



MONTHLY PETROLEUM DEMAND-EXPORT TRENDS

A Fundamental Petroleum Trends Monthly Report

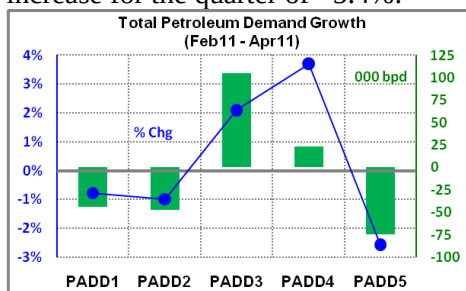
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Friday, July 29, 2011

Wholesale Petroleum Demand

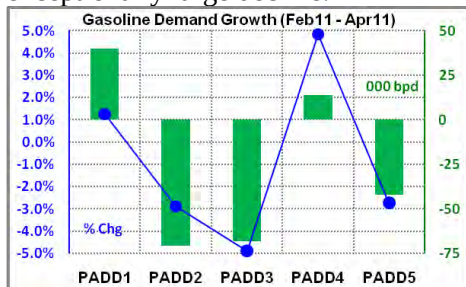
Wholesale demand for all petroleum products, including finished and unfinished products decreased -194,000 bpd compared to the prior year for the March 2011 through May 2011 quarter, a -1% decline.

U. S. Petroleum Demand			
Product	Mar - May Avg	Chg prev Yr	% Chg
Gasoline	8,765	-270	-3.0%
Distillate	3,780	52	1.4%
Jet Fuel	1,423	3	0.2%
Residual Fuel	542	-4	-0.7%
Propane	1,019	43	4.4%
Total Petroleum	18,741	-194	-1.0%

A gasoline demand decrease of -270,000 bpd was the largest contributor to the decline in total petroleum demand for the quarter. Demand decreased -6.2%, -4.4% and -3.8% in PADDs 3, 5 and 2; respectively. Only PADD 4 saw an increase for the quarter of +5.4%.



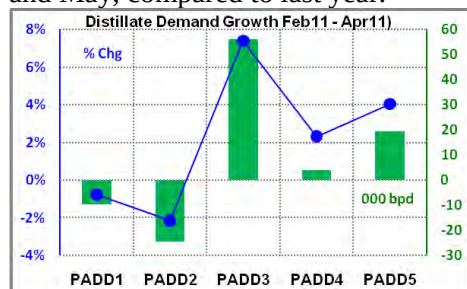
Gasoline wholesale demand decreased -270,000 bpd compared to the prior year for the March 2011 through May 2011 quarter, a -3% decrease. Demand fell -433,000 bpd in May, an exceptionally large decline.



As noted above, demand was lower for the quarter compared to a year ago for all regional markets except the Rocky Mountains.

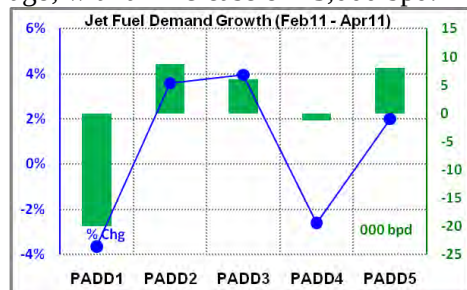
Distillate wholesale demand increased +52,000 bpd over the prior year for the March 2011 through May 2011

quarter, a +1.4% increase. Demand increased only +2,000 bpd for April and May, compared to last year.



Demand climbed +7.4% in PADD 3 and +4.5% in PADD 1 for the quarter. Demand decreased -5% in PADD 2. PADD 3 is the only regional market where demand exceeds pre recession levels, by +100,000 bpd.

Jet fuel wholesale demand was nearly unchanged for the quarter March 2011 through May 2011, compared to a year ago, with an increase of +3,000 bpd.



Demand increased +16,000 bpd and +13,000 bpd in PADDs 02 and 05, while decreasing -22,000 bpd in PADD 01.

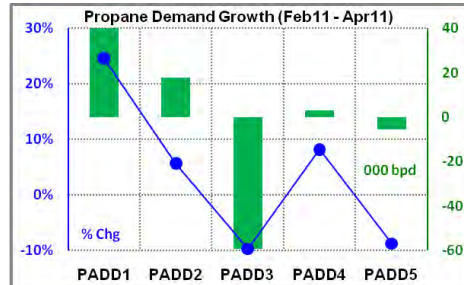
Residual fuel oil wholesale demand decreased -4,000 bpd versus the prior year for the March 2011 through May 2011 quarter, a -0.7% decrease.

Demand declined -21,000 bpd and -17,000 bpd in PADDs 1 and 5, for the quarter. PADD 3 saw an increase of +36,000 bpd.

Propane wholesale demand increased +43,000 bpd over the prior year for the March 2011 through May 2011 quarter, a +4.4% increase.

Demand increased +37,000 bpd and +36,000 bpd in PADDs 2 and 1; respectively. Demand fell -24,000 bpd in PADD 3.

PADD 2 saw the level of demand match pre recession levels for the quarter.

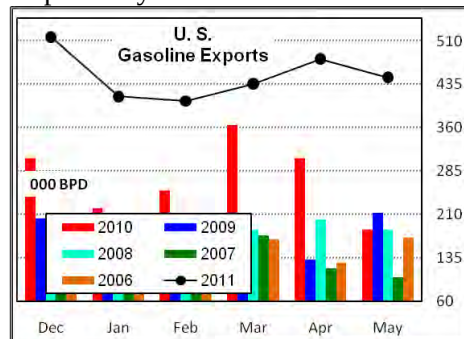


Petroleum Product Exports

Exports of refined fuels and propane were 1.8 million barrels in May 2011, a decline of -0.2 million bpd from April 2011.

U. S. Exports of Petroleum Products			
Product	Mar - May Avg	Chg prev Yr	% Chg
Gasoline	454	169	59.1%
Distillate	751	119	18.8%
Jet Fuel	82	7	9.3%
Residual Fuel	403	-22	-5.2%
Propane	159	57	55.2%

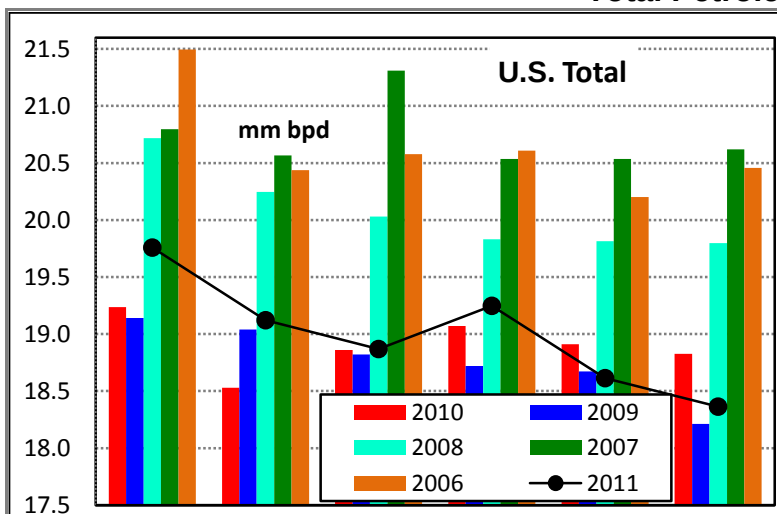
Gasoline exports averaged 454,000 bpd in the March 2011 through May 2011 quarter, a +59% year-on-year increase. Distillate exports averaged 751,000 bpd for the quarter, a +19% increase. Jet fuel and propane exports increased +9% and +55%; respectively.



The 1.8 million bpd of exports for the combined 5-major fuels during May 2011, exceeded last year by +259,000 bpd (+14%). The rate of growth in exports slowed in May, due in part to refinery maintenance.

Exports of distillate were equal to 12% of domestic demand during May; propane equaled 16% while gasoline was 5.2%. Exports of diesel fuel from the Gulf Coast region represented nearly 1/3rd of output by coastal refiners.

