

NOVEMBER 2025

Broadbill exists to create value differently. From our strong foundations we create unsurpassed value to boldly redefine the midstream industry as the partner of choice. We fearlessly pursue innovation and strategic opportunities. We are producer centric and we work with the right people.

The Broadcast is a monthly marketing newsletter from Broadbill Energy Inc. to provide market insight and company updates.

PRODUCER PROFIT SHARE

\$34,723,380

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What's New in the Zoo

Happy belated Halloween everybody! The kids are back to school (again), following the Alberta Teacher's Union strike action this past month. We are getting things ready for the holiday season and looking forward to wrapping up another year as we near our year end Broadcast.

As November unfolds, global energy markets are again proving that calm is never the norm. From Canada's west coast to OPEC's deliberations, the landscape continues to shift under the combined weight of politics, production, and policy. We, along with other finance greats (see Monopoly Man), eagerly await Mark Carney's Federal Budget this month in what should be an interesting display of "suffering" as it relates to new government spending hopes.



Pricing View - November 3, 2025

	September 2025 Index Diff	October 2025 Index Diff	November 2025 Index Diff	December 2025 Index Diff View
WCS	-\$11.90	-\$11.45	-\$10.71	-\$11.35
LIGHT SWEET (MSW)	-\$2.61	-\$4.16	-\$4.27	-\$4.40
CONDENSATE (C5)	-\$1.94	-\$2.21	-\$2.28	-\$2.10
LIGHT SOUR BLEND (LSB)	-\$4.10	-\$5.14	-\$4.43	-\$5.50
MIDALE (MSM)	-\$6.60	-\$6.05	-\$4.84	-\$6.50

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TMX & CANADIAN ENERGY

Momentum along the Trans Mountain Expansion Project continues to build. LNG exports are ramping up steadily, with Train 2 now averaging roughly 500 million cubic feet per day. Analysts expect throughput to reach nearly 1 billion cubic feet per day by early 2026 as commissioning advances. Asian demand—led by China—has surged, with approximately 70 percent of west coast TMX exports now bound for Asian markets, keeping balances tight in storage hubs across North America. At the same time, Enbridge is exploring an expansion of its T-South pipeline from Fort St. John to Sumas, signaling ongoing confidence in westbound capacity and the growing importance of Pacific export routes for Canadian producers.

NORTH AMERICA

We had some political theatre on both sides of the border last month, right in time for a free trade agreement between two bordering countries. In initial meetings this month between Carney and Trump, a once presumed dead pipeline, the Keystone XL project has resurfaced in political discussions, reportedly used as a potential trade lever during the recent Trump–Carney meetings. It seemed as though tariff truce might be agreed on shortly, until Doug Ford decided to promote Ontario by calling out Trump through the ghost of President Ronald Reagan, who infamously spoke out against the damages of tariffs and their long economic consequences. Its quite clever actually, see here:

<https://www.cbc.ca/player/play/video/9.6951639>

As a result of Doug Ford’s theatrics, Trump has postponed tariff negotiations indefinitely, placing Carney and Ford in the political penalty box. To be a fly on the wall when the Prime Minister reached out to Premier Ford for an explanation. Meanwhile, not to be outdone, the U.S. government remains shut down, affecting over 380,000 federal employees and delaying key economic data releases that traders rely on for guidance. Trump did indicate he’s ready to talk at anytime (shocking).

Mark Carney is taking a louder stance on energy policy, championing a “Build Baby Build” message that contrasts sharply with Prime Minister Trudeau’s earlier claim of “no case for LNG.” Carney has a big month coming up where the Liberal Party will unveil its long anticipated (years in the making) federal budget. It should be an amazing display of financial gymnastics as we learn more about the state of the Canadian economy. Let’s hope Carney’s latest announcement of “everyone is going to have to make sacrifices” is a heavy dose of “underpromise and overdeliver” ahead of its anticipated release.



MACRO AND GEOPOLITICAL DEVELOPMENTS

Global tensions have eased somewhat in recent weeks. Reports suggest a tentative deal has been reached to end the Gaza conflict, reducing Middle Eastern risk premiums and stabilizing shipping routes as Houthi-backed disruptions subside. However, both sides seem comfortable with continued aggressions in the area in a sign that peace in the region is almost certain to be short lived.

Elsewhere, President Trump announced that India plans to halt Russian crude imports—a move that could reshape trade flows if implemented. China however, appears willing to absorb any discounted volumes that may become available. Trump was scheduled to meet President Putin in Hungary this past month, but the meeting has been delayed as Putin indicated there will be no cease fire in the process.

