

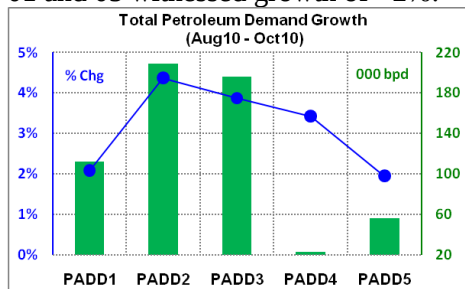
Wholesale Petroleum Demand

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.

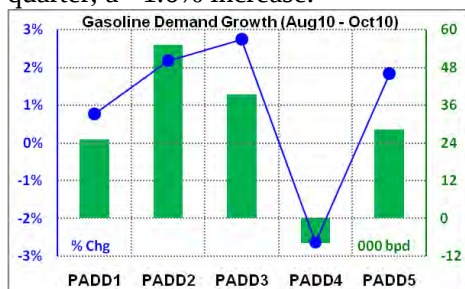
Wholesale demand for all petroleum products, including finished and unfinished products increased +597,000 bpd over the prior year for the August 2010 through October 2010 quarter, a +3.2% increase.

U. S. Petroleum Demand			
Product	Aug-Oct10 Avg	Chg prev Yr	% Chg
Gasoline	9,205	141	1.6%
Distillate	3,820	273	7.7%
Jet Fuel	1,456	47	3.4%
Residual Fuel	518	83	19.0%
Propane	1,032	-48	-4.5%
Total Petroleum	19,379	597	3.2%

This trend growth in petroleum demand confirms a meaningful upturn in the economy is underway. Demand in PADD 02 grew +4.4%, PADD 03 +3.9% and PADD 04 +3.4%. PADDs 01 and 05 witnessed growth of +2%.



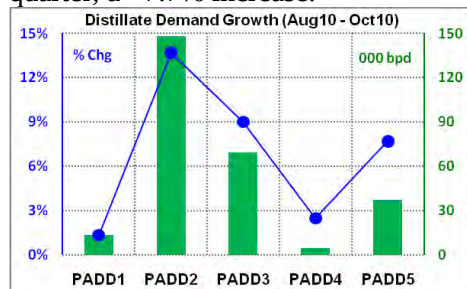
Gasoline wholesale demand increased +141,000 bpd over the prior year for the August 2010 through October 2010 quarter, a +1.6% increase.



Growth was robust in PADDs 3 and 02 with increases of +2.8% and +2.2%; respectively. Demand fell -2.6% in PADD 04 on lower consumer travel.

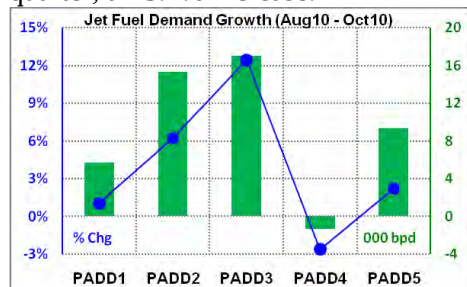
Distillate wholesale demand increased

+273,000 bpd over the prior year for the August 2010 through October 2010 quarter, a +7.7% increase.



Demand surged +13.7% 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 PADDs 01 and 02 increased only +1.3% and +2.5%; respectively on slow economic growth. **Jet fuel** wholesale demand increased +47,000 bpd over the prior year for the August 2010 through October 2010 quarter, a +3.4% increase.



Demand climbed +12.4% and +6.2% in PADDs 03 and 02; respectively.

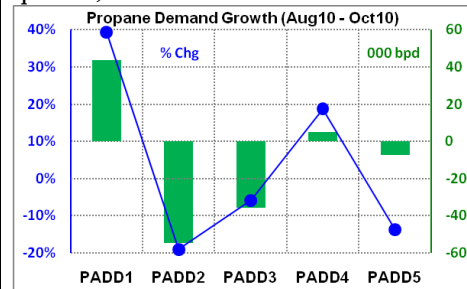
Demand in PADD 04 decreased -2.6% while PADD 01 increased just +1%; reflecting lackluster growth in air travel as well as improved airline load factors.

Residual fuel oil wholesale demand increased +83,000 bpd over the prior year for the August 2010 through October 2010 quarter, a +19% increase.

Demand jumped +80,000 bpd during the latest quarter from the extremely low levels of 2009. Demand was comparable to levels witnessed in 2008.

Propane wholesale demand decreased -48,000 bpd over the prior year for the August 2010 through October 2010

quarter, a -4.5% decline.



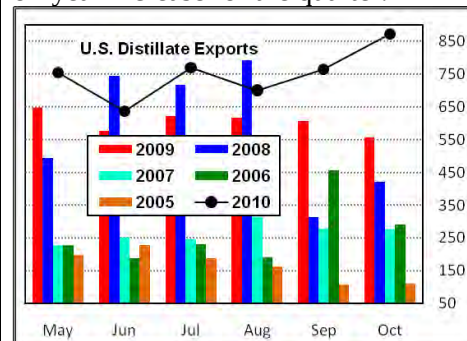
Reduced use for grain drying in the Midwest was the primary factor driving lower demand. Demand fell -55,000 bpd in PADD 02 and -36,000 bpd in PADD 03 for the quarter. These declines were partially offset by a +44,000 bpd jump in PADD 01 demand.

Petroleum Product Exports

Exports of major refined fuels were broadly higher, with only residual fuel oil witnessing a decline during the August 2010 to October 2010 quarter.

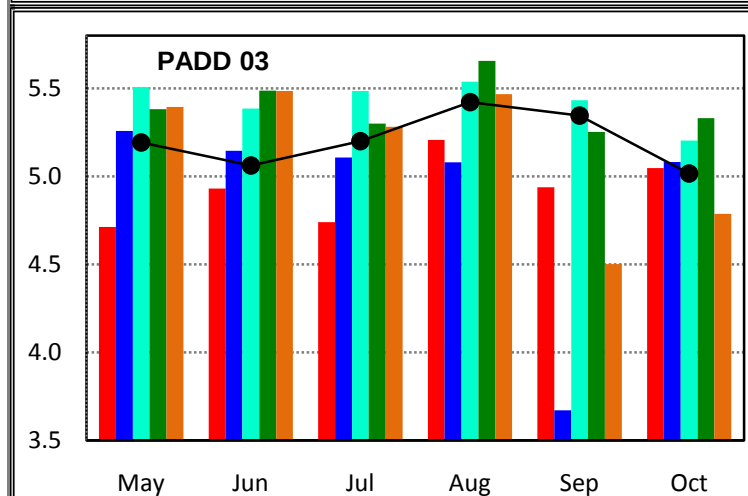
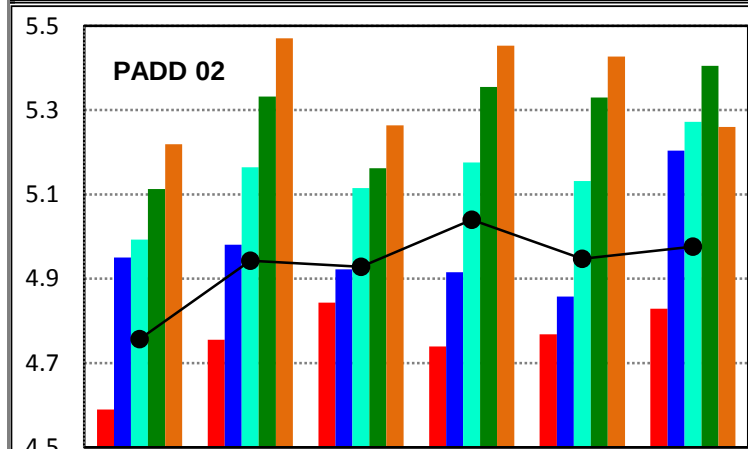
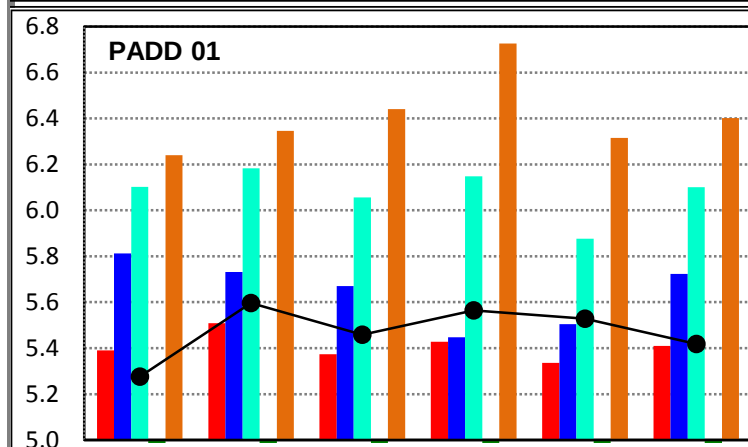
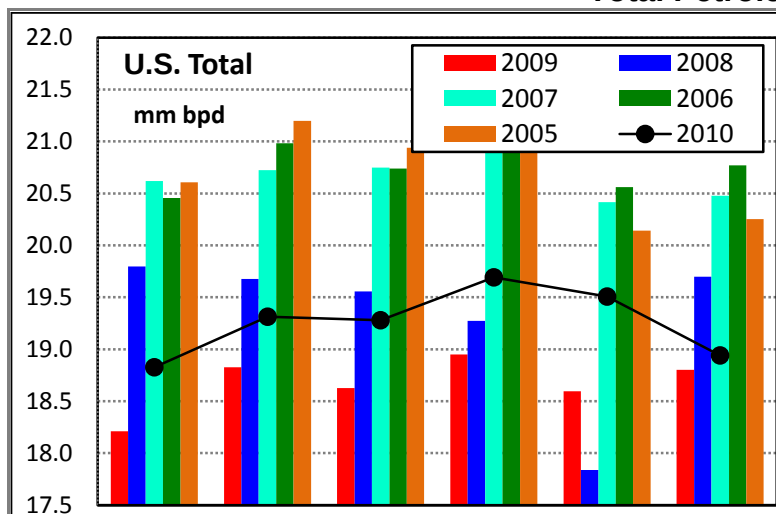
U. S. Exports of Petroleum Products			
Product	Aug-Oct10 Avg	Chg prev Yr	% Chg
Gasoline	241	52	27.8%
Distillate	780	186	31.4%
Jet Fuel	77	6	8.5%
Residual Fuel	410	-80	-16.3%
Propane	106	6	6.3%

