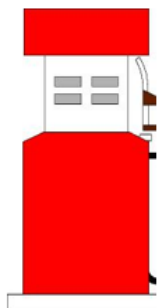


Energy Market Update, October 22, 2025

NYMEX Prices



Product	Month	Close	Wk. Change
Crude Oil	Dec 25	58.50	+0.230
RBOB Gas	Nov 25	1.8650	+0.031
NYH ULSD	Nov 25	2.2496	+0.075
Nat. Gas	Nov 25	3.450	+0.434

Market Comments: Inventory draws, India deal & SPR purchase buoy energy markets

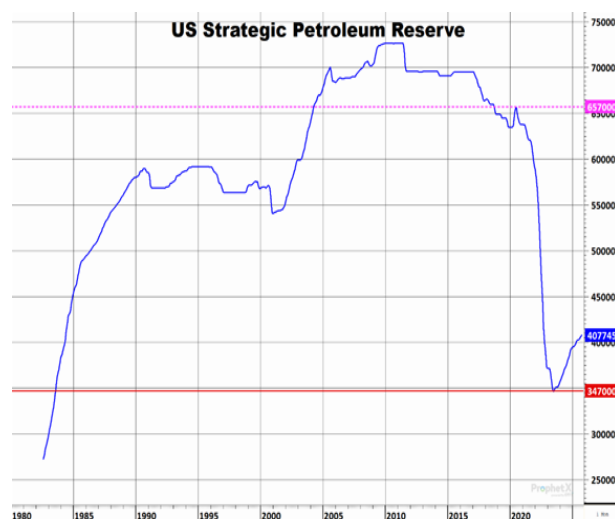
Oil and fuel prices posted strong gains on Wednesday as the energy markets continued their rebound from their recent five-month lows in crude oil prices, four-month lows in #2 diesel prices, and more than four-year lows in gasoline prices.

Petroleum prices today appeared to push higher today on the back of optimism surrounding a potential US-India trade deal which would lessen the Asian nation's imports of Russian oil and boost demand from other oil source and an across-the-board draw in oil and fuel stockpiles in the DOE's latest inventory report.

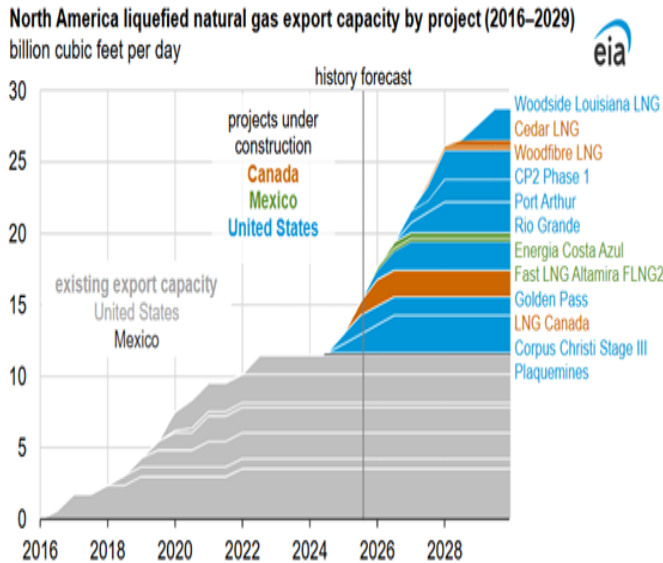
	Crude				Gasoline				Distillate Fuel			
	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.
EIA	-1.0	452.0	432	450	-2.1	216.7	218	226	-1.5	115.6	118	136
Est.	2.1				-0.9				-2.0			
Propane	Total 103.2 0.8				Midwest 28.0 0.9				Gulf Coast 60.9 0.0			
API	Crude -2.98 Cushing NA				Gasoline -0.2				Distillates -0.97			

Yesterday the Trump administration announced it would purchase one million barrels of crude oil for the Strategic Petroleum Reserve (SPR).

- The oil would be placed in the reserve's Bryan Mound site in TX with deliveries occurring in Dec.25 and Jan.26.
- Currently there are nearly 409M bbls in the SPR after having dropped to 347M bbls in July 2023, with reserves have increased by 13M bbls this year.
- The SPR in 2020 totaled ~657M bbls before dropping by more than 300M bbls during Biden administration as it attempted to lower energy costs after the COVID-19 pandemic recovery and then again after the West sanctioned Russian oil exports after the Russian invasion in 2022.



- Why it matters:** Although the one-million-barrel purchase barely moves the needle in the global oil markets, if the US continues to purchase more barrels for the reserve in could help act as a brake to falling oil and fuel prices going forward.



- LNG exporters are expected to boost domestic liquefaction capacity to nearly 29 Bcf/d in the next four years, nearly doubling the current LNG export capacity (2024 est. 11.4 Bcf/d).
- Projects under construction, if completed, could boost NA export capacity by nearly 11.4 Bcf/d by 2029.
- Currently, the US is the world's largest LNG exporter with 15.4 Bcf/d, while LNG Canada opened our northern neighbor's first LNG terminal (1.84 Bcf/d) in July.
- In the US, more than 10 Bcf/d at five projects are under construction, including the 2.1 Bcf/d Rio Grande, the 2.2 Bcf/d Woodside Louisiana, 2.1 Golden Pass, and are expected to come in service in the coming years.
- In Canada, 2 projects Woodfibre LNG and Cedar LNG are projected to be brought into service by 2028.

- Mexico's floating Gulf Coast 0.2 Bcf/d floating Altamira facility and West Coast 0.4 Bcf/d Energia Costa Azul, both of which will source gas from the US, are expected to enter service by the end of 2029.

What it means: Increased LNG exports could help boost production, tighten supplies, and provide a spark for natural gas prices as the terminals come into service in the coming years. Of note, increased natural gas production levels could yield increased propane production levels, which are already at record levels, in the coming years.

Waterborne Oil Cargo volumes busting at the seams

- Crude sitting on the water has ballooned to **more than 1 billion barrels**
- Floating crude barrels are now at a **5-year high** (COVID demand plunge)
- Crude prices have fallen below \$60 /bbl to **5-month lows**
- The International Energy Agency (IEA) estimates global oil stocks have been piling on at a clip of nearly **2-million-bbl/d**
- The lack of visibility to China's stockpiling of crude early this year created a false sense of crude demand

Oil at Sea

The amount of oil in tankers has risen to the highest since 2020



Source: Vortexa

- More barrels are projected to come on the market next year from OPEC+ unwinding output cuts, increasing the surplus on its current pace to a forecasted **4-million-bbl/d**