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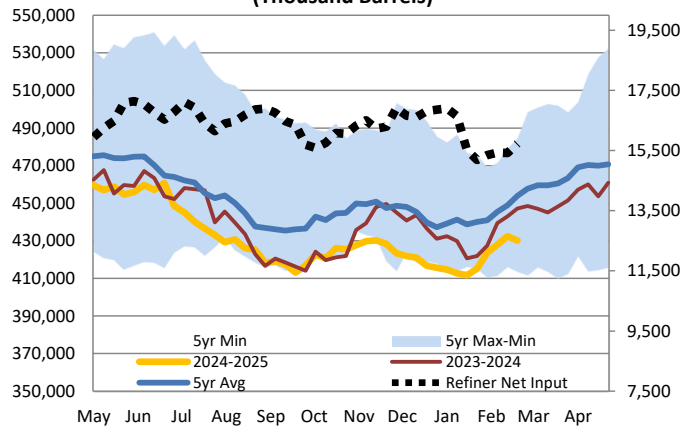
Inventory Snapshot

	Est.	API	EIA	vs. 1yr	vs. 5yr
Crude	+1.87	-0.64	-2.33	-3.8%	-5.2%
Distillates	-2.09	-1.11	+3.91	-0.6%	-5.9%
Gasoline	-0.60	+0.54	+0.37	+1.7%	+1.3%
Propane	-3.70	-	-3.72	+0.7%	+1.2%
Cushing, OK	-	+1.20	+1.28	-20.7%	-31.7%
Ref. Util.	-0.27	-	+1.60	+6.1%	+8.7%

Crude Oil

	2/21/2025	w/w	y/y
Stocks (mb)	430.16	-2.33	-17.00
Cushing, OK	24.57	+1.28	-6.40
Days Supply (days)	27.34	-0.71	-3.13
Production (mb/d)	13.50	+0.01	+0.20
Imports (exc. SPR, mb/d)	5.92	+0.10	-0.47
Refinery Runs (mb/d)	15.73	+0.32	+1.06
Refinery Utilization (%)	86.50	+1.60	+5.00
Exports	4.19	-0.19	-0.54

U.S. Crude Inventories Excluding SPR (Thousand Barrels)



EIA inventory figures for the week ended February 21 were bullish for crude oil but neutral for propane, unresponsive for gasoline, and bearish for distillates. The agency reported a surprise draw from crude stocks but an as-expected fall in combine propane/propylene inventories, a small surprise build in gasoline, and a large surprise build in distillates. As of this writing following the release of the report, the diesel crack spread was narrowing with ULSD down 2.6% while WTI was unchanged, and the gasoline crack spread was narrowing as well with a 1.1% drop in RBOB futures prices.

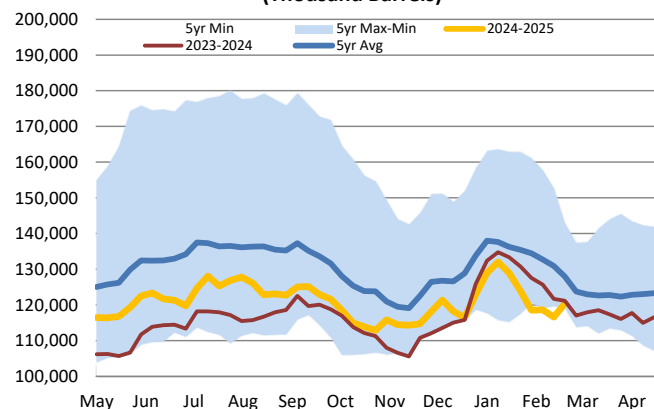
Commercial crude stocks saw a surprise and counter-seasonal draw of 2.33mb, with increased refining activity. Whereas refinery utilization rates had been expected to fall by 0.27 percentage points, utilization increased by a sharp 1.6 percentage points to 86.5% of installed capacity. This meant refinery runs increased by 0.32mb/d to 15.73mb/d, which is 1.06mb/d higher than last year and far above the 14.10mb/d five-year average for the reporting week. The draw could have been larger, but net imports increased. Exports fell by 0.19 to 4.19mb/d and imports rose by 0.10 to average 5.92mb/d. Production rose very marginally, to 13.50mb/d, which is 0.20mb/d higher than last year.

At 430.16mb, US crude oil inventories are 3.8% lower than last year and 5.2% weaker than normal. The NYMEX WTI futures forward curve remains backwardated, with front-month April futures trading at a premium of about \$3.50/bbl over the March 2026 contract. Stock levels at the Cushing, OK storage hub rose by 1.28mb to 24.57mb last week. This was a welcome build, but storage levels are still 20.7% lower than last year and 31.7% weaker than normal. The Brent-WTI spread has been widening since January 15, rising from about \$2/bbl to over \$4/bbl lately. The spread narrowed throughout 2024, from around \$6/bbl, but the trend seems to have reversed.