Distillate exports led the way, surging +186,000 bpd during the quarter; a +31% increase. Gasoline exports increased +52,000 bpd, a +28% year-on-year increase for the quarter.



Combined exports of gasoline, distillate, jet fuel and propane were 1.3 million bpd during the month of October 2010. This included 874,000 bpd for distillate; 283,000 bpd for gasoline, 120,000 bpd of propane and 64,000 bpd of jet fuel.

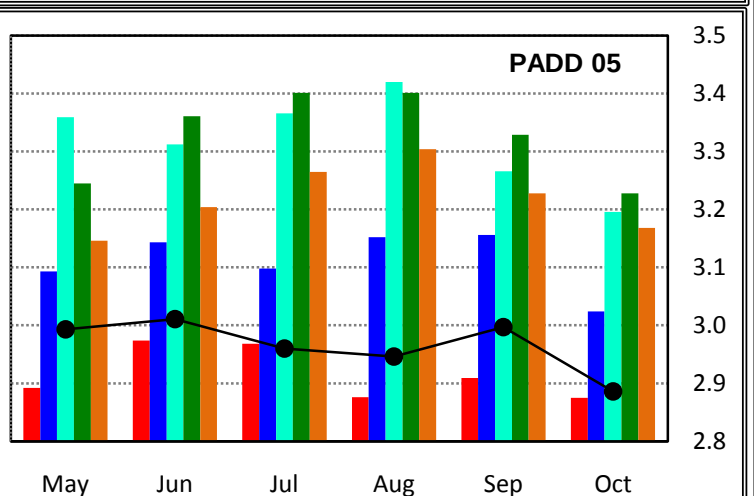
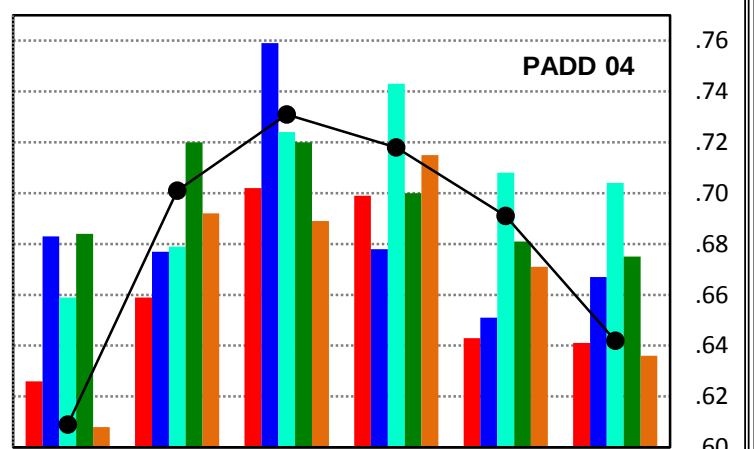
Total Petroleum Demand



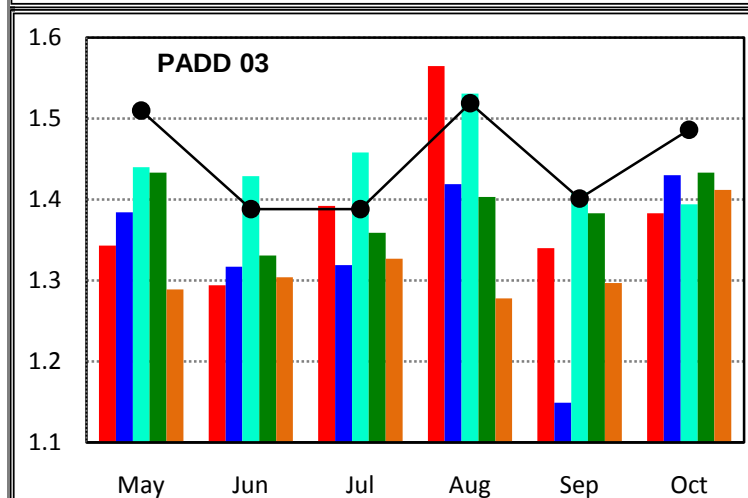
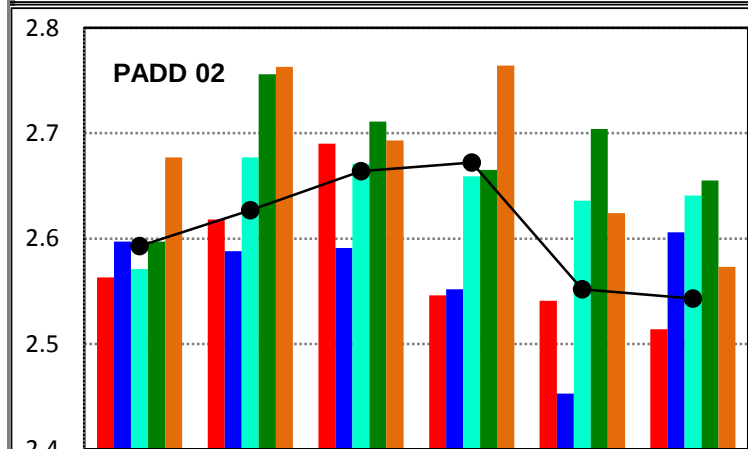
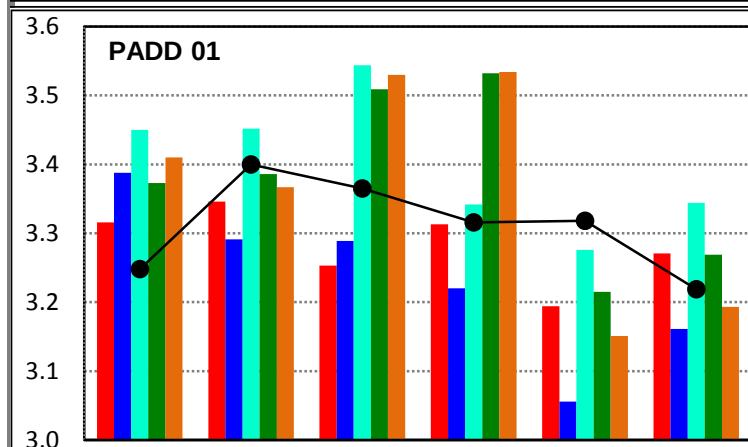
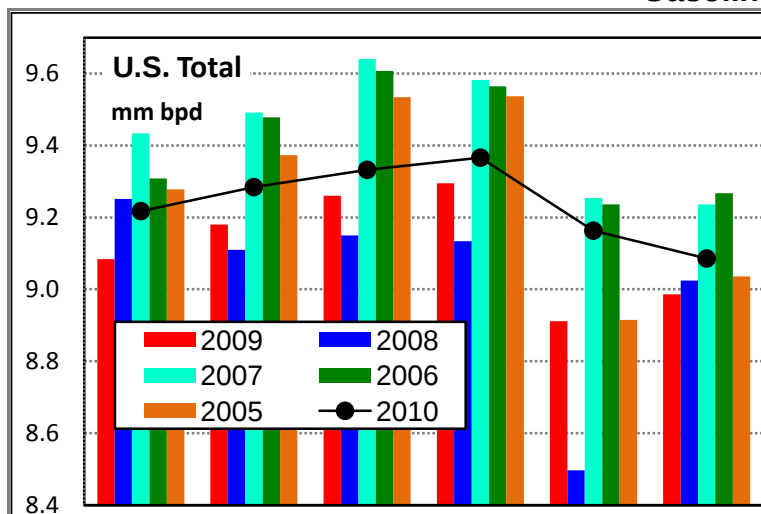
Demand for all Petroleum Products

