

# The Commodities Feed: Oil market awaits Trump's Russia statement

The oil market is holding firm despite tariff developments. Instead, the market appears focused on uncertainty around President Trump's scheduled "major statement" related to Russia



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## Energy – Oil holds onto gains ahead of Trump statement

Oil prices managed to move higher on Friday, with Brent settling 2.51% higher on the day. The market remains well supported in early morning trading today. This is despite a deterioration in the tariff environment, with the Trump administration sending new letters to trading partners, including the threat of 30% tariffs on imports from the EU and Mexico. With tariffs taking centre stage once again, oil demand concerns are starting to re-emerge.

However, with President Trump scheduled to make a "major statement" on Russia today, there is plenty of uncertainty. There's the potential that Trump could announce additional sanctions on Russia. This could dramatically shift the oil outlook if sanctions target Russian energy.

In its latest monthly oil market report, the International Energy Agency cut its demand growth forecast to 700k b/d for 2025. Ignoring the Covid years, this would be the lowest growth rate since

2009. The IEA blames weaker demand on emerging market economies. Looking ahead to 2026, global oil demand is forecast to grow by 720k b/d year on year. The IEA also revised upward its oil supply growth estimates amid the return of barrels from OPEC+. The agency now forecasts global supply will grow by 2.1m b/d YoY this year, and by a further 1.3m b/d in 2026.

The latest positioning data shows that speculators increased their net long in ICE Brent by 55,630 lots over the last reporting week to 222,347 lots as of last Tuesday. The move was predominantly driven by fresh longs entering the market. Speculators appear to be influenced more by short-term dynamics rather than the medium-term outlook. The oil balance suggests the market should be tight through the third quarter, before moving into a large surplus from the fourth quarter. Data shows that speculators increased their net long in ICE gasoil by 12,064 lots to 83,784 lots as of last Tuesday. This buying is unsurprising, given the support we have seen in the middle distillate market more recently, with inventory data pointing to tightness.

## Agriculture– USDA sees tighter corn market

In its latest monthly World Agricultural Supply and Demand Estimates (WASDE) report, the USDA revised down 2025/26 US corn production estimates by 115m bushels to 15.7bn bushels. This was driven by a downward revision in acreage. As a result, 2025/26 ending stock estimates were reduced by 90m bushels to 1,660m. This is lower than what the market was expecting. For the global balance, the USDA revised down corn inventory estimates from 275.2mt to 272.1mt at the end of 2025/26, tracking lower production estimates.

For soybeans, 2025/26 US production estimates were trimmed from 4,340m bushels to 4,335m bushels due to a slight decrease in acreage estimates. Even so, ending stock estimates were revised up by 15m bushels to 310m bushels amid lower export estimates. The global balance saw a marginal increase in 2025/26 ending stocks, rising from 125.3mt to 126.1mt

Finally, US wheat production estimates for the 2025/26 season were increased by 8m bushels to 1,929m thanks to better yields. However, ending stock estimates were still cut by 8m bushels to 890m due to higher export estimates. For the global balance, wheat inventory estimates were revised down slightly from 262.8mt to 261.5mt at the end of 2025/26.

### Author

#### Warren Patterson

Head of Commodities Strategy

[Warren.Patterson@ing.com](mailto:Warren.Patterson@ing.com)

#### Ewa Manthey

Commodities Strategist

[ewa.manthey@ing.com](mailto:ewa.manthey@ing.com)

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