

Energy Market Update, November 5, 2025

NYMEX Prices

Product	Month	Close	Wk. Change
Crude Oil	Dec 25	59.60	-0.880
RBOB Gas	Dec 25	1.9093	+0.019
NYH ULSD	Dec 25	2.4325	+0.035
Nat. Gas	Dec 25	4.232	+0.417

Market Comments: Energy futures settled lower on Wednesday on bearish crude DOE data

Crude settled lower for a second straight session today. Gasoline and diesel also finished down, turning back to settle lower today. There were a couple of surprises in today's DOE report, including a domestic crude build larger than expected at 5.2 million barrels on increased imports and falling refinery utilization. Gasoline and distillate futures fell back today, even though stocks drew down (gasoline -4.7 & distillate -0.6) with refinery runs falling to 86% efficiency, about 2% below the five-year average for this time of year.

Propane also surprised the trade with another 413,000-barrel build in this past week's data, even after a large increase the week prior, taking total inventories to over 106 million barrels. The five-year average for LP inventories is a 934,000-barrel draw.

Looking ahead: The pending Supreme Court ruling on President Trump's tariffs on China, Canada and Mexico, along with reciprocal tariffs will be closely watched, as it could cause volatility in markets worldwide. Currently, there are growing doubts amongst traders that the Supreme Court will rule in favor of the tariffs.

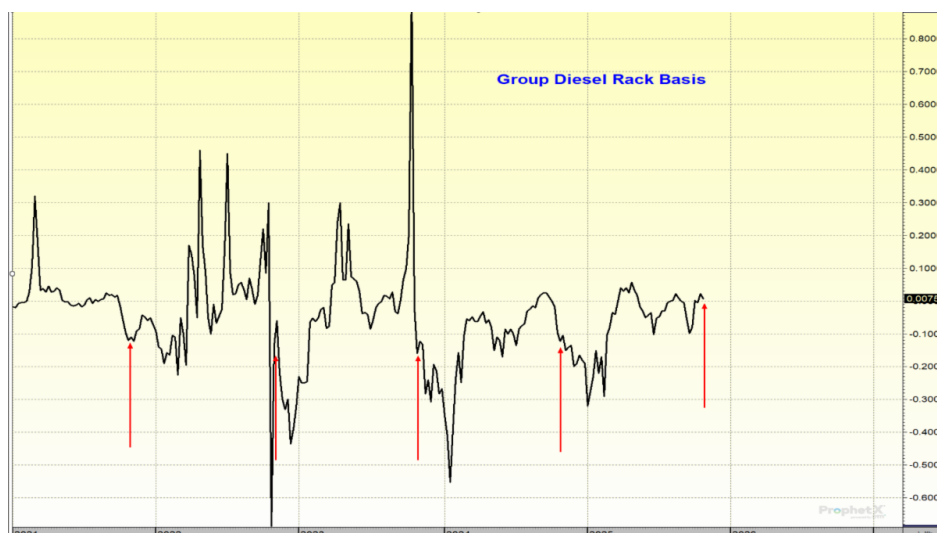
Weekly Petroleum Status Report

	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	5.2	452.0	435	445	-4.7	206.0	211	215	-0.6	111.5	111	123
Est.	+3.0				+.4				+0.7			
Propane	Total 106.1 0.4				Midwest 27.9 -0.3				Gulf Coast 63.1 0.5			
API	Crude 6.50 Cushing 0.36				Gasoline 5.7				Distillates -2.46			

