

MONTHLY PETROLEUM DEMAND-EXPORT TRENDS

A Fundamental Petroleum Trends Monthly Report

 Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, January 31, 2011

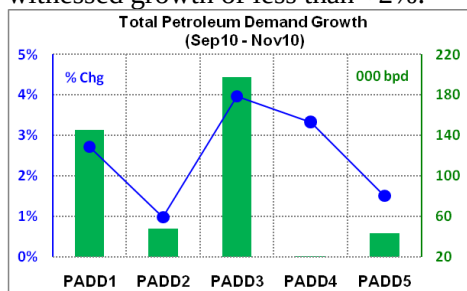
Wholesale Petroleum Demand

Publisher Note: The purpose of this new Fundamental Petroleum Trends monthly report is to identify the longer term national and regional trends in wholesale petroleum demand for major fuels; recognizing that the EIA data source is lagged 2-months.

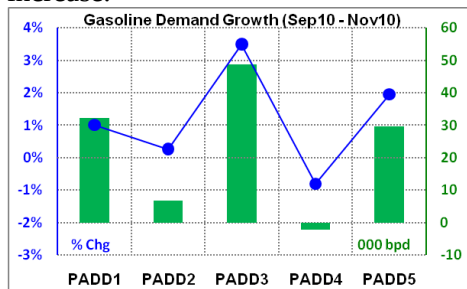
Wholesale demand for all petroleum products, including finished and unfinished products increased +457,000 bpd over the prior year for the September 2010 through November 2010 quarter, a +2.4% increase.

U. S. Petroleum Demand			
Product	Sep-Nov10 Avg	Chg prev Yr	% Chg
Gasoline	9,050	116	1.3%
Distillate	3,845	242	6.7%
Jet Fuel	1,426	50	3.6%
Residual Fuel	567	140	32.9%
Propane	1,095	-155	-12.4%
Total Petroleum	19,173	457	2.4%

The rate of growth in demand would have been higher, but for the sharp drop in grain drying this fall which cut propane demand. Demand in PADD 03 grew +4%, PADD 04 +3.3%, and PADD 01 +2.7. PADDs 01 and 05 witnessed growth of less than +2%.



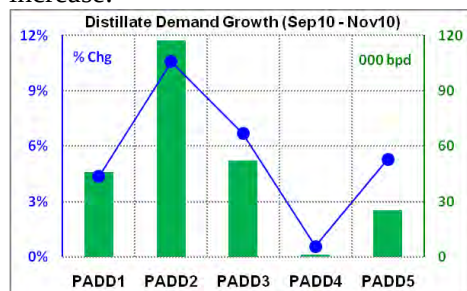
Gasoline wholesale demand increased +116,000 bpd over the prior year for the September 2010 through November 2010 quarter, a +1.3% increase.



Growth was robust in PADDs 3 and 05 with increases of +3.5% and +2%;

respectively. PADD 02 demand increased just +0.3% while demand in PADD 04 declined -0.8%.

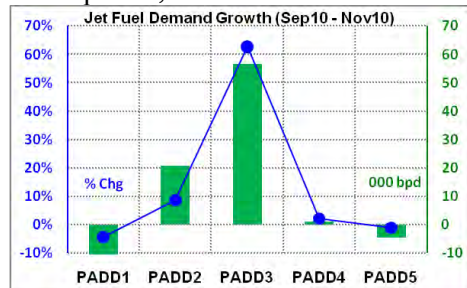
Distillate wholesale demand increased +242,000 bpd over the prior year for the September 2010 through November 2010 quarter, a +6.7% increase.



Demand jumped +10.6% in PADD 02 on a strong agriculture industry and the spike in oil/gas exploration in the Bakken Shale regions of North Dakota and Montana. PADD 02 demand was comparable to levels in 2008.

Demand in PADD 04 increased +0.6% while all other regions saw a increase above +4%.

Jet fuel wholesale demand increased +50,000 bpd over the prior year for the September 2010 through November 2010 quarter, a +3.6% increase.



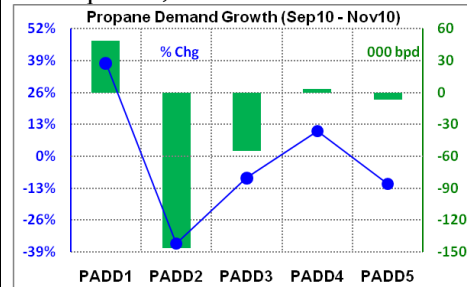
Demand surged +57,000 bpd in PADD 03 with PADD 02 up +21,000 bpd.

Demand in PADD 01 decreased -25,000 bpd, with PADDs 04 and 05 nearly unchanged.

Residual fuel oil wholesale demand increased +140,000 bpd over the prior year for the September 2010 through November 2010 quarter, a +33% increase.

Demand increased +90,000 bpd in PADD 01 and +68,000 bpd in PADD 03 for the quarter. Demand in other regions was flat to lower for the period.

Propane wholesale demand decreased -155,000 bpd over the prior year for the September 2010 through November 2010 quarter, a -12.5% decline.



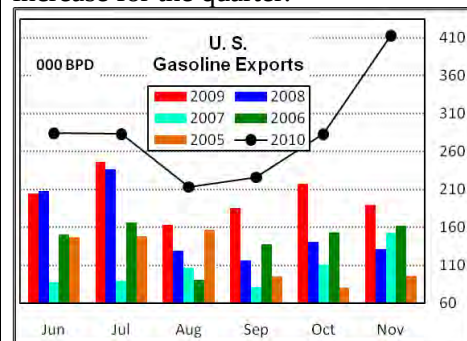
Reduced use for grain drying in the Midwest was the primary factor driving lower demand. Demand fell -146,000 bpd in PADD 02 and -55,000 bpd in PADD 03 for the quarter. These declines were partially offset by a +49,000 bpd jump in PADD 01 demand.

Petroleum Product Exports

Exports of refined fuels were broadly higher, with only residual fuel oil having a decline during the September 2010 to November 2010 quarter.

