



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

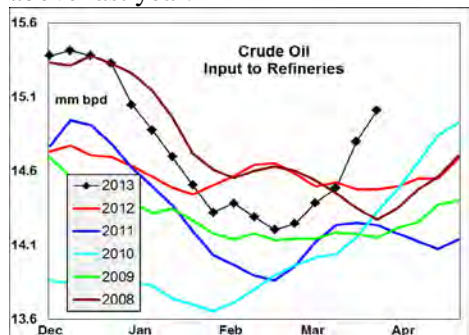
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Wednesday, April 03, 2013

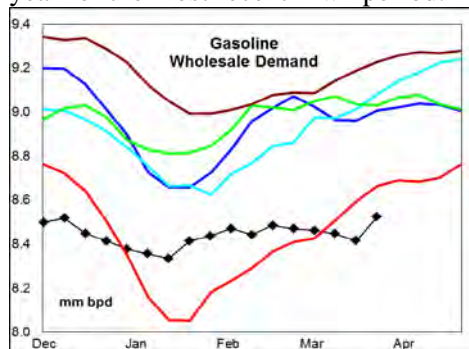


Major Fundamental Trends¹

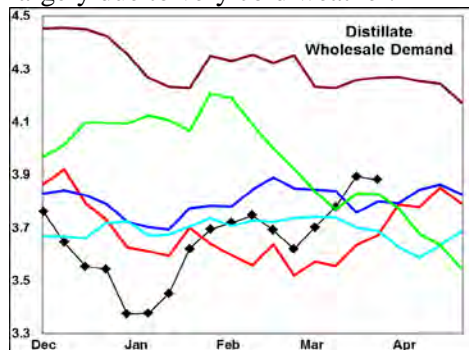
Crude oil input to refiners reached record highs for this time of year, nearly 1-month ahead of the normal rate of return from winter maintenance. Runs in PADDs 1, 3 & 5 are each well above last year.



Gasoline demand remains very weak, more than -100,000 bpd below last year for the most recent 4-wk period.



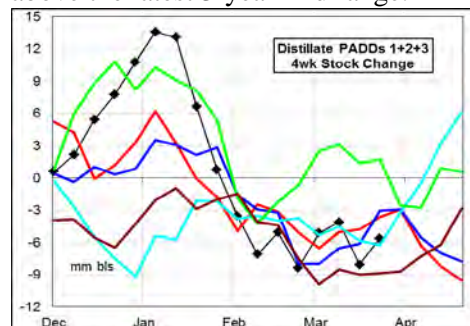
Distillate demand pulled back -341,000 bpd last week, with the earlier spike largely due to very cold weather.



Looking forward, gasoline supplies in markets east of the Rockies are ample with stock levels in the Gulf above the 5-year range and the Central Atlantic Region above four of the last 5-years.

Combined with the earlier than normal increase in crude oil runs, gasoline markets are likely to be well supplied in the 2nd quarter.

Distillate stocks in markets East of the Rockies continue to draw at rates above the latest 3-year mid range.



The earlier than normal increase in crude oil runs should lead to higher distillate output in the near term. Combined with an end to winter heating, distillate stock draws may fall below the historic average during the next 30-days.

Demand for distillate fell -341,000 bpd last week, partially reversing the earlier weather driven surge. Wholesale demand, measured over the last four weeks compared to a year ago: gasoline decreased -1.2%; distillate was +5.5% higher; jet fuel was +2.6% higher, and residual fuel increased +15%.

Stocks forward coverage: Gasoline demand coverage decreased on a -0.6 million barrel stock draw, and increase in weekly demand. Coverage levels were near 5-year highs for the week.

Distillate coverage extended the downtrend on a -2.3 million barrel stock draw that offset lower demand; falling to near 5-year lows.

Jet fuel coverage increased on a +0.8 million barrel stock build. Coverage levels were above the 3-year mid range.

Residual fuel oil coverage decreased on a -1.9 million barrel stock draw. The coverage level ended the week below the 5-year mid range.

Refinery utilization rates increased on a +140,000 bpd rise in crude oil throughput. During the latest 4-wk period

crude oil input was +92,000 bpd above a year ago.

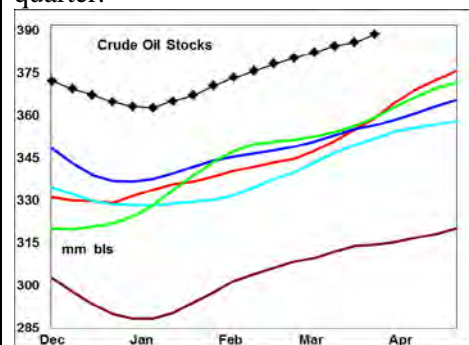
Gasoline yield % on crude oil runs was unchanged on a +85,000 bpd rise in output compared to the +130,000 bpd rise in crude oil throughput. Yield % on crude oil runs remain below the historic range.

Distillate yield % on crude oil runs increased on a +120,000 bpd rise in output compared to the higher crude oil throughput. The yield % on crude oil runs remains below the last 2-years.

Jet fuel yield % on crude oil runs increased on a +28,000 bpd rise in output, compared to the higher crude oil runs. The yield % level was a record high.

Petroleum Imports of crude oil, and distillates declined last week, while gasoline was marginally higher. During the latest 4-wk period crude oil imports were -1.3 million bpd below last year; distillate imports decreased -20,000 bpd; finished gasoline imports decreased -55,000 bpd, gasoline blend stock imports were -45,000 bpd lower; jet fuel imports increased +3,000 bpd, while residual fuel oil imports were -32,000 bpd lower.

Crude Oil stocks increased +2.7 million barrels last week, including builds in all major regional markets. Refinery crude oil runs continued to increase, and are now sharply above the historic range. Extremely high refinery runs have not led to stock draws. U.S. stocks ended the week +26 million barrels above last year and a new record high for the winter quarter.