Gold prices, after months of steady ascent, have pulled back roughly 10% from recent highs as investors take profits amid a more risk-tolerant sentiment. In South America, U.S. naval deployments off Venezuela have raised tensions once again, as Washington (and Trump) links the region’s instability to narcotics trafficking. The situation is unlikely to improve heavy crude supply to the U.S. Gulf Coast in the near term, again reinforcing demand for the Canadian barrels.

OPEC & OPEC+

OPEC has opted for a steady, cautious approach to output management. The group announced a modest 137,000-barrel-per-day increase for November, mirroring October's pace. By month's end the group was signalling they would follow suit in December. Over this past weekend the group met and affirmed the December increases, but then also announced they would not be adding for at least the first quarter of 2026. It will be interesting to see how the market handles this announcement by the group.

Demand forecasts for 2025 continue to diverge: OPEC expects demand growth of 1.6–1.7 million barrels per day, while the IEA projects less than 1 million. Internal discussions persist around future quota allocations, with Iraq signaling potential flexibility based on its spare capacity. At the same time, relations between the U.S. and Venezuela have deteriorated further as the U.S. military moves assets closer to the region. The escalation is part of Washington's renewed "war on drugs" narrative and could have implications for global heavy crude supply.

TRADE, TARIFFS & MARKET SENTIMENT

Trade headlines remain a dominant market driver. Renewed tariff measures between China and the United States briefly rattled markets, but subsequent announcements of a one-year "framework" deal helped calm investor nerves. Under the agreement, tariffs were reduced from 57% to 47% in exchange for resumed U.S. soybean purchases and continued Chinese exports of rare earth elements. President Trump also announced stiff tariff structures for India in an attempt to force India away from purchasing Russian commodities. It will be a tough pill to swallow as India has feasted on discounted Russian crude since the war in Ukraine broke out.

Inflation is showing renewed strength, with core CPI rising to 3.0% last month. Despite this, both the Bank of Canada and the U.S. Federal Reserve cut interest rates by 25 basis points in late October, signaling continued support for growth. Outside North America, the recently anointed Japanese Prime Minister Sanea Takaichi has signalled she will support quantitative easing policies to support growth at this time. These policies are clear signs the market still requires political intervention to maintain growth incentive.

Economic sanctions started rolling early in the month and continued to come out all over the globe on nations who procure Russian energy, in what is sure to be an important development for the energy market. The sanctions at a minimum have the market stymied as refiner Reliance has already announced plans to curtail purchases by up to 500,000 barrels per day. And so, the flotilla of ships at sea continue to grow, while traders figure out possible loopholes to sidestep the sanctions.

Equity markets remain firm, buoyed by strong corporate earnings, particularly in Big Tech. Apple's market capitalization surpassed \$4 trillion this month, while Google and other peers reported robust growth tied to AI and cloud infrastructure revenues. Some, like Berkshire Hathaway continue to build reserves of cash. With their cash they could acquire the bottom 480 companies of the S&P 500. Scary proposition.