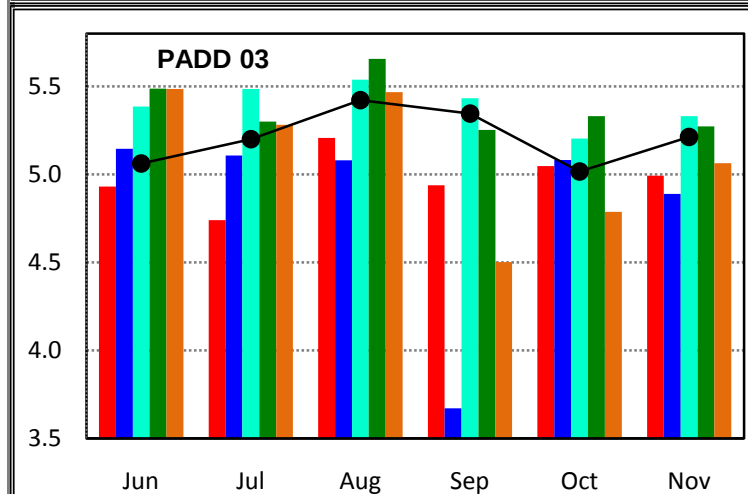
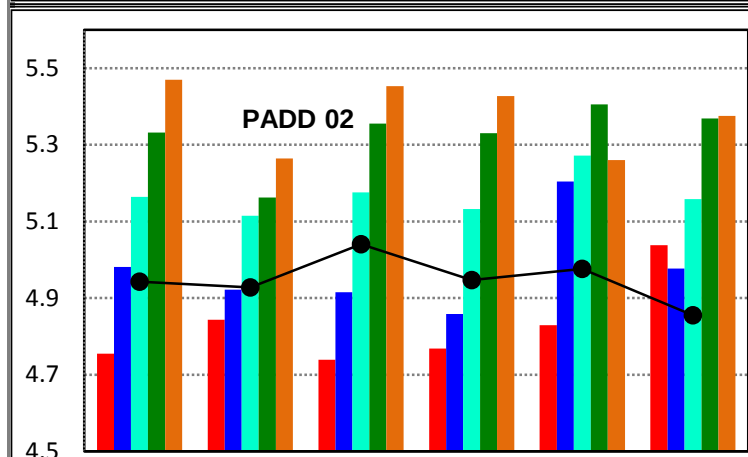
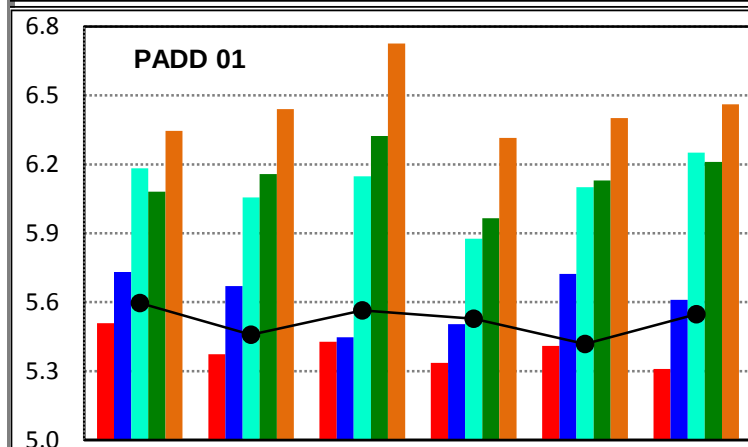
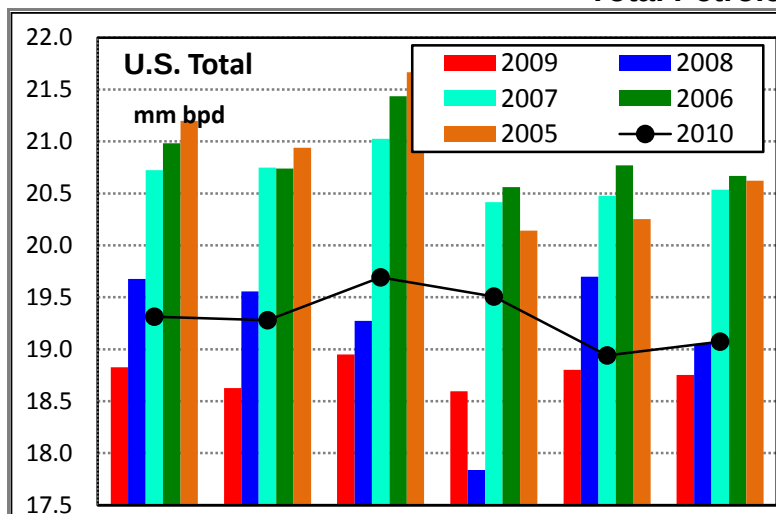
U. S. Exports of Petroleum Products			
Product	Sep-Nov10 Avg	Chg prev Yr	% Chg
Gasoline	307	110	55.7%
Distillate	810	226	38.7%
Jet Fuel	83	5	6.9%
Residual Fuel	374	-98	-20.7%
Propane	115	17	17.4%

Distillate exports increased +226,000 bpd during the quarter; a +39% increase. Gasoline exports jumped +110,000 bpd, a +56% year-on-year increase for the quarter.

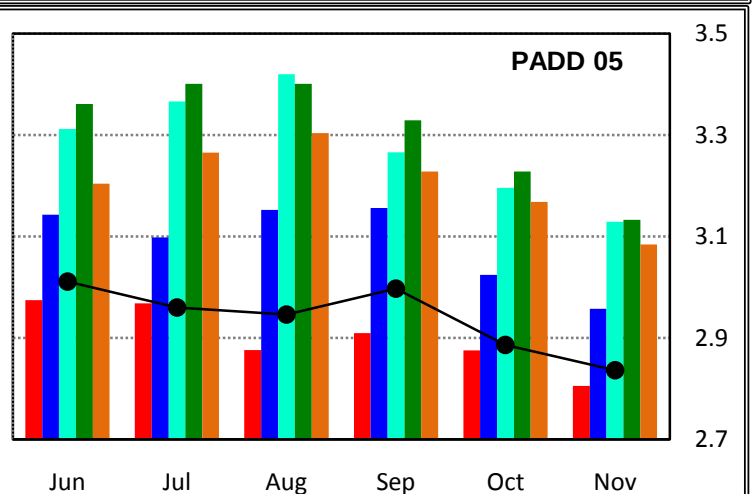
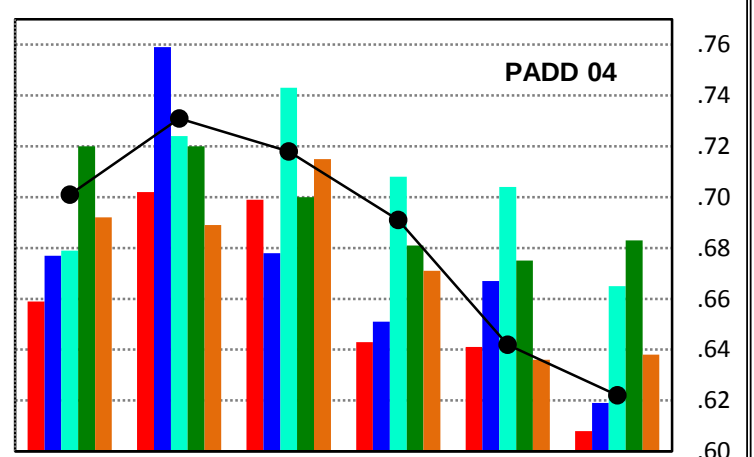


Combined exports of the 5-major fuels were +1.8 million bpd during the month of November 2010. This was a +275,000 bpd (+26%) increase over last year.

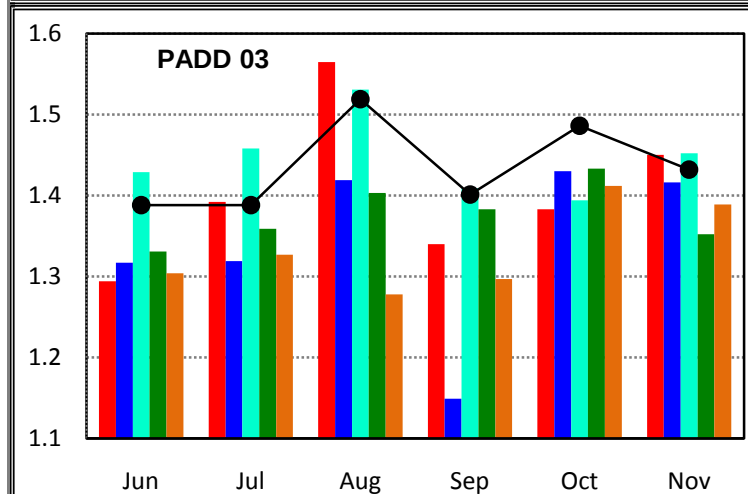
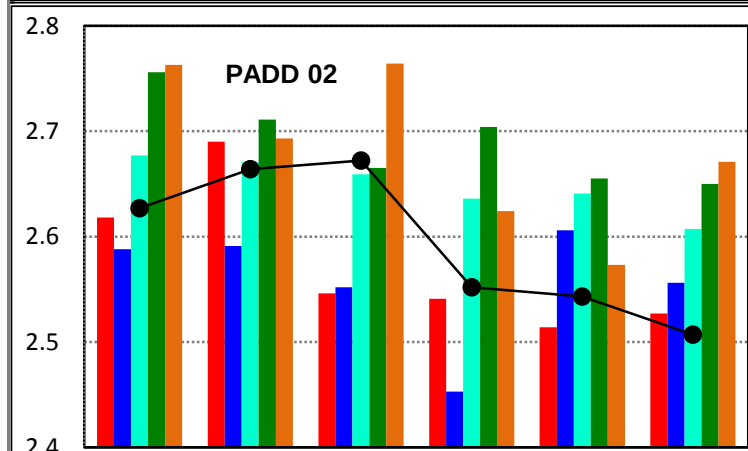
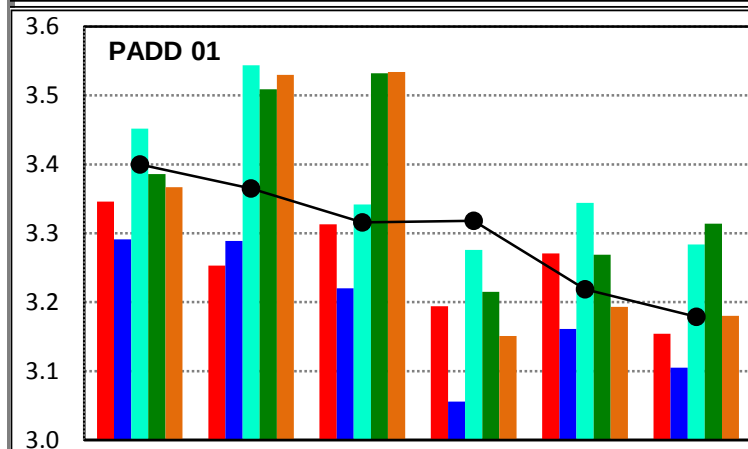
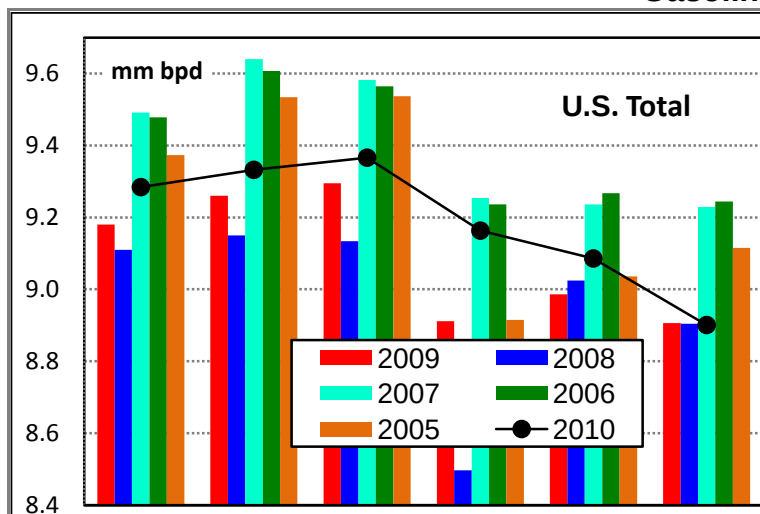
Total Petroleum Demand