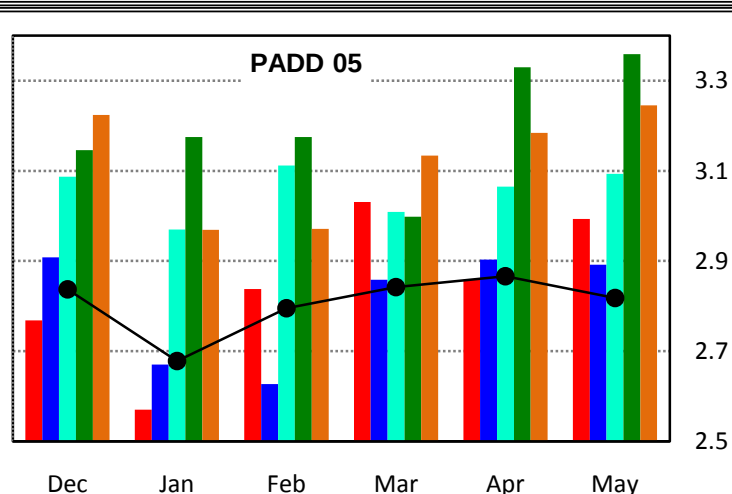
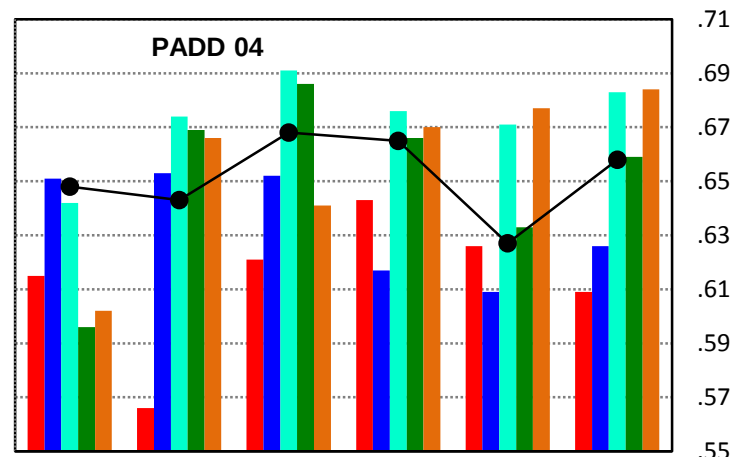
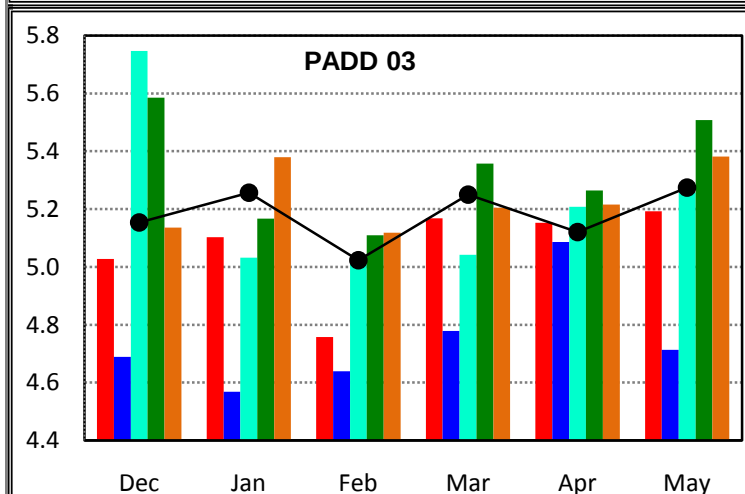
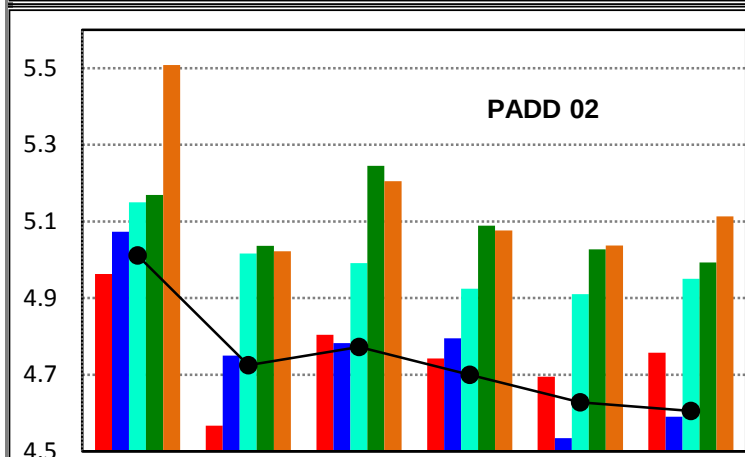
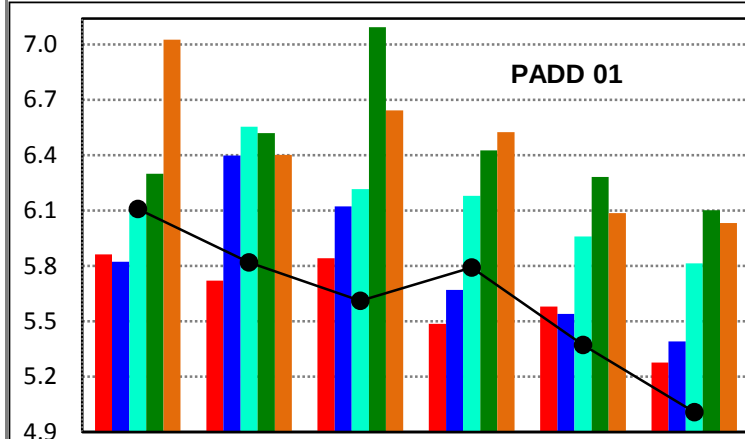
Total Petroleum Demand



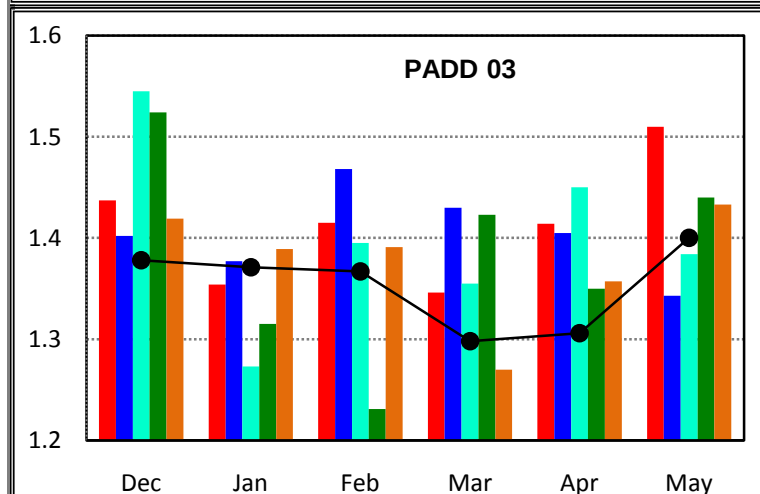
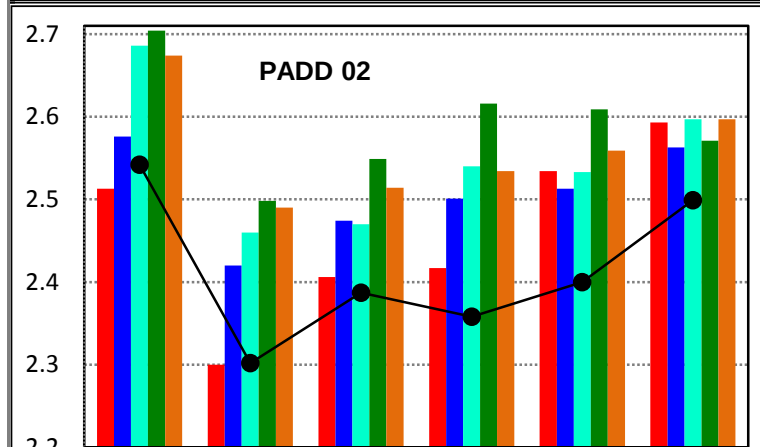
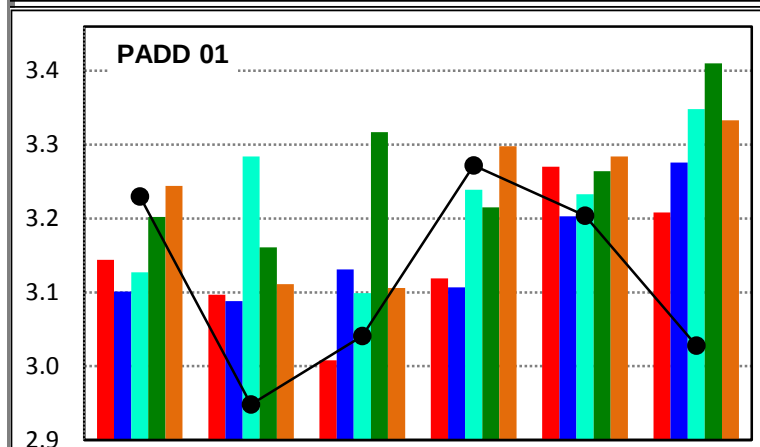
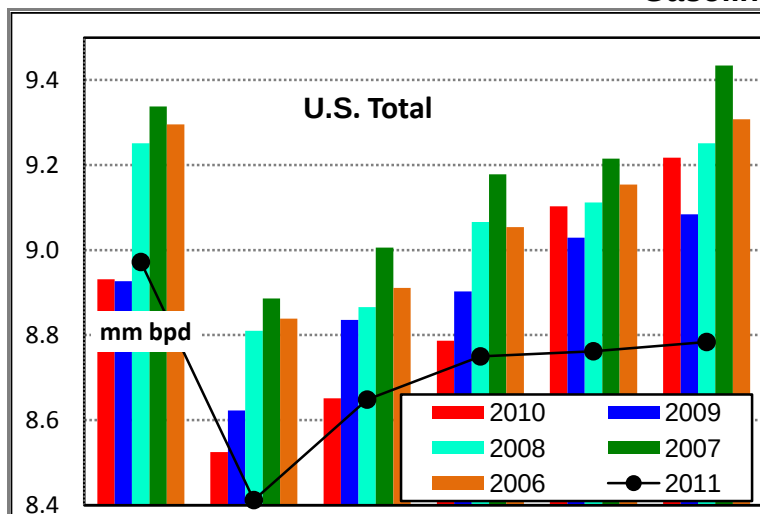
Demand for all Petroleum Products