¹ Source is latest EIA Weekly Statistics



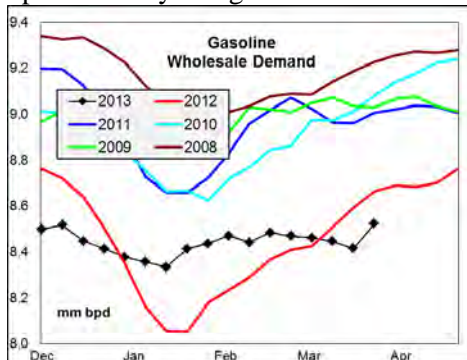
WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

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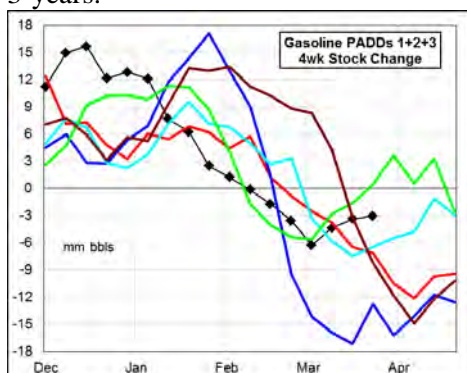
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Product Supply-Demand Trends

Gasoline wholesale demand increased +124,000 bpd on the week, a level below last years' 5-year lows. The latest 4-wk average demand was -104,000 bpd below last year. Supply increased +175, bpd last week, on higher production and imports. Supply for the latest 4-wk period was -53,000 bpd below a year ago.



Stocks decreased -0.6 million barrels last week, to a level that matched the 3-year mid range. The latest 4-wk draw of -3.1 million barrels was significantly less than each of the last 3-years.

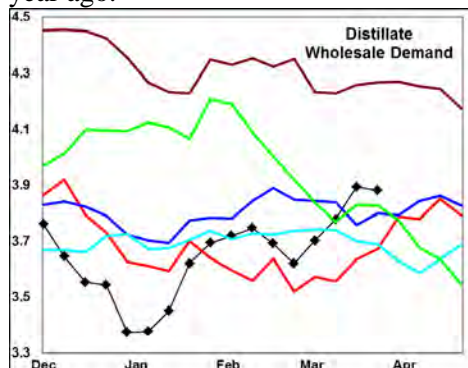


Stock levels in the key Central Atlantic Region are now above four of the last 5-years, while Gulf region stocks are at a record high for the period. West Coast stocks fell to 5-year lows on the week. Year on year demand remains below the 5-year range.

With weak demand and ample supplies in markets East of the Rockies, risk a further pullback in prices.

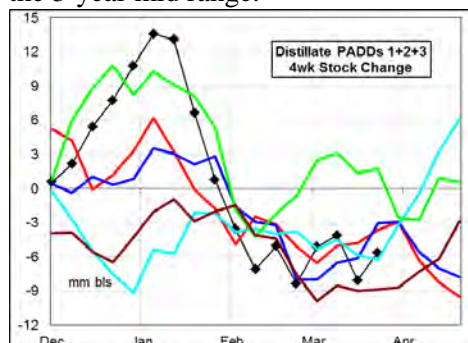
Distillate demand fell -341,000 bpd last week, partially reversing the earlier spike. The latest 4-wk average

demand was +197,000 bpd above a year ago.



Supply fell -20,000 bpd last week, on sharply higher imports, partially offset by a jump in production. The latest 4-wk average supply was -34,000 bpd below last year. Stocks fell -2.3 million barrels on the week, to a level -17% below a year ago.

The latest 4-wk stock change in markets East of the Rockies was a -5.6 million barrel draw, a draw larger than the 3-year mid range.



Distillate supply remains below year ago levels for the most recent 4-wk period, while demand has increased nearly +200,000 bpd. The result is a continued above average draw down of stocks.

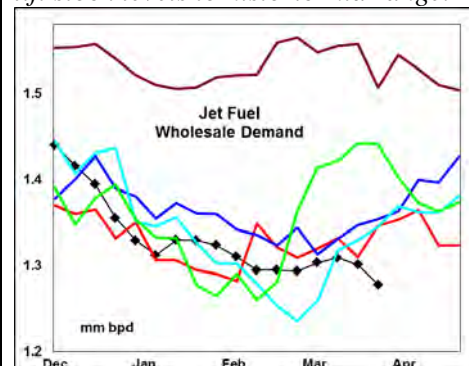
Look for a strong exports, higher year-on year demand to extend the seasonal stock draw trends for the next 30-days.

Jet Fuel demand increased +6,000 bpd on the week, with the level below the 5-year range. The latest 4-wk average demand was +35,000 bpd above a year ago.

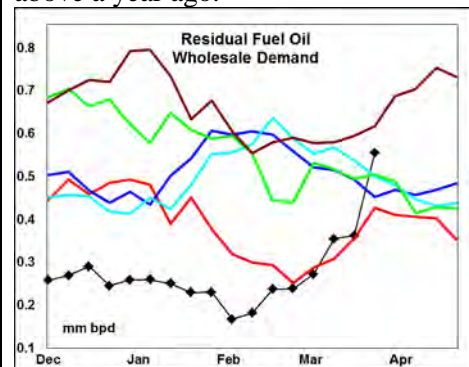
Supplies increased +24,000 bpd on the week, with production at a record high level. Supply for the latest 4-wk period was +86,000 bpd above a year

ago. Stocks increased +0.8 million barrels on the week, but the level remains well below the last 2-years.

The surge in production has depressed imports to record low levels. Continuation of very high production should offset the lack of imports and lift stock levels to historic mid range.



Residual fuel oil demand jumped +219,000 bpd last week. Demand for the latest 4-wk period was +55,000 bpd above a year ago.



Supply (production + imports) increased +68,000 bpd last week, on higher imports. Production remains above levels of the last 4-years, driven by record high output in the Gulf and Midwest regions. Stock levels remain above the historic mid range record production in the Midwest and Gulf regions.

Increased runs of heavy crude oil in the Midwest and Gulf have driven output of residual fuel to record highs.



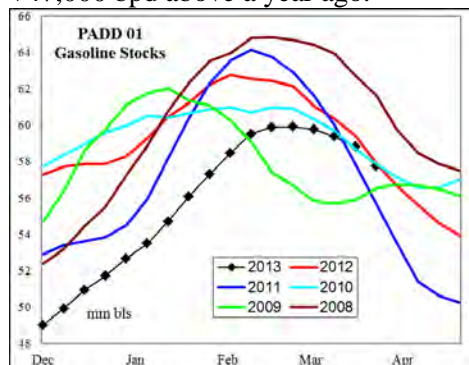
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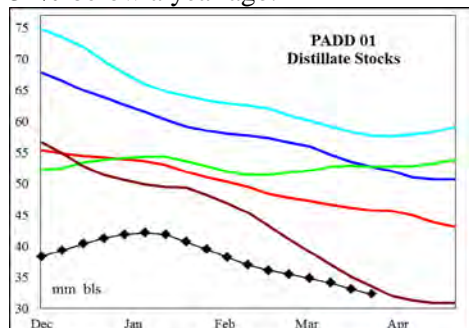
PADD Supply Trends

PADD 1 refinery crude oil runs increased +48,000 bpd last week, a level above the last 2-years. The latest 4-wk average crude oil thru put was +47,000 bpd above a year ago.