WTI & MARKET FUNDAMENTALS

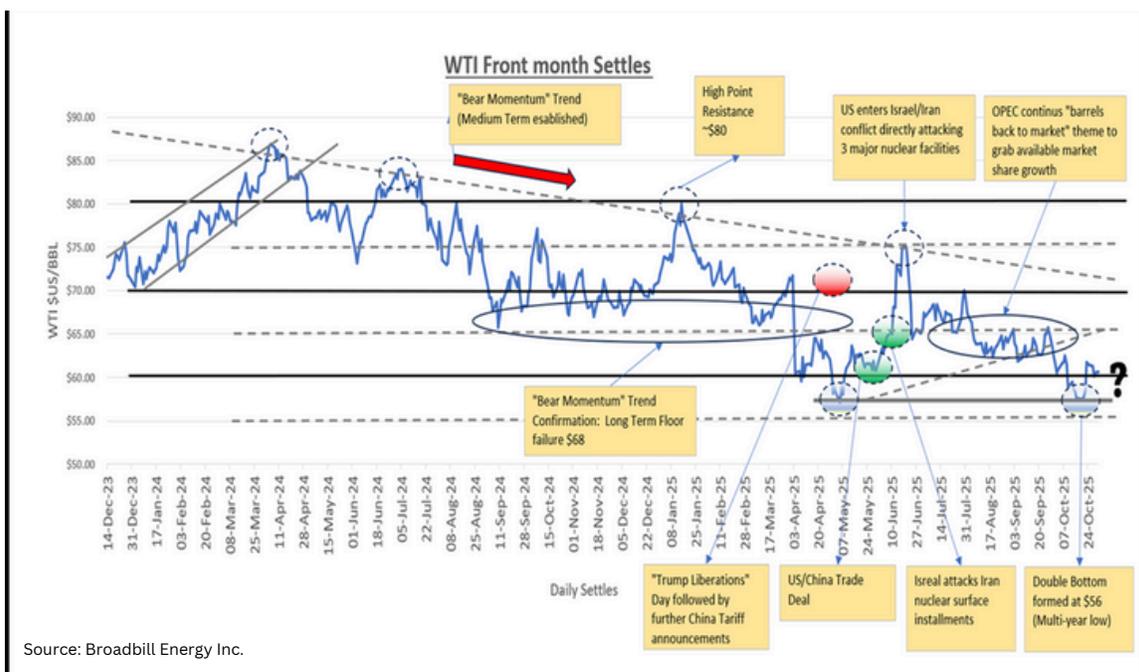
Crude markets remain volatile. WTI fell nearly 5% in early October as renewed tariff rhetoric weighed on sentiment. The price of WTI briefly touched a multi year lows at \$56US/Bbl and was looking to be heading further in the red, but quickly rebounded on fresh sanctions announced for any nation to be found purchasing Russian crude from producers Rosneft and Lukeoil, bringing the barrel back to \$60 in time for the annual trick or treaters. Additionally, we may have also formed a technical medium-term double bottom with the slide and bounce back from \$56 in the process.

With the recent slide in WTI, the forward curve has moved into contango, with prompt prices now trading below deferred months—a clear reflection of short-term oversupply and higher storage demand.

The U.S. Energy Information Administration’s (EIA) latest outlook projects sub-\$50 WTI by 2026, citing risks of up to 4 million barrels per day of potential oversupply. U.S. production is holding at record levels near 13.64 million barrels per day, while crude at sea has climbed to a record 1.4 billion barrels, surpassing even pandemic-era levels. Interestingly, onshore inventories continue to draw, suggesting that recent builds are more a function of logistics and sanction uncertainty, than actual demand weakness.



The EIA announced during the month a plan to purchase “1 million barrels” (thanks Dr Evil) to add to the 11 million having been purchased back this year. The best thing for low price is typically low price and having the government signal they are happy buying volumes back at these levels. This has to be an encouraging sign. As our readers will recall the Biden administration let out some 180 million barrels when the Russia and Ukraine war broke out to ensure prices would be moderated.



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WCSB DIFFERENTIALS & WESTERN CANADIAN TRADE DESK OVERVIEW

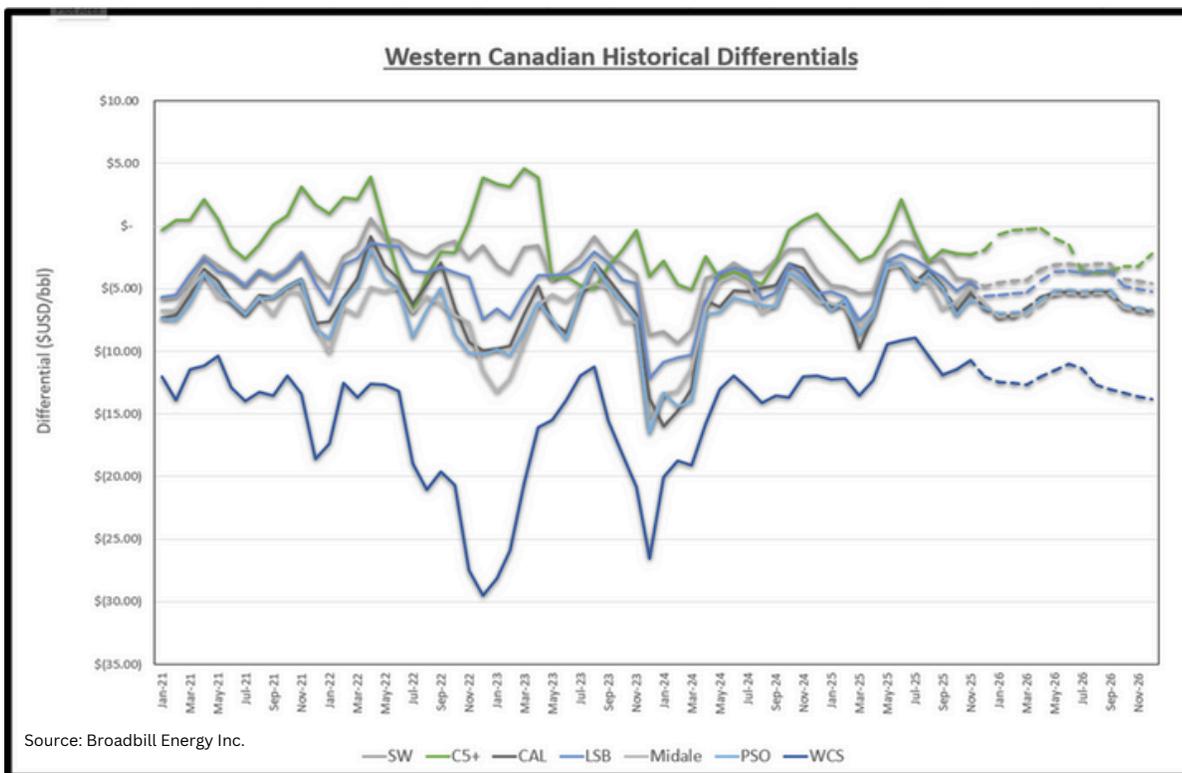
Key highlights:

- Canadian differentials continue to surprise to the upside. Heavy crude has held firm through autumn, with the November settlement differential shaping up to be the tightest Nov-WCS settle since 2020 covid market. Mixed Sweet and sour sours have been drifting into the winter market, but appear supported given inventory and balances being at lows.
- Asian demand remains a defining feature, with 70% of west coast exports now directed to overseas refiners. The recent BP Whiting refinery fire generated little market disruption, highlighting how structurally stronger today's differential environment has become compared to prior years.

The November cycle saw similar themes occur to previous cycles, as the heavy barrel stood its ground and continued to stay resilient as buyers continued to keep paying up for it. Pre November cycle saw TMW (WCS Financial) transact at \$(11.35) before its first print in the window coming at \$(11.60). Day one of the window saw the market show its support for the heavy barrel, as it traded all the way back up to \$(11.10). WCS kept tightening before finding a home and settling its November WCS index settled at \$(10.71). Like in previous months, we are seeing domestic crude inventories at low levels, so buyers are paying up to ensure their facilities have the necessary feedstock. China has also been purchasing volumes in larger amounts to fill their own storage, so there could be a strong bid coming from the water, sending barrels to the Asian market. With sanctions on Russia still being a factor, this could also have refiners globally focusing their diet to barrels more towards TMX, as they are unsanctioned and could be viewed as a dependable source for crude.

The November story on the lights was a bit more of a rollercoaster, as out the gate we saw pressure on the Edmonton differential. Pre cycle trading TMR (Edmonton Sweet Financial) was exchanging hands at \$(4.15). Sweets first print came at \$(4.40) and quickly slid out to \$(4.75) on day one. Day one did see some recovery as it closed the day at \$(4.50). The 4 handle was very popular the first few days of cycle, as the lights did not eclipse a 3 handle until the second week of trading when rumors of synthetic upgraders having issues caused not only synthetic grades to trade higher, but also Edmonton sweets followed along in getting a lift. Sweets ended up trading to a cycle high of \$(3.80) and saw the COMM index settle at \$(4.27). LSB (Light Sour Blend) made a bit of a name for itself during November as it traded at very similar levels to the Edmonton sweet barrel. LSB settled at \$(4.43) just \$.16 cents below the sweet product and at one point in the cycle we saw LSB trading at a premium to sweet. MID (Medium Sour Blend) also traded very close to the Edmonton product with it settling the month at \$(4.84).

With the December window just about to open, we are seeing TMW (WCS Financial) going at \$(11.85) and the Edmonton sweet contract going at \$(4.75). C5 looks to open the December window at ~\$(2.00). Traders will continue to monitor crude inventory levels to see how badly they need to pay up for feedstock. Physical markets have opened slightly stronger and relatively close to November Index. Traders will also monitor BP Whiting and see if there are any further issues post-shutdown after the facility caught fire and had a power outage in October. Suncor’s Montreal refinery was also down for a short period during October, as it experienced its own power outage. Like November, we will see if there are any interruptions to synthetic upgraders and how much traders anticipate the colder winter months to play a factor in the synthetic upgrading operations.