Source: EIA Monthly Petroleum Supply

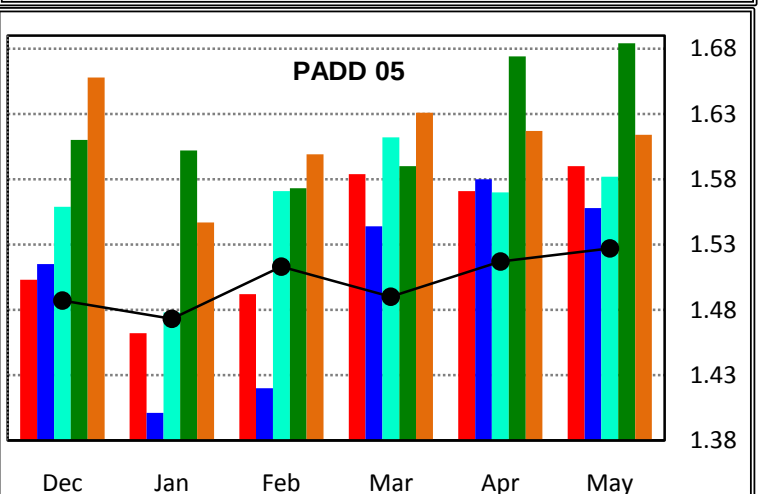
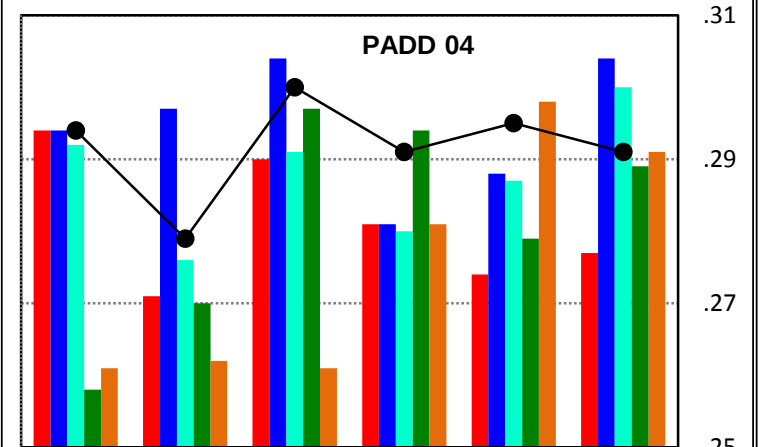
	000 bpd						Latest Qtr Avg
	Dec10	Jan11	Feb11	Mar11	Apr11	May11	
U. S.	19,758	19,121	18,869	19,248	18,613	18,363	18,741
Ch prev Yr	521	593	9	178	-297	-464	-194
% chg	2.7%	3.2%	0.0%	0.9%	-1.6%	-2.5%	-1.0%
PADD 01	6,108	5,819	5,611	5,791	5,372	5,008	5,390
Ch prev Yr	245	98	-230	305	-207	-268	-57
% chg	4.2%	1.7%	-3.9%	5.6%	-3.7%	-5.1%	-1.0%
PADD 02	5,011	4,725	4,772	4,700	4,628	4,605	4,644
Ch prev Yr	48	158	-32	-42	-67	-152	-87
% chg	1.0%	3.5%	-0.7%	-0.9%	-1.4%	-3.2%	-1.8%
PADD 03	5,154	5,257	5,023	5,250	5,120	5,274	5,215
Ch prev Yr	126	154	266	82	-32	82	44
% chg	2.5%	3.0%	5.6%	1.6%	-0.6%	1.6%	0.9%
PADD 04	648	643	668	665	627	658	650
Ch prev Yr	33	77	47	22	1	49	24
% chg	5.4%	13.6%	7.6%	3.4%	0.2%	8.0%	3.8%
PADD 05	2,837	2,678	2,795	2,842	2,866	2,818	2,842
Ch prev Yr	69	108	-43	-189	8	-175	-119
% chg	2.5%	4.2%	-1.5%	-6.2%	0.3%	-5.8%	-4.0%



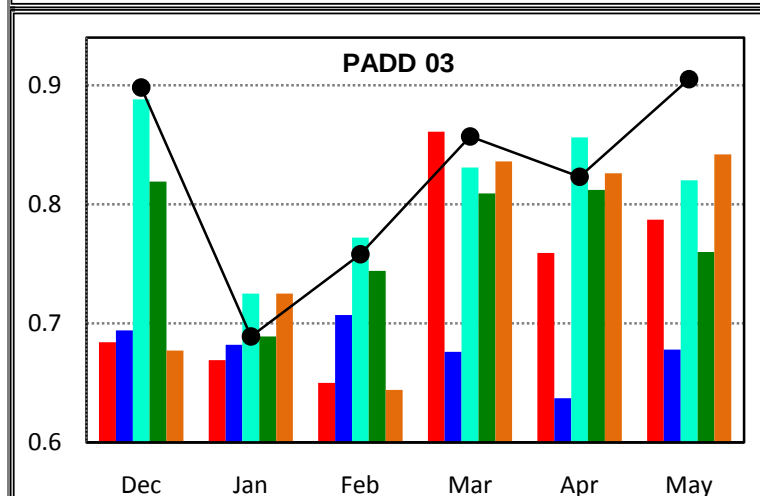
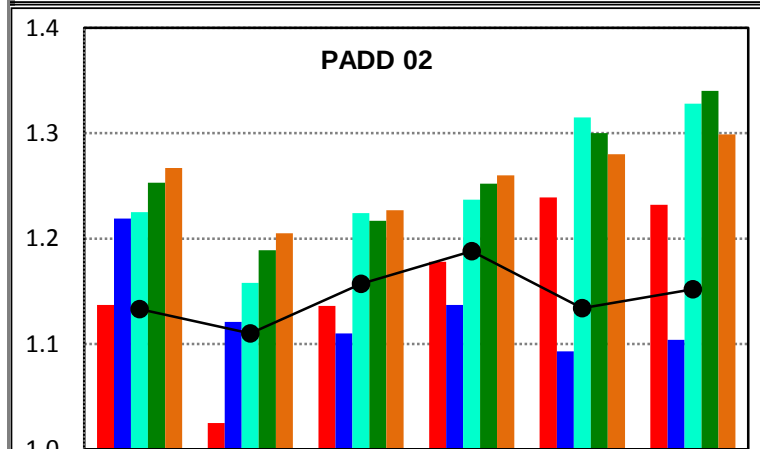
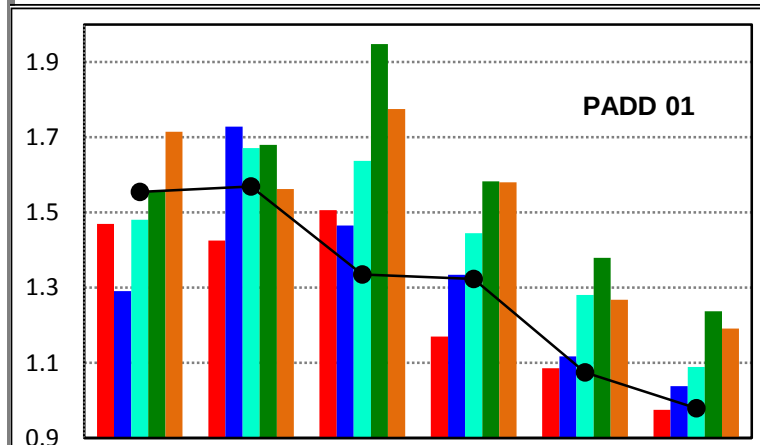
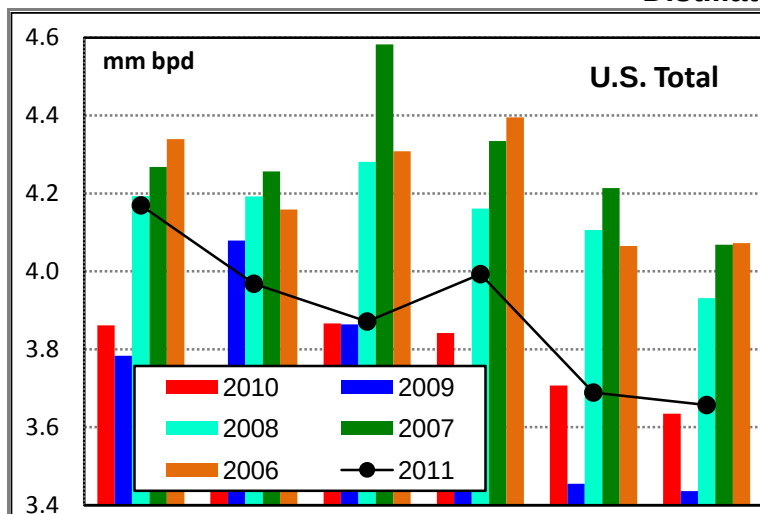
Gasoline Demand