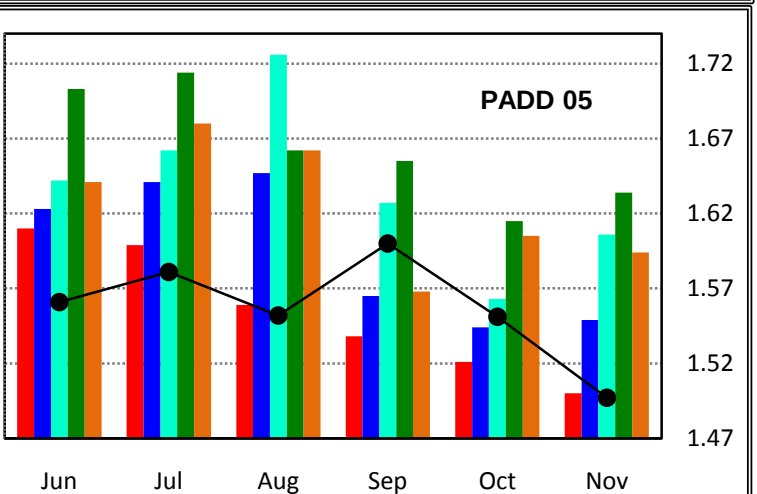
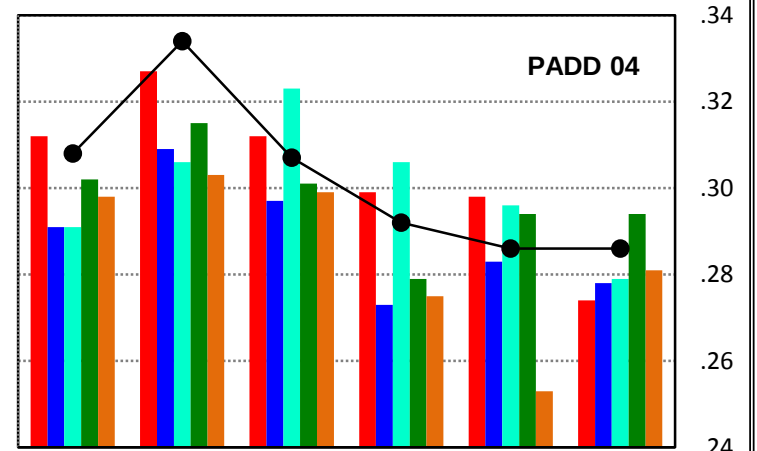
Demand for all Petroleum Products							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest
	Jun10	Jul10	Aug10	Sep10	Oct10	Nov10	Qtr Avg
U. S.	19,314	19,278	19,692	19,507	18,939	19,074	19,173
Ch prev Yr	486	652	743	913	136	321	457
% chg	2.6%	3.5%	3.9%	4.9%	0.7%	1.7%	2.4%
PADD 01	5,597	5,459	5,565	5,528	5,418	5,547	5,498
Ch prev Yr	89	86	137	192	8	237	146
% chg	1.6%	1.6%	2.5%	3.6%	0.1%	4.5%	2.7%
PADD 02	4,943	4,928	5,040	4,947	4,976	4,855	4,926
Ch prev Yr	188	85	301	179	147	-183	48
% chg	4.0%	1.8%	6.4%	3.8%	3.0%	-3.6%	1.0%
PADD 03	5,062	5,200	5,422	5,345	5,016	5,213	5,191
Ch prev Yr	131	460	215	406	-32	220	198
% chg	2.7%	9.7%	4.1%	8.2%	-0.6%	4.4%	4.0%
PADD 04	701	731	718	691	642	622	652
Ch prev Yr	42	29	19	48	1	14	21
% chg	6.4%	4.1%	2.7%	7.5%	0.2%	2.3%	3.3%
PADD 05	3,011	2,960	2,946	2,997	2,886	2,836	2,906
Ch prev Yr	37	-8	70	88	11	31	43
% chg	1.2%	-0.3%	2.4%	3.0%	0.4%	1.1%	1.5%



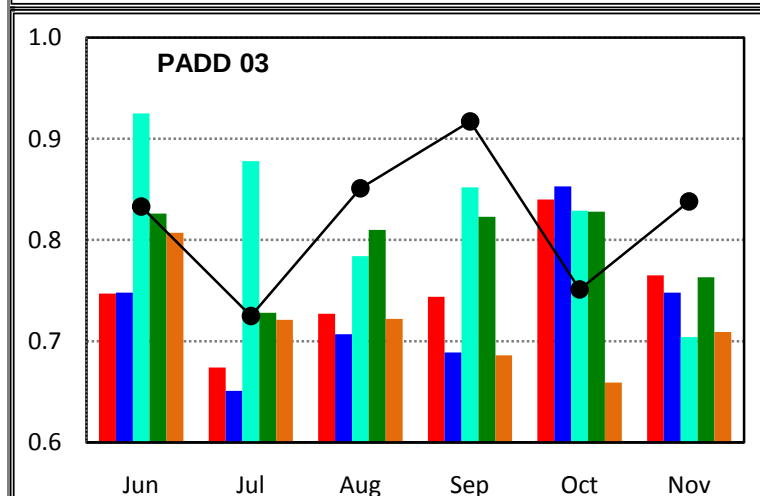
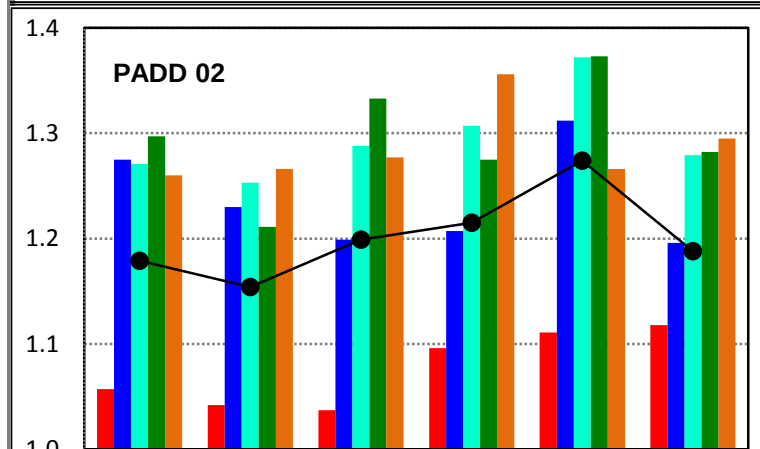
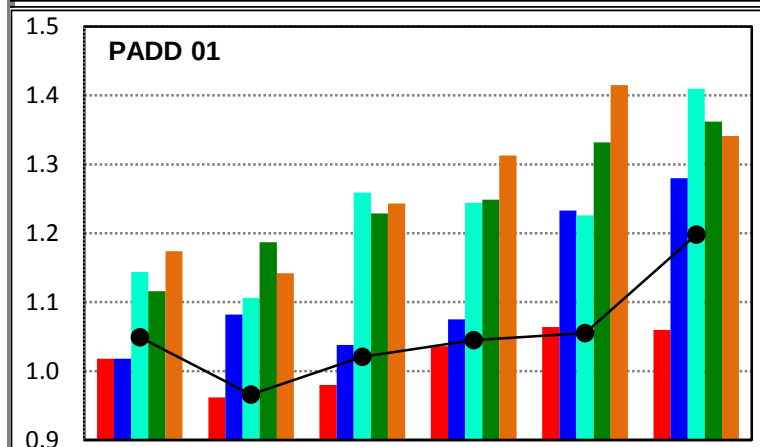
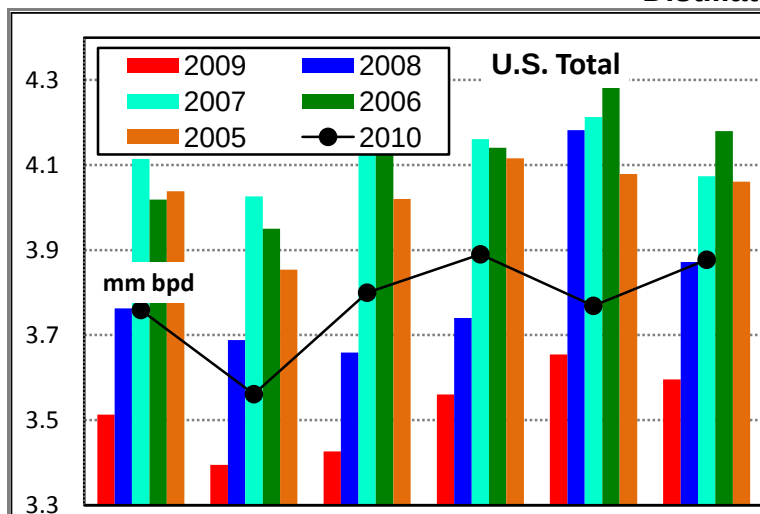
Gasoline Demand



