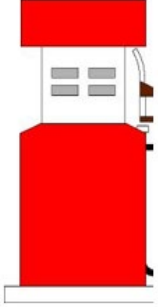


# Energy Market Update, October 15, 2025

## NYMEX Prices



| Product   | Month  | Close  | Wk. Change |
|-----------|--------|--------|------------|
| Crude Oil | Nov 25 | 58.27  | -4.280     |
| RBOB Gas  | Nov 25 | 1.8344 | -0.075     |
| NYH ULSD  | Nov 25 | 2.1748 | -0.117     |
| Nat. Gas  | Nov 25 | 3.016  | -0.317     |

### Market Comments: **Petroleum futures settle mostly lower Thursday**

The energy market has fallen sharply over the past week due to a combination of US and China tensions—including a 100% tariff threat on China, easing geopolitical risks in the Middle East, and a projected world oil supply glut. The IEA's bearish report yesterday added to the bearish sentiment in the petroleum complex.

The US Treasury Secretary, Scott Bessent, provided indications that President Trump and President Xi are still planning to meet at the end of this month at the Asia-Pacific Economic Cooperation summit. This has eased concerns after markets reeled on Trump's threat that the meeting would be off and that retaliatory tariffs would be escalated further. **Communications between the US and China are reported to have resumed.**

The **US government shutdown continues**, having reached its 15th day since the closure on October 1st. This has **another layer of uncertainty in markets** as the usual flow of US data has been halted. Central banks and policymakers across the globe who rely on this data have been left in a lurch without these critical economic indicators regarding the health of the world's largest economy. The end of the shutdown remains indefinite.

The **Weekly Petroleum Status report from the Department of Energy is delayed this week** due to Monday's holiday and will be released tomorrow morning.

Domestic crude stocks are expected to draw ~2.2 million barrels in tomorrow's report.

### Weekly Crude Oil Chart



At the start of the week, crude oil prices were under \$60.

Prices under \$60 have been rare, as the last time they were under \$60 was in April.

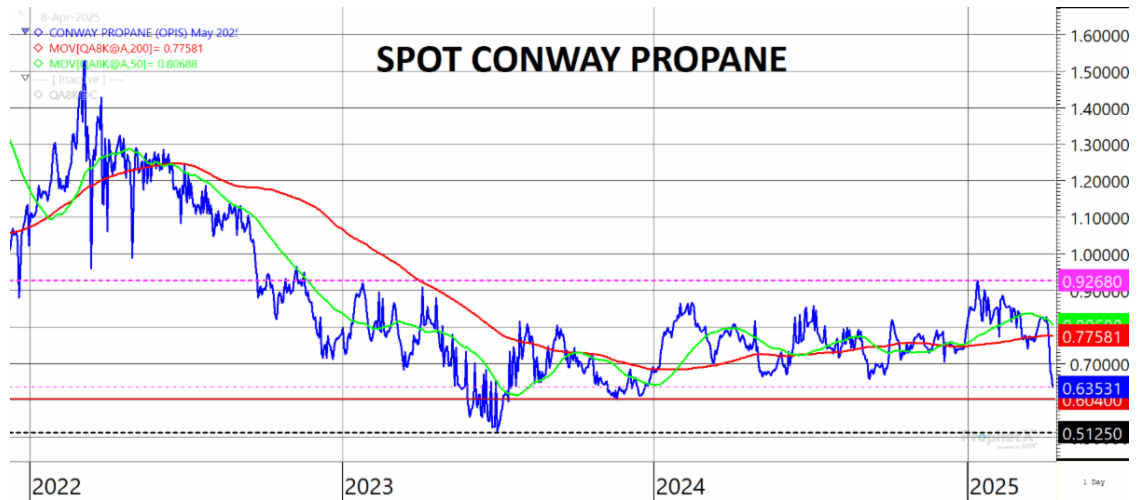
Other than that, you have to go all the way back to March 2021 to see prices under \$60.

Goldman Sachs forecasts that Brent crude will fall to the low \$50s a barrel by late 2026 due to an anticipated oil surplus driven by increased OPEC+ and non-OPEC production, which will outweigh demand growth.

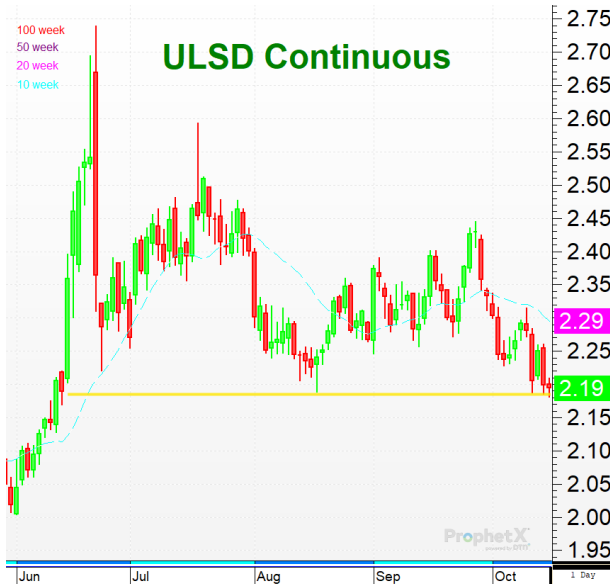
The bank expects a widening surplus, with an average of 1.8 million barrels per day in 2025 and 2026, which would lead to a significant increase in global stocks.

## Propane Prices remain low ahead of the Winter Heating Season

- In addition to the fall in crude oil prices, US propane inventories have had record accumulation over this past Spring and Summer, leading to high domestic inventories and low prices.

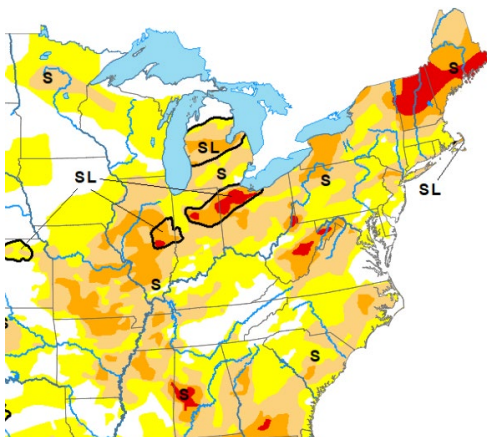


- Spot Conway LP prices are looking to have jumped higher this morning, but pricing opportunities for contracting ahead of this Fall/Winter if still needed and next season (26/27) remain attractive.



## Distillate prices have traded to a near four-month low

- ULSD prices for the spot contract settled at \$2.20 yesterday, the lowest settlement price for the contract since June 12th, when it settled at \$2.19.
- Prices could be supported as we reach this value area, as stochastics indicate that diesel prices are well into oversold territory.
- Spring diesel purchases are on the radar at these levels.** Futures have continued to work lower this morning despite an upturn in WTI crude and gasoline prices this morning.



## The U.S drought monitor map

- At a glance, some significant drought conditions are unfolding in Illinois, Missouri, Indiana, and Ohio.
- These extremely dry conditions have the possibility of limiting fall fields tillage.
- In addition, it could pull back on ammonia being applied this fall.
- If both fieldwork and ammonia application are pulled back, that would result in demand for diesel being curbed.