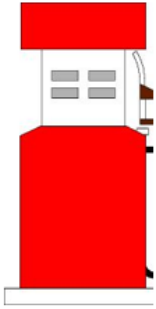


# Energy Market Update, April 16, 2025

## NYMEX Prices



Product	Month	Close	Wk. Change
Crude Oil	May 25	62.47	<b>+12</b>
RBOB Gas	May 25	2.0434	<b>+0.0050</b>
NYH ULSD	May 25	2.1154	<b>+0.0018</b>
Nat. Gas	May 25	3.247	<b>-0.569</b>

**Market Comments:** **Petroleum continues to stabilize.**

OPEC cuts its forecast for oil demand growth just days after a surprise decision to boost output, citing the impact of U.S. tariffs on the global economy and crude consumption.

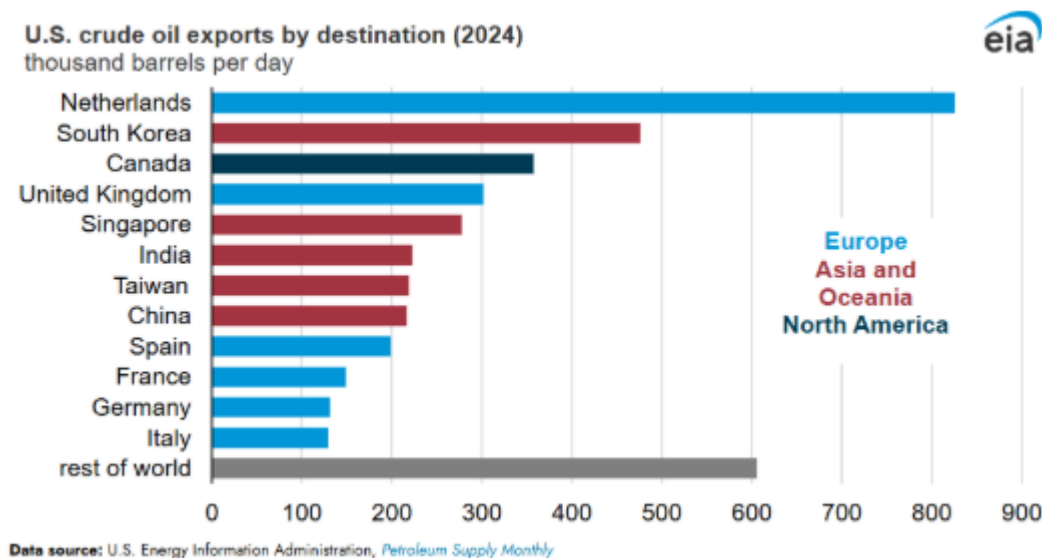
BP discovered oil at a far-south prospect in the Gulf of Mexico. Initial data shows high-quality reserves and a potential commercial volume of hydrocarbons.

According to the EIA, global oil demand will grow slowly for five years in 2025. U.S. production rises will also taper off due to President Trump's tariffs on trading partners and their retaliatory moves. World oil demand this year will rise by 730,000 barrels per day, a sharp cut from 1.03 million bpd expected last month. The reduction is more significant than the production group OPEC's cut on Monday.

Boeing shares were lower earlier in the week after a report that China ordered its airlines not to take any more deliveries of U.S.-made jets. The order extended beyond Boeing plans to include aircraft-related equipment parts.

It was reported on Tuesday that the Keystone pipeline has resumed operations a week after a section of the pipeline ruptured and spilled 3,500 bbl of crude oil in North Dakota. After replacing the damaged section of the pipeline, the flow through the pipeline was restarted at a reduced pressure. The pipeline begins in Hardisty, Alberta, and carries about 591,000 b/d of Canadian crude to refiners in Illinois, Oklahoma, and Texas.

	Crude				Gasoline				Distillate Fuel			
	<u>Change</u>	<u>Total</u>	<u>3-Yr.</u> <u>Avg.</u>	<u>5-Yr.</u> <u>Avg.</u>	<u>Change</u>	<u>Total</u>	<u>3-Yr.</u> <u>Avg.</u>	<u>5-Yr.</u> <u>Avg.</u>	<u>Change</u>	<u>Total</u>	<u>3-Yr.</u> <u>Avg.</u>	<u>5-Yr.</u> <u>Avg.</u>
EIA	0.5	442.9	448	459	-2.0	234.0	237	238	-1.9	109.2	117	127
Est.	+7.4/-2.0				-0.7/-4.5				+1.0/-2.8			
Propane	Total		44.4	-1.3	Midwest		9.8	0.2	Gulf Coast		28.4	-1.2
API	Crude 2.4		Cushing -0.3		Gasoline -3.0		Distillates -3.2					



**Increasing crude oil exports can tighten supplies, help decrease inventories, and potentially strengthen oil and fuel prices going forward.**

- US crude oil exports in 2024, according to the DOE, climbed to a record annual average high at 4.1m bbls/d, surpassing the previous year's record 4M bbls/d.
- Increased domestic production levels in 2024 (+3% at ~13.5M bbls/d) appeared to allow for higher exports last year.
- Europe, Asia, and Oceania were the top destinations in 2024 for US crude oil exports with EU imports of US crude oil growing significantly after the region's banning of seaborne Russian oil in late 2022.
- The Netherlands, home of the Rotterdam large storage and trading hub, received the largest amount of US oil in 2024 averaging 825,000 bbls/d, marking the second consecutive year the port has seen the largest US oil flows.
- However, exports to China dropped by more than half in 2024 to 217,000 bbls/d, mainly due to decreased transportation fuel demand in the Asian nation, while exports to India were reported to have increased 32% last year.

Why it matters: Growing US crude oil exports could restrict domestic supplies, suppress inventories, and potentially help boost prices in the coming years, especially if higher exports dovetail with stronger-than-expected fuel demands.

### Stagflation-like periods since 2001

- Jefferies lowered its year-end S&P 500 targets to 5,300.
- The reason for the delinquency was a risk of stagflation-like scenario.
- They noted there have been five stagflation-like periods since 2001.
- Stagflation: rising inflation and falling growth.