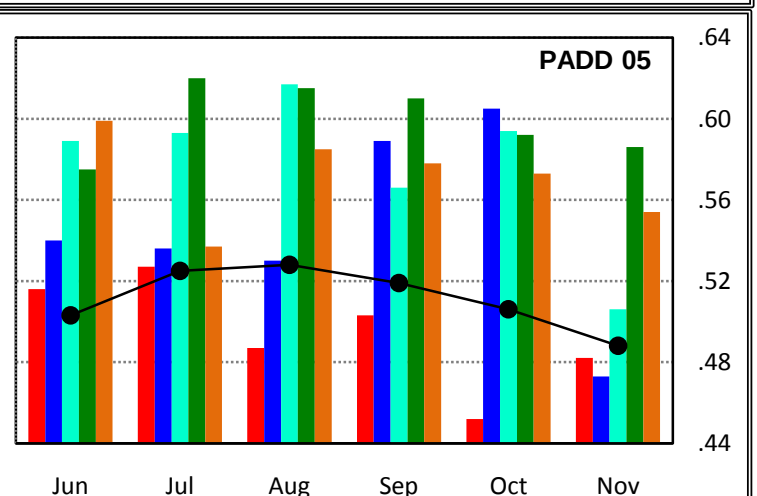
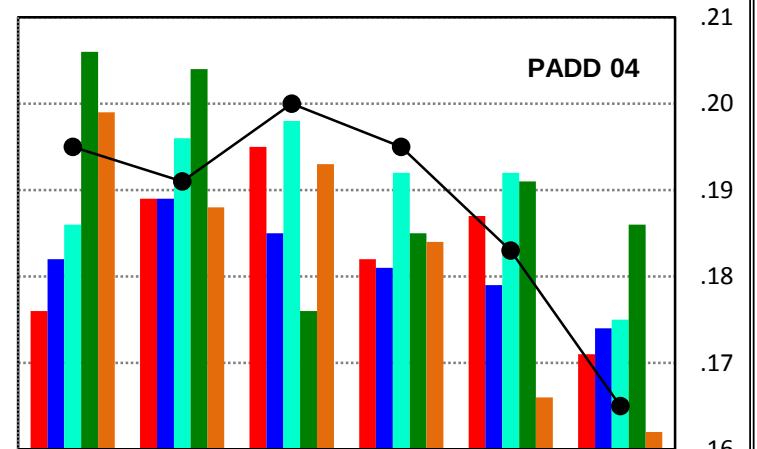
Demand for Gasoline							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	Jun10	Jul10	Aug10	Sep10	Oct10	Nov10	
U. S.	9,284	9,332	9,366	9,163	9,086	8,901	9,050
Ch prev Yr	104	72	71	252	100	-5	116
% chg	1.1%	0.8%	0.8%	2.8%	1.1%	-0.1%	1.3%
PADD 01	3,400	3,365	3,316	3,318	3,219	3,179	3,239
Ch prev Yr	54	112	3	124	-52	25	32
% chg	1.6%	3.4%	0.1%	3.9%	-1.6%	0.8%	1.0%
PADD 02	2,627	2,664	2,672	2,552	2,543	2,507	2,534
Ch prev Yr	9	-26	126	11	29	-20	7
% chg	0.3%	-1.0%	4.9%	0.4%	1.2%	-0.8%	0.3%
PADD 03	1,388	1,388	1,519	1,401	1,486	1,432	1,440
Ch prev Yr	94	-4	-46	61	103	-18	49
% chg	7.3%	-0.3%	-2.9%	4.6%	7.4%	-1.2%	3.5%
PADD 04	308	334	307	292	286	286	288
Ch prev Yr	-4	7	-5	-7	-12	12	-2
% chg	-1.3%	2.1%	-1.6%	-2.3%	-4.0%	4.4%	-0.8%
PADD 05	1,561	1,581	1,552	1,600	1,551	1,497	1,549
Ch prev Yr	-49	-18	-7	62	30	-3	30
% chg	-3.0%	-1.1%	-0.4%	4.0%	2.0%	-0.2%	2.0%