CLOSING THOUGHTS

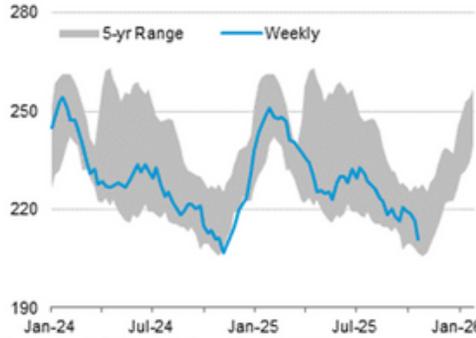
Energy markets continue to be shaped by shifting geopolitics, evolving trade alignments and ongoing structural strength in supply. Canadian crude is finding a secure home in Asia, OPEC is choosing incrementalism over volatility, and both macroeconomic and inflationary signals suggest that central banks are still walking a fine line between support and restraint.

Through it all, the underlying fundamentals remain resilient. We’ll continue to monitor these developments closely and keep you informed as conditions evolve into year-end.

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Appendix

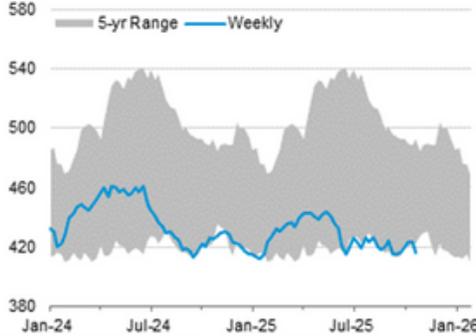
U.S. gasoline stocks
million barrels



Data source: U.S. Energy Information Administration

	Stocks	Change from last	
	10/24/25	Week	Year
Crude oil	416.0	-6.9 ↓	-9.5 ↓
Gasoline	210.7	-5.9 ↓	-0.1 ↓
Distillate	112.2	-3.4 ↓	-0.7 ↓
Propane	105.681	2.506 ↑	4.151 ↑

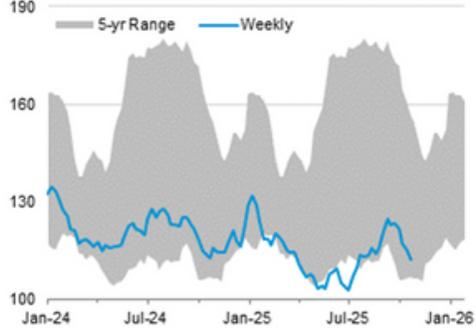
U.S. crude oil stocks
million barrels



Data source: U.S. Energy Information Administration

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U.S. distillate stocks
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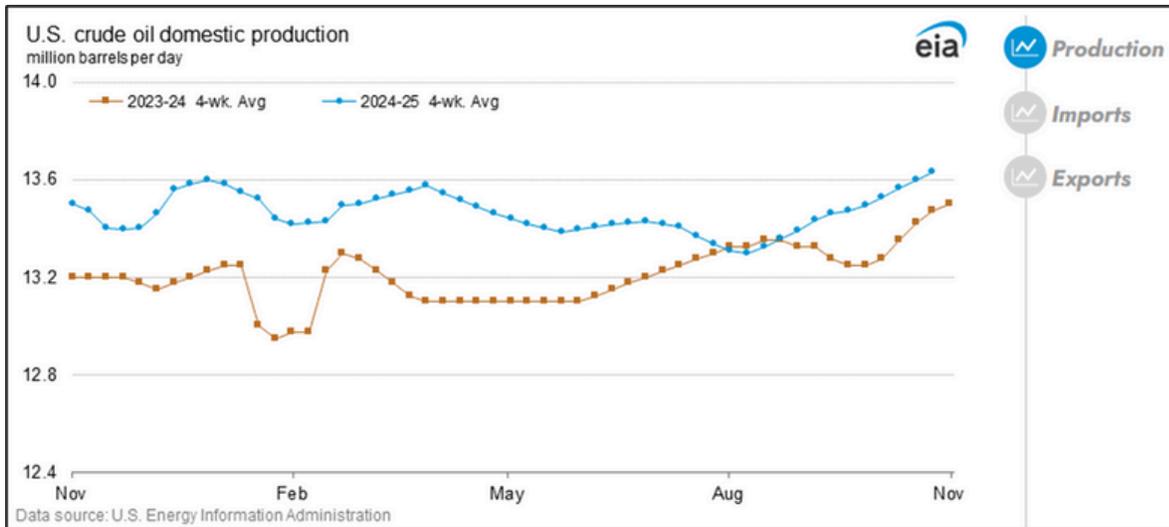
Appendix

Weekly U.S. Ending Stocks excluding SPR of Crude Oil

[DOWNLOAD](#)



 Data source: U.S. Energy Information Administration



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Appendix



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