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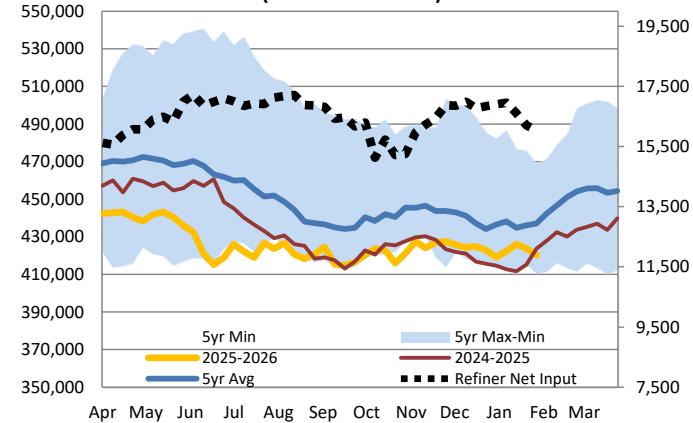
### Inventory Snapshot

	Est.	API	EIA	vs. 1yr	vs. 5yr
Crude	-0.24	-11.10	-3.46	-0.8%	-3.9%
Distillates	-1.94	-4.80	-5.55	+7.5%	-1.9%
Gasoline	+0.89	+4.70	+0.69	+2.7%	+3.4%
Propane	-5.10	-	-6.24	+34.7%	+42.5%
Cushing, OK	-	-1.40	-0.74	+14.8%	-26.6%
Ref. Util.	-1.02	-	-0.40	+7.1%	+6.2%

### Crude Oil

	1/30/2026	w/w	y/y
Stocks (mb)	420.30	-3.46	-3.49
Cushing, OK	24.04	-0.74	+3.10
Days Supply (days)	26.22	+0.08	-1.39
Production (mb/d)	13.22	-0.48	-0.26
Imports (exc. SPR, mb/d)	6.20	+0.56	-0.71
Refinery Runs (mb/d)	16.03	-0.18	+0.68
Refinery Utilization (%)	90.50	-0.40	+6.00
Exports	4.05	-0.54	-0.28

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



**This week's EIA inventory report was bullish for crude oil and distillates and supportive for propane, but neutral for gasoline.** The agency reported larger than predicted draws from crude oil, distillates, and propane/propylene stockpiles, but an as-expected build in gasoline inventories. As of this writing, WTI futures had added 2.8%, RBOB futures had jumped 3.0% higher, and ULSD (HO) futures were seeing a smaller increase of 1.6%.

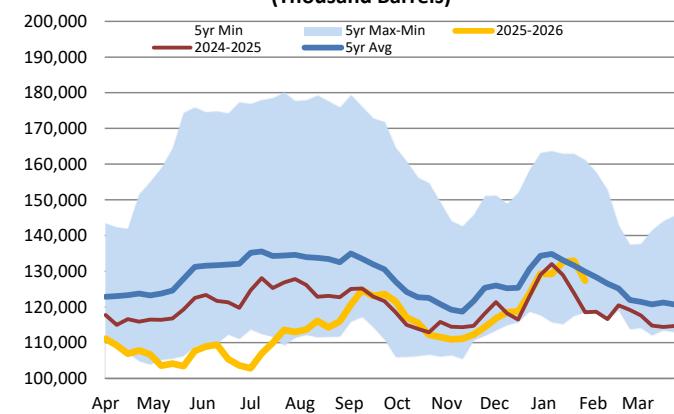
**Commercial crude stocks dropped 3.46mb lower last week on weaker production**, despite a rise in net imports and a dip refining activity. The draw was counter-seasonal, and much larger than the 0.24mb drop predicted by analysts. Production fell by 0.48mb/d to average 13.22mb/d. This is 0.26mb/d lower than last year. Imports jumped 0.56mb/d higher to average 6.20mb/d, while exports dropped 0.54mb/d lower to 4.05mb/d, meaning net imports rose to 2.15mb/d last week. A smaller than expected and seasonal drop of 0.40 percentage points in the refinery utilization rate also helped limit the draw, as runs fell by 0.18 to 16.03mb/d. This is 0.68mb/d higher than last year.

The large draw last week pushed stock levels further below the five-year average, down by 3.9%. Stocks are also 0.8% below last year's levels. The Cushing, OK storage hub saw a dip last week, which is consistent with the seasonal trend as stock levels do not tend to start rising there until mid-March. At 24.04mb, Cushing stocks are 14.8% higher than last year but 26.6% below their historical average for this time of year. The Brent-WTI spread has narrowed slightly since last week, from around \$4.77/bbl last Wednesday to \$4.27 today. Backwardation in the NYMEX WTI futures forward curve has increased. The spread between the spot month and the 12th month out has widened from \$2.25/bbl on January 28 to \$3.22/bbl this afternoon.