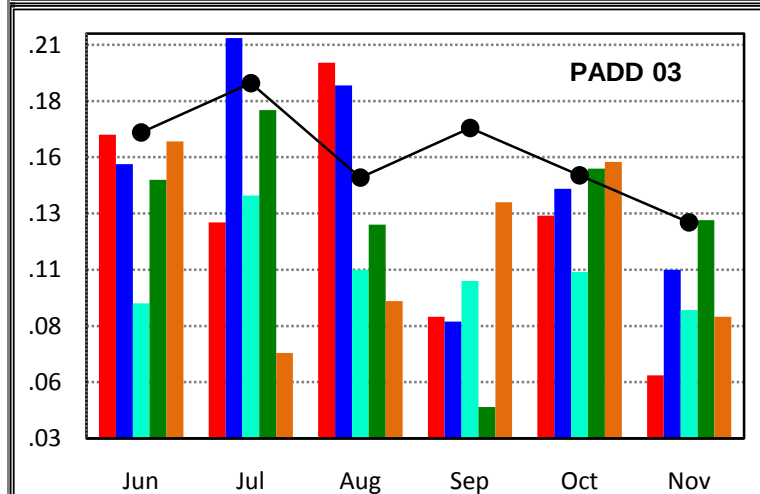
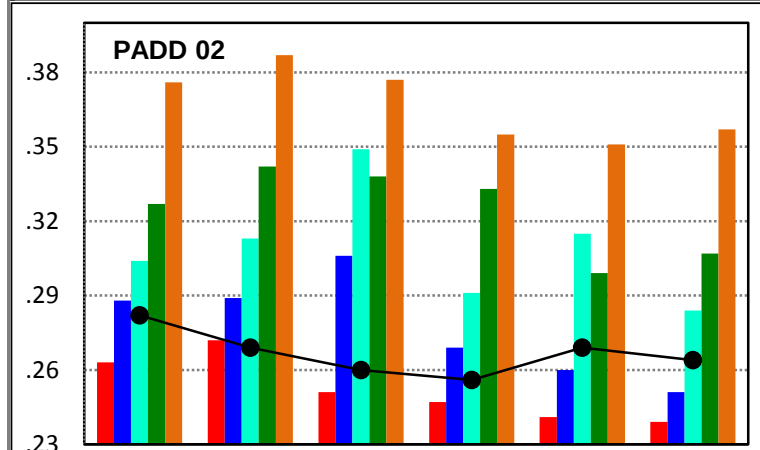
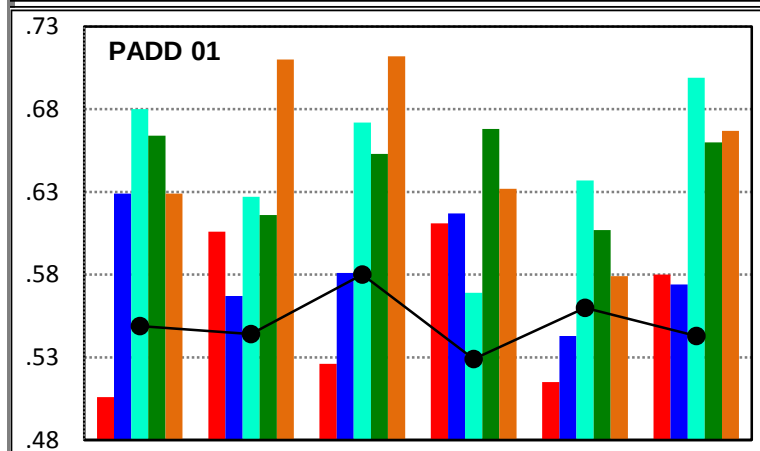
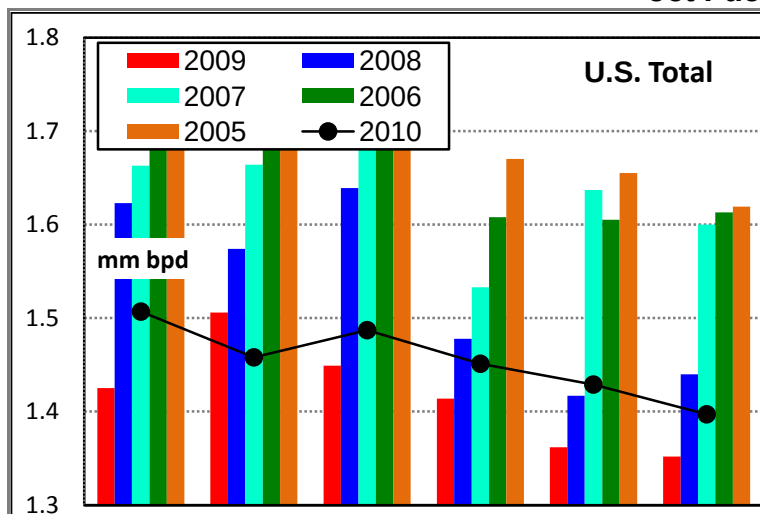
Distillate Demand



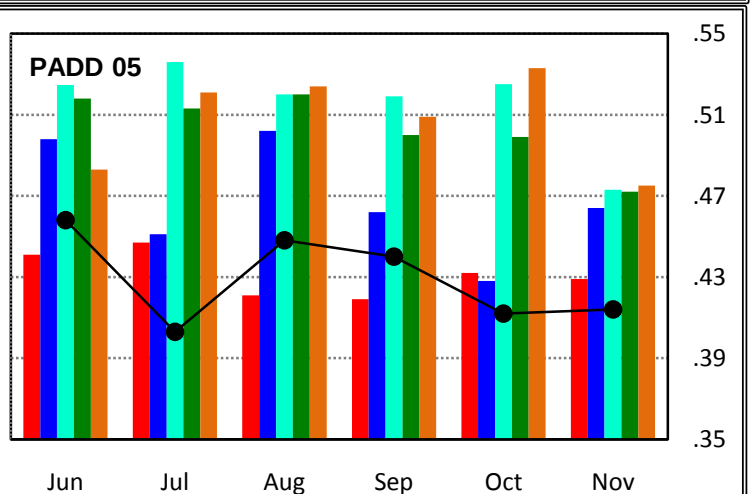
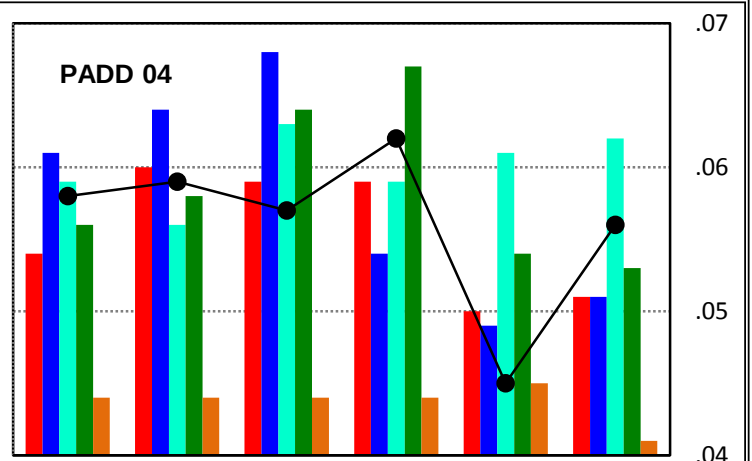
Demand for Distillate							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest
	Jun10	Jul10	Aug10	Sep10	Oct10	Nov10	Qtr Avg
U. S.	3,759	3,561	3,800	3,890	3,769	3,877	3,845
Ch prev Yr	246	166	374	330	115	281	242
% chg	7.0%	4.9%	10.9%	9.3%	3.1%	7.8%	6.7%
PADD 01	1,049	966	1,021	1,045	1,055	1,198	1,099
Ch prev Yr	31	4	41	9	-9	138	46
% chg	3.0%	0.4%	4.2%	0.9%	-0.8%	13.0%	4.4%
PADD 02	1,179	1,154	1,199	1,215	1,274	1,188	1,226
Ch prev Yr	122	112	162	119	163	70	117
% chg	11.5%	10.7%	15.6%	10.9%	14.7%	6.3%	10.6%
PADD 03	833	725	851	917	751	838	835
Ch prev Yr	86	51	124	173	-89	73	52
% chg	11.5%	7.6%	17.1%	23.3%	-10.6%	9.5%	6.7%
PADD 04	195	191	200	195	183	165	181
Ch prev Yr	19	2	5	13	-4	-6	1
% chg	10.8%	1.1%	2.6%	7.1%	-2.1%	-3.5%	0.6%
PADD 05	503	525	528	519	506	488	504
Ch prev Yr	-13	-2	41	16	54	6	25
% chg	-2.5%	-0.4%	8.4%	3.2%	11.9%	1.2%	5.3%



