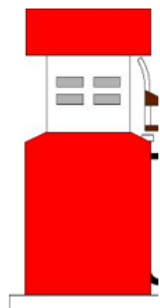


# Gateway FS

Energy Market Update, August 13, 2025

## NYMEX Prices



| Product   | Month  | Close  | Wk. Change |
|-----------|--------|--------|------------|
| Crude Oil | Sep 25 | 62.65  | -1.700     |
| RBOB Gas  | Sep 25 | 2.0704 | -0.020     |
| NYH ULSD  | Sep 25 | 2.2428 | -0.020     |
| Nat. Gas  | Sep 25 | 2.828  | -0.249     |

### Market News: Petroleum futures settled lower Wednesday

Oil and fuel prices have been weighed down this week with the upcoming meeting this week between President Trump and President Putin, with energy markets lower on the prospect of movement towards a peace deal between Russia and Ukraine that could lead to less restrictions on Russia's petroleum supplies to the world market.

The IEA also increased their oil surplus estimate. Their forecast has been revised to show oil supply growth at 2.5 million barrels per day this year vs. the previous 2.1 million barrels per day. Next year was also increased from 1.3 to 1.9 million b/d. Increasing OPEC+ supply and slower global oil demand growth, due to a weaker macroeconomic outlook were among the reasons for the larger surplus.

The 90-day extension tariff deadline between the U.S. and China provides more time for negotiations until November 10th, leaving a 30% tariff on Chinese imports and a 10% duty on U.S. imports to China in place for the time being. This has lifted equity markets. A weaker dollar is another supportive factor for energy prices.

The DOEs this morning showed builds to crude, distillate and propane inventories, which should aid in keeping prices lower. WTI crude and diesel prices dropped modestly today, posting a second consecutive session of losses with inventories building in both. The gasoline contract has been lower all but one of the last ten trading days. Even though there was a 800,000-barrel draw in gasoline stocks reported in today's DOEs, inventories are higher than a year ago and only modestly below the five-year average.

Refinery runs were mostly level this week, dropping by just 16,000 barrels per day. Refiners boosted their distillate production, increasing their output to 5.137 million b/d. That increase, along with a drop in exports by 100,000 barrels per day helped to lift total distillate inventories by 700,000 barrels, tightening the deficit to 15% below the five-year average.

Total domestic propane inventories are now at 88.6 million barrels with today's 3.9-million-barrel build today, leaving them just 1.5 million barrels below last year's levels.

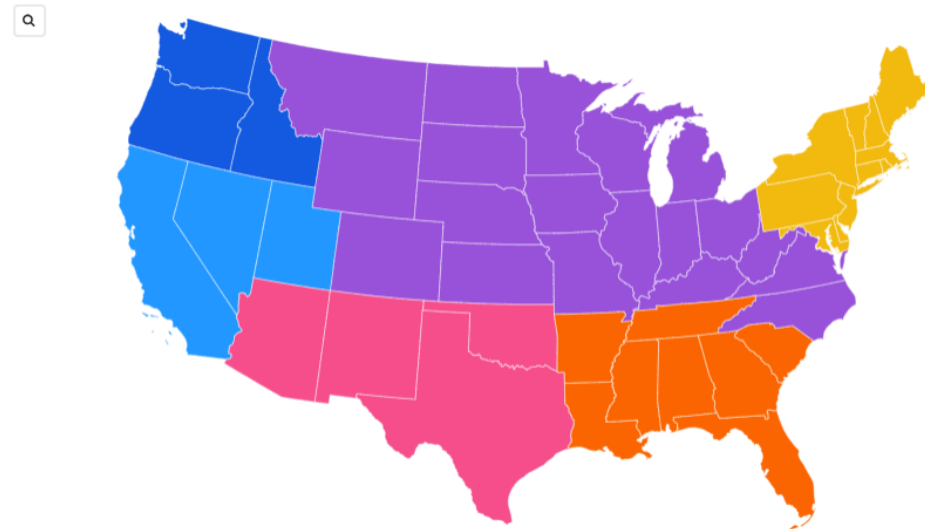
### Weekly Petroleum Status Report

|         | 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     | 3.0                | 452.0 | 432        | 450        | -0.8             | 226.3 | 218        | 226        | 0.7                 | 113.7 | 118        | 136        |
| Est.    | -0.8               |       |            |            | -1.0             |       |            |            | -1.0                |       |            |            |
| Propane | Total 88.6 3.9     |       |            |            | Midwest 23.2 0.4 |       |            |            | Gulf Coast 53.3 2.8 |       |            |            |
| API     | Crude 1.50 Cushing |       |            |            | Gasoline -1.8    |       |            |            | Distillates 0.30    |       |            |            |