### Distillates

	1/30/2026	w/w	y/y
Stocks (mb)	127.37	-5.55	+8.89
East Coast	31.29	-3.20	+1.39
New England	5.08	-1.29	+0.04
Mid-Atlantic	14.31	-1.88	+0.71
Production (mb/d)	4.81	-0.00	+0.26
Imports (mb/d)	0.20	-0.06	+0.04
Product Supplied (mb/d)	4.31	+0.24	-0.29
Exports (mb/d)	1.49	+0.54	+0.60

### U.S. Distillate Stocks (Thousand Barrels)



### Ultra-Low Sulfur Diesel

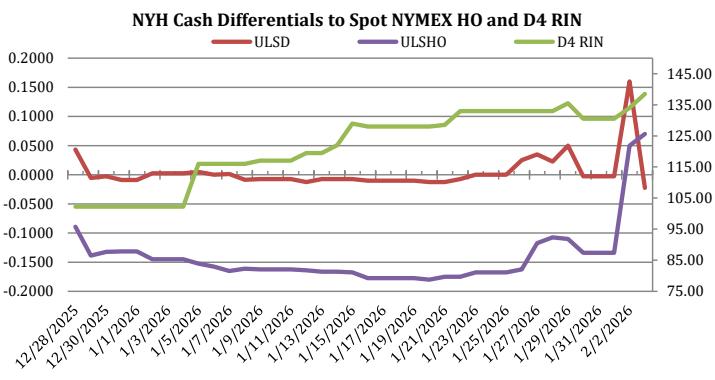
	1/30/2026	w/w	y/y
Stocks (mb)	116.13	-5.49	+5.87
East Coast	30.04	-3.26	+1.23
Production (mb/d)	4.56	-0.11	+0.20
Imports (mb/d)	0.20	-0.05	+0.04
Product Supplied (mb/d)	5.54	+0.66	+0.18



Gasoline			
	1/30/2026	w/w	y/y
Stocks (mb)	257.90	+0.69	+6.81
East Coast	66.89	+2.46	+1.38
Production (mb/d)	9.01	-0.57	-0.16
Imports (exc. SPR, mb/d)	0.39	+0.03	-0.20
Product Supplied (mb/d)	8.15	-0.60	-0.17
Exports (mb/d)	0.96	+0.10	+0.10

Propane			
	1/30/2026	w/w	y/y
Stocks (mb)	82.72	-6.24	+21.29
Fractionated	52.96	-4.07	+18.99
Production (mb/d)	2.35	-0.42	-0.24
Imports (exc. SPR, mb/d)	0.21	+0.05	+0.06
Product Supplied (mb/d)	1.54	+0.04	+0.24
Exports (mb/d)	1.92	-0.18	-0.22



**Distillate stockpiles saw a seasonal but larger than predicted draw of 5.55mb amid cold temperatures.** Implied demand rose by 0.24 to 4.31mb/d, but this is still 0.29mb/d lower than last year. Along with the stronger demand, a 0.54mb/d increase in exports helped towards the draw. Exports averaged 1.49mb/d, which is 0.60mb/d higher than last year. Imports saw a marginal dip to average 0.20mb/d, about flat to last year. Production held steady at 4.81mb/d – still 0.26mb/d higher compared to a year ago. US stock levels are 7.5% stronger than last year, but at a 1.9% deficit to their five-year average. The East Coast saw 58% or 3.20mb of the overall US stock draw, adding to the bullish nature of this week's data. Regional inventories fell to 31.29mb, which is now 3.0% higher than last year but 59.7% weaker than normal. As can be seen in the chart above, with cold temperatures and weak regional storage levels, New York Harbor cash differentials rose against the spot NYMEX contract, although the ULSD differential narrowed sharply yesterday.

**Gasoline inventories rose by 0.69mb last week – in line with the 0.89mb forecast**, as implied demand fell, even as production dropped and exports rose. Implied demand fell by 0.60mb/d to 8.15mb/d, which is 0.17mb/d lower than last year. On the other side of equation, production dropped 0.57mb/d lower to 9.01mb/d – almost offsetting the drop in demand. Moreover, exports rose by 0.10mb/d to 0.96mb/d, which is 0.10mb/d higher than a year ago. The weekly stock build was seasonal, leaving inventories 2.7% higher than last year and 3.4% above their five-year average. A bearish detail from today's report, East Coast stocks surged 2.46mb higher to hit 66.89mb, which is now 2.1% higher than last year and 3.4% above the weekly five-year average. This comes right near the end of the building season, as East Coast stocks tend to start falling around the middle of this month, while US inventories trend lower from here.

**We saw another larger than expected weekly drop in combined propane and propylene inventories** amid a drop in production, despite a decline in net exports. Production fell 0.42mb/d to 2.35mb/d, which is now 0.24mb/d lower than last year. On the other hand, exports fell by 0.18mb/d to 1.92mb/d, while imports rose by 0.05mb/d to 0.21mb/d. Implied demand was little changed at 1.54mb/d, which is 0.24mb/d higher year-on-year. Most of the draw was on the Gulf Coast, where stock levels fell by 3.26 to 56.38mb – but this is still 69.6% higher than normal for this time of year. Midwestern inventories are 11.1% above normal after a 2.24mb draw, at 17.27mb. The East Coast saw a 0.62mb draw, leaving regional inventories at 4.91mb, which is 11.6% below the five-year average. US inventories overall are still much higher than the weekly five-year average, after last week's 7.0% drop. Fractionated and ready for sale propane stocks saw a slightly sharper weekly decline of 7.1% to 52.96mb.