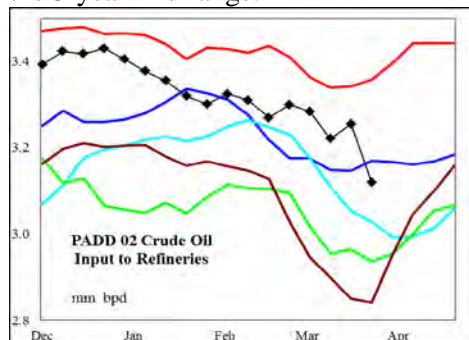


Gasoline supply fell -213,000 bpd on the week, reversing the prior week increase. Stocks decreased -1.2 million barrels, with the level equal to the latest 3-year average.

Distillate supply decreased -23,000 bpd on the week, with production sharply higher and offset by record low imports. Stocks fell -0.7 million barrels on the week, with the level -31% below a year ago.



Jet fuel supplies decreased -41,000 bpd on the week, with stock levels below the 3-year mid range.



PADD 2 crude oil refinery runs fell -121,000 bpd last week, to a level

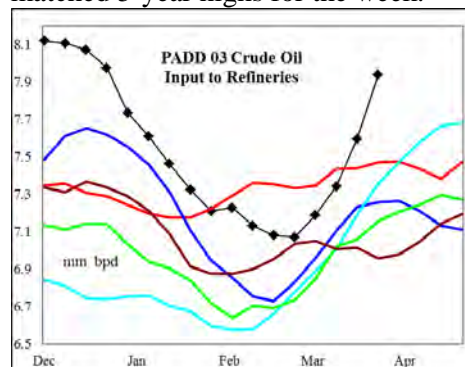
below the 3-year mid range. Runs for the latest 4-wk period were -114,000 bpd below last year. Crude oil stocks increased +1 million barrels on the week. Stocks ended the week +23% above a year ago at Cushing, Oklahoma.

Gasoline production jumped +101,000 bpd on the week, to a level above the 3-year mid range. Stocks increased +0.3 million barrels on the week, to a level above the historic mid range.

Distillate supply declined -65,000 bpd last week, to a level near 5-year lows. Stocks declined -1.6 million barrels last week, to a level below the 5-year range.

Jet fuel production decreased -18,000 bpd on the week, to a level well below the last 2-years. Stock levels are at the low end of the historic range.

PADD 3 refinery runs climbed +0.3 million bpd to a new record high for this time of year. The latest 4-wk average runs were +14,000 bpd above a year ago. Crude oil stocks increased +1 million barrels to a level that matched 5-year highs for the week.



Gasoline supply decreased -168,000 bpd on the week, to a level below the last 2-years. Stocks increased +0.9 million barrels, to a level above the 5-year range.

Distillate supply increased +44,000 bpd on the week, with the latest 4-wk average -19,000 bpd below last year. Stocks increased +1 million barrels on the week, to a level -8% below last year.

Jet fuel supply increased +43,000

bpd on the week to a new record high. Stocks increased +0.6 million barrels on the week, to a level that matched the 3-year mid range.

Residual fuel oil supplies increased +52,000 bpd on the week, with output at a record high. Stocks were unchanged on the week, with the level still above the 5-year range.

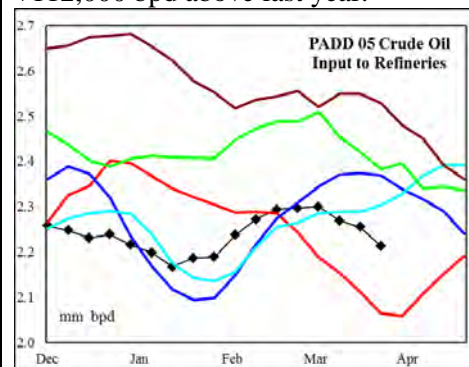
PADD 4 refinery crude runs increased +6,000 bpd on the week, with the level well above the 5-year range.

Gasoline production decreased -18,000 bpd on the week, to a level near 5-year lows. Stocks increased +0.2 million barrels to a level equal to the historic mid range.

Distillate production increased +9,000 bpd on the week, to a level above the historic range. Stocks decreased -0.1 million barrels on the week, a level just below last years' record high for the period.


Jet fuel production and stocks were each at near 5-year highs for the week.

PADD 5 crude oil refinery runs fell -80,000 bpd on the week; to a level well below the latest 3-year mid range. The latest 4-wk average run rate was +112,000 bpd above last year.



Gasoline supply increased +56,000 bpd on the week, to a level above each of the last 3-years. The latest 4-wk average supply was +14,000 bpd above a year ago. Stocks fell -0.8 million barrels, to a level below the 5-year range.

Distillate supply increased +15,000 bpd, to a level that matched the latest 3-year mid range. Stocks decreased -0.9 million barrels to a level near 5-year lows.



