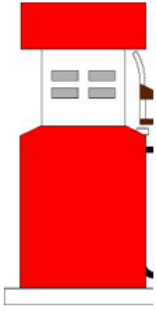


Energy Market Update, April 9, 2025

NYMEX Prices



Product	Month	Close	Wk. Change
Crude Oil	May 25	62.35	-5.33
RBOB Gas	May 25	2.0384	-0.1117
NYH ULSD	May 25	2.1136	-0.0927
Nat. Gas	May 25	3.816	-0.268

Market Comments: Petroleum futures end slide, post gains on Wednesday

Oil and fuel prices erased early losses and posted gains in midweek trading as the energy markets snapped their past four-day slide.

Although petroleum prices came under concerted selling pressure early in the session on the fears that a global trade war (tariffs and China's announcement of retaliatory tariffs) could slow economic conditions and potentially trigger a recession, prices reversed course and pushed higher as reports that President Trump would institute a 90 day pause on some country's tariffs.

Early selling pressure in the markets also appeared to come from expectations of increased OPEC+ and non-OPEC production levels in the coming months and this morning's DOE inventory report, which showed crude oil stockpiles increased by 2.6M bbls last week.

Additional support for the market's turnaround appeared to result from short covering after the markets had dropped to multi-year lows in crude oil and ULSD prices, more six-month lows in gasoline prices, rising equity prices, and a weaker dollar.

Further, support for petroleum prices today also appeared to come from a report of a possible force majeure on the 620,000 bbls/d Keystone crude oil pipeline after a leak (estimated to be 3,500 bbls) was discovered on the line in North Dakota. No details about how long the pipeline could be offline is available as of this writing, however a prolonged period could add more support to oil prices in the coming days. **Looking ahead:** In addition to the uncertainty surrounding the changing tariff issue, energy prices could take direction tomorrow from the latest consumer prices and initial jobless claims reports. In addition, tomorrow will also see speeches by several Fed officials.

Weekly Petroleum Status Update

	Crude				Gasoline				Distillate Fuel			
	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.
EIA	2.6	442.3	448	459	-1.6	236.0	237	238	-3.5	111.1	117	127
Est.	+0.5				-2.4				+0.1			
Propane	Total		45.7	1.5	Midwest		9.6	0.1	Gulf Coast		29.6	0.9
API	Crude	-1.1	Cushing	0.6	Gasoline		0.2		Distillates -1.8			

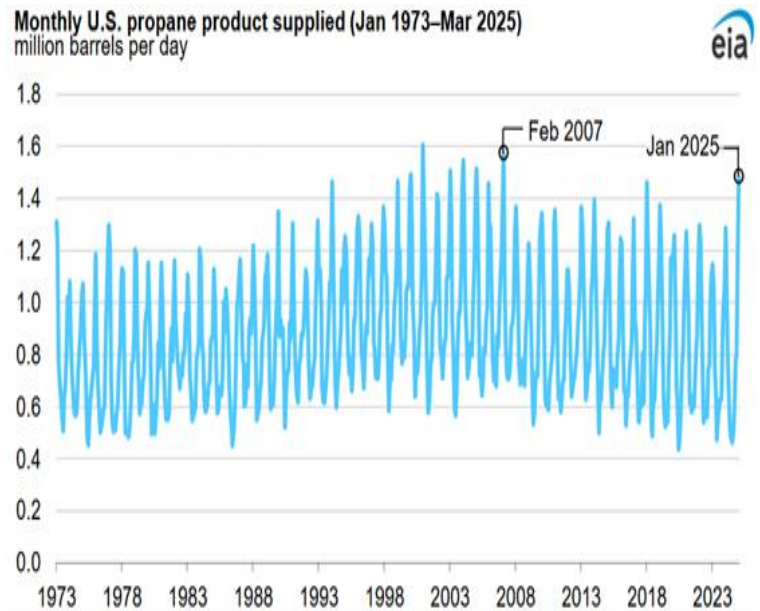
Cold weather during the first month of 2025 led to the highest levels of propane consumption since Jan. 2005, according to the DOE.

- US LP consumption in January, according to the doe, reached nearly 1.5m bbls/d, the most for any month since February 2007.

- January 2025 was the coldest month of the year and the coldest month recorded in the us since Jan. 2014 with 946 heating degree days, just 26 shy of Jan. 2014.

- Propane consumption is closely correlated with temperatures because lp is primarily used for space heating in the us with 83% of propane consumption in the midwest used for space heating while 17% is used for non-heating purposes.

- January's cold helped reduce LP inventories by 22M bbls and was also a primary factor behind us and Midwest inventories dropping to a three-year low at the end of winter.



Why it matters: Low propane inventories, can give a view into how lp prices can move during the approaching refill season. end of season inventory levels, in this year's case a three-year low in stocks, can help keep prices elevated as buyers look to rebuild stocks ahead of this fall's drying season and the upcoming winter heating season.

President Trump is also planning to meet with Iran this weekend in regards to their nuclear program to prevent their development of nuclear weapons. This is a high-stakes meeting, as the discussions could either lead to an escalation of pressure on Iran, whereas positively, it could lead to decreased conflict in the Middle East.

As the third-largest OPEC producer, Iran produces ~3.3 million barrels per day, which accounts for about 3% of global output. Increased sanctions on Iran directly effects Iran's oil revenue and reduces their efforts to destabilize and attack the U.S. and allies via support of terrorist organizations.

Iran Crude Oil Production