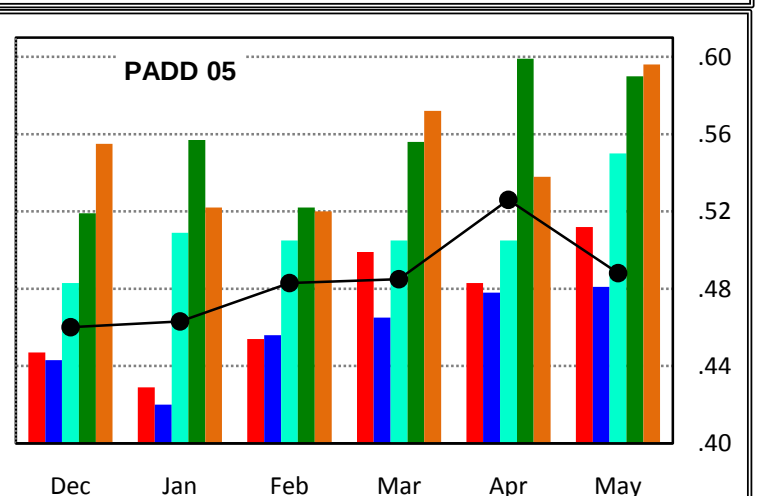
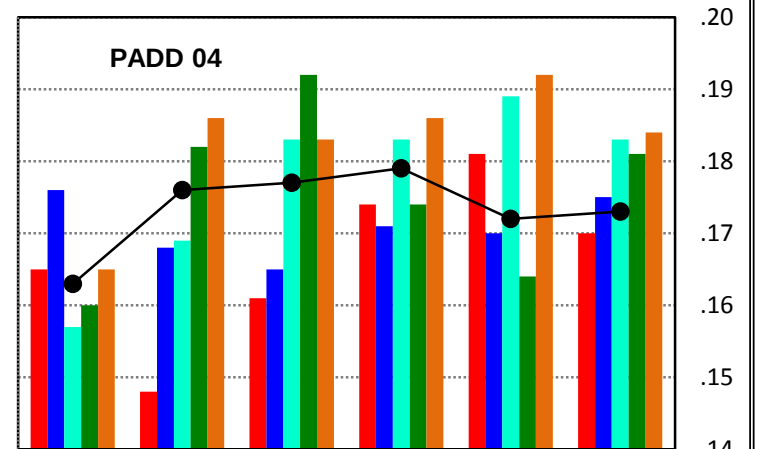
Demand for Gasoline							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest
	Dec10	Jan11	Feb11	Mar11	Apr11	May11	Qtr Avg
U. S.	8,972	8,412	8,648	8,750	8,762	8,784	8,765
Ch prev Yr	41	-113	-3	-37	-341	-433	-270
% chg	0.5%	-1.3%	0.0%	-0.4%	-3.7%	-4.7%	-3.0%
PADD 01	3,270	2,988	3,081	3,312	3,244	3,068	3,208
Ch prev Yr	86	-149	33	153	-66	-180	-31
% chg	2.7%	-4.7%	1.1%	4.8%	-2.0%	-5.5%	-1.0%
PADD 02	2,542	2,302	2,387	2,358	2,400	2,499	2,419
Ch prev Yr	29	2	-19	-59	-134	-94	-96
% chg	1.2%	0.1%	-0.8%	-2.4%	-5.3%	-3.6%	-3.8%
PADD 03	1,378	1,371	1,367	1,298	1,306	1,400	1,335
Ch prev Yr	-59	17	-48	-48	-108	-110	-89
% chg	-4.1%	1.3%	-3.4%	-3.6%	-7.6%	-7.3%	-6.2%
PADD 04	294	279	300	291	295	291	292
Ch prev Yr	0	8	10	10	21	14	15
% chg	0.0%	3.0%	3.4%	3.6%	7.7%	5.1%	5.4%
PADD 05	1,487	1,473	1,513	1,490	1,517	1,527	1,511
Ch prev Yr	-16	11	21	-94	-54	-63	-70
% chg	-1.1%	0.8%	1.4%	-5.9%	-3.4%	-4.0%	-4.4%



