

Speculator's Daily Crude Oil

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Overview

- Crude oil remains under pressure amid trade disputes, supply adjustments, and economic uncertainty.
- While tariffs and slowing global growth present bearish risks, tightening supply from OPEC+ and geopolitical sanctions offer bullish support.
- The next key catalyst will be whether the US-China trade tensions escalate or de-escalate and how OPEC+ manages supply in response to these developments.

Key Drivers of Price

Trade War and Tariffs:

- U.S. tariffs on Chinese goods took effect, leading China to retaliate with 10% tariffs on U.S. crude oil, LNG, and coal starting February 10.
- The uncertainty of trade relations has raised fears of weaker global economic growth, leading to a bearish sentiment for crude demand.
- The U.S. also imposed a 10% tariff on Canadian oil imports and a 25% tariff on broader imports from Canada and Mexico.

Supply and Production Adjustments:

- OPEC+ decided not to alter its output policy, keeping its planned gradual supply increase unchanged, despite pressure from the U.S. to expand production.
- Global crude oil inventories on tankers fell by 6.9%, a bullish signal as it suggests lower available supply.
- Russian crude exports dropped by 260,000 bpd, partly due to new U.S. sanctions on Gazprom Neft and Surgutneftgas, which could restrict 30% of Russia's tanker crude flow.

Key Drivers of Price

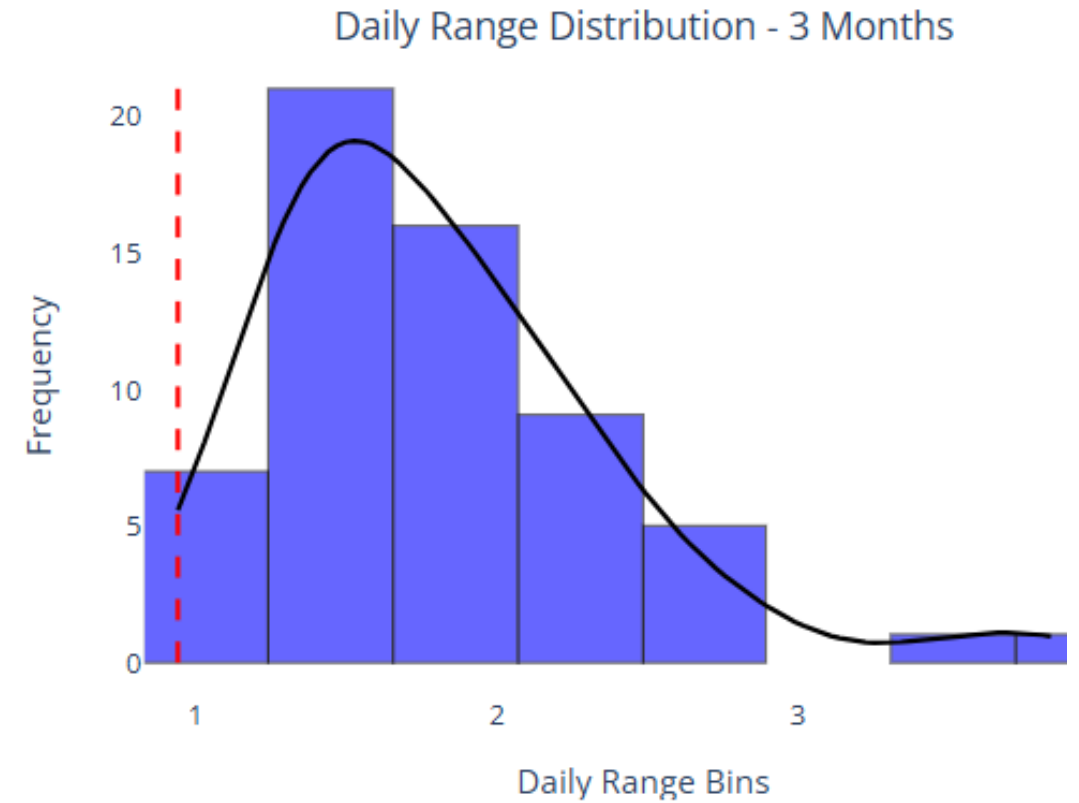
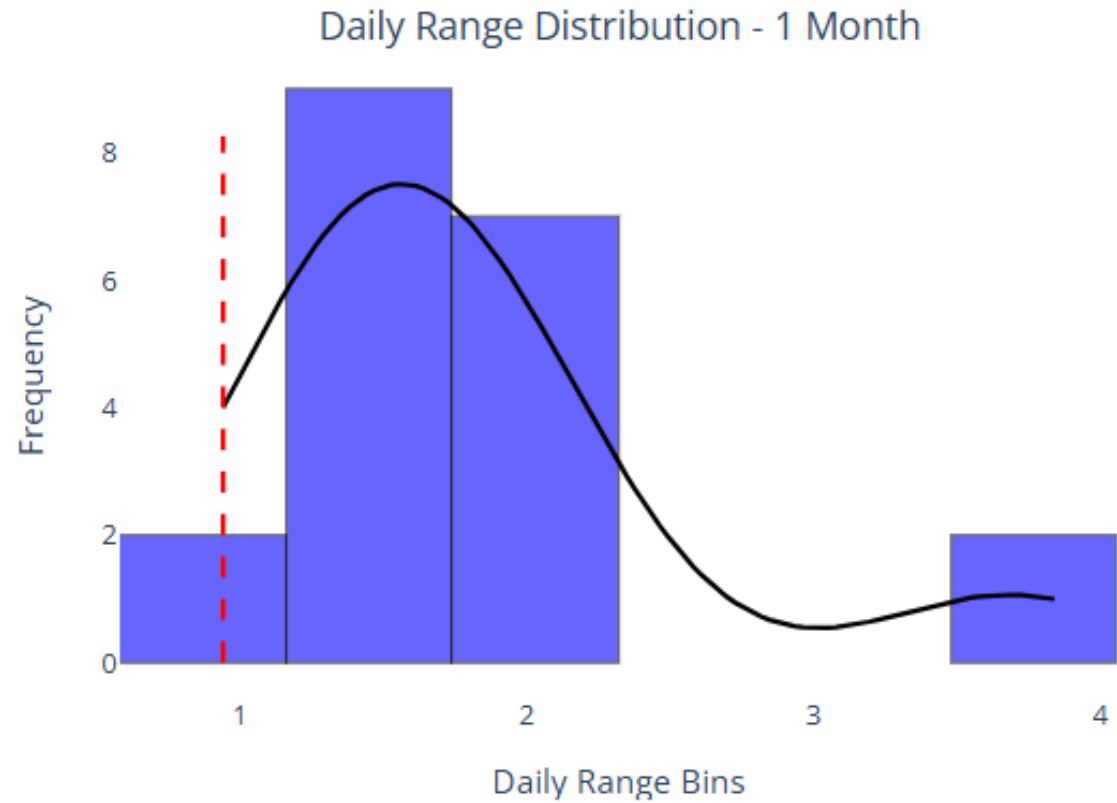
Macroeconomic and Market Sentiment:

- U.S. economic data surprised to the upside, with the ISM manufacturing index hitting a 2-year high, supporting energy demand.
- The strengthening U.S. dollar pressured oil prices, making crude more expensive for non-dollar buyers.
- China's factory activity slowed, leading to concerns about weakening demand from the world's largest crude importer.

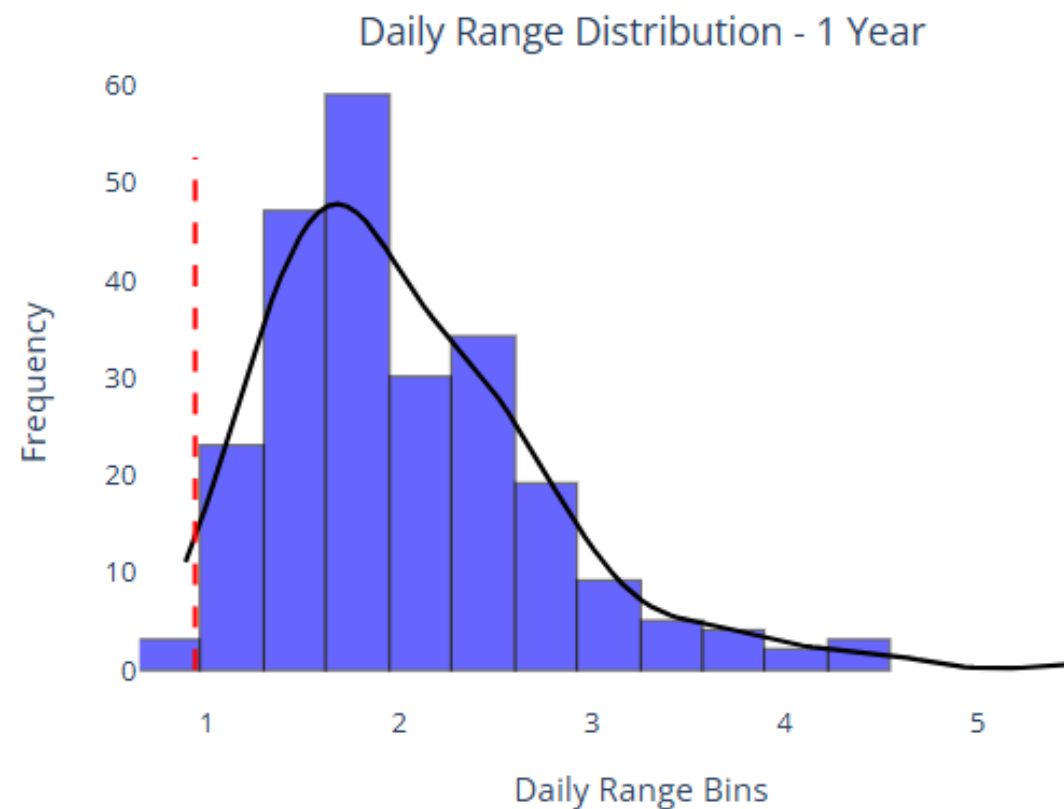
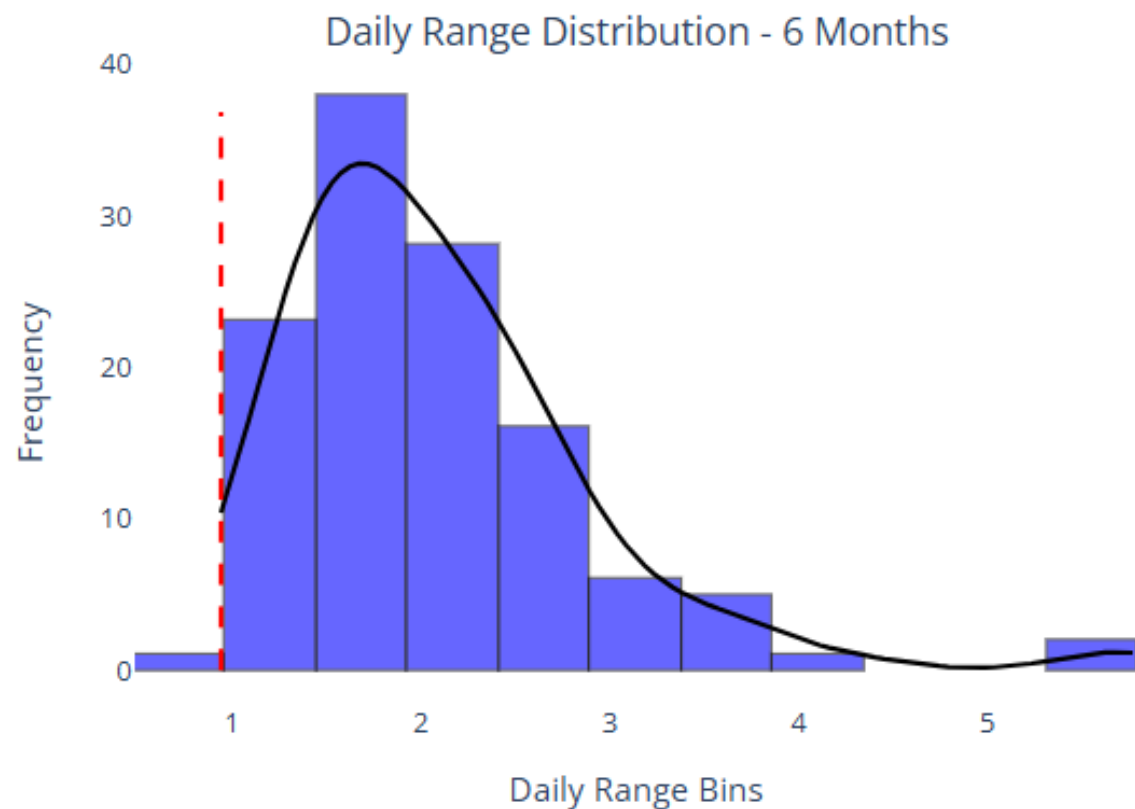
Geopolitical and Policy Considerations

- The U.S. imposed fresh sanctions on Iranian and Russian oil exports, further tightening global supply.
- Trump's pressure on OPEC+ for more production remains a wildcard, but the group has signalled cautious supply management.