Source: EIA Monthly Petroleum Supply

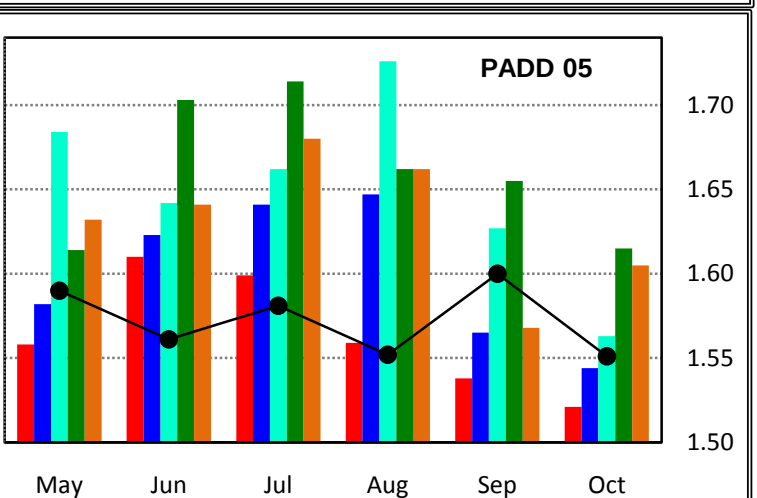
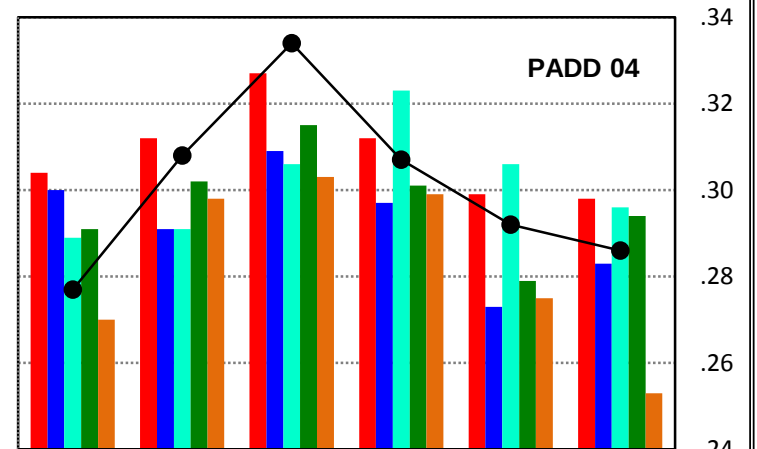
	000 bpd						Latest Qtr Avg
	May10	Jun10	Jul10	Aug10	Sep10	Oct10	
U. S.	18,827	19,314	19,278	19,692	19,507	18,939	19,379
Ch prev Yr	616	486	652	743	913	136	597
% chg	3.4%	2.6%	3.5%	3.9%	4.9%	0.7%	3.2%
PADD 01	5,276	5,597	5,459	5,565	5,528	5,418	5,504
Ch prev Yr	-114	89	86	137	192	8	112
% chg	-2.1%	1.6%	1.6%	2.5%	3.6%	0.1%	2.1%
PADD 02	4,757	4,943	4,928	5,040	4,947	4,976	4,988
Ch prev Yr	167	188	85	301	179	147	209
% chg	3.6%	4.0%	1.8%	6.4%	3.8%	3.0%	4.4%
PADD 03	5,192	5,062	5,200	5,422	5,345	5,016	5,261
Ch prev Yr	479	131	460	215	406	-32	196
% chg	10.2%	2.7%	9.7%	4.1%	8.2%	-0.6%	3.9%
PADD 04	609	701	731	718	691	642	684
Ch prev Yr	-17	42	29	19	48	1	23
% chg	-2.7%	6.4%	4.1%	2.7%	7.5%	0.2%	3.4%
PADD 05	2,993	3,011	2,960	2,946	2,997	2,886	2,943
Ch prev Yr	101	37	-8	70	88	11	56
% chg	3.5%	1.2%	-0.3%	2.4%	3.0%	0.4%	2.0%



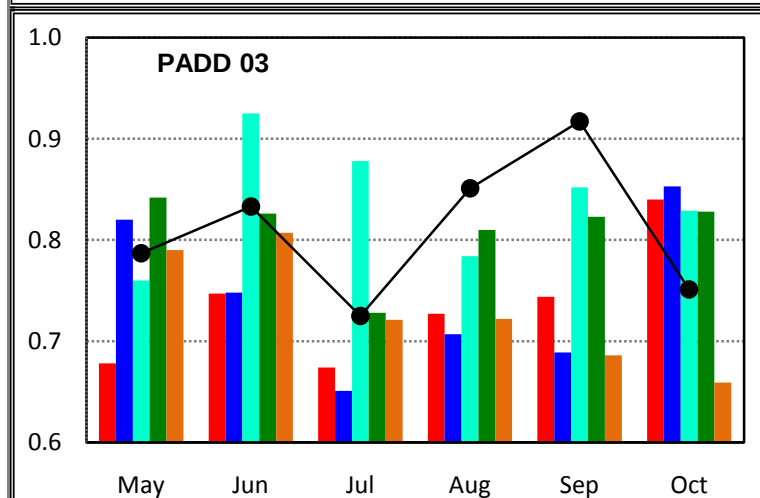
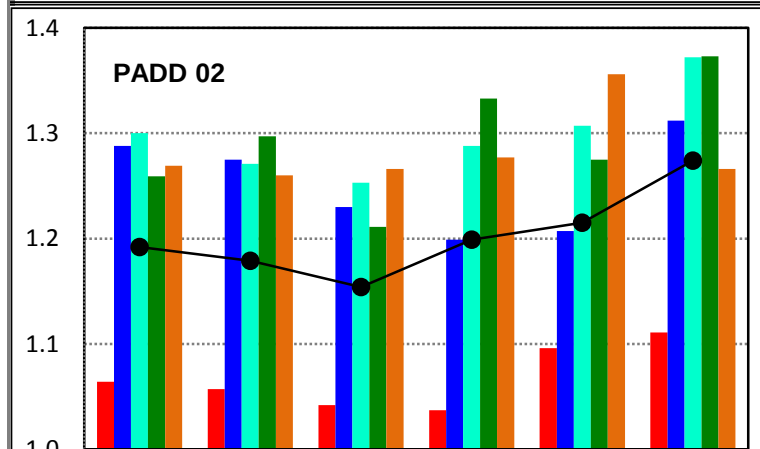
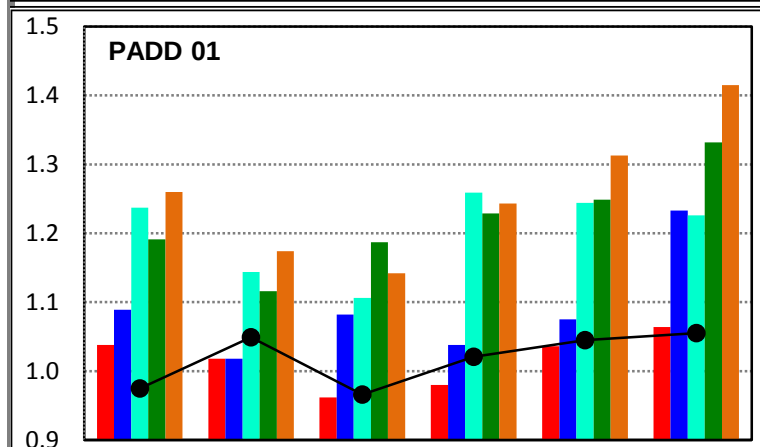
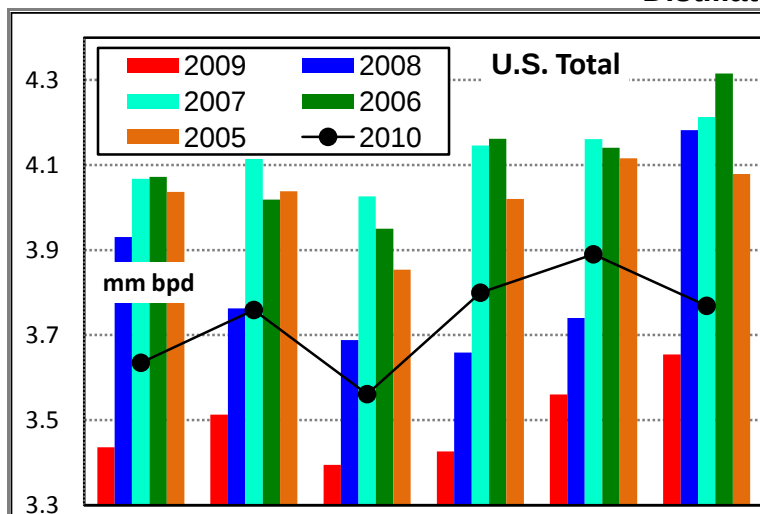
Gasoline Demand