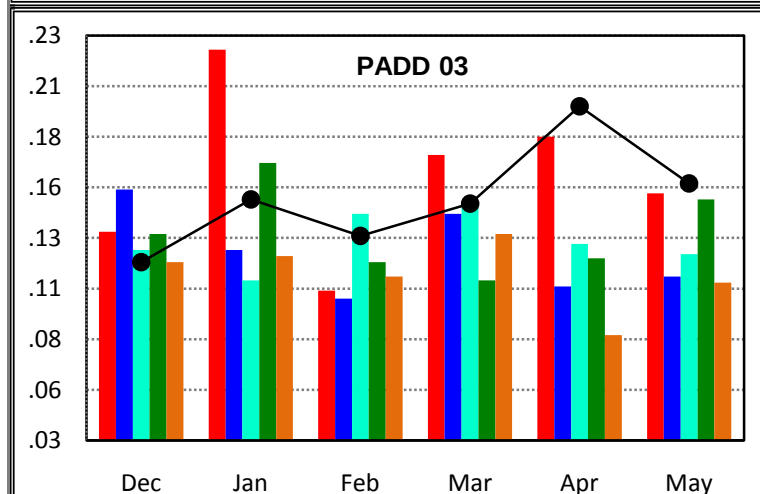
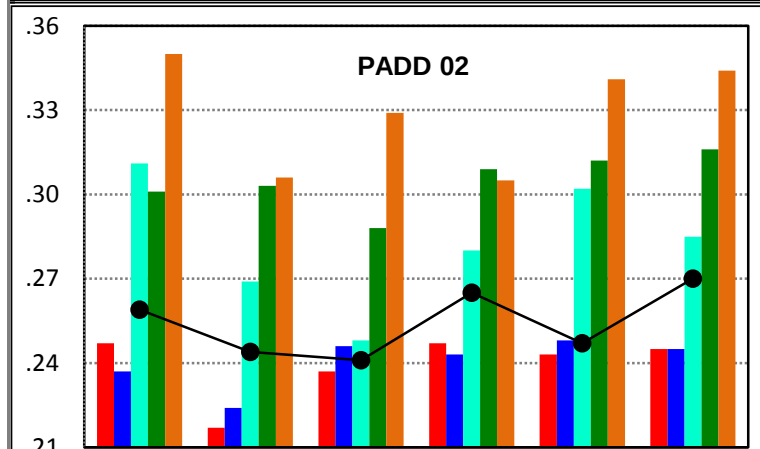
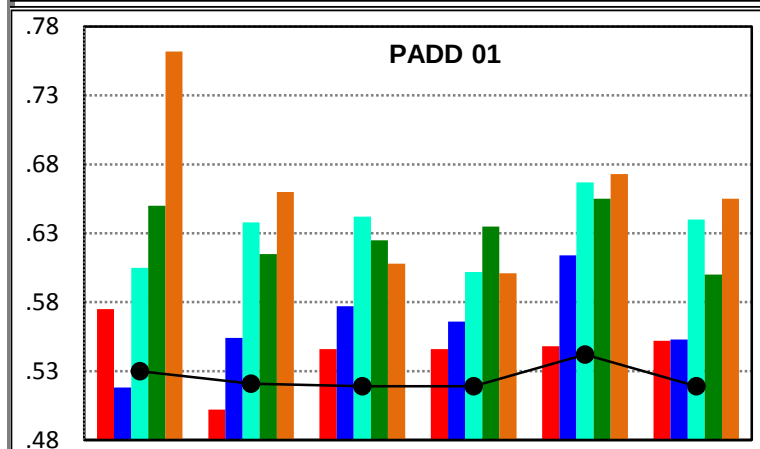
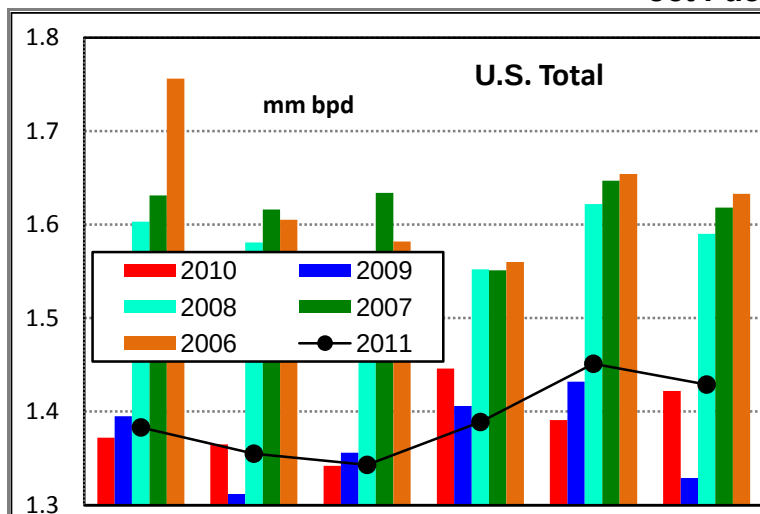
Distillate Demand



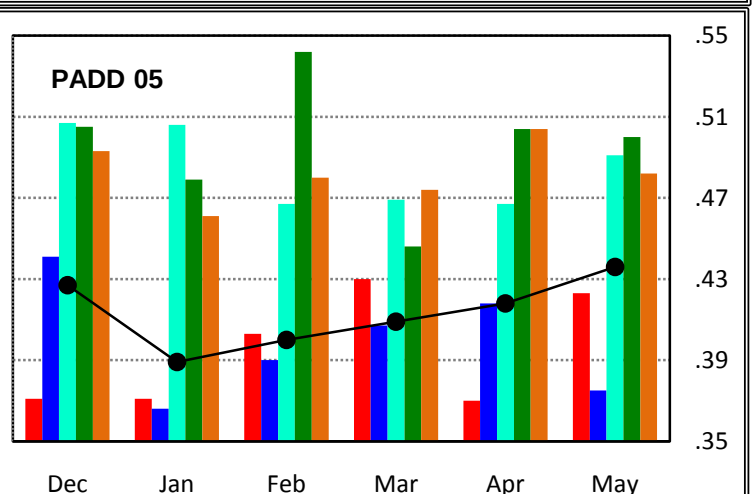
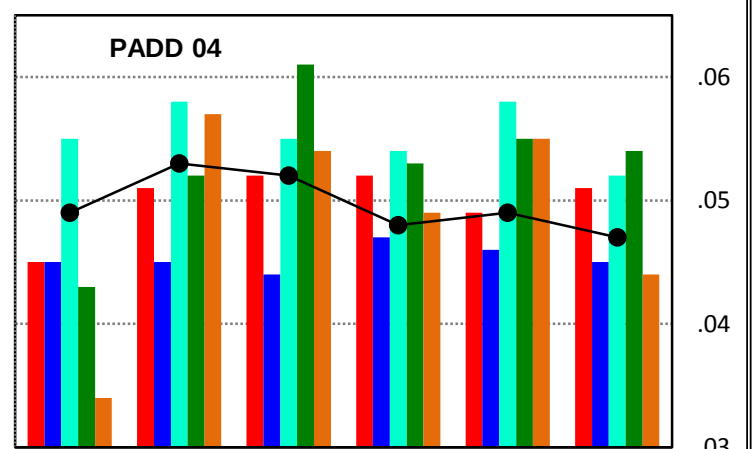
Demand for Distillate							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest
	Dec10	Jan11	Feb11	Mar11	Apr11	May11	Qtr Avg
U. S.	4,169	3,968	3,871	3,993	3,689	3,657	3,780
Ch prev Yr	308	312	5	151	-18	22	52
% chg	8.0%	8.5%	0.1%	3.9%	-0.5%	0.6%	1.4%
PADD 01	1,555	1,569	1,335	1,323	1,075	979	1,126
Ch prev Yr	85	144	-171	153	-11	4	49
% chg	5.8%	10.1%	-11%	13.1%	-1.0%	0.4%	4.5%
PADD 02	1,093	1,070	1,117	1,148	1,094	1,112	1,118
Ch prev Yr	-4	85	21	10	-105	-80	-58
% chg	-0.4%	8.6%	1.9%	0.9%	-8.8%	-6.7%	-5.0%
PADD 03	898	689	758	857	823	905	862
Ch prev Yr	214	20	108	-4	64	118	59
% chg	31.3%	3.0%	17%	-0.5%	8.4%	15.0%	7.4%
PADD 04	163	176	177	179	172	173	175
Ch prev Yr	-2	28	16	5	-9	3	0
% chg	-1.2%	18.9%	9.9%	2.9%	-5.0%	1.8%	-0.2%
PADD 05	460	463	483	485	526	488	500
Ch prev Yr	13	34	29	-14	43	-24	2
% chg	2.9%	7.9%	6.4%	-2.8%	8.9%	-4.7%	0.3%



