

# United States Senate

WASHINGTON, DC 20510

May 27, 2026

The Honorable Michael S. Selig  
Chairman  
Commodity Futures Trading Commission  
1155 21st Street, NW  
Washington, DC 20581

Dear Chair Selig,

It has been publicly reported that the Department of Justice and the Commodity Futures Trading Commission (CFTC) are investigating recent instances of suspicious trading activity in oil futures markets. We are concerned that the use of material nonpublic information or other manipulative or deceptive conduct may have been used to facilitate these trades and we urge the CFTC to conduct a swift and thorough investigation, provide updates to the public, and report to Congress to protect market integrity.

The Commodity Futures Trading Commission (CFTC) is responsible for promoting the integrity and resiliency of America's commodity futures and derivatives markets. Recent U.S. military action against Iran has resulted in significant volatility in global oil markets, with prices surging from \$66 to nearly \$120 per barrel since the onset of the military action against Iran, with oil futures settling between \$100 and \$110 per barrel.<sup>1</sup> Such volatility increases both the incentives and opportunities for manipulative or deceptive trading practices, and we have already seen evidence that this may be occurring.

Suspicious trades reportedly occurring minutes before major White House announcements regarding the military conflict in Iran have raised concerns about trading on material nonpublic information and market manipulation. Before markets opened on Monday, March 23, 2026, President Trump posted a message on Truth Social that indicated negotiations with Iran had progressed over the weekend and there would be a postponement of "any and all military strikes against Iranian power plants and energy infrastructure for a five day period."<sup>2</sup>

Roughly 15 minutes before President Trump made this post, there was a noticeable increase in trading activity—specifically increases in distinct trades based on the assumption that oil prices would drop.<sup>3</sup> In fact, public reporting suggests that a single trader made more than \$580 million in trades on oil futures at a time when there was no publicly available news that would merit

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<sup>1</sup> Crude Oil Price, *Trading Economics* (May 13, 2026), <https://tradingeconomics.com/commodity/crude-oil>

<sup>2</sup> Truth Social Post by Donald J. Trump, <https://truthsocial.com/@realDonaldTrump/posts/116278232362967212>

<sup>3</sup> Yun Li, "Volume in stock and oil futures surged minutes before Trump's market-turning post." *CNBC News* (March 23, 2026), <https://www.cnbc.com/2026/03/23/volume-in-stock-and-oil-futures-surged-minutes-before-trumps-market-turning-post.html>

such an outsized investment.<sup>4</sup> While the available evidence does not rule out the possibility that this trade may have been made legitimately, the timing and volume suggests that nonpublic, material information may have been used in a manner that raises serious concerns about potential violations of the Commodity Exchange Act.

These suspicious trades are not isolated. In a separate incident just weeks later, investors placed an approximately \$950 million bet on oil prices falling just hours before the United States and Iran announced a ceasefire. As a result of the ceasefire, oil futures dropped by as much as 15 percent, netting a significant profit. Further, such large, concentrated positions are relatively uncommon and could suggest that the traders may have had access to information regarding the timing of the ceasefire announcement.<sup>5</sup>

Later, on May 6, just one hour prior to an *Axios* news report indicating that the White House and Iran were nearing an agreement to end the military conflict with Iran, more than \$700 million worth of front-month Brent and WTI contracts were traded. These trades occurred between 3:42 and 3:47 a.m. ET, a very large trade for pre-market trading hours.<sup>6</sup>

This activity may violate Section 6(c)(1) of the Commodity Exchange Act and CFTC Rule 180.1, which prohibit the use of manipulative or deceptive devices, including trading on material nonpublic information.<sup>7</sup>

Recent reporting has raised concerns about significantly reduced staffing in the CFTC's Enforcement Division, including significant turnover in its key Chicago office.<sup>8</sup> Last year, the Department of Government Efficiency (DOGE) was involved in a reduction-in-force where several probationary employees were fired, including attorneys in the agency's enforcement and market oversight divisions.<sup>9</sup> Additionally, the CFTC has expanded its focus to regulate the digital asset and prediction markets, which may be drawing resources away from regulating the traditional commodity derivatives markets.<sup>10</sup>

