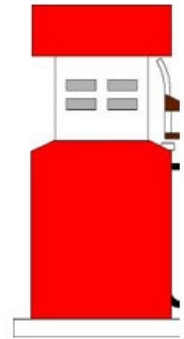


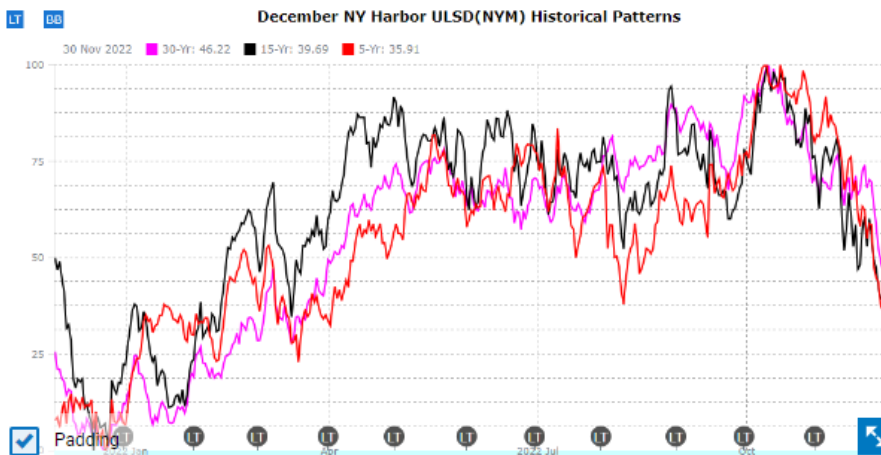
Energy Market Update, December 6, 2023

NYMEX Prices

Product	Month	Close	Wk. Change
Crude Oil	Jan 24	69.38	-12.15
RBOB Gas	Jan 24	2.0302	-0.8350
NYH ULSD	Jan 24	2.5762	-0.0920
Nat. Gas	Jan 24	2.569	+0.383



Looking at a group diesel rack basis chart it is clear to see that volatility remains a big piece of the narrative. Basis values spiked significantly back in mid-October due to a tight supply situation. They have since retreated but are not trading at the lows we experienced this time last year, as they were at a negative -.43 vs. -.25 currently. Basis does have a tendency to soften towards the end of the year, but the swings have been more significant over recent years.

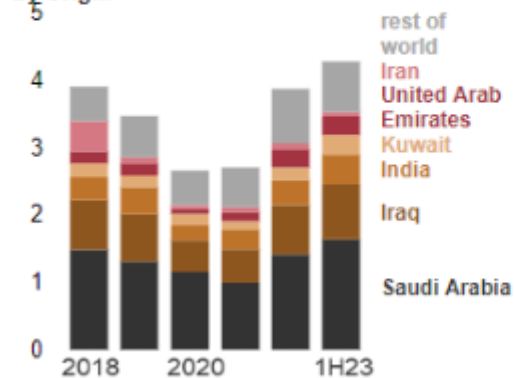


While this chart has a lot of information going on it does provide valuable information. This is looking at a December heating oil chart and examining the 5, 15, and 30 seasonal trends. When all three of those trends coverage, it provides a more reliable trend. It certainly appears as if the market continues to show a strong seasonal low from early December through last January and even into mid-February. This would suggest we are in the timeframe to see some good prices opportunities.

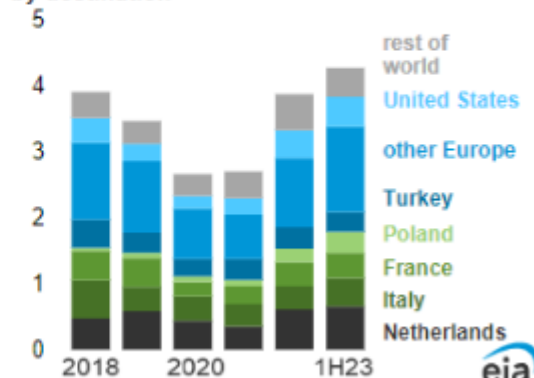
	Crude				Gasoline				Distillate Fuel			
	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.	Change	Total	3-Yr. Avg.	5-Yr. Avg.
EIA	-4.6	445.0	457	456	5.4	223.6	236	236	1.3	112.0	146	148
Est.	+2.000 / -3.000				+4.50 / -3.000				+3.50 / -3.000			
Propane	Total 97.0 -1.8				Midwest 27.2 0.0				Gulf Coast 52.8 -1.3			
API	Crude 0.59 Cushing 4.28				Gasoline 2.83				Distillates 0.1			

Northbound crude oil and petroleum product volumes transiting Suez Canal and SUMED pipeline (2018-H123)

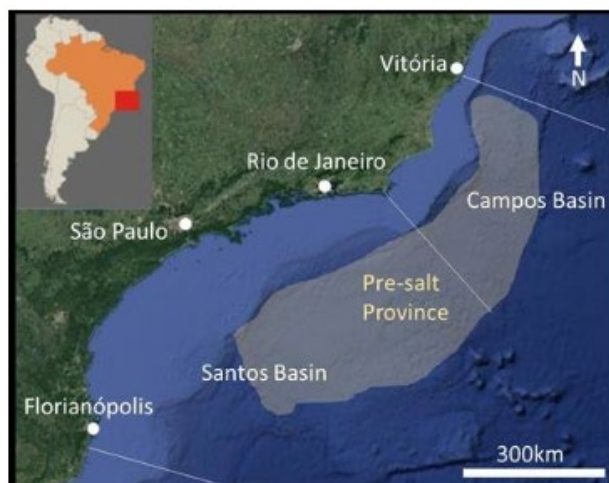
million barrels per day
by origin



million barrels per day
by destination



Northbound oil flows toward Europe via the Suez Canal and SUMED pipeline fell between 2018 and 2020. Renewed U.S. sanctions on Iran reduced all exports from Iran, including those through the Suez Canal. In addition, fewer crude oil and oil products from Middle East producers moved through the Suez Canal because Europe imported less oil from the Middle East and more from the United States. The COVID-19 pandemic further reduced flows through the Suez Canal because of slowing global oil demand.



Brazil is Latin America's top oil and gas producer, ahead of Mexico, Columbia and Venezuela. The Brazilian state-run oil company, Petrobras produced a daily average of 2.877 million barrels of oil equivalent (this includes natural gas output), up 8.8% from the same quarter last year.

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