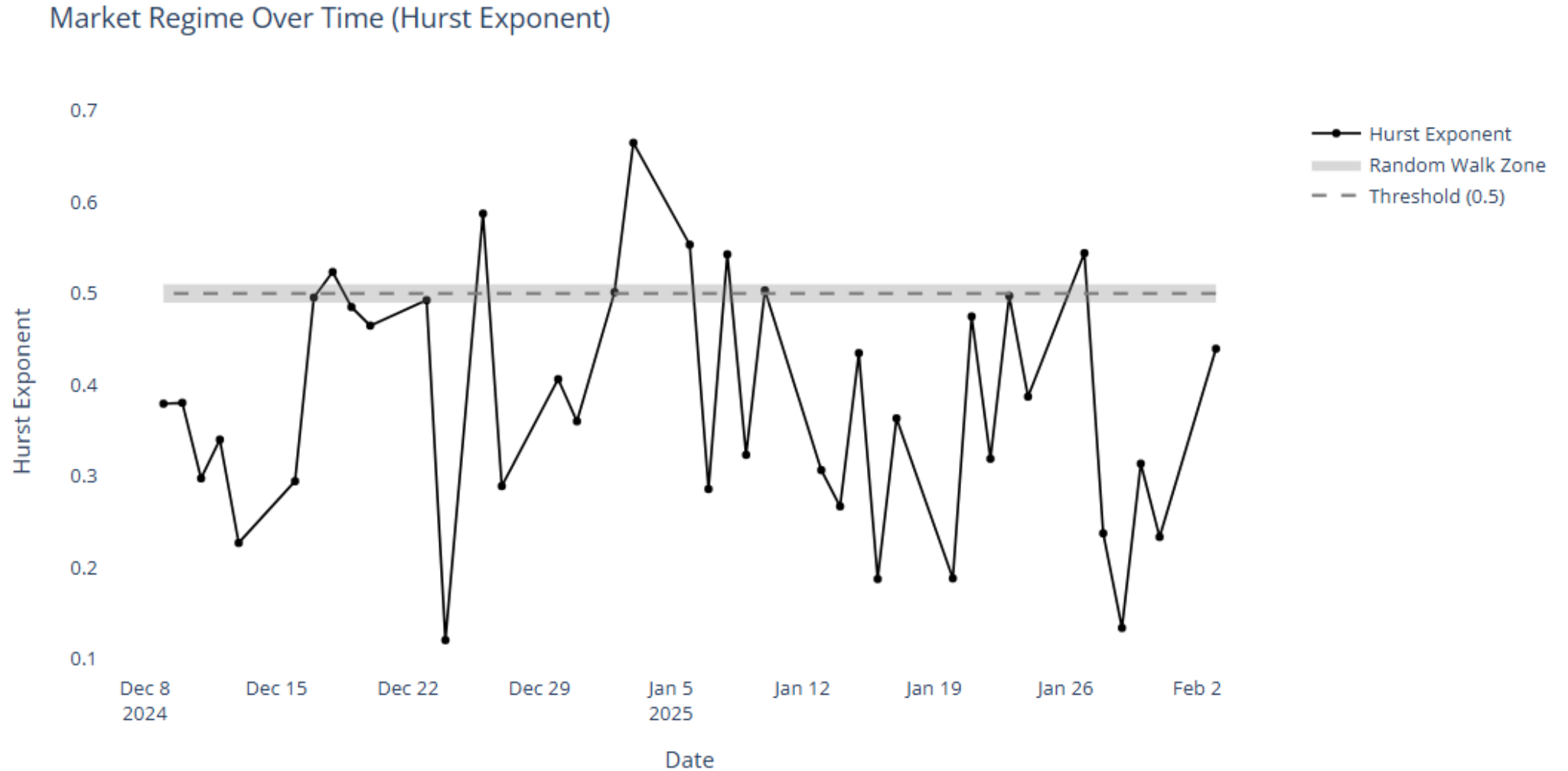
Daily Volatility – 1 month & 3 month



Daily Volatility – 6 month & 1 Year

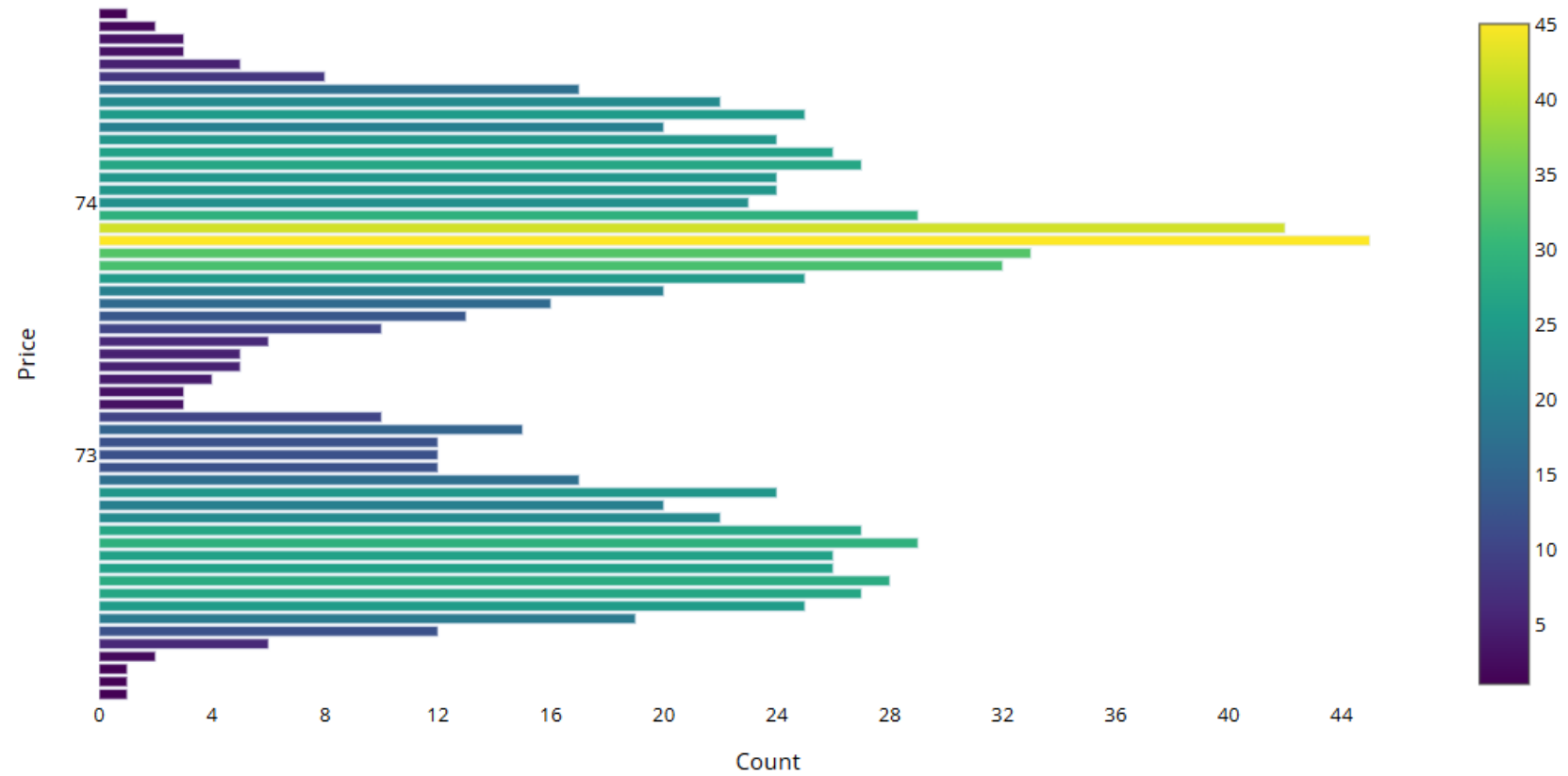