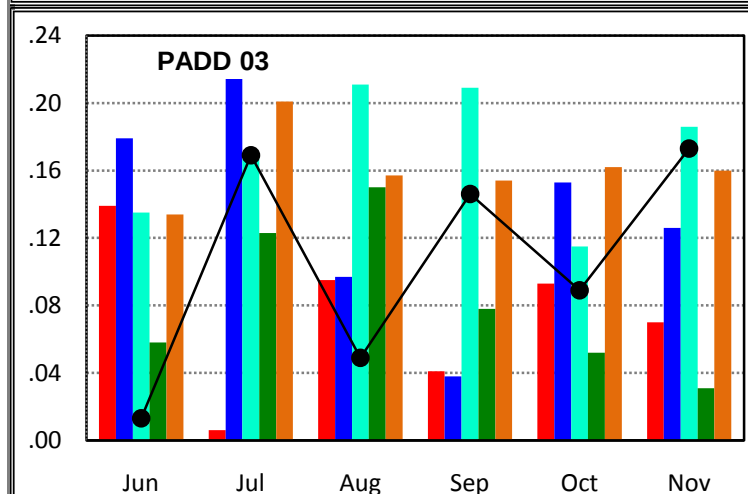
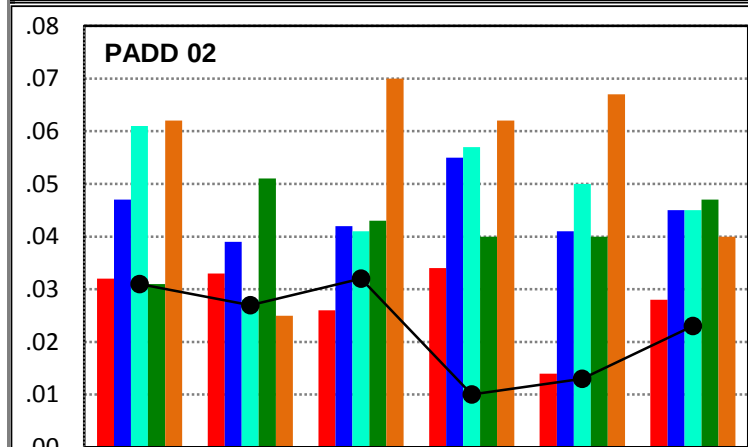
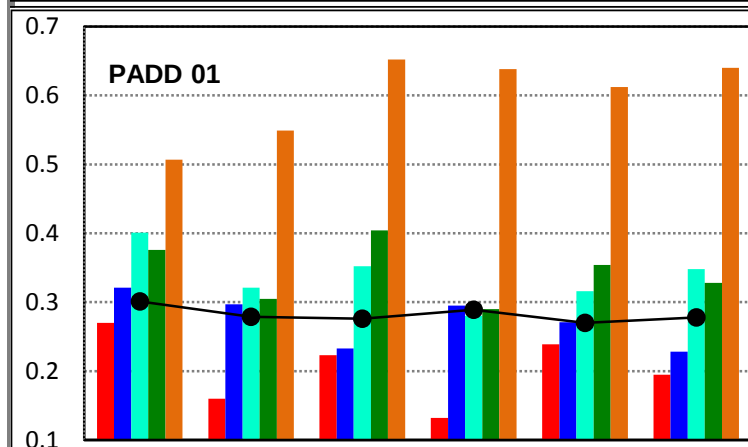
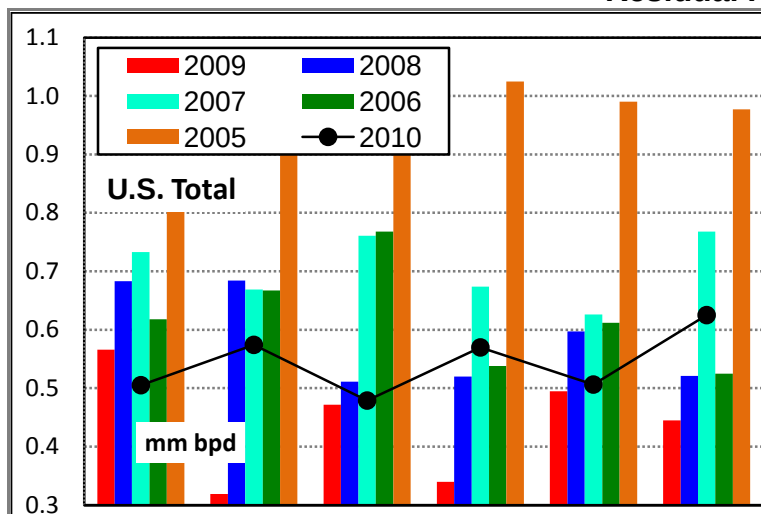
Jet Fuel Demand



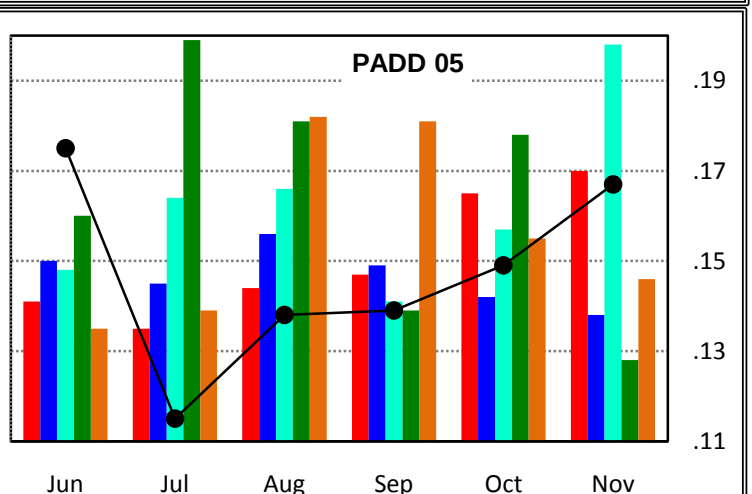
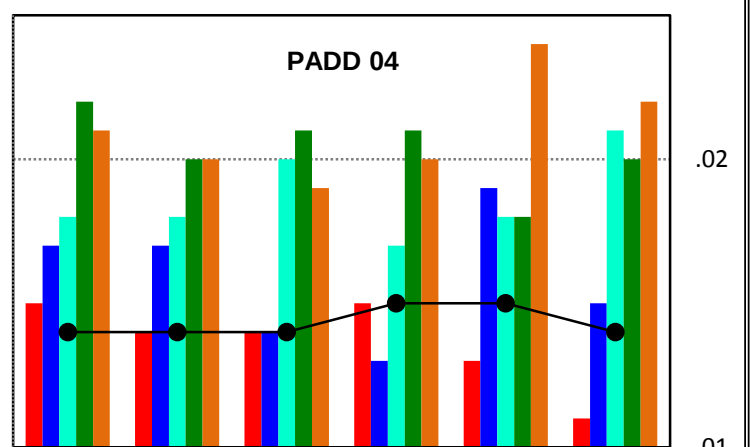
Demand for Jet Fuel							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	Jun10	Jul10	Aug10	Sep10	Oct10	Nov10	
U. S.	1,507	1,458	1,487	1,451	1,429	1,397	1,426
Ch prev Yr	82	-48	38	37	67	45	50
% chg	5.8%	-3.2%	2.6%	2.6%	4.9%	3.3%	3.6%
PADD 01	549	544	580	529	560	543	544
Ch prev Yr	43	-62	54	-82	45	-37	-25
% chg	8.5%	-10.2%	10%	-13.4%	8.7%	-6.4%	-4.3%
PADD 02	282	269	260	256	269	264	263
Ch prev Yr	19	-3	9	9	28	25	21
% chg	7.2%	-1.1%	3.6%	3.6%	11.6%	10.5%	8.5%
PADD 03	166	188	146	168	147	126	147
Ch prev Yr	1	62	-51	84	18	68	57
% chg	0.6%	49.2%	-26%	100%	14.0%	117%	62.7%
PADD 04	53	54	52	57	40	51	49
Ch prev Yr	4	-1	-2	3	-5	5	1
% chg	8.2%	-1.8%	-3.7%	5.6%	-11.1%	10.9%	2.1%
PADD 05	458	403	448	440	412	414	422
Ch prev Yr	17	-44	27	21	-20	-15	-5
% chg	3.9%	-9.8%	6.4%	5.0%	-4.6%	-3.5%	-1.1%