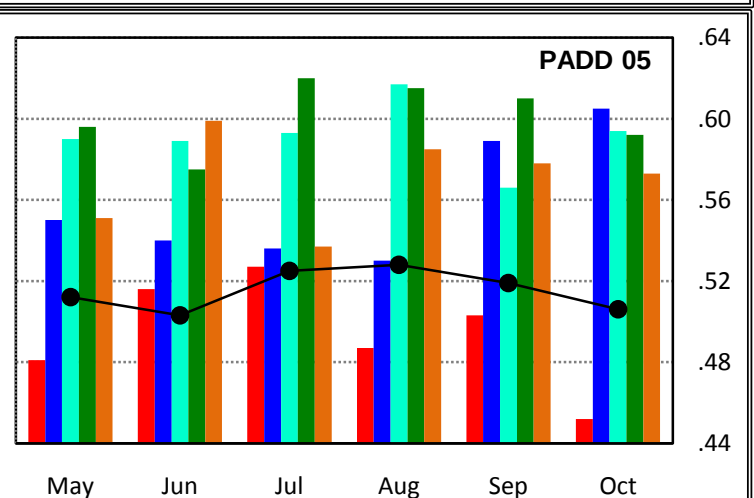
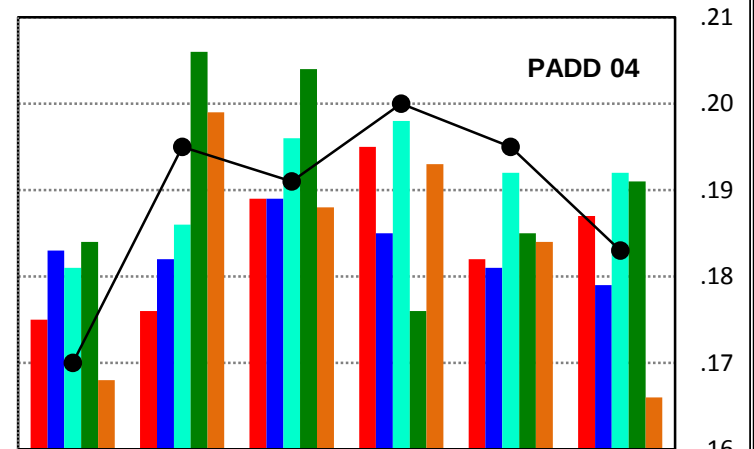
Demand for Gasoline							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	May10	Jun10	Jul10	Aug10	Sep10	Oct10	
U. S.	9,217	9,284	9,332	9,366	9,163	9,086	9,205
Ch prev Yr	133	104	72	71	252	100	141
% chg	1.5%	1.1%	0.8%	0.8%	2.8%	1.1%	1.6%
PADD 01	3,248	3,400	3,365	3,316	3,318	3,219	3,284
Ch prev Yr	-68	54	112	3	124	-52	25
% chg	-2.1%	1.6%	3.4%	0.1%	3.9%	-1.6%	0.8%
PADD 02	2,593	2,627	2,664	2,672	2,552	2,543	2,589
Ch prev Yr	30	9	-26	126	11	29	55
% chg	1.2%	0.3%	-1.0%	4.9%	0.4%	1.2%	2.2%
PADD 03	1,510	1,388	1,388	1,519	1,401	1,486	1,469
Ch prev Yr	167	94	-4	-46	61	103	39
% chg	12.4%	7.3%	-0.3%	-2.9%	4.6%	7.4%	2.8%
PADD 04	277	308	334	307	292	286	295
Ch prev Yr	-27	-4	7	-5	-7	-12	-8
% chg	-8.9%	-1.3%	2.1%	-1.6%	-2.3%	-4.0%	-2.6%
PADD 05	1,590	1,561	1,581	1,552	1,600	1,551	1,568
Ch prev Yr	32	-49	-18	-7	62	30	28
% chg	2.1%	-3.0%	-1.1%	-0.4%	4.0%	2.0%	1.8%



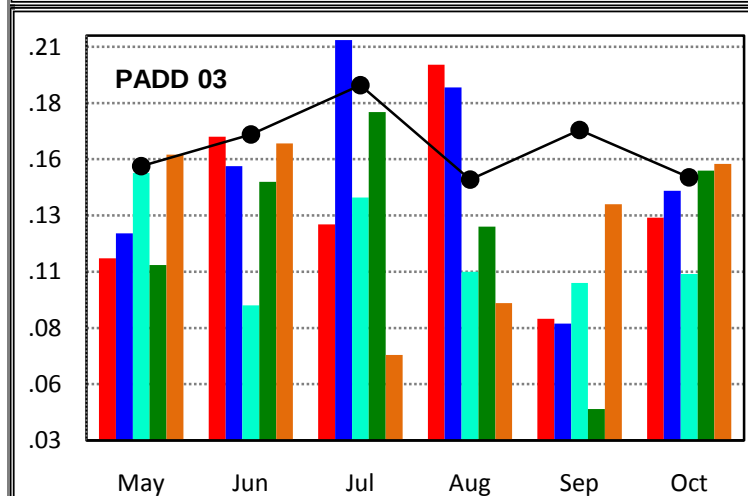
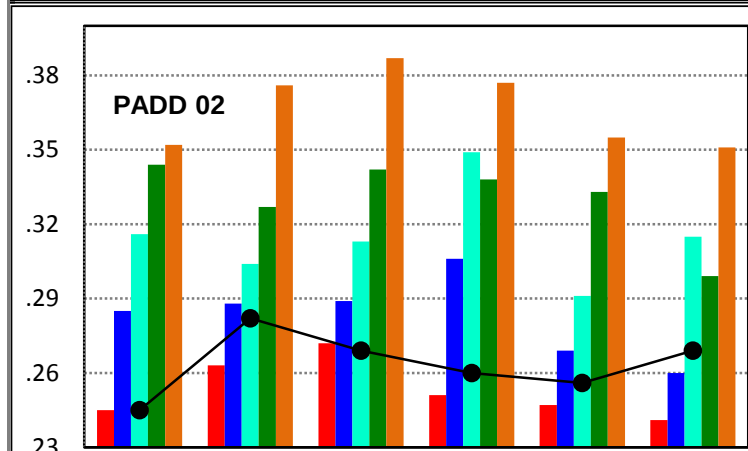
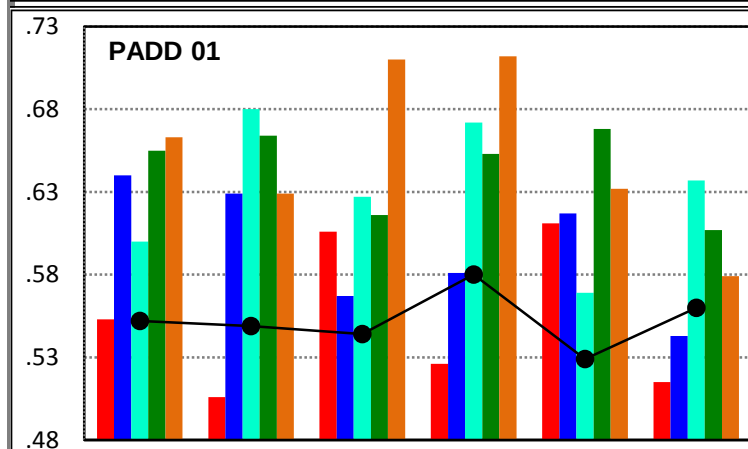
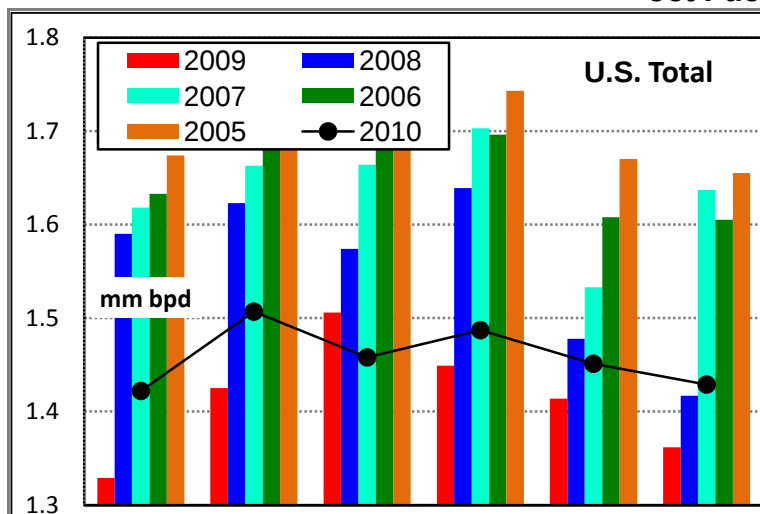
Distillate Demand