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<sup>4</sup> Nick Pearson, "Minutes before Trump's announcement, \$800 million in trades made on oil prices." *Nine News* (March 24, 2026), <https://www.9news.com.au/world/donald-trump-iran-updates-oil-futures-trade-suspicious-betting-activity-usa-world-news/1061ef6b-5fef-401c-b469-98016ccdb9c3>

<sup>5</sup> Amanda Cooper, Alex Lawler and Ahmad Ghaddar, "Traders place large \$950 million bet on oil price falling hours ahead of ceasefire." *Reuters* (April 8, 2026), <https://www.reuters.com/business/energy/traders-place-large-950-million-bet-oil-price-falling-hours-ahead-ceasefire-2026-04-08/>

<sup>6</sup> Alexander Osipovich, "Another Well-Timed Oil Trade Ahead of Iran News Raises Eyebrows." *Wall Street Journal* (May 7, 2026), <https://www.wsj.com/livecoverage/stock-market-today-dow-sp-500-nasdaq-05-07-2026/card/another-well-timed-oil-trade-ahead-of-iran-news-raises-eyebrows-7Ay0zmBjukmQ24QUKPkN>

<sup>7</sup> Commodity Exchange Act § 6(c)(1), (prohibiting the use of "any manipulative or deceptive device or contrivance... in connection with" commodity transactions, including conduct involving material nonpublic information); 17 C.F.R. § 180.1(a)(1) (prohibiting the use of "any manipulative device, scheme, or artifice to defraud").

<sup>8</sup> Nick Devor, "As Prediction Markets Boom, the CFTC's Flagship Office Has Lost Its Last Enforcement Attorney." *Barons* (February 10, 2026), <https://www.barrons.com/articles/prediction-markets-cftc-crypto-fraud-8369ec31>

<sup>9</sup> Nicola M. White and Lydia Beyoud, "CFTC Fires Some Employees in Latest Government Job Terminations." *Bloomberg* (February 20, 2025), <https://www.bloomberg.com/news/articles/2025-02-20/cftc-fires-some-employees-in-latest-government-job-terminations>

[We] therefore request that the CFTC conduct a prompt investigation, provide a public update on whether market manipulation or misuse of material nonpublic information occurred, and brief congressional staff on a bipartisan basis as to the findings of such investigation by June 15, as well as provide answers to the following questions.

- 1) How many full-time employees are dedicated to monitoring for market manipulation in commodity futures markets in FY 2026, FY 2025, and FY 2024?
- 2) How many active investigations into potential market manipulation or misuse of material nonpublic information are currently being conducted?
- 3) How is the CFTC tracking potential market manipulation and fraud activities during times of extreme volatility?
- 4) Is the CFTC communicating with Designated Contract Markets regarding any investigations they may be conducting into these issues?
- 5) Has the CFTC identified any trading activity correlated with nonpublic government information releases, and if so, what enforcement actions are under consideration?

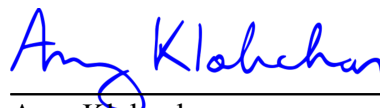
The integrity of America's commodity futures markets must remain above reproach. Should market participants become convinced a few insiders are profiting on inside information at their expense, we could see reduced market liquidity, heightened volatility, and disruptions to the efficient pricing and flow of physical commodities. It is critical that this investigation be carried out swiftly and publicly to reassure existing market participants that markets are stable and no participant has an unfair advantage. We look forward to your response.

Sincerely,



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Raphael Warnock  
United States Senator



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Amy Klobuchar  
United States Senator  
Ranking Member, Committee  
on Agriculture, Nutrition, and  
Forestry



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Elissa Slotkin  
United States Senator



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Cory A. Booker  
United States Senator

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<sup>10</sup> "CFTC Staff Issues Prediction Markets Advisory" *Commodity Futures Trading Commission* (March 12, 2026), <https://www.cftc.gov/PressRoom/PressReleases/9193-26>

*Ben Ray Luján*

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