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### NEWS & ANALYSIS

The complex was trading in the red as of this writing in the overnight session on Wednesday despite gains in equities, a weaker US dollar index, and supportive crude oil stock data from the American Petroleum Institute (API). Market participants looked ahead to the Bank of Canada monetary policy announcement, the ADP Employment Report, the US S&P Global Composite PMI, the ISM Services Index, and to weekly petroleum stock data from the Energy Information Administration (EIA) for further direction.

The API reported a 3.28mb draw from US crude oil stockpiles for the week ended May 30, above forecasts at 1.77mb (average of polls by Bloomberg and the Wall Street Journal). Data for distillates were neutral as the agency reported a slightly larger-than-estimated build of 0.76mb (vs 0.27mb). Gasoline inventory figures were bearish as the API reported a surprise and large build of 4.73mb, where a 0.64mb draw was expected. An OPIS poll calls for a 2.60mb build in propane and propylene inventories in today's EIA report.

In economic news this morning, the Nikkei/S&P Global India Composite PMI for May was finalized at 59.3, a surprise downward revision from the 61.2 flash estimate and lower than the April print of 59.5 – indicating expansion in the sector slowed. Asian stock markets closed higher with the Shanghai Composite adding 0.42%, the Hang Seng rising 0.60%, and the Nikkei gaining 0.80%. In European news, the final S&P Global Composite PMI for the Eurozone came in at 50.2, beating the flash estimate at 49.5. The French index also saw an upward revision to 49.3, while the German index came in at 48.5, just below the 48.6 flash estimate. The final UK Composite PMI came in at 50.3, above the 49.4 flash estimate and back in the expansionary territory. As of this writing, the FTSE 100 had edged up 0.2%, the DAX had added 0.6%, and the CAC 40 was up 0.7%. US stock market index futures were seeing smaller gains of around 0.1% this morning. Also supportive for crude oil prices, the US dollar index was down 0.2%.

Petroleum futures strengthened further yesterday with gains in global equities and news of an Iranian disagreement with a nuclear deal proposed by the US. Brent crude added \$1.00 to close at \$65.63/bbl and WTI rose by 89 cents to settle at \$63.41/bbl. RBOB futures closed 2.63 cents stronger at \$2.0788/g and ULSD (HO) jumped 5.54 cents higher to settle at \$2.0999/g. The New York Harbor ULSD barge price differential to NYMEX strengthened by 60 points to +1.35c/g and the ULSHO differential rose by 25 points to -10.00c/g. The 2025 biomass-based diesel (D4) RIN price rose by 50 points to 92.00c/RIN and a wider ULSD-ULSHO spread was consistent with this move. Spot propane prices were flat to higher yesterday with Mt. Belvieu TET prices rising by 44 points to average 73.56c/g (49.0% of crude), while Conway prices held steady at 70.25c/g (46.8% of crude).

Natural gas futures traded on NYMEX edged up 2.8 cents to settle at \$3.722/mmBtu yesterday amid a tighter daily US market balance expectation and higher gas prices abroad. The NHC continues to track a disturbance located over the Florida peninsula but gives it a near 0% chance of cyclone formation over the next two days.

### Heating Oil 6/3/2025

**June 04, 2025**

Heat Curve	Month	Price	Change	Overnight
1.50 %	Jun 2025	2.0999	0.0554	(0.0038)
0.50 %	Jul 2025	2.0891	0.0507	
2.50 %	Aug 2025	2.0916	0.0457	
3.80 %	Sep 2025	2.0951	0.0424	
5.00 %	Oct 2025	2.0947	0.0404	
8.50 %	Nov 2025	2.0922	0.0391	
13.50 %	Dec 2025	2.0954	0.0388	
20.50 %	Jan 2026	2.0931	0.0387	
18.00 %	Feb 2026	2.0839	0.0386	
15.70 %	Mar 2026	2.0681	0.0381	
7.00 %	Apr 2026	2.0606	0.0376	
3.50 %	May 2026	2.0570	0.0371	

### Heating Oil Strips (Weighted by HDD)

12 Month Strip	Jun 2025 - May 2026	2.0844
9 Month Strip	Sep 2025 - May 2026	2.0840
Winter Strip	Nov 2025 - Mar 2026	2.0861

### RBOB Gasoline 6/3/2025

Month	Price	Change	Overnight
Jun 2025	2.0788	0.0263	(0.0214)
Jul 2025	2.0545	0.0267	
Aug 2025	2.0179	0.0272	
Sep 2025	1.8638	0.0264	
Oct 2025	1.8146	0.0271	
Nov 2025	1.7835	0.0284	
Dec 2025	1.7740	0.0301	
Jan 2026	1.7808	0.0308	
Feb 2026	1.7985	0.0309	
Mar 2026	1.9929	0.0314	
Apr 2026	1.9991	0.0315	

### DOE Stocks 5/23/2025 vs 5-year avg. (000 bbls)

Crude	440,363	-27,776
Distillate	103,408	-24,472
Gasoline	223,081	-8,056

Other	Price	Change	Overnight
Crude Oil (Jul 2025)	63.4100	0.8900	(0.4700)
Natural Gas (Jul 2025)	3.7220	0.0280	(0.0420)
Propane - Mont Belvieu	0.7356		

	Price	vs. NYMEX HO
NYH ULSD	2.1134	0.0135
NYH ULSHO	1.9999	(0.1000)
NY Harbor #2	1.7112	(0.3887)