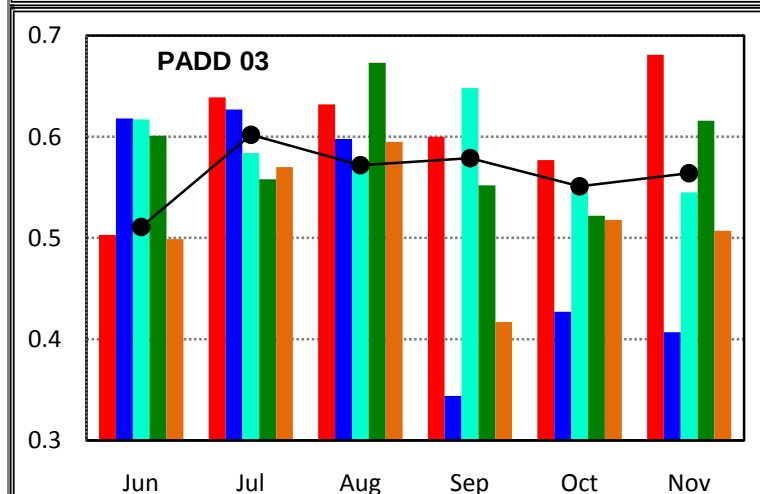
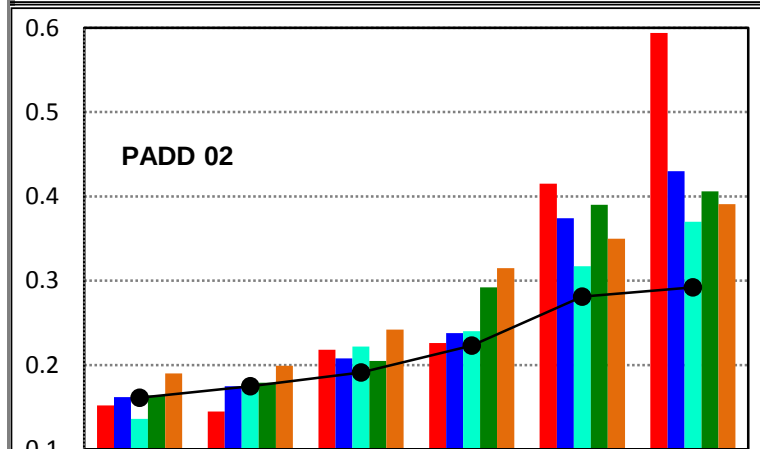
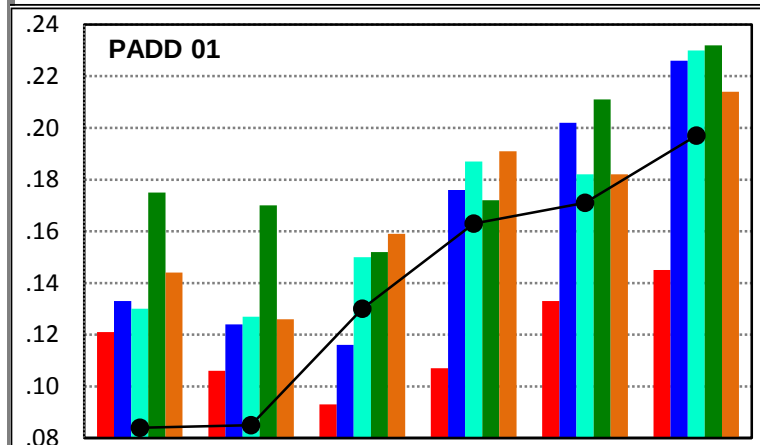
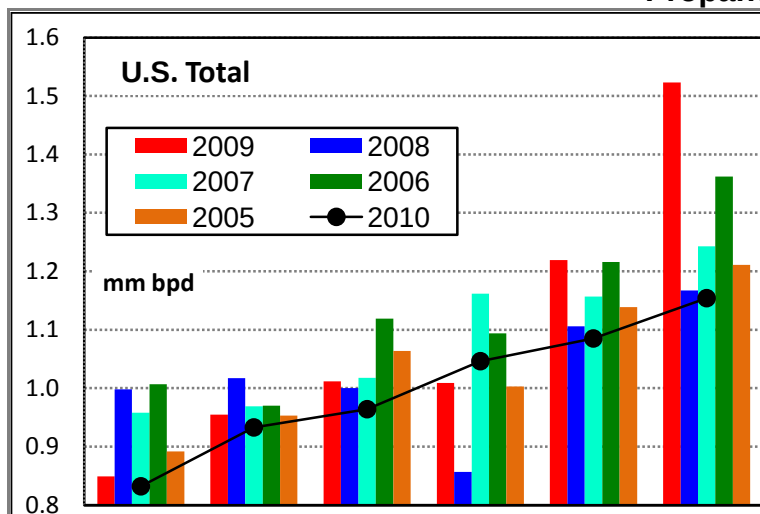
Residual Fuel Demand



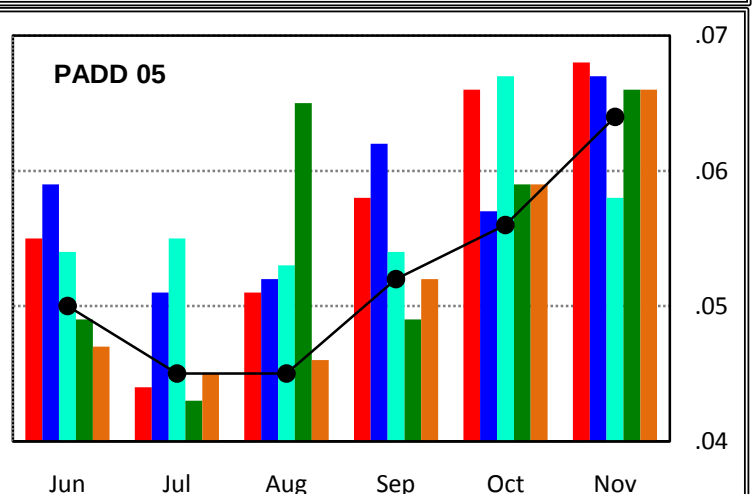
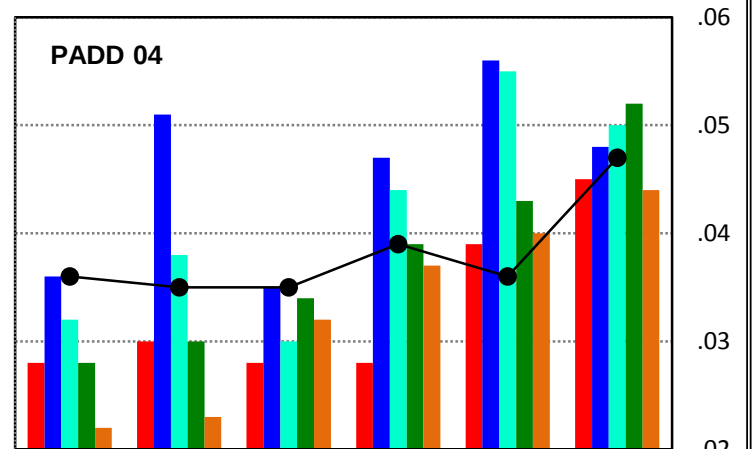
Demand for Residual Fuel Oil							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	Jun10	Jul10	Aug10	Sep10	Oct10	Nov10	
U. S.	505	574	479	570	506	625	567
Ch prev Yr	-61	255	7	230	11	180	140
% chg	-10.8%	79.9%	1.5%	67.6%	2.2%	40.4%	32.9%
PADD 01	276	254	251	264	245	253	254
Ch prev Yr	31	119	53	157	31	83	90
% chg	12.7%	88.1%	27%	147%	14.5%	48.8%	55.2%
PADD 02	31	27	32	10	13	23	15
Ch prev Yr	-1	-6	6	-24	-1	-5	-10
% chg	-3.1%	-18.2%	23%	-70.6%	-7.1%	-17.9%	-39.5%
PADD 03	13	169	49	146	89	173	136
Ch prev Yr	-126	163	-46	105	-4	103	68
% chg	-90.6%	2717%	-48%	256%	-4.3%	147%	100.0%
PADD 04	9	9	9	10	10	9	10
Ch prev Yr	-1	0	0	0	2	3	2
% chg	-10.0%	0.0%	0.0%	0.0%	25.0%	50.0%	20.8%
PADD 05	175	115	138	139	149	167	152
Ch prev Yr	34	-20	-6	-8	-16	-3	-9
% chg	24.1%	-14.8%	-4%	-5.4%	-9.7%	-1.8%	-5.6%