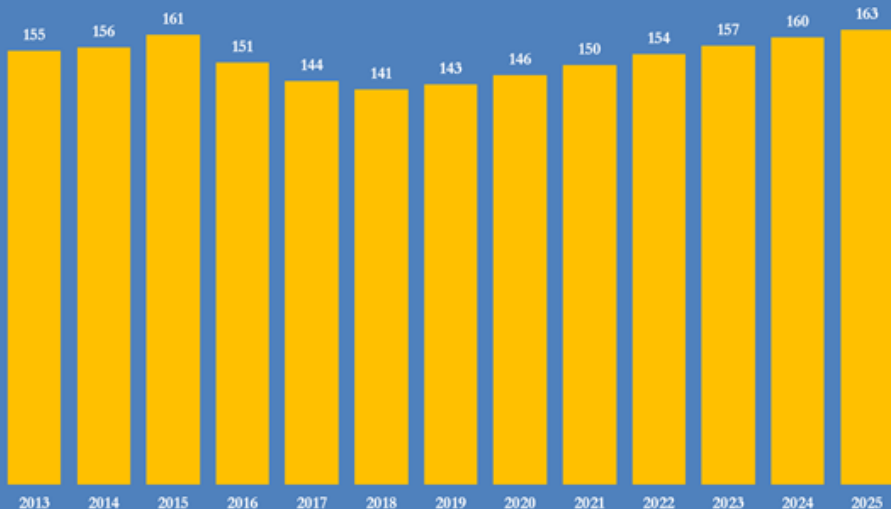
Group Diesel Rack Basis Chart

- Taking a visual look at the group diesel rack chart, going back to 2021.
- Basis values are typically similar to what we are experiencing this year.
- However, basis levels are slightly elevated when compared to the previous 4 years.

The seasonal trend is for basis values to decline going into the winter months.



China domestic crude oil production, 2013-2025
million tonnes, cumulative each year from January through September



Source: China National Bureau of Statistics

@JKempEnergy

Chinese crude output continues to climb

- Oil production in China for the first 9 months of the year rose its highest level in at least the last 12 years
- Despite still being very dependent on imported oil, domestic output share is growing
- China aims to be more energy independent by increasing its oil production levels

Why it matters:

Growing output from China means even more supply in the market and less foreign oil going to China, which would likely mean lower market prices, unless other countries take steps to reduce their output to the market.

Continued US Government shutdown causes delayed LIHEAP funding

- The federal government typically provides heating assistance funds to state and local governments, which are then managed and distributed to households in need through the Low-Income Energy Assistance Program (LIHEAP).
- There are 6-8 million households in the US that these subsidies help cover the energy costs for through LIHEAP. States that are already announcing delayed payments include Kansas, Pennsylvania, New York, and Minnesota.

Congress allocated about \$4.1 billion in regular funding for Fiscal Year 2025.

05/01/2025

STATE	\$4.0B Continuing Resolution (CR) Award—Pub. L. 118-83 (October 31, 2024)	FY25 Infrastructure Investment and Jobs Act (IIJA) Award—Pub. L. 117-58 (October 31, 2024)	FY25 Award of Returned FY23 IIJA Funds (October 31, 2024)	Full-Year Continuing Appropriations and Extensions Act, 2025 (Full Year CR)—Pub. L. 119-4 (May 1, 2025)	TOTAL NET RELEASE
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Idaho	\$20,362,143	\$459,882	\$606	\$2,262,460	\$23,085,091
Illinois	\$181,108,656	\$11,499,117	\$10,216	\$20,124,862	\$212,742,851
Indiana	\$75,695,112	\$3,244,569	\$3,122	\$8,410,899	\$87,353,702
Iowa	\$52,044,335	\$743,702	\$207	\$5,782,704	\$58,570,948
Kansas	\$35,669,218	\$1,089,818	\$1,336	\$3,963,323	\$40,723,695
Kentucky	\$52,420,713	\$1,273,896	\$1,445	\$5,824,524	\$59,520,578

Total to States	\$3,554,702,223	\$98,497,763	\$106,456	\$394,979,633	\$4,048,286,075
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Total to All Tribes	\$41,088,527	\$1,101,237	\$1,195	\$4,552,673	\$46,743,632
Total to States and Tribes	\$3,595,790,750	\$99,599,000	\$107,651	\$399,532,306	\$4,095,029,707

Total to Territories	\$18,069,250	\$401,000	\$546	\$2,007,694	\$20,478,490
GRAND TOTAL:	\$3,613,860,000	\$100,000,000	\$108,197	\$401,540,000	\$4,115,508,197

Why it matters:

Without this heating assistance as we enter colder months, low-income families may be unable to cover their utility bills or the cost of fuel delivery to their homes. , with the potential for a trickle-down effect that could strain their income and operations if cash flows are disrupted as customers' past due payments begin to mount.

National and state energy, propane, heating oil, and fuels associations and groups have addressed letters to Congress to address the funding lapse as the Government shutdown has prevented states from receiving new LIHEAP program funding.