FUNDAMENTAL

PETROLEUM TRENDS

PETROLEUM: Graph Link and Weekly Summary


A Fundamental Petroleum Trends Weekly Report

April 3, 2013

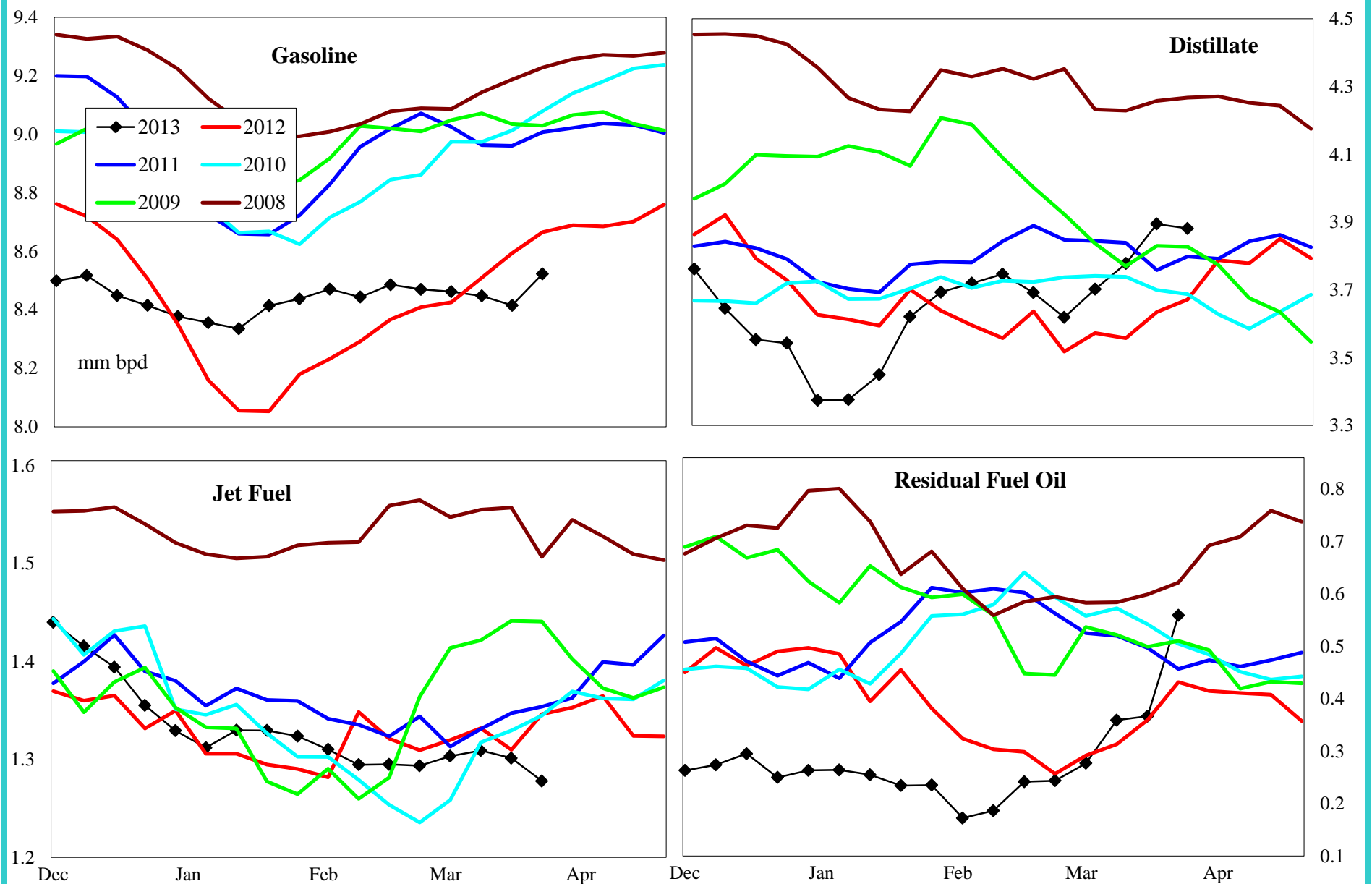
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Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization		Product Yield %		Imports
Supply/Demand Trends	29-Mar-13	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
Crude Oil	Stocks	2,707	190	1,001	976	-32	574
	Imports	-227	63	-106	-95	60	-151
	Input	130	48	-121	276	6	-80
	% Utilization	0.60					
Gasoline	Stocks	-572	-1,169	257	879	229	-767
	Production	85	-219	101	-224	-18	29
	Imports	90	6	0	56	0	27
	Supplied	124					
Distillate	Stocks	-2,266	-688	-1,647	1,005	-85	-851
	Production	120	68	-66	94	9	15
	Imports	-140	-91	1	-50	0	0
	Supplied	-341					
Jet Fuel	Stocks	808	359	36	554	-95	-46
	Production	28	1	-18	43	-3	5
	Imports	-4	-4	0	0	0	0
	Supplied	6					
Residual Fuel Oil	Stocks	-1,411	-1,117	-38	-5	-28	-224
	Production	19	-15	7	8	-2	19
	Imports	49	-17	-2	44	0	25
	Supplied	219					

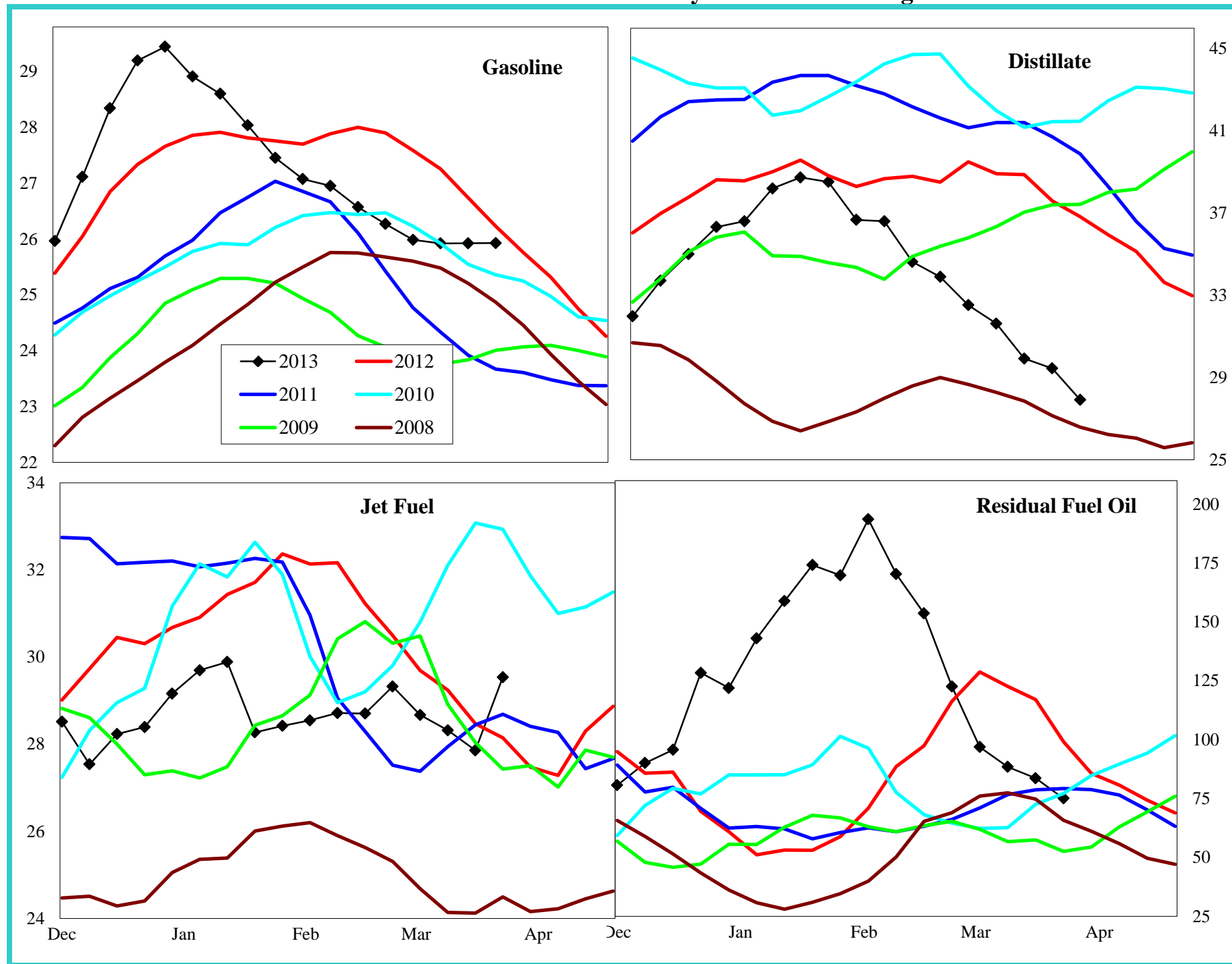
 FUNDAMENTAL PETROLEUM TRENDS		CHARTS: Graph Link and Weekly Summary A Fundamental Petroleum Trends Weekly Report April 3, 2013 German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com					
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	Imports	-140	-91	1	-50	0	0
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	Production	19	-15	7	8	-2	19
	Imports	49	-17	-2	44	0	25
	Supplied	219					
Propane	Stocks	-1,110	-93	-419	-556	-42	
	Propylene stk	267					
	Production	26	-5	8	30	-7	
	Imports	-18	-18	1	0	0	
	Supplied	37					