Market Regime Over Time



Market Profile

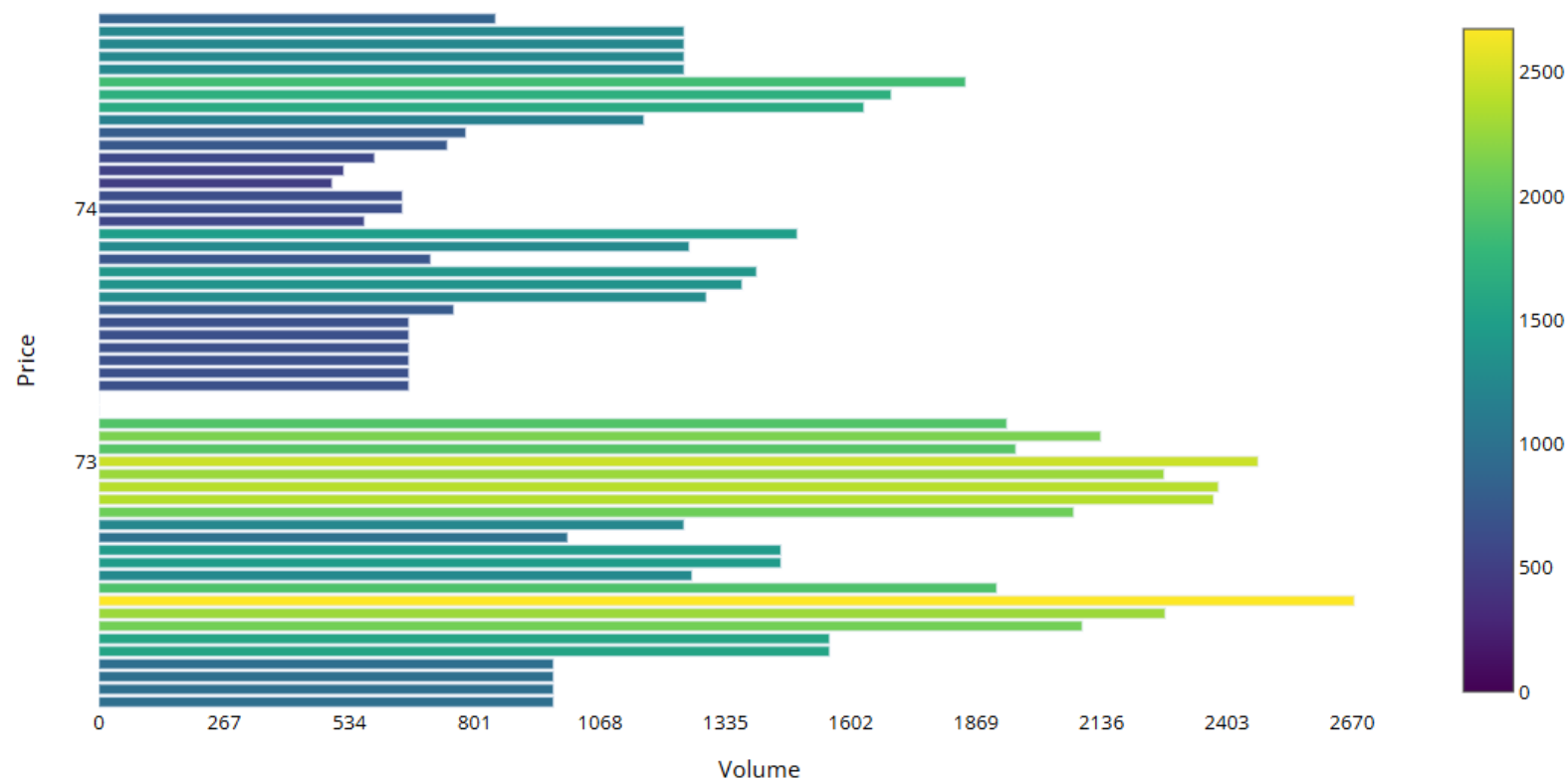
Market Profile Bar Chart of Crude Light on 2025-02-03



Point of Control: 73.85
Value Area High: 74.4
Value Area Low: 72.4

Volume Profile

Volume Profile of Crude Light on 2025-02-03



Point of Control: 72.45
Value Area High: 74.7
Value Area Low: 72.25