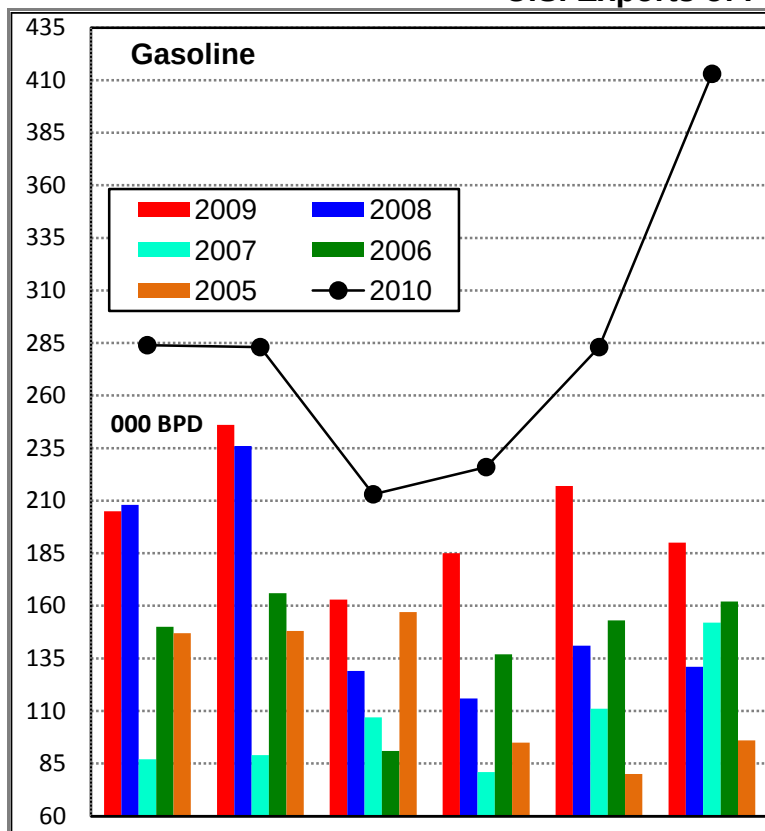
Propane Demand



Demand for Propane							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	Jun10	Jul10	Aug10	Sep10	Oct10	Nov10	
U. S.	832	933	964	1,046	1,085	1,154	1,095
Ch prev Yr	-17	-22	-48	37	-134	-369	-155
% chg	-2.0%	-2.3%	-4.7%	3.7%	-11.0%	-24.2%	-12.4%
PADD 01	84	85	130	163	171	197	177
Ch prev Yr	-37	-21	37	56	38	52	49
% chg	-30.6%	-19.8%	40%	52.3%	28.6%	35.9%	37.9%
PADD 02	161	175	191	223	281	292	265
Ch prev Yr	9	30	-27	-3	-134	-302	-146
% chg	5.9%	20.7%	-12%	-1.3%	-32.3%	-50.8%	-35.5%
PADD 03	511	602	572	579	551	564	565
Ch prev Yr	8	-37	-60	-21	-26	-117	-55
% chg	1.6%	-5.8%	-9.5%	-3.5%	-4.5%	-17.2%	-8.8%
PADD 04	31	30	30	34	31	42	36
Ch prev Yr	8	5	7	11	-3	2	3
% chg	34.8%	20.0%	30.4%	47.8%	-8.8%	5.0%	10.3%
PADD 05	45	40	40	47	51	59	52
Ch prev Yr	-5	1	-6	-6	-10	-4	-7
% chg	-10.0%	2.6%	-13%	-11.3%	-16.4%	-6.3%	-11.3%



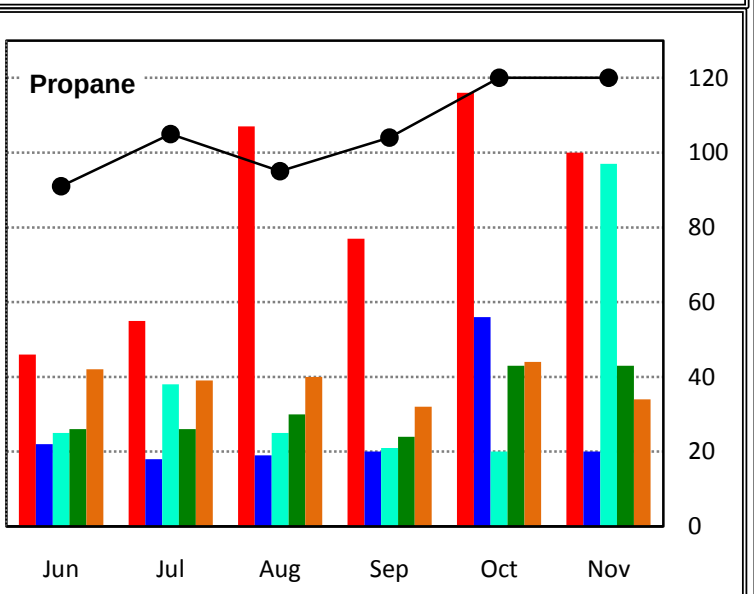
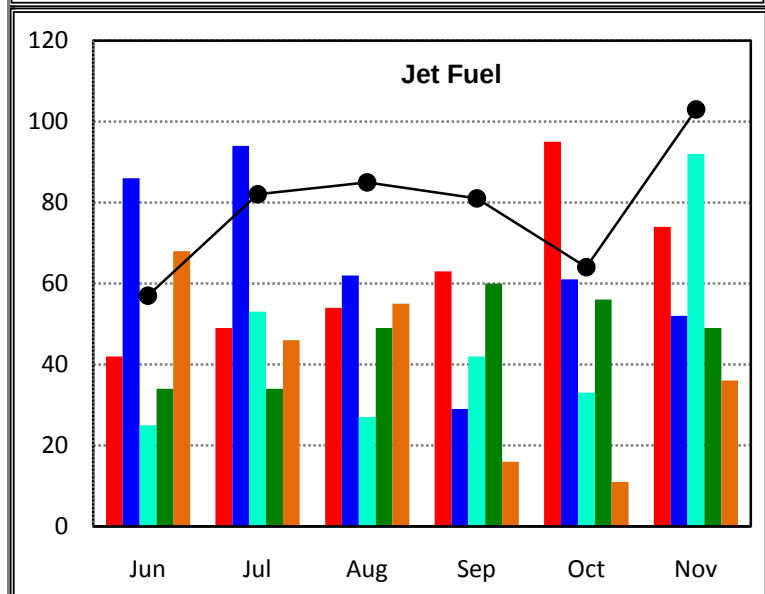
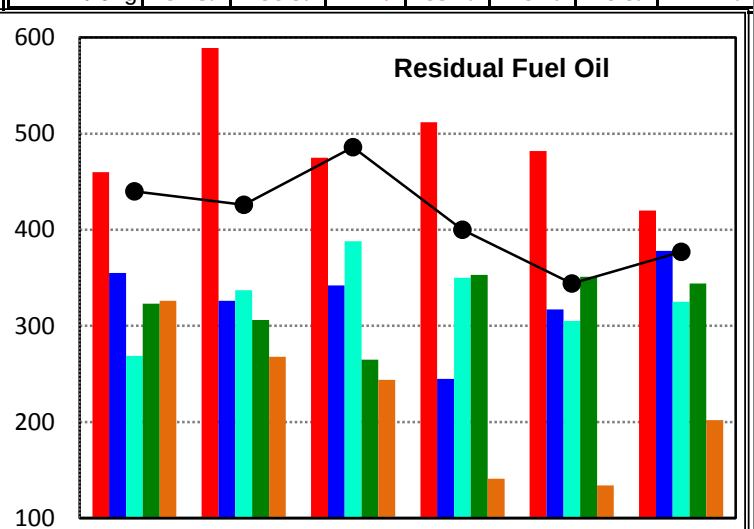
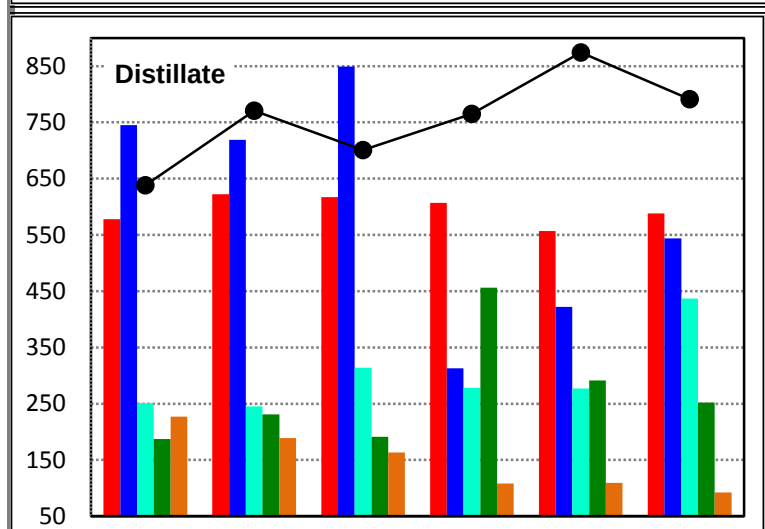
U.S. Exports of Petroleum Products



U. S. Exports of Petroleum Products

Source: EIA Monthly Petroleum Supply

	000 bpd						Latest Qtr Avg
	Jun10	Jul10	Aug10	Sep10	Oct10	Nov10	
Gasoline	284	283	213	226	283	413	307
Ch prev Yr	79	37	50	41	66	223	110
% chg	38.5%	15.0%	30.7%	22.2%	30.4%	117%	55.7%
Distillate	638	771	701	765	874	791	810
Ch prev Yr	60	149	84	158	317	203	226
% chg	10.4%	24.0%	14%	26.0%	56.9%	34.5%	38.7%
Jet	57	82	85	81	64	103	83
Ch prev Yr	15	33	31	18	-31	29	5
% chg	35.7%	67.3%	57%	28.6%	-32.6%	39.2%	6.9%
Residual	440	426	486	400	344	377	374
Ch prev Yr	-20	-163	11	-112	-138	-43	-98
% chg	-4.3%	-27.7%	2%	-21.9%	-28.6%	-10.2%	-20.7%
Propane	91	105	95	104	120	120	115
Ch prev Yr	45	50	-12	27	4	20	17
% chg	97.8%	90.9%	-11%	35.1%	3.4%	20.0%	17.4%



U. S. Petroleum Administrative for Defense Districts (PADDs)