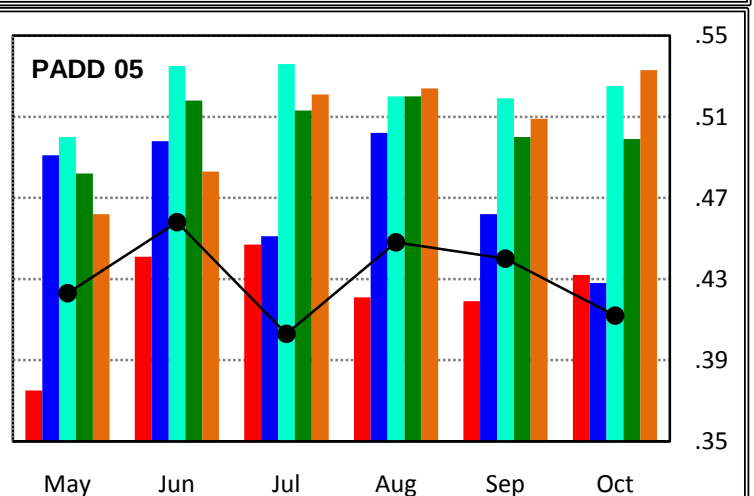
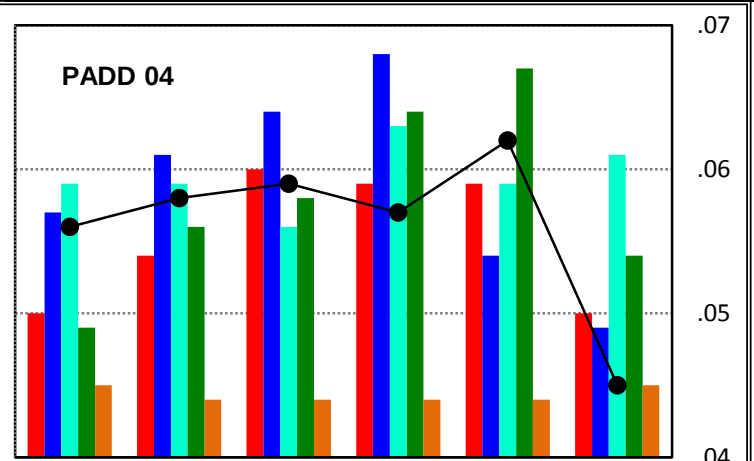
Demand for Distillate							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	May10	Jun10	Jul10	Aug10	Sep10	Oct10	
U. S.	3,635	3,759	3,561	3,800	3,890	3,769	3,820
Ch prev Yr	199	246	166	374	330	115	273
% chg	5.8%	7.0%	4.9%	10.9%	9.3%	3.1%	7.7%
PADD 01	975	1,049	966	1,021	1,045	1,055	1,040
Ch prev Yr	-63	31	4	41	9	-9	14
% chg	-6.1%	3.0%	0.4%	4.2%	0.9%	-0.8%	1.3%
PADD 02	1,192	1,179	1,154	1,199	1,215	1,274	1,229
Ch prev Yr	128	122	112	162	119	163	148
% chg	12.0%	11.5%	10.7%	15.6%	10.9%	14.7%	13.7%
PADD 03	787	833	725	851	917	751	840
Ch prev Yr	109	86	51	124	173	-89	69
% chg	16.1%	11.5%	7.6%	17.1%	23.3%	-10.6%	9.0%
PADD 04	170	195	191	200	195	183	193
Ch prev Yr	-5	19	2	5	13	-4	5
% chg	-2.9%	10.8%	1.1%	2.6%	7.1%	-2.1%	2.5%
PADD 05	512	503	525	528	519	506	518
Ch prev Yr	31	-13	-2	41	16	54	37
% chg	6.4%	-2.5%	-0.4%	8.4%	3.2%	11.9%	7.7%



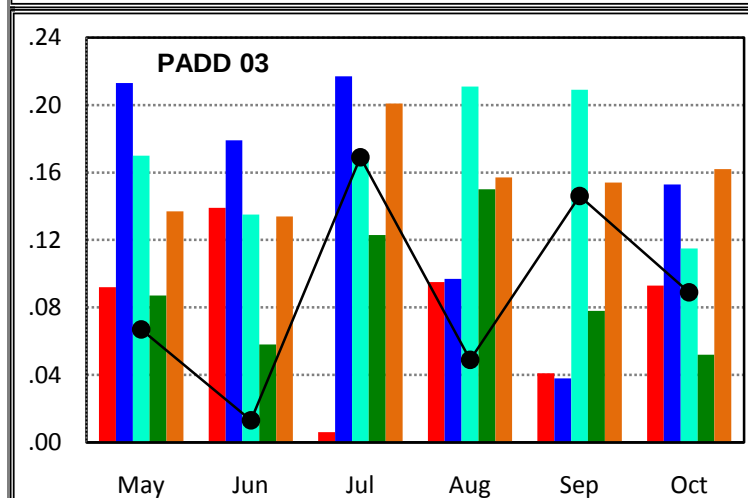
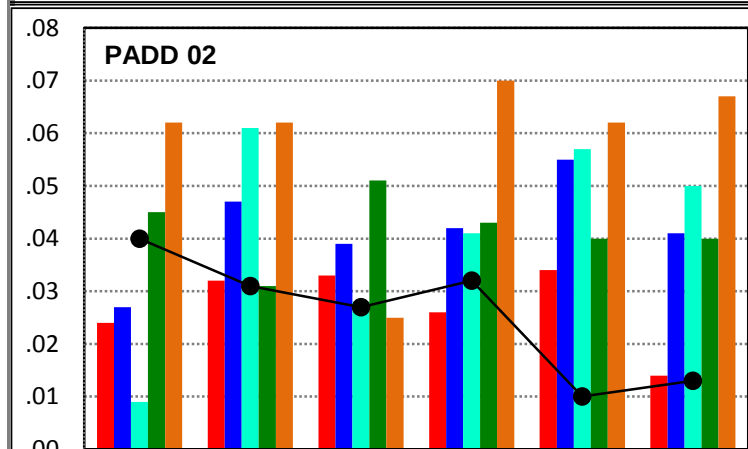
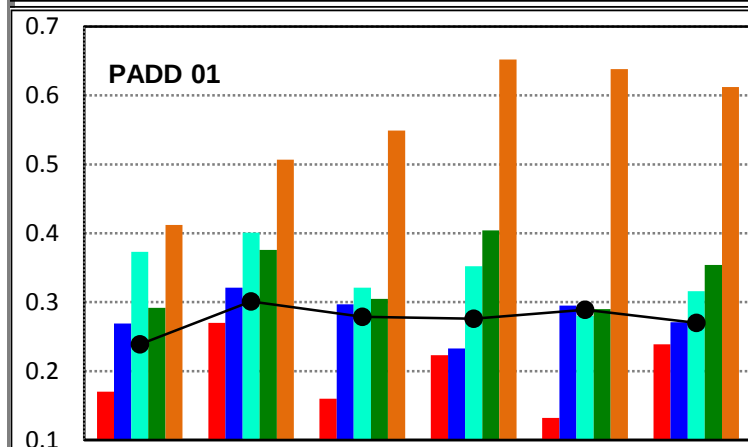
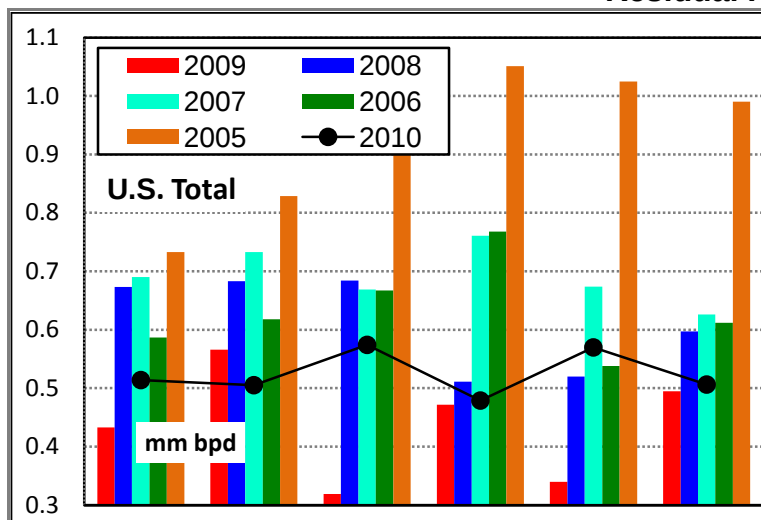
Jet Fuel Demand