Distillates

	2/21/2025	w/w	y/y
Stocks (mb)	120.47	+3.91	-0.67
East Coast	28.77	+0.26	-3.59
New England	4.34	+0.06	-0.75
Mid-Atlantic	13.60	+0.02	-3.26
Production (mb/d)	5.16	+0.44	+0.87
Imports (mb/d)	0.37	+0.10	+0.26
Product Supplied (mb/d)	4.10	-0.27	+0.56
Exports (mb/d)	0.88	-0.04	-0.06

U.S. Distillate Stocks (Thousand Barrels)



Ultra-Low Sulfur Diesel

	2/21/2025	w/w	y/y
Stocks (mb)	111.76	+3.87	+0.38
East Coast	27.50	+0.24	-3.05
Production (mb/d)	4.93	+0.43	+0.75
Imports (mb/d)	0.37	+0.10	+0.26
Product Supplied (mb/d)	4.75	-0.33	+0.42

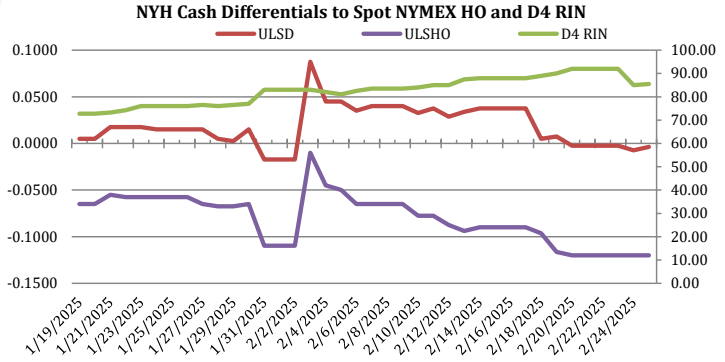


Gasoline

	2/21/2025	w/w	y/y
Stocks (mb)	248.27	+0.37	+4.07
East Coast	67.02	+0.50	+3.42
Production (mb/d)	9.17	-0.02	-0.25
Imports (exc. SPR, mb/d)	0.46	+0.12	+0.08
Product Supplied (mb/d)	8.45	+0.22	-0.01
Exports (mb/d)	0.85	-0.05	+0.10

Propane

	2/21/2025	w/w	y/y
Stocks (mb)	51.55	-3.72	+0.37
Fractionated	27.26	-1.57	
Production (mb/d)	2.66	-0.01	+0.18
Imports (exc. SPR, mb/d)	0.14	+0.00	+0.01
Product Supplied (mb/d)	1.92	+0.60	+0.48
Exports (mb/d)	1.41	-0.58	-0.26

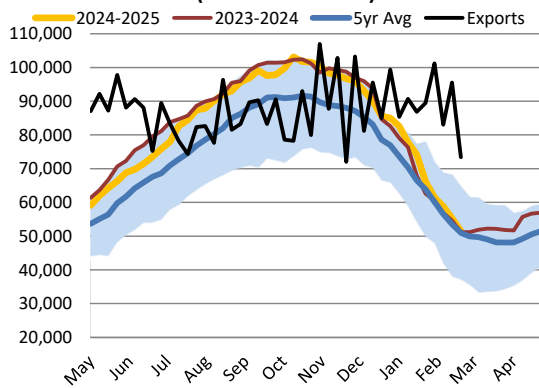


Distillate inventories saw a welcome but surprise and counter-seasonal build of 3.91mb with a jump in production and weaker demand and exports. Production jumped 0.44mb/d higher to average 5.16mb/d amid the surprise increase in refinery runs. Output of distillates is up by 0.87mb/d year-on-year. Imports also helped towards the build, rising by 0.10 to 0.37mb/d. Net exports fell to 0.51mb/d as exports slowed by 0.04 to an average of 0.88mb/d. Implied demand fell by 0.27mb/d last week to average 4.10mb/d. This is still 0.56mb/d higher than last year and elevated compared to the 3.91mb/d five-year average. We are nearing the end of the heavy period of the withdrawal season, as stocks tend to trend flatter in March before starting to rise in late April and May. Cash market differentials have eased, as can be seen in the chart above, and the ULSD-ULSHO spread remains relatively wide to January levels as biomass-based diesel (D4) RIN prices have increased.

Gasoline stocks were expected to fall by 0.60mb and instead saw a 0.37mb rise. The small build came despite a 0.22mb/d seasonal increase in implied demand, which averaged 8.45mb/d. Exports fell by 0.05 to 0.85mb/d, and imports increased by 0.12 to 0.46mb/d. Production fell marginally to 9.17mb/d, and is 0.25mb/d weaker than last year at this time. The East Coast saw a larger build than did overall US stocks, with PADD 1 inventories increasing by 0.50 to 67.02mb. PADD 1 stocks are now 5.4% stronger than last year and 4.2% higher than normal for this time of year, whereas US inventories are 1.7% and 1.3% higher, respectively.

We saw an as-expected, 3.72mb seasonal propane/propylene draw helped by a 0.60mb/d jump in implied demand. Product supplied averaged 1.92mb/d and well above last year's 1.44mb/d for the same week. This was also elevated compared to the 3.91mb/d five-year average for the reporting period. The draw could have been much larger, had not net exports dropped by 0.59mb/d to 1.27mb/d last week. Meanwhile, production was only marginally lower at 2.66mb/d. The Gulf Coast saw most of the stock draw, with PADD 3 inventories dropping 2.80mb lower to 32.93mb; this is still 4.4% higher than normal. Midwestern stockpiles fell by 1.43mb to 11.12mb and are 7.3% weaker than normal. US inventories overall are just above the weekly five-year average. Fractionated and ready for sale propane stocks saw a smaller weekly decline of 5.4%, compared to the overall propane/propylene draw of 6.7%.

Total U.S. Propane/Propylene Stocks (Thousand Barrels)



Total U.S. Gasoline Stocks (Thousand Barrels)

