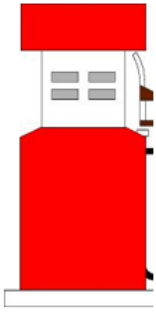


Energy Market Update, August 6, 2025

NYMEX Prices

Product	Month	Close	Wk. Change
Crude Oil	Sep 25	64.35	-5.650
RBOB Gas	Sep 25	2.0904	-0.179
NYH ULSD	Sep 25	2.2628	-0.156
Nat. Gas	Sep 25	3.077	+0.032



Market News:

Petroleum futures showed some positive momentum early and turned mixed.

The oil market has gained 1.5% as it weighs Trump's tariff threats against Russian oil buyers. In addition, the industry is looking for a larger-than-expected U.S. crude inventory draw in today's DOE report.

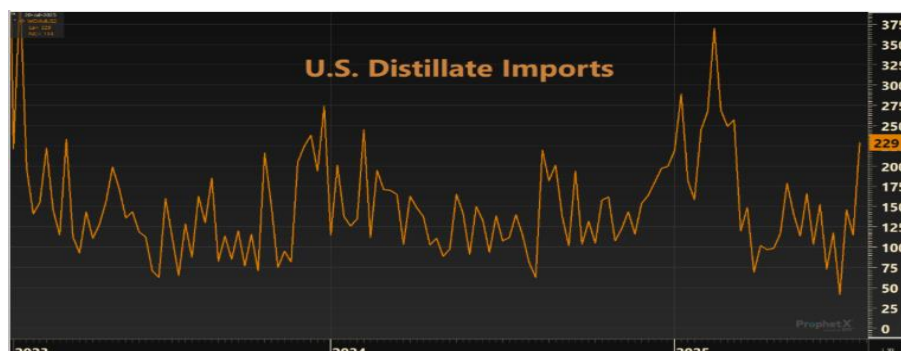
Saudi Aramco remains divided after lower oil prices hit its profit. Although Aramco pumped more oil, lower prices hurt its top line, as crude, on average, fell to \$66.70 a barrel from \$76.30 earlier this year.

BP made potentially the most significant discovery in 25 years offshore Brazil. The energy giant said it discovered oil and gas in the deep-water Santos basin offshore Brazil as it seeks to grow global upstream production output.

Major banks nudge oil forecast higher, but U.S. tariffs, OPEC+ hikes weigh on outlook.

US distillate imports look to help close inventory shortage

- Distillate imports saw their biggest 1-week rise in 5 months last week
- Import gains in 2 of the last 3 weeks have imports 200,000 bbl/d higher than the end of June.
- As Jaci pointed out at the end last week, US distillate inventories have risen over 10 million barrels in the last 3 weeks
- Gene acknowledged yesterday the deficit to last year and the 5-year avg. in distillate stocks that still exists in Midwest and East Coast inventories, even with cumulative US inventories climbing
- 4-week distillate demand is hovering close to 2025 lows
- Heating Oil crack spreads are currently outpacing gasoline cracks by \$9 per barrel
- Midwest refinery utilization is still operating above average at 97%

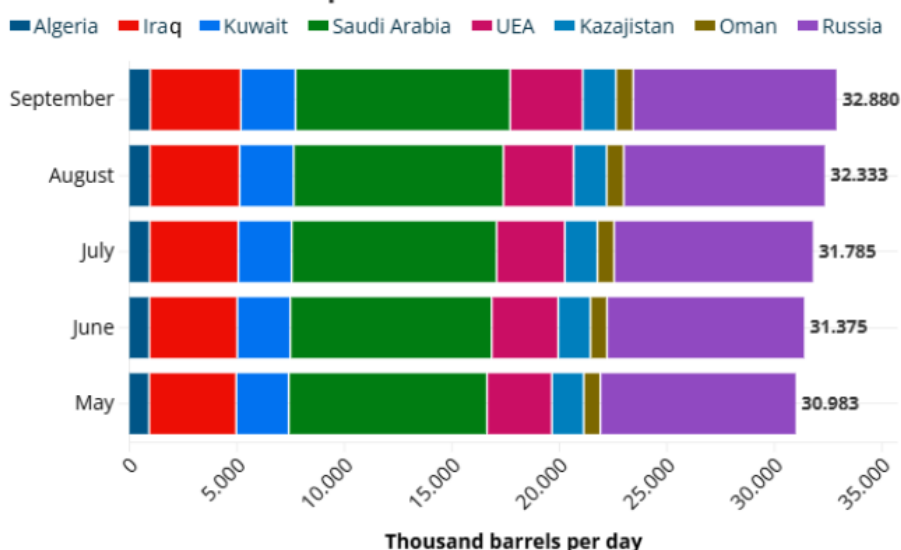


OPEC+ output keeps rolling into September

- Energy markets responded to the downside yesterday after another OPEC addition to production.
- Over the weekend, OPEC+ members agreed to add 550,000 bbl/d in September to their production.
- September's output increase is the last piece to close the voluntary production cut from a few years ago.
- As the graphic shows below, Saudi Arabia has been the catalyst for most of the increase in OPEC+ output, most countries have struggled to meet their quotas.
- While hypothetical builds have clawed back voluntary output cuts, production has not actualized the announced production increase.

Why it matters: Markets have dropped on the news of more OPEC barrels coming to the market, but with OPEC members mostly struggling to meet their agreed upon levels, energy futures are hesitant to go much lower until OPEC nations can show progress in matching the announced increases to production.

Evolution of OPEC+ oil production in 2025



Source: Opec.org



	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	430	447	-1.3	227.1	224	230	-0.6	113.0	120	127
Est.	+3.100 / -5.300				+3.000 / -2.300				+2.600 / -2.100			
Propane	Total 84.7 1.3				Midwest 22.7 0.7				Gulf Coast 50.5 0.2			
API	Crude -4.20 Cushing 1.70				Gasoline -0.9				Distillates 1.60			