United States Wholesale Petroleum Demand

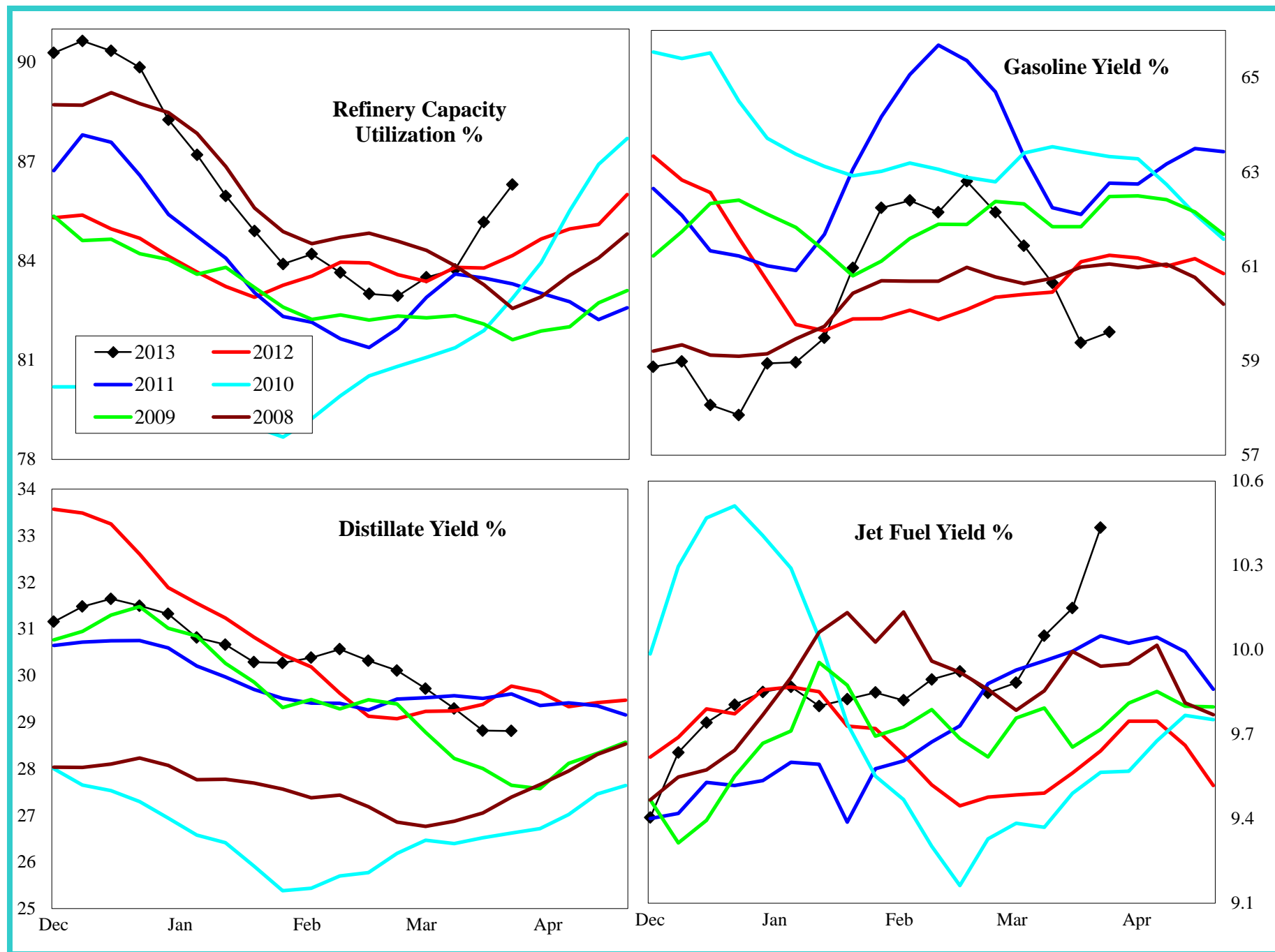


	000 bpd change from prior year				% change from prior year			
	4wk avg	Feb	Jan	Dec	4wk avg	Feb	Jan	Dec
Gasoline	-104	-171	230	-244	-1.2	-2.0	2.8	-2.8
Distillate	197	-203	-282	-286	5.5	-5.1	-7.4	-7.4
Jet Fuel	35	-40	49	67	2.6	-3.0	3.7	4.9
Resid	55	-160	-135	-209	15.0	-40.6	-32.1	-40.3