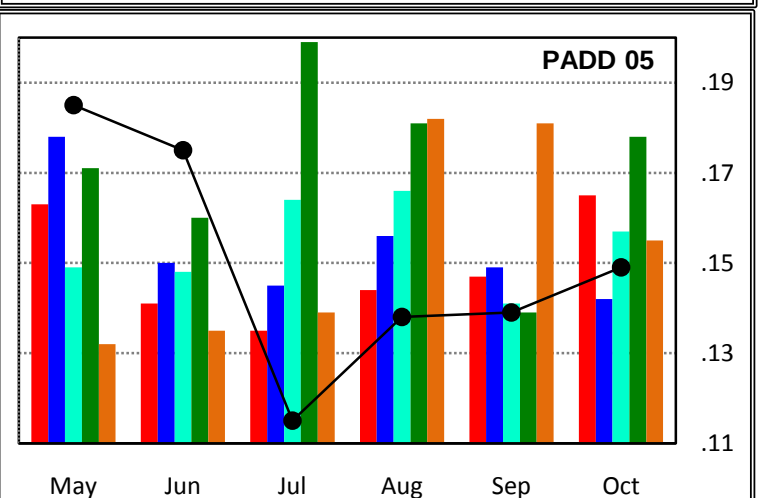
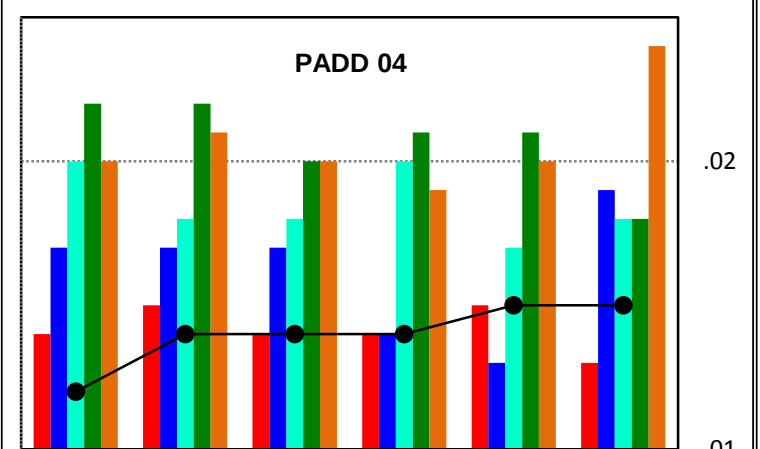
Demand for Jet Fuel							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	May10	Jun10	Jul10	Aug10	Sep10	Oct10	
U. S.	1,422	1,507	1,458	1,487	1,451	1,429	1,456
Ch prev Yr	93	82	-48	38	37	67	47
% chg	7.0%	5.8%	-3.2%	2.6%	2.6%	4.9%	3.4%
PADD 01	552	549	544	580	529	560	556
Ch prev Yr	-1	43	-62	54	-82	45	6
% chg	-0.2%	8.5%	-10%	10.3%	-13.4%	8.7%	1.0%
PADD 02	245	282	269	260	256	269	262
Ch prev Yr	0	19	-3	9	9	28	15
% chg	0.0%	7.2%	-1.1%	3.6%	3.6%	11.6%	6.2%
PADD 03	152	166	188	146	168	147	154
Ch prev Yr	41	1	62	-51	84	18	17
% chg	36.9%	0.6%	49.2%	-25.9%	100.0%	14.0%	12.4%
PADD 04	51	53	54	52	57	40	50
Ch prev Yr	6	4	-1	-2	3	-5	-1
% chg	13.3%	8.2%	-1.8%	-3.7%	5.6%	-11.1%	-2.6%
PADD 05	423	458	403	448	440	412	433
Ch prev Yr	48	17	-44	27	21	-20	9
% chg	12.8%	3.9%	-9.8%	6.4%	5.0%	-4.6%	2.2%