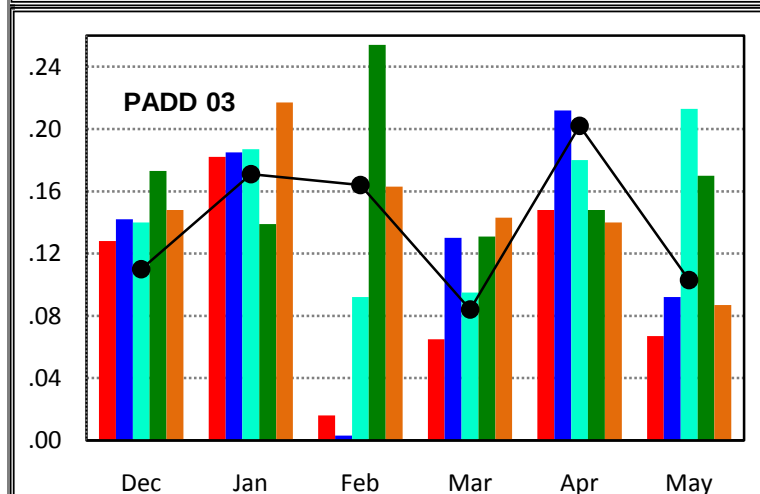
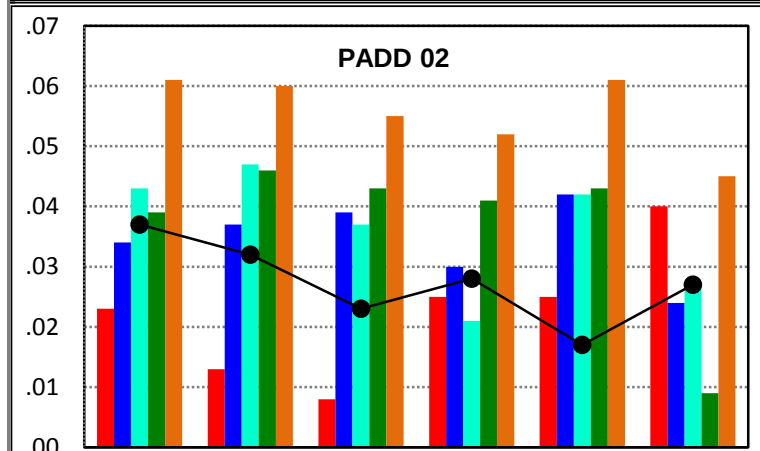
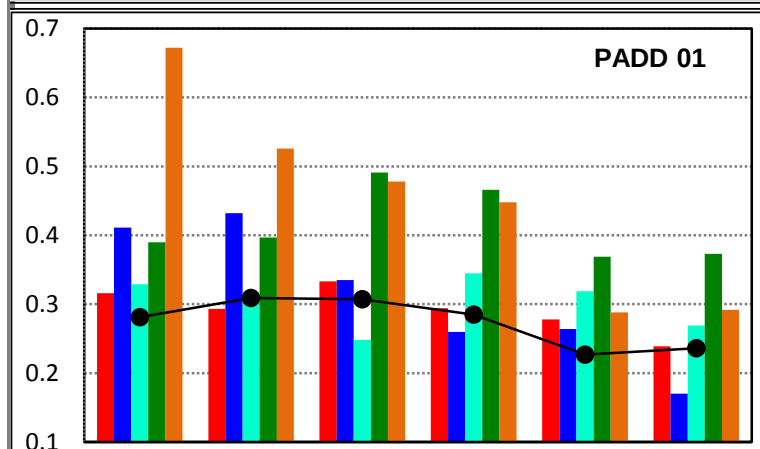
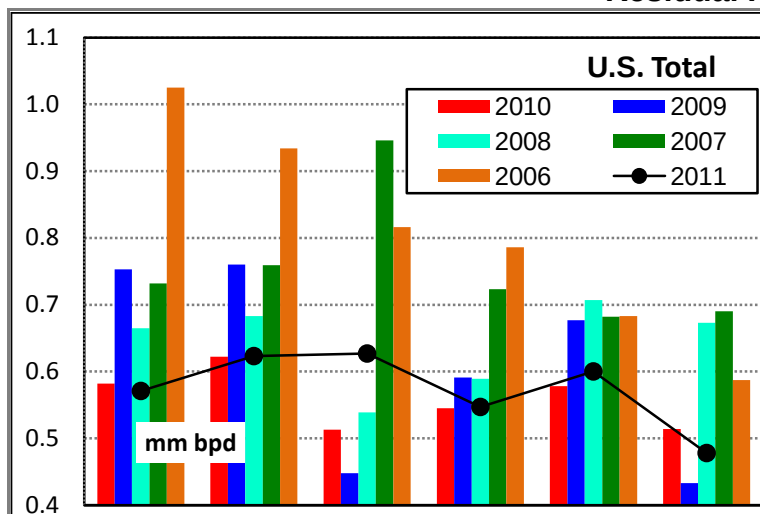
Jet Fuel Demand



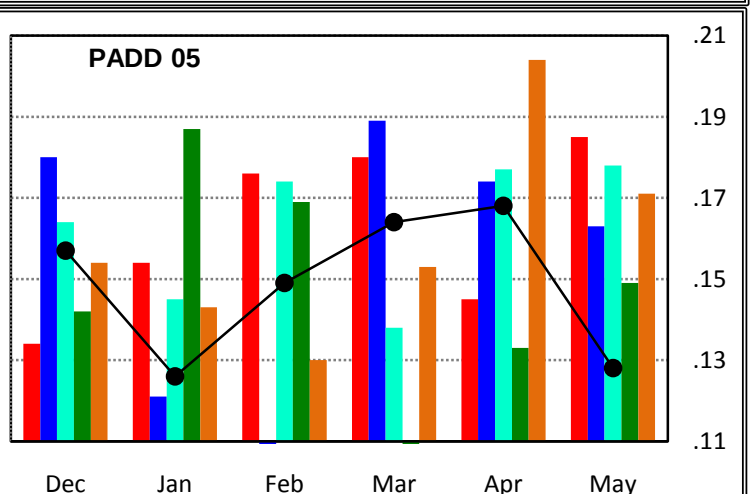
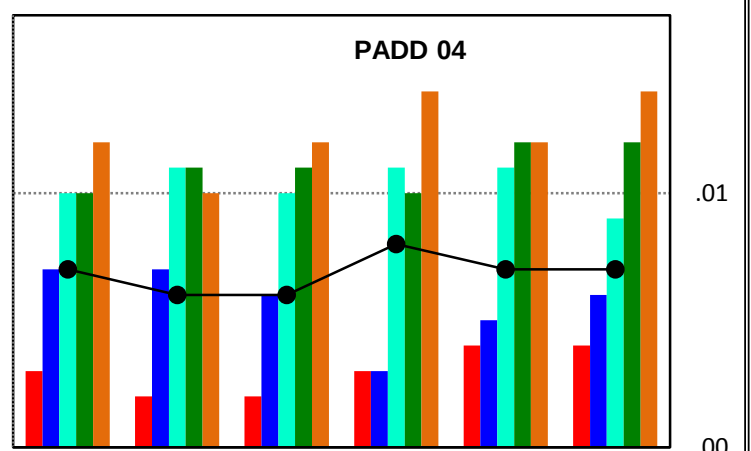
Demand for Jet Fuel							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	Dec10	Jan11	Feb11	Mar11	Apr11	May11	
U. S.	1,383	1,355	1,343	1,389	1,451	1,429	1,423
Ch prev Yr	11	-10	1	-57	60	7	3
% chg	0.8%	-0.7%	0.1%	-3.9%	4.3%	0.5%	0.2%
PADD 01	530	521	519	519	542	519	527
Ch prev Yr	-45	19	-27	-27	-6	-33	-22
% chg	-7.8%	3.8%	-5%	-4.9%	-1.1%	-6.0%	-4.0%
PADD 02	259	244	241	265	247	270	261
Ch prev Yr	12	27	4	18	4	25	16
% chg	4.9%	12.4%	1.7%	7.3%	1.6%	10.2%	6.4%
PADD 03	118	149	131	147	195	157	166
Ch prev Yr	-15	-74	27	-24	15	5	-1
% chg	-11.3%	-33.2%	26%	-14%	8.3%	3%	-0.8%
PADD 04	49	53	52	48	49	47	48
Ch prev Yr	4	2	0	-4	0	-4	-3
% chg	8.9%	3.9%	0%	-7.7%	0.0%	-7.8%	-5.3%
PADD 05	427	389	400	409	418	436	421
Ch prev Yr	56	18	-3	-21	48	13	13
% chg	15.1%	4.9%	-0.7%	-4.9%	13.0%	3.1%	3.3%



