

Crude Oil Weekly

Brought to you by Phillip Capital Sdn Bhd (362533-U)

Market Commentary

Highlights:

- OPEC+ Considers Small Production Increase as Market Momentum Slows
- Russia’s Geopolitical Strategy Continues to Shape Global Oil Flows

Oil Market Summary

WTI crude slipped going into the weekend, closing below the \$60.50 level as buying momentum failed to break through persistent resistance. While prices saw a slight lift, both benchmarks still recorded a third straight monthly decline in October, weighed down by expectations that OPEC+ may announce a **137,000 b/d** production increase at its next meeting.

On Friday, the NYMEX light sweet crude oil was closed at \$63.97 a barrel by close of trade and Brent crude down \$2.08 to \$66.68 a barrel. During the week, NYMEX crude oil was down \$2.32 or 3.50%.

U.S. commercial crude oil inventories, excluding the Strategic Petroleum Reserve (SPR)—fell by 4 million barrels from the week ending October 24, 2025.

According to Baker Hughes, the number of weekly active rigs drilling for oil decreased by 4 to 546.

Oil prices rose in Asian trade on Monday as the market reacted to OPEC+’s decision to halt its ongoing production hikes in the first quarter of 2026 amid growing concerns about a potential supply glut. The move signaled the group’s cautious approach to balancing the market after months of steady output increases. Brent crude futures for January climbed 0.6% to \$65.18 a barrel, while U.S. WTI rose 0.7% to \$61.01. Gains were also supported by renewed geopolitical tensions in Eastern Europe, where Ukrainian attacks on Russian energy infrastructure heightened fears of further supply disruptions.

OPEC+, led by Saudi Arabia and Russia, confirmed a modest 137,000 barrels-per-day production increase for December matching October and November levels—but said it would pause further hikes through the first three months of next year. The group, which has raised output by nearly 2.9 million bpd so far in 2025, cited expectations of softer demand and a possible oversupply as reasons for the pause. The first quarter is typically the weakest period for global oil consumption, and the cartel’s latest move is viewed as an effort to prevent a deeper price slide after crude hit a five-month high in October. The decision also continues OPEC’s broader strategy of gradually unwinding two years of steep supply cuts to regain market share while maintaining price stability.

Adding to bullish sentiment, Ukraine intensified its campaign against Russia’s energy facilities, striking a key Black Sea oil port over the weekend in an attempt to disrupt Moscow’s war financing. The attack came just days after Russian strikes on Ukraine’s Zaporizhzhia region, which left much of the area without power. Meanwhile, U.S. sanctions imposed in October on major Russian oil companies have raised hopes of tighter global supply, though analysts remain cautious given Russia’s past success in evading restrictions. U.S. President Donald Trump recently acknowledged limited progress in ceasefire efforts between Moscow and Kyiv, leaving traders wary of further escalation that could threaten global energy flows and keep oil prices supported in the near term.

WTI Crude Oil is expected to range within a \$58 to \$62 range in the week ahead. The global oil market heads into November with mixed signals. OPEC+ production discipline is slipping, U.S. shale output is hovering near record levels, and refinery demand in Asia appears to be leveling off. However, inventories remain constrained and geopolitical tensions continue to support risk premiums.

Other Market News

US equities climbed on Monday as November trading began, following seven consecutive months of gains for the tech-focused Nasdaq Composite. In October, the Dow rose 2.51%, the S&P 500 gained 2.27%, and the Nasdaq jumped 4.7%, supported by sustained enthusiasm around artificial intelligence, improving US-China trade relations, and the latest Federal Reserve rate cut.

Strong corporate earnings also bolstered market confidence, with more than 80% of S&P 500 companies reporting results so far topping expectations.

Call of The Week:

Slightly Bullish

3 November, 2025

Weekly Market Price as at 31/10/2025

Commodity	Close	Chg	% Chg	High	Low	RSI(14)
NYMEX Crude Oil	60.98	-0.52	-0.846	70.29	59.64	52.91
IPE Brent Oil	64.77	-0.43	-0.660	73.52	63.38	53.33
TOCOM Crude Oil	60,500.00	-330.00	-0.542	67450.00	59380.00	53.62
Mini Dow Jones	47,722.00	326.00	0.688	44706.00	47488.00	63.76
U.S. Dollar Index	99.80	0.85	0.861	106.96	98.57	65.69
COMEX Gold	3,996.50	-141.30	-3.415	2756.70	3901.30	49.57

Significant Events to Watch (Malaysian Time)

- 03/11/2025 (2300hrs)- ISM Manufacturing PMI / Prices (Oct)
- 04/11/2025 (2300hrs)- JOLTS Job Openings (Sep)
- 05/11/2025 (2115hrs)- ADP Nonfarm Employment Change (Oct)
- 05/11/2025 (2200hrs)- ISM Non-Manufacturing PMI (Oct)
- 05/11/2025 (2330hrs)- Crude Oil Inventories
- 05/11/2025 (2330hrs)- Cushing Crude Oil Inventories
- 07/11/2025 (0530hrs)- Fed Balance Sheet
- 08/11/2025 (0200hrs)- US Baker Hughes Oil Rig Count
- 08/11/2025 (0200hrs)- US Baker Hughes Total Rig Count

U.S. Oil Rig Count vs. U.S. NYMEX Crude Oil



Source: Bloomberg / Phillip Capital

Chart of the Day - Crude Oil Daily Chart



From the daily chart above, prices are likely to continue forming lower low, however, investor should be mindful of next support level will be at \$65/barrel

Source: Reuters/Bloomberg/Phillip Capital

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