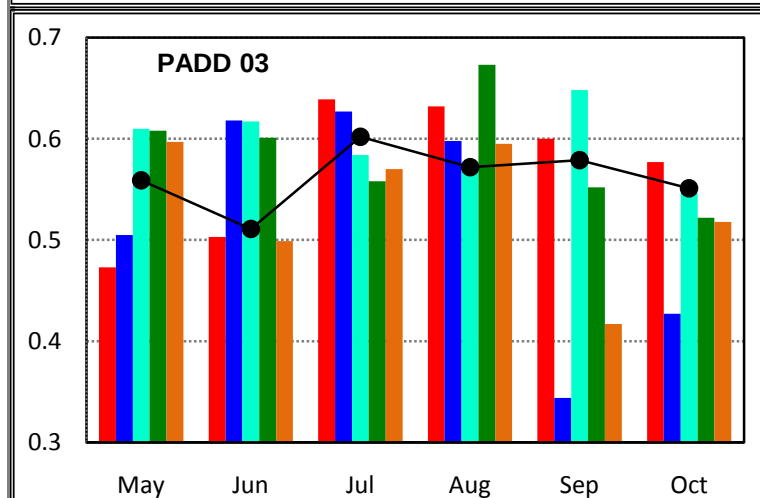
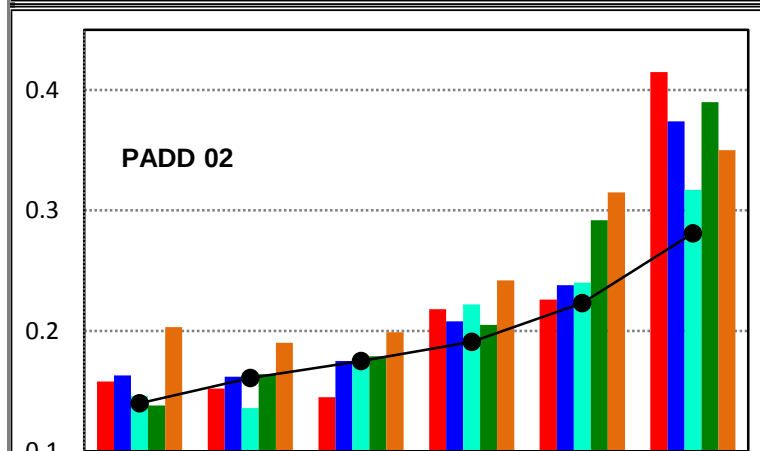
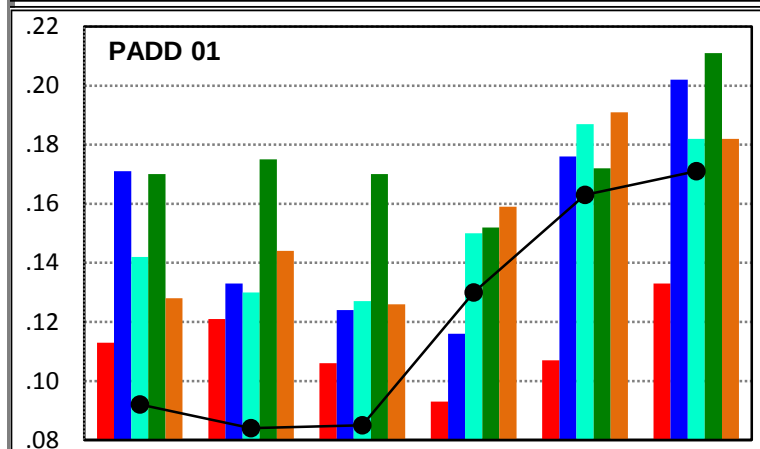
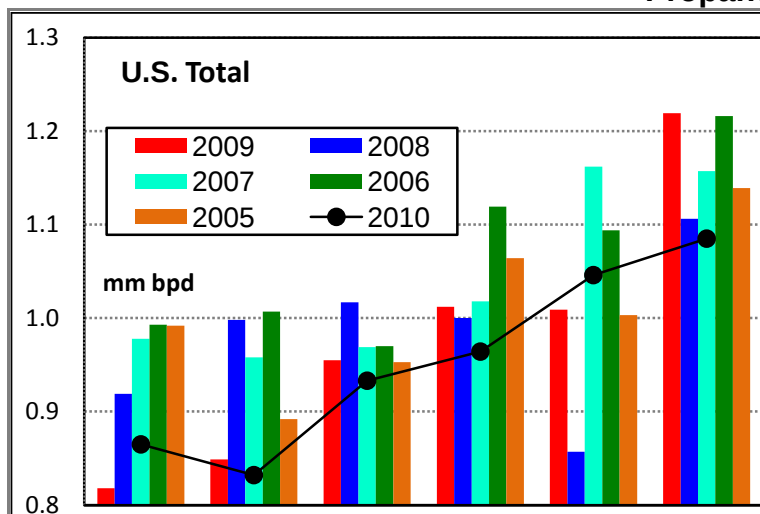
Residual Fuel Demand



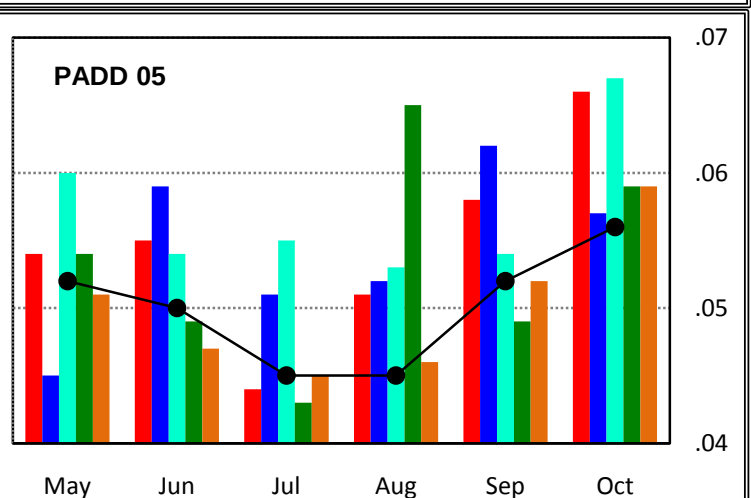
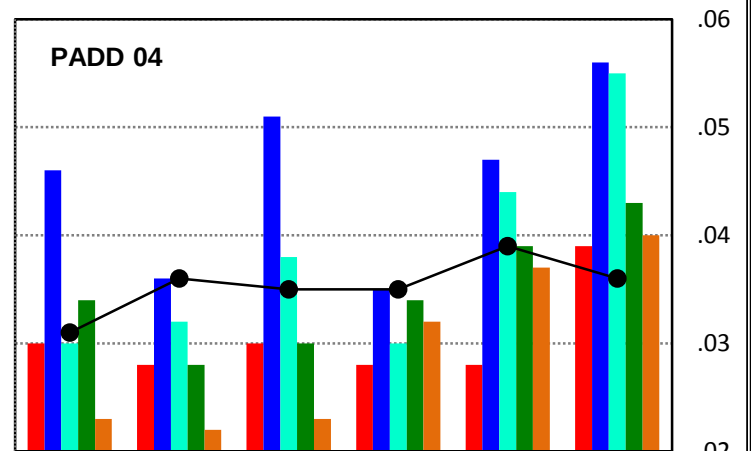
Demand for Residual Fuel Oil							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	May10	Jun10	Jul10	Aug10	Sep10	Oct10	
U. S.	514	505	574	479	570	506	518
Ch prev Yr	81	-61	255	7	230	11	83
% chg	18.7%	-10.8%	79.9%	1.5%	67.6%	2.2%	19.0%
PADD 01	214	276	254	251	264	245	253
Ch prev Yr	69	31	119	53	157	31	80
% chg	47.6%	12.7%	88%	26.8%	146.7%	14.5%	46.4%
PADD 02	40	31	27	32	10	13	18
Ch prev Yr	16	-1	-6	6	-24	-1	-6
% chg	66.7%	-3.1%	-18%	23.1%	-70.6%	-7.1%	-25.7%
PADD 03	67	13	169	49	146	89	95
Ch prev Yr	-25	-126	163	-46	105	-4	18
% chg	-27.2%	-90.6%	271.7%	-48.4%	256.1%	-4.3%	24.0%
PADD 04	7	9	9	9	10	10	10
Ch prev Yr	-2	-1	0	0	0	2	1
% chg	-22.2%	-10.0%	0.0%	0.0%	0.0%	25.0%	7.4%
PADD 05	185	175	115	138	139	149	142
Ch prev Yr	22	34	-20	-6	-8	-16	-10
% chg	13.5%	24.1%	-15%	-4.2%	-5.4%	-9.7%	-6.6%