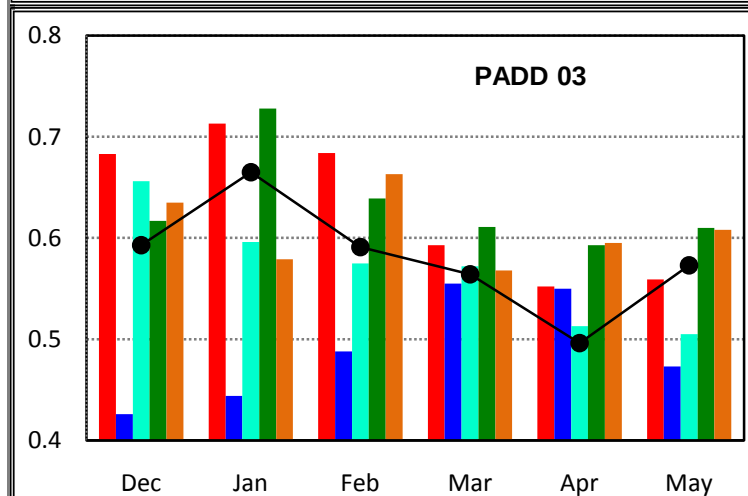
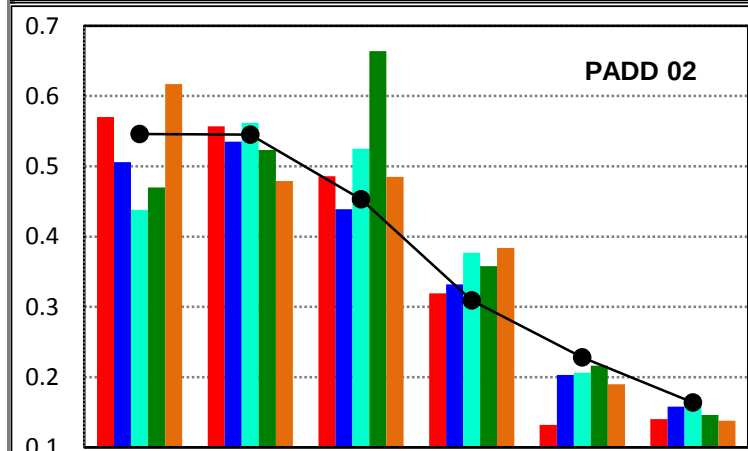
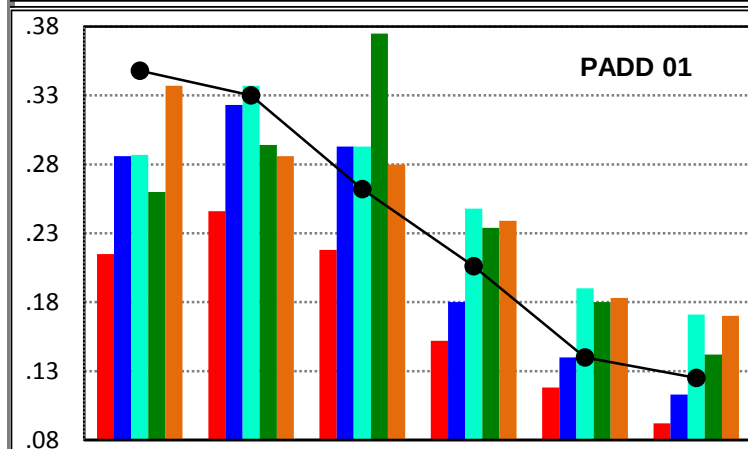
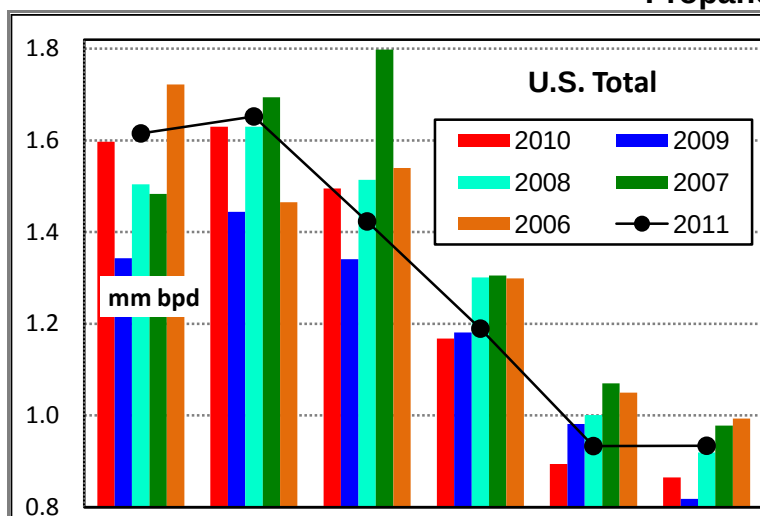
Residual Fuel Demand



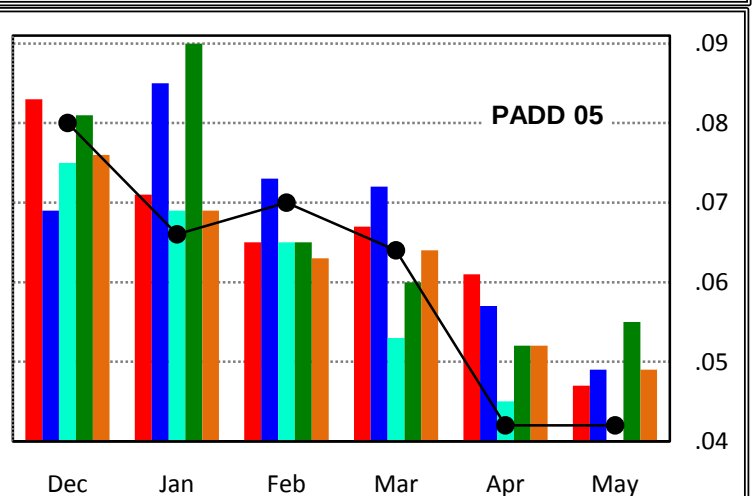
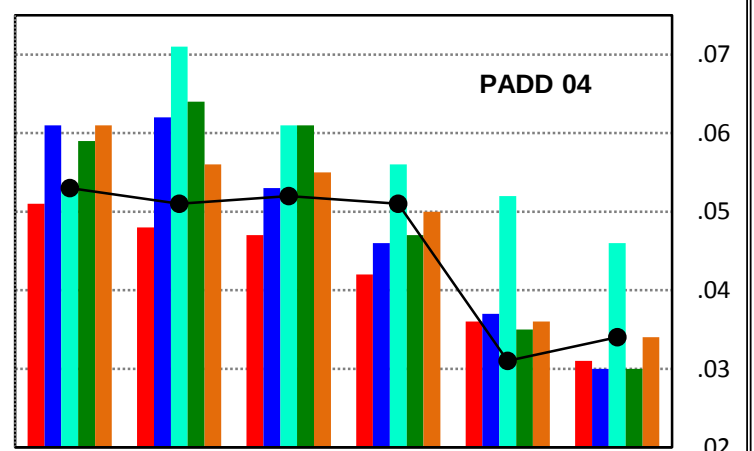
Demand for Residual Fuel Oil							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	Dec10	Jan11	Feb11	Mar11	Apr11	May11	
U. S.	571	623	627	547	600	478	542
Ch prev Yr	-11	1	114	2	22	-36	-4
% chg	-1.9%	0.2%	22.2%	0.4%	3.8%	-7.0%	-0.7%
PADD 01	256	284	282	260	202	211	224
Ch prev Yr	-35	16	-26	-9	-51	-3	-21
% chg	-12.0%	6.0%	-8%	-3%	-20.2%	-1.4%	-8.6%
PADD 02	37	32	23	28	17	27	24
Ch prev Yr	14	19	15	3	-8	-13	-6
% chg	60.9%	146.2%	188%	12.0%	-32.0%	-33%	-20.0%
PADD 03	110	171	164	84	202	103	130
Ch prev Yr	-18	-11	148	19	54	36	36
% chg	-14%	-6%	925%	29%	36.5%	54%	38.9%
PADD 04	10	9	9	11	10	10	10
Ch prev Yr	4	4	4	5	3	3	4
% chg	66.7%	80.0%	80.0%	83.3%	42.9%	42.9%	55.0%
PADD 05	157	126	149	164	168	128	153
Ch prev Yr	23	-28	-27	-16	23	-57	-17
% chg	17.2%	-18.2%	-15%	-8.9%	15.9%	-30.8%	-9.8%