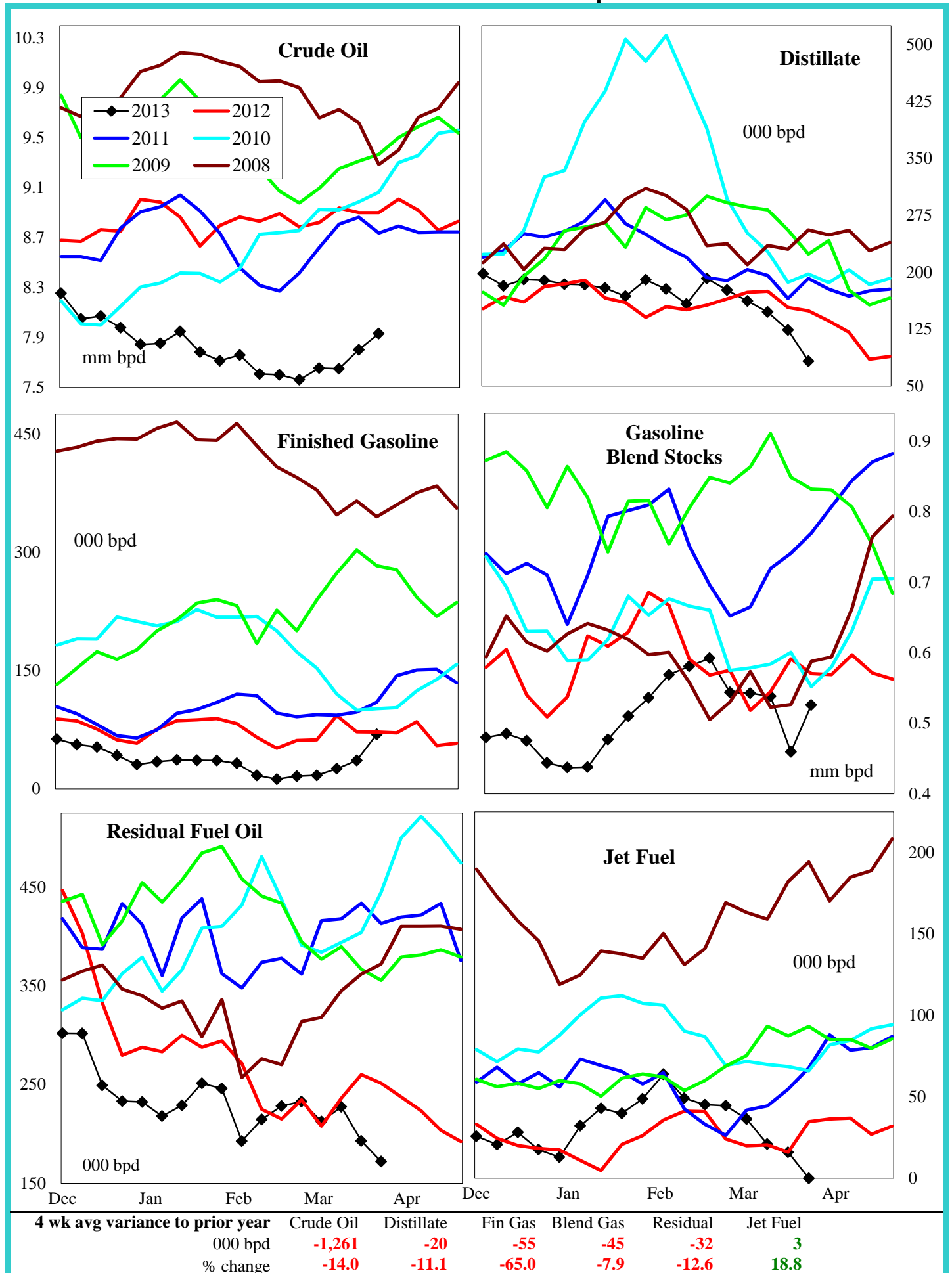


United States Product Stocks: Days Forward Coverage

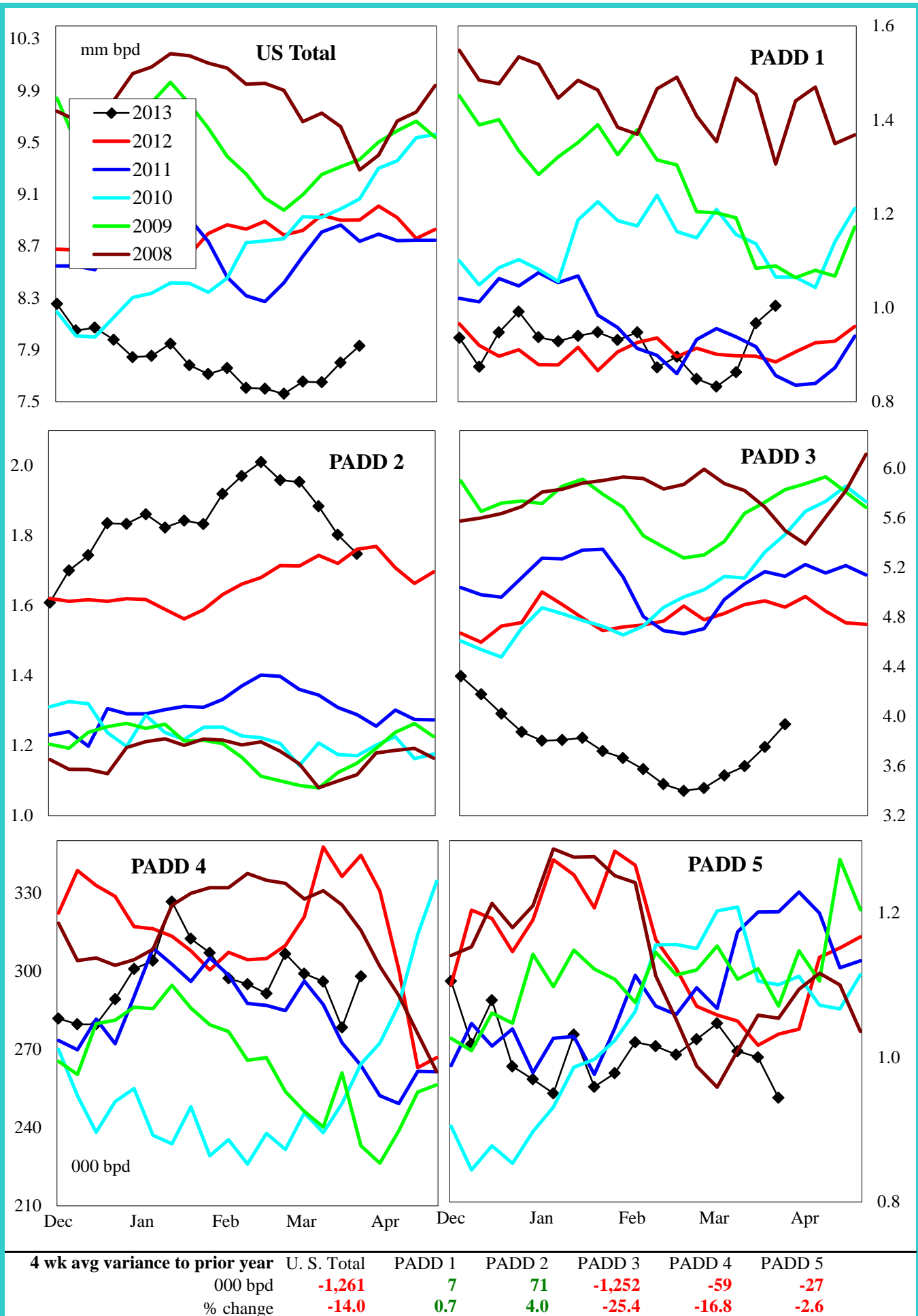
United States Refinery Percent Utilization Rate and Product Yields



