



February 2025

AS I SEE IT —JOE MERNKA, GENERAL MANAGER

Thank you for your business W&H Coop Patrons!

Market Update:

I am writing this update the day after Trump took office. So far, the energy markets are reacting favorably to the new administration with over a one point drop in crude. This is despite the news that North Dakota has been struggling with production due to the cold temperatures. The drop in crude is producing some drops in the fuel markets. With the 180 degree turn in administration policies, I believe that this will affect the markets over the next couple of weeks especially.

We are monitoring the markets closely and will more than likely put out a recommendation to fill diesel sometime towards the end of the Jan with a recommendation on contracting to follow quickly.

Propane has been put on allocation on both the East and West legs until more than likely the end of January. It is doubtful that the allocation will continue into February. Luckily for you, because you do business with W&H Coop propane, supply is not an issue. With the storage we have, and our strong summerfill program we implemented, allocation is not an issue for us, or you. However, this did produce a dramatic uptick in propane pricing.

Here is a clip from the experts on possible future propane markets:

Propane: A swath of cold weather is occurring across the Midwest, East Coast and even south into Texas. CHS trade partners based in Houston even woke up to a layer of snow this morning. Broadly, temps are double digits below average. Supply disruptions are being reported in the Bakken along with slower rail load/unload operations likely occurring.

Conway propane was up over 20c month to date as cold weather drove values higher. At last look, propane markets are seen trading weaker. The key input is likely the reality of trade tariffs being delayed until February 1 (Bloomberg). Indications of a 25% tariff on Canadian origin LPG would likely drive up the prices of U.S. origin propane.

As always, these are my opinions and are not always correct.

PROPANE

Warmest thoughts and well wishes from the propane department. January came and went and with it came a much higher demand for propane. Our drivers have been busy out in the countryside delivering propane. Please remember to try and clear out a path so they can get to your tank easier. One positive side to Iowa's



winter is the beautiful sun rises and sunsets as pictured above. Also, in the picture above is one of our brand-new leased tanks that we have available. If you have any friends or family that would like to sign up with us, please reach out to our sales team today. 515-302-1797.

C-STORE



If you like a drink that tastes good with a splash of energy, we think you will like Lotus. This new energy drink is offered in all our C-Store locations. Lotus is GMO Free with a variety of flavors to choose from including, Original, Pink (Raspberry Infused), Orange (Mango Mandarin Infused), Green (Watermelon Infused), Blue (Huckleberry Infused & Purple (Boysenberry Infused). As always, we would like to thank you for your continued support and look forward to seeing you soon.