## The Farmer's Almanac Winter Prediction

2025-26

■ Chilly, Wet ■ Average Temperatures, Wet ■ Very Cold, Snowy ■ Cold, Wet ■ Average Temps, Wet ■ Cold, Snow-Filled



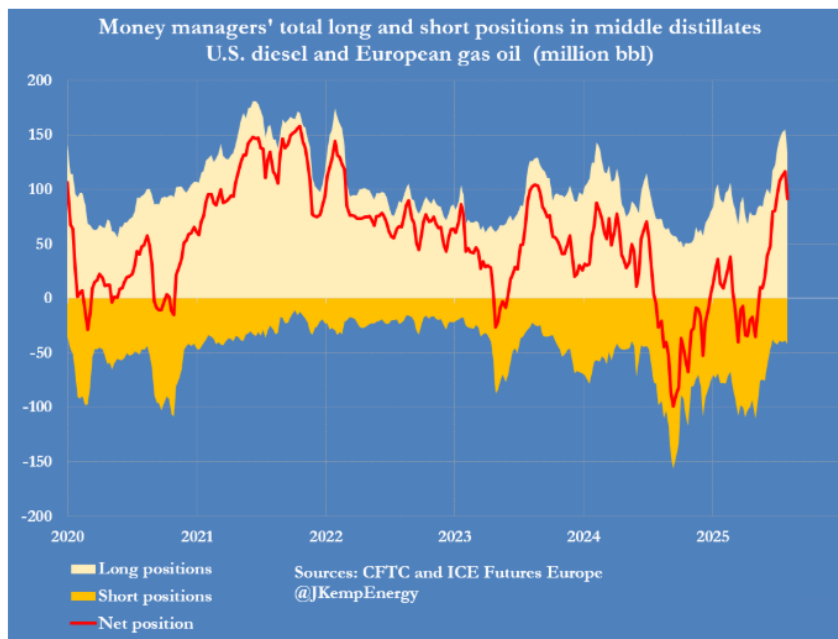
Source: The Farmer's Almanac

## Winter Weather Predictions for 2025-2026

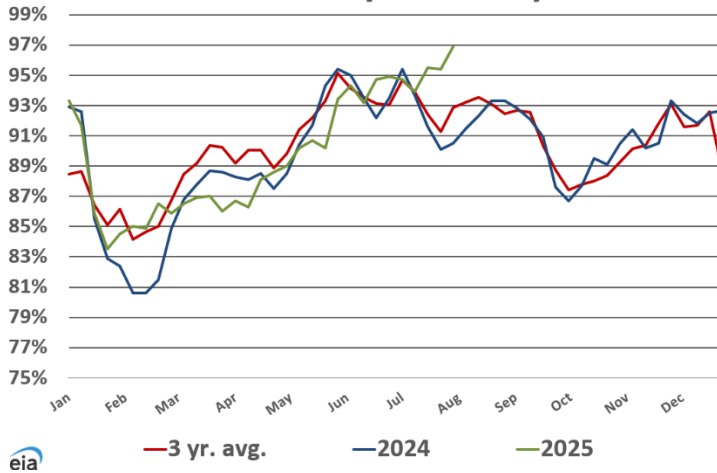
- The Farmer's Almanac released its winter weather forecast for the upcoming season, indicates very cold and snowy conditions expected across a majority of the U.S., stretching from the Northern Plains to New England.
- This is in contrast to NOAA's latest Three-Month Outlook for November, December 2025 through January 2026, which indicated the probability of above average temperatures for Seasonal Outlook. Their latest update was July 17th, 2025. NOAA's next update should be available next week, as they typically update mid-month.

## Diesel bulls realize profits as stocks replenish

- According to Kemp Energy, investors sold middle distillates last week at the fastest rate for four months.
- As shortages stemming from Israel's war with Iran eased, the United States imposed punitive tariffs on several major emerging markets.
- Hedge funds and other money managers sold futures and options equivalent to 25 million barrels of middle distillates.
- Split between the U.S. and European gasoil, over the seven days ending August 5th.



## Refinery Efficiency



### U.S. refinery efficiency continues to climb

U.S. refineries operated at 96.9% of capacity in last week's DOE data, an increase of 1.5% from the prior week.

**Why it matters:** Continued strength in refinery runs would be a supporting factor for crude prices, and could soften distillate and gasoline values if builds are produced.

Likewise, Canadian refinery activity in Ontario has been running at very high levels, with the latest weekly data from the Canadian Energy Regulator reporting the region operating at 99.1% capacity.