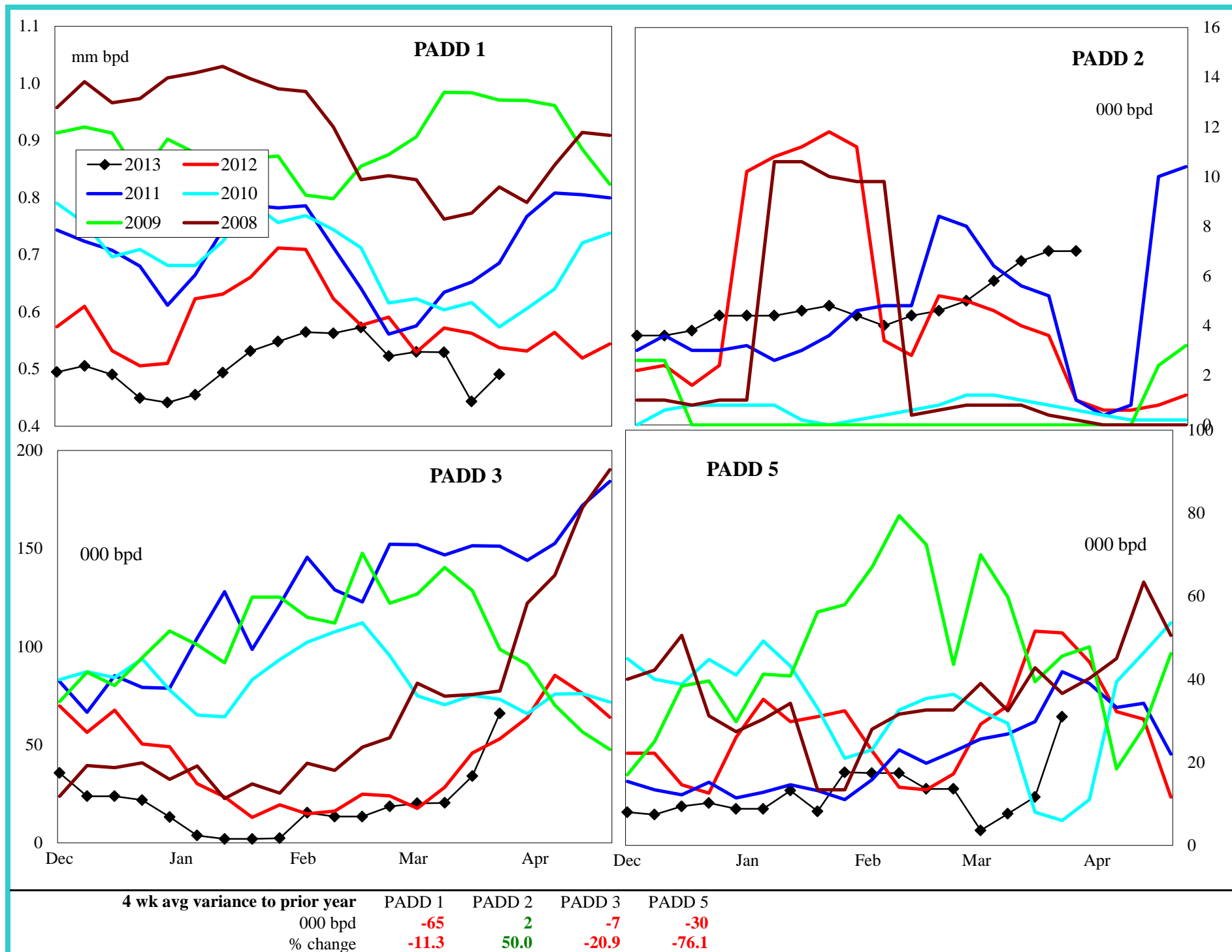
United States Petroleum Imports



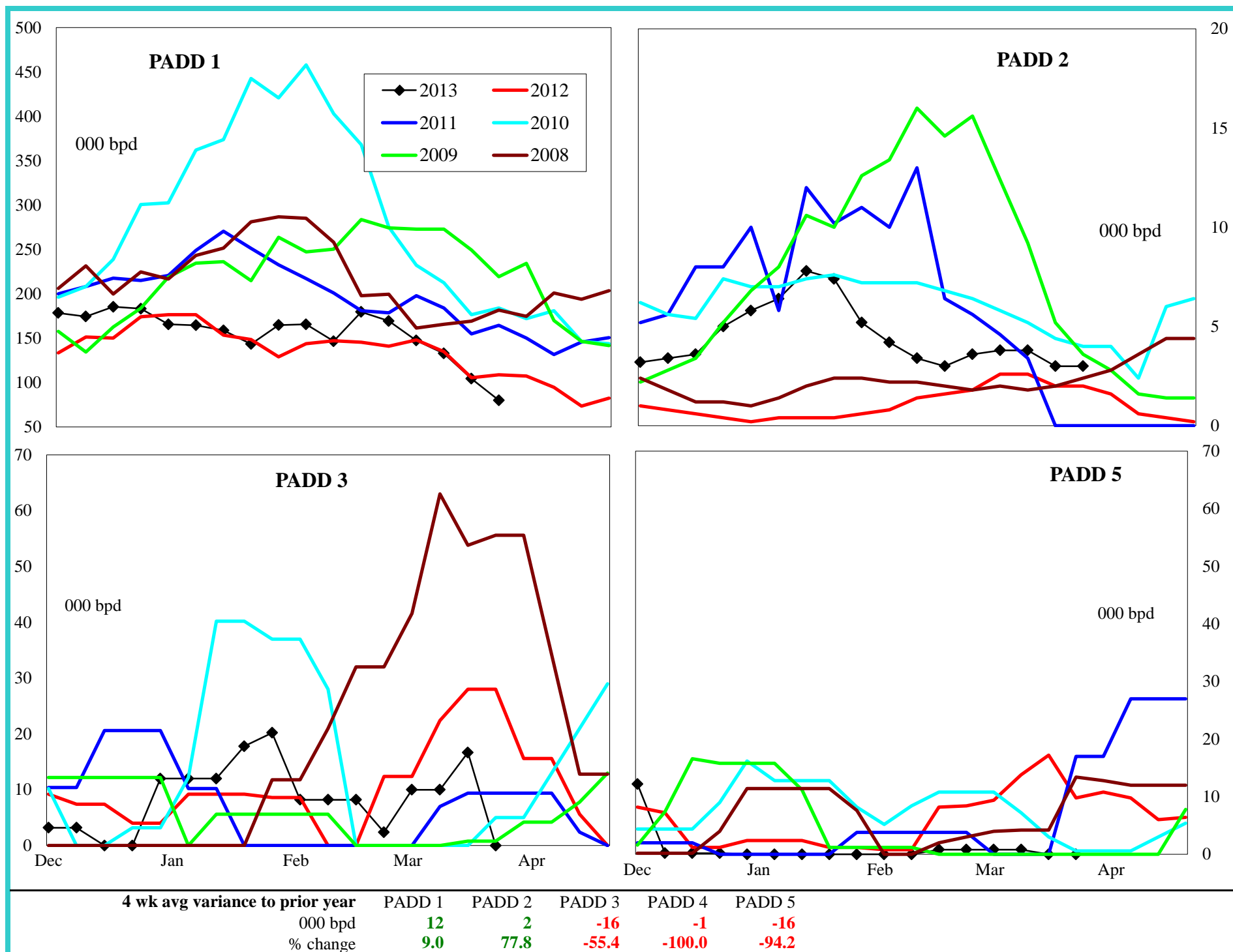
