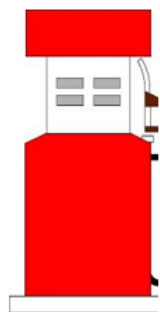


# Gateway FS

Energy Market Update, October 1, 2025

## NYMEX Prices



Product	Month	Close	Wk. Change
Crude Oil	Nov 25	61.78	-3.210
RBOB Gas	Nov 25	1.8859	-0.133
NYH ULSD	Nov 25	2.3019	-0.075
Nat. Gas	Nov 25	3.476	+0.618

### Market News: Petroleum Futures Drop for Third Consecutive Day

Oil and fuel prices posted a third consecutive day of losses on Wednesday as WTI crude oil market closed the session at a four-month low, while gasoline prices settled the day at a six-month low.

ULSD ended the day lower as well but only at a six-day low.

In addition to ongoing worries surrounding increased OPEC+ production levels and this week's earlier restart of Iraq's Ceyhan oil pipeline, petroleum prices appeared to move lower on the back of today's earlier across-the-board build in oil and fuel stockpiles (CL +1.8M bbls, ULSD +600,000 bbls, and gasoline +4.1Mbbls) and concerns that today's shutdown of the US government could impact economic conditions and fuel demands going forward.

Limiting the energy markets retreat today were a weaker dollar as the greenback dropped for a fourth consecutive session, rising equity prices, and ongoing worries surrounding restricted supplies from Russia due to Ukrainian drone attacks on Russian refineries and export terminals and the possibility of new US and EU sanctions on Russian oil exports and on the countries who buy oil from Russia.

Of note in today's DOE inventory report was that LP stockpiles increased by 3.5M bbls to a record high at 103.4M bbls. Propane inventories which ended last winter at a three-year low have now climbed to a record high primarily on the back of near record LP production levels and point toward more-than-ample supplies as this year's drying season unfolds and the fast approaching start of the Winter 2025-26 heating season nears.

**Looking ahead:** The energy markets will likely turn their focus tomorrow to the release of the durable goods orders and factory orders reports for direction. No initial jobless claims report will be released on Thursday (due to the US government shutdown).

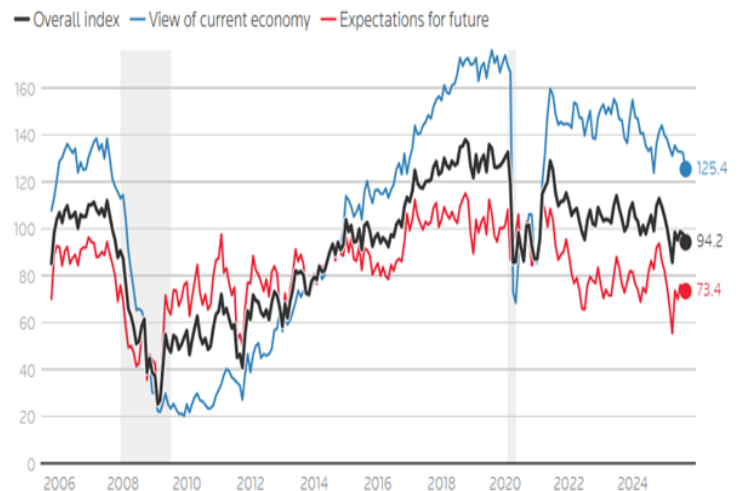
	Crude				Gasoline				Distillate Fuel			
	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.
EIA	1.8	452.0	432	450	4.1	220.7	218	226	0.6	123.6	118	136
Est.	-0.80				1.2				-1.3			
Propane	Total 103.4 3.5				Midwest 27.3 0.5				Gulf Coast 61.4 1.5			
API	Crude -3.70 Cushing -0.70				Gasoline 1.3				Distillates 3.00			

**Declining levels of consumer confidence could point toward pessimism by consumers regarding their financial situations and be a negative influence on their spending, including fuel demands, and saving habits.**

- Yesterday, the Conference Board reported its Consumer Confidence Index in September dropped by 3.6 points to 94.2, below expectations of 96 and its lowest reading since April.
- In addition, the Present Situation Index (assessment of current business and labor market conditions) fell by seven points to 125.4.
- Further, the Expectations Index (short-term outlook for income, business, and labor market conditions) edged lower by 1.3 points to 73.4, with expectations being below the 80 threshold that can oftentimes signal a recession ahead.

#### US consumer confidence

The Conference Board's September survey of the public's economic outlook



**Why it matters:** Decreasing consumer confidence levels can point toward higher levels of uncertainty and a potential economic downturn that could subsequently affect consumer spending and help depress fuel demands as consumers scale back their spending levels.

**Distillate futures fall in line with losses**



- Prices fell more than 3% yesterday, breaking a 4-day win streak in the sector
- It was the biggest 1-day sell off on distillates in 2 months
- Support for prices didn't occur until the 20-day moving average ~\$2.3400
- Expected supply growth is directing prices lower
- Despite struggles for distillate inventories to stay above the 5-yr range most of the year, stocks are now 8 million barrels above the 5-yr low
- 4-wk avg. demand has been mostly off pace since the Spring, < 3.9 mil b/d since March

**Why it matters:** While there have been recent overseas events affecting opinions on supply, energy markets are clearly wary of oversupply. With US demand below normal and more oil supply coming from OPEC+, the prospects of further price drops seem very possible.