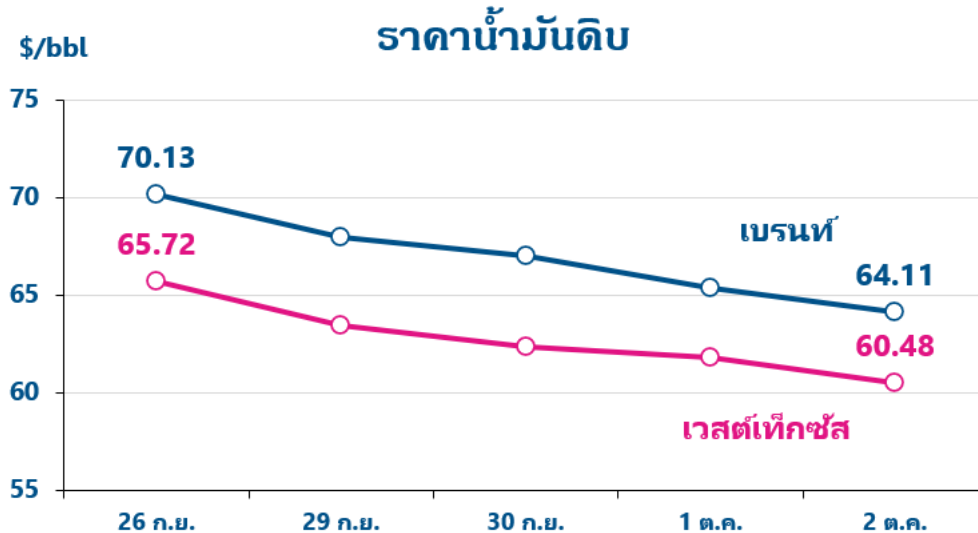


Crude oil prices remain volatile due to supply-side pressures amid ongoing geopolitical and economic uncertainties

Weekly oil price situation analysis by Thai Oil Public Company Limited: 6 October 2025

Thai Oil forecasts on West Texas Crude Oil Outlook to perform at \$US 60-70 per barrel while Brent Crude Oil is expected to project price at \$US 62-72 per barrel



Crude Oil Market Outlook (3-9 October 2025)

Crude oil prices remain volatile due to supply-side pressures and uncertainty over geopolitical and economic risks. Market expectations point to a possible increase in production by OPEC+ during November–December 2025, following the group's decision to gradually unwind its earlier production cuts of 1.65 million barrels per day by adding back 137,000 barrels per day from October 2025 onward. In addition, oil prices may face temporary downward pressure as demand weakens due to the U.S. government shutdown, after Congress failed to agree on a temporary budget. The EU summit is highlighted as the discussions will focus on further measures against Russia to pressure it into peace negotiations. At the same time, attention remains on Russia's response—whether to agree to negotiation or escalate hostilities in reaction to EU actions. Meanwhile, tensions in the Middle East show signs of easing, as a 20-point peace plan to end the conflict in Gaza appears increasingly likely to reach an agreement.

Key factors likely to impact crude oil price situation this week

- Crude oil supply is expected to rise ahead of the OPEC+ meeting on 5 October, with the group anticipated to increase production further for November–December 2025. Previously, OPEC+ began rolling back its output cuts of 1.65 million barrels per day in October, gradually adding 137,000 barrels per day. Nevertheless, the decision to unwind production cuts since April has already resulted in a greater surplus of oil in the market, placing downward pressure on prices.
- Oil prices may face a temporary decline as crude oil demand could fall due to U.S. government shutdown, following Congress's failure to agree on a temporary budget. This has led to hundreds of thousands of federal employees being sent home on furlough, while essential staff must continue working without pay until the situation returns to normal. A prolonged shutdown could disrupt economic growth in the United States in the fourth quarter. Nevertheless, many analysts expect the impact to be only temporary and do not anticipate long-term effects.
- The European Union summit is closely watched, as Europe's preparedness to address potential threats from Russia will be discussed. Highlights include the ongoing risk of hybrid warfare following Russian drones violating Poland, Estonia, and Denmark airspace, posing a security threat to civilians in these countries. The summit will also consider new proposals for the use of frozen Russian assets to support Ukraine, as well as follow-up on the EU's 19th package of sanctions announced in September. The outcome and stance of the EU summit will put pressure on Russia to return to peace negotiations. If the EU's actions succeed in bringing an end to the Russia–Ukraine conflict, it could ease concerns over global crude oil supply. Conversely, a hardline stance from Russia could escalate the war beyond Ukraine into the European Union, potentially driving crude oil prices higher.
- Tensions in the Middle East between Hamas and Israel appear to be easing after the U.S. President Donald Trump and Israeli Prime Minister Benjamin Netanyahu agreed on a 20-point peace plan aimed at ending the conflict in the Gaza Strip. The plan includes a ceasefire, the release of hostages, the establishment of demilitarized zones in parts of Gaza, and the reconstruction of the territory. Although the agreement has been accepted by the leaders of the two countries, it is currently under consideration by Hamas and other Palestinian groups. Successful implementation of the plan would help ease concerns over crude oil supply in the Middle East.
- The weekly economic trend including; the US significant economic index including trade balance in August, consumer credit in August, and the number of people filing for initial unemployment benefits. The EU significant economic index, including the retail sales index.

Crude Oil Price Summary (26 September-2 October 2025)

The West Texas Crude Oil price decreasing by \$US 0.98 per barrel to \$US 62.76 per barrel while Brent crude oil price decreasing by \$US 1.01 per barrel to \$US 66.92 per barrel following an agreement between Iraq and Turkey to transport crude oil from Iraqi Kurdistan to the Turkish port of Ceyhan at approximately 150,000–160,000 barrels per day, an additional 230,000 barrels per day of crude is expected to return to the global market, easing tightness in supply. Oil prices also fell after reports suggested that OPEC+ might increase production by 500,000 barrels per day over three months to reclaim market share. However, OPEC+ has denied these reports, keeping markets focused on the group's upcoming meeting on 5 October. Previously, OPEC+ agreed to raise output by 137,000 barrels per day in October. Meanwhile, geopolitical tensions remain high due to the Russia–Ukraine conflict. Ukrainian drone attacks on Russian refineries, ports, and energy infrastructure have temporarily disrupted Russia crude exports, while Russia continues to violate NATO airspace with drones and fighter jets. These developments add geopolitical pressure and increase risks to global energy market stability.