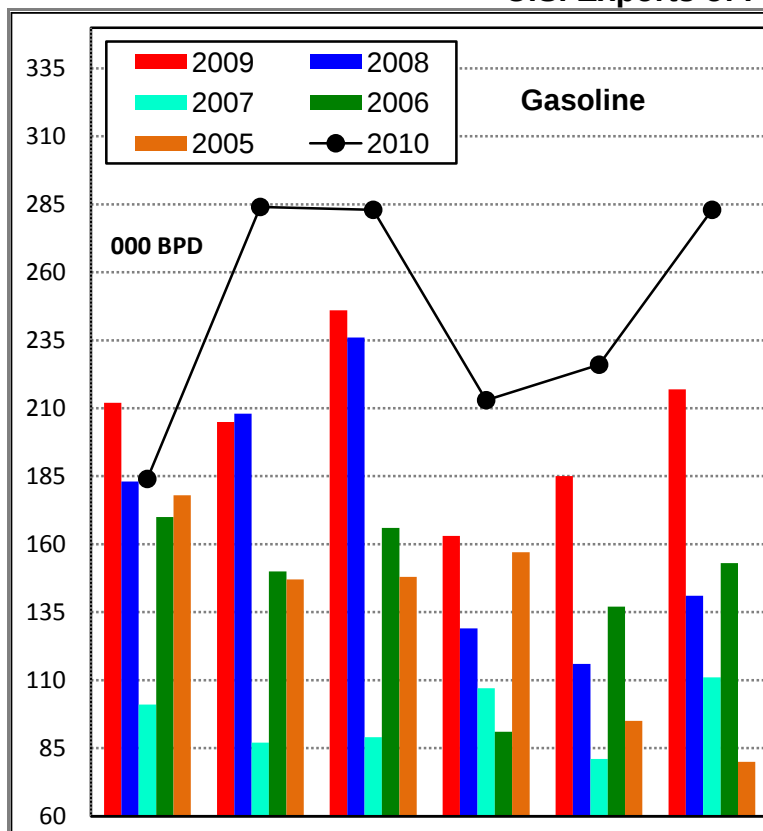
Propane Demand



Demand for Propane							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	May10	Jun10	Jul10	Aug10	Sep10	Oct10	
U. S.	865	832	933	964	1,046	1,085	1,032
Ch prev Yr	47	-17	-22	-48	37	-134	-48
% chg	5.7%	-2.0%	-2.3%	-4.7%	3.7%	-11.0%	-4.5%
PADD 01	92	84	85	130	163	171	155
Ch prev Yr	-21	-37	-21	37	56	38	44
% chg	-18.6%	-30.6%	-20%	39.8%	52.3%	28.6%	39.3%
PADD 02	140	161	175	191	223	281	232
Ch prev Yr	-18	9	30	-27	-3	-134	-55
% chg	-11.4%	5.9%	20.7%	-12.4%	-1.3%	-32.3%	-19.1%
PADD 03	559	511	602	572	579	551	567
Ch prev Yr	86	8	-37	-60	-21	-26	-36
% chg	18.2%	1.6%	-5.8%	-9.5%	-3.5%	-4.5%	-5.9%
PADD 04	26	31	30	30	34	31	32
Ch prev Yr	1	8	5	7	11	-3	5
% chg	4.0%	34.8%	20.0%	30.4%	47.8%	-8.8%	18.8%
PADD 05	47	45	40	40	47	51	46
Ch prev Yr	-2	-5	1	-6	-6	-10	-7
% chg	-4.1%	-10.0%	2.6%	-13.0%	-11.3%	-16.4%	-13.8%



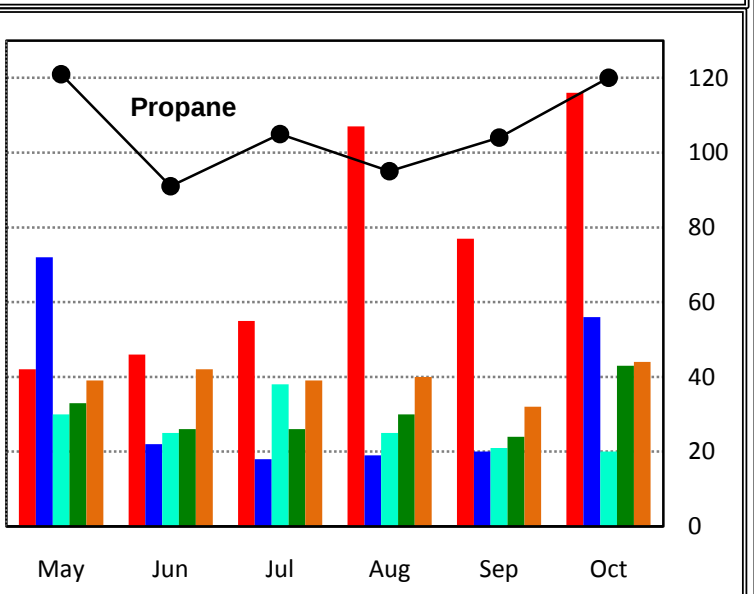
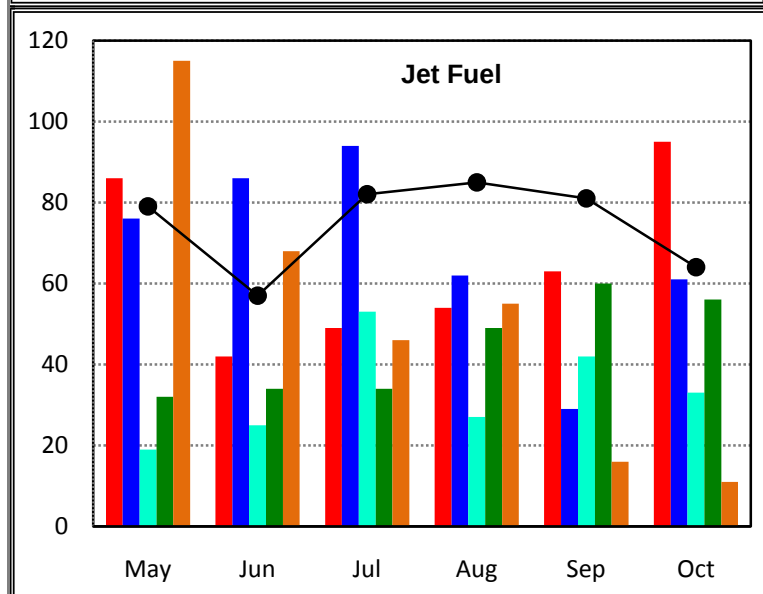
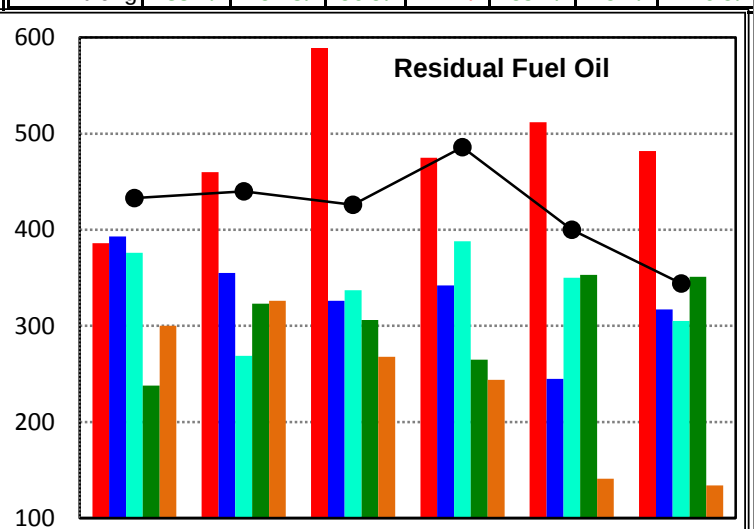
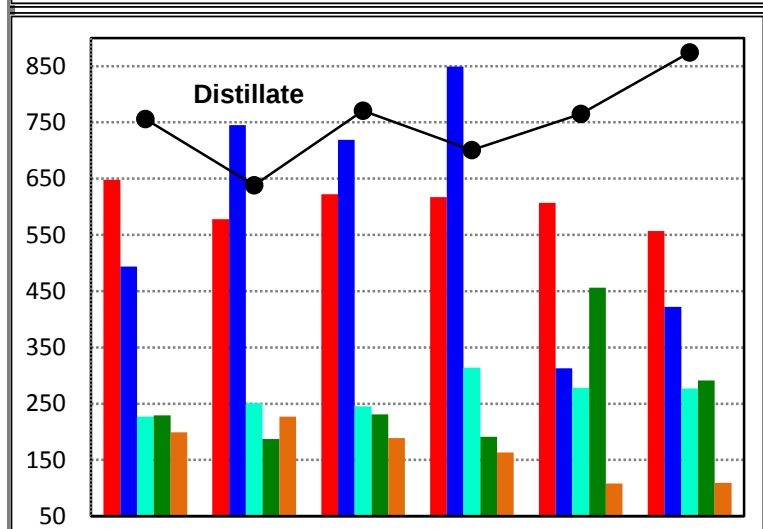
U.S. Exports of Petroleum Products



U. S. Exports of Petroleum Products

Source: EIA Monthly Petroleum Supply

	000 bpd						Latest Qtr Avg
	May10	Jun10	Jul10	Aug10	Sep10	Oct10	
Gasoline	184	284	283	213	226	283	241
Ch prev Yr	-28	79	37	50	41	66	52
% chg	-13.2%	38.5%	15.0%	30.7%	22.2%	30.4%	27.8%
Distillate	756	638	771	701	765	874	780
Ch prev Yr	108	60	149	84	158	317	186
% chg	16.7%	10.4%	24%	13.6%	26.0%	56.9%	31.4%
Jet	79	57	82	85	81	64	77
Ch prev Yr	-7	15	33	31	18	-31	6
% chg	-8.1%	35.7%	67%	57.4%	28.6%	-32.6%	8.5%
Residual	433	440	426	486	400	344	410
Ch prev Yr	47	-20	-163	11	-112	-138	-80
% chg	12.2%	-4.3%	-28%	2.3%	-21.9%	-28.6%	-16.3%
Propane	121	91	105	95	104	120	106
Ch prev Yr	79	45	50	-12	27	4	6
% chg	188.1%	97.8%	90.9%	-11.2%	35.1%	3.4%	6.3%



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