Crude Oil Imports by PADD



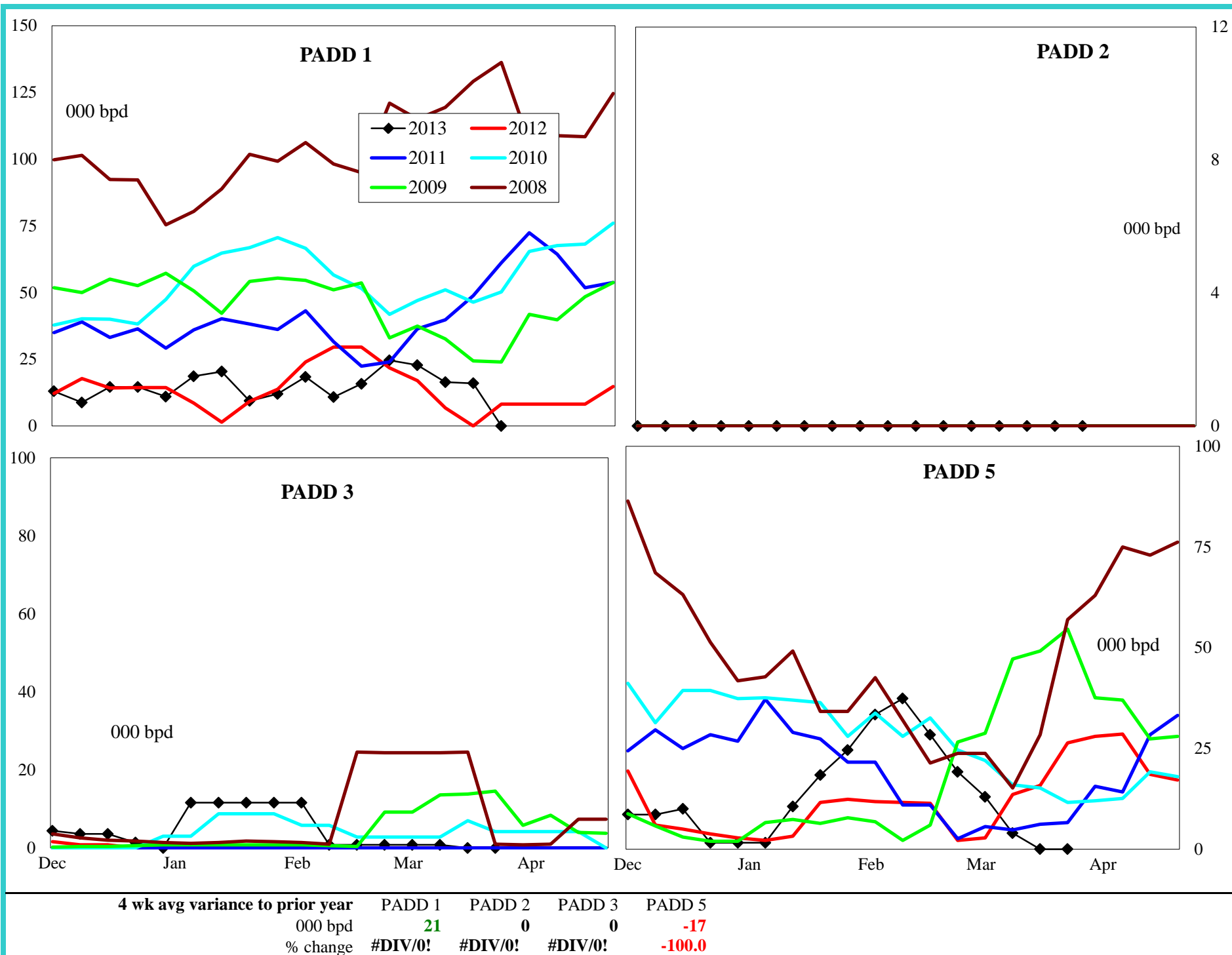
Gasoline Imports by PADD (Finished + Blend Stocks)