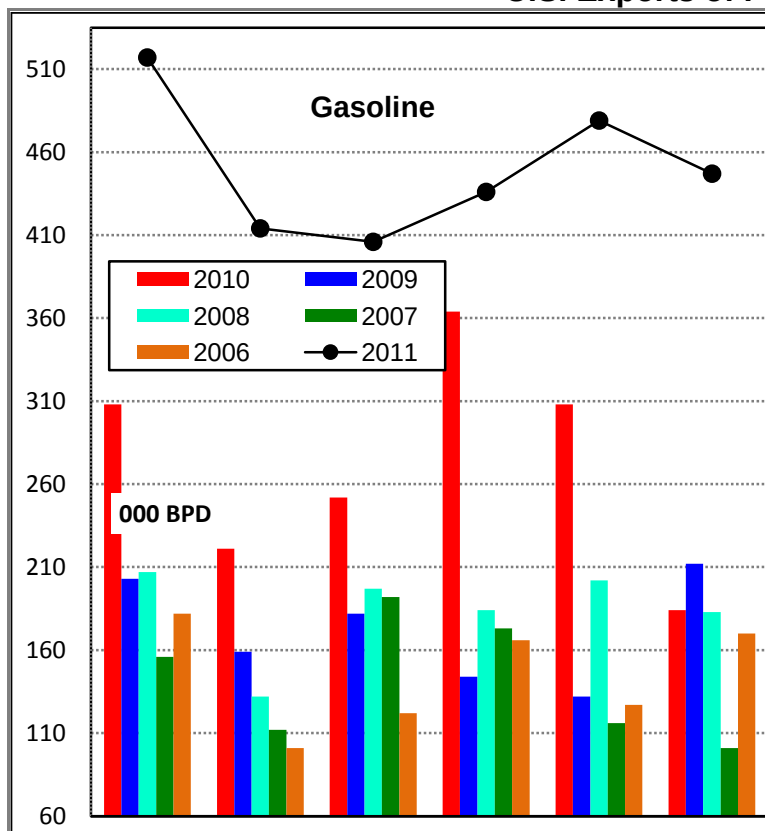
Propane Demand



Demand for Propane							
Source: EIA Monthly Petroleum Supply							
	000 bpd						Latest Qtr Avg
	Dec10	Jan11	Feb11	Mar11	Apr11	May11	
U. S.	1,615	1,652	1,423	1,189	933	934	1,019
Ch prev Yr	18	22	-72	21	39	69	43
% chg	1.1%	1.3%	-5%	1.8%	4.4%	8.0%	4.4%
PADD 01	348	330	262	206	140	125	157
Ch prev Yr	133	84	44	54	22	33	36
% chg	61.9%	34.1%	20%	35.5%	18.6%	35.9%	30.1%
PADD 02	546	545	453	309	228	164	234
Ch prev Yr	-24	-12	-33	-10	96	24	37
% chg	-4.2%	-2.2%	-7%	-3.1%	72.7%	17.1%	18.6%
PADD 03	593	665	591	564	496	573	544
Ch prev Yr	-90	-48	-93	-29	-56	14	-24
% chg	-13.2%	-6.7%	-14%	-4.9%	-10.1%	2.5%	-4.2%
PADD 04	48	46	47	46	26	29	34
Ch prev Yr	2	3	5	9	-5	3	2
% chg	4.3%	7.0%	11.9%	24.3%	-16.1%	11.5%	7.4%
PADD 05	80	66	70	64	42	42	49
Ch prev Yr	-3	-5	5	-3	-19	-5	-9
% chg	-3.6%	-7.0%	8%	-4.5%	-31.1%	-10.6%	-15.4%



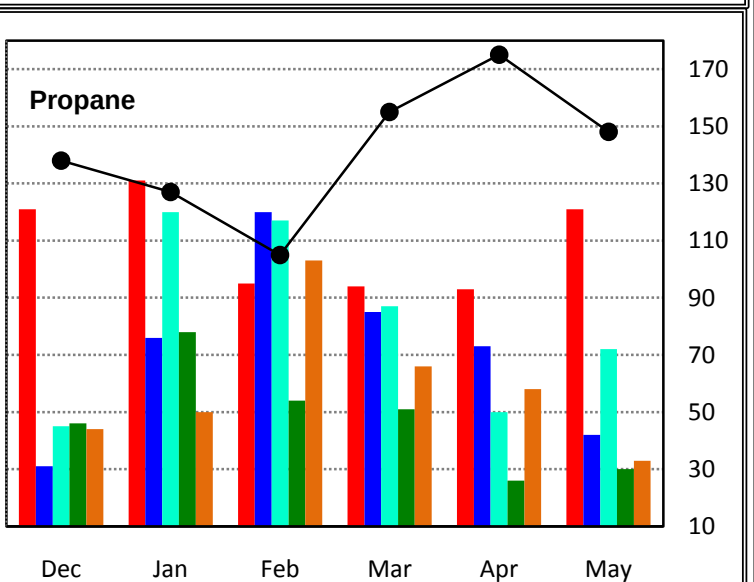
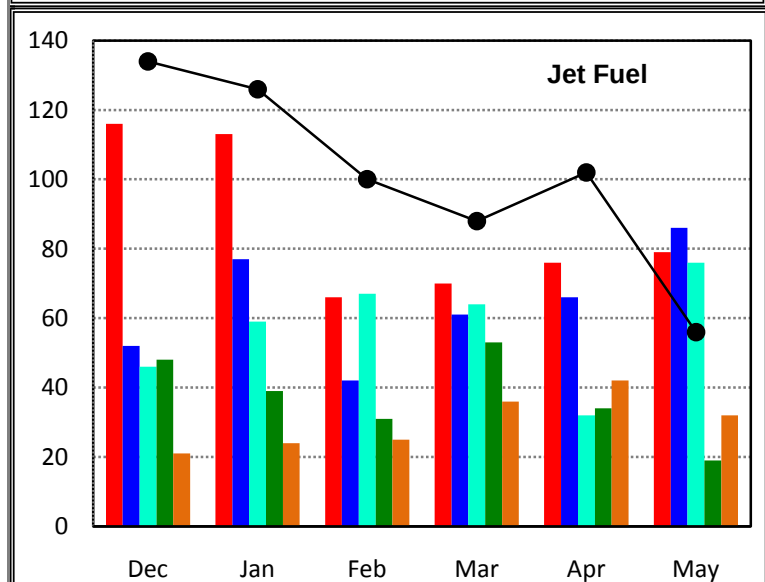
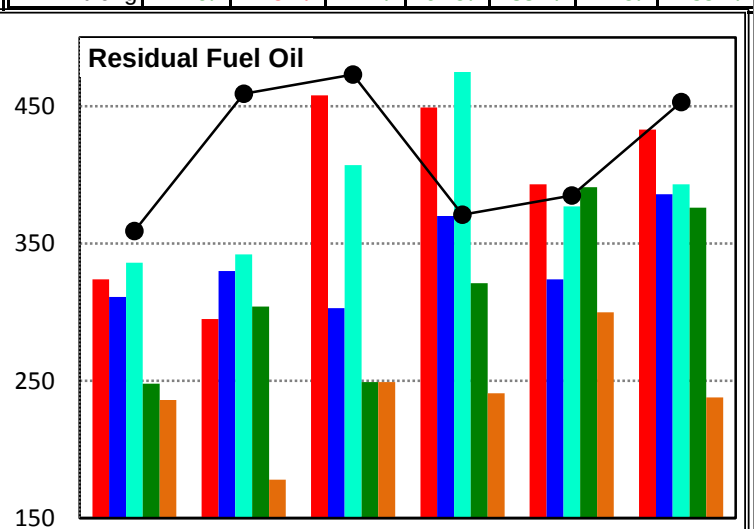
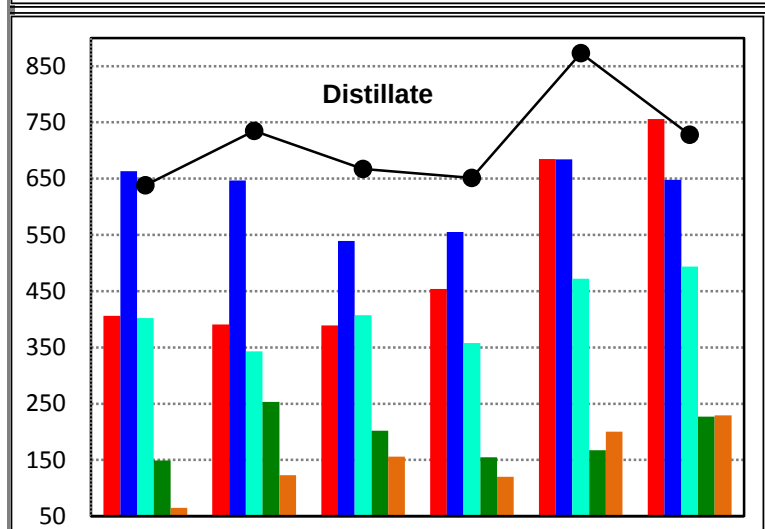
U.S. Exports of Petroleum Products



U. S. Exports of Petroleum Products

Source: EIA Monthly Petroleum Supply

	000 bpd						Latest Qtr Avg
	Dec10	Jan11	Feb11	Mar11	Apr11	May11	
Gasoline	517	414	406	436	479	447	454
Ch prev Yr	209	193	154	72	171	263	169
% chg	67.9%	87.3%	61%	20%	55.5%	143%	59.1%
Distillate	638	735	667	651	873	728	751
Ch prev Yr	232	344	278	197	188	-28	119
% chg	57.1%	88.0%	71%	43.4%	27.4%	-3.7%	18.8%
Jet	134	126	100	88	102	56	82
Ch prev Yr	18	13	34	18	26	-23	7
% chg	15.5%	11.5%	52%	25.7%	34.2%	-29.1%	9.3%
Residual	359	459	473	371	385	453	403
Ch prev Yr	35	164	15	-78	-8	20	-22
% chg	10.8%	55.6%	3%	-17.4%	-2.0%	4.6%	-5.2%
Propane	138	127	105	155	175	148	159
Ch prev Yr	17	-4	10	61	82	27	57
% chg	14.0%	-3.1%	11%	64.9%	88.2%	22.3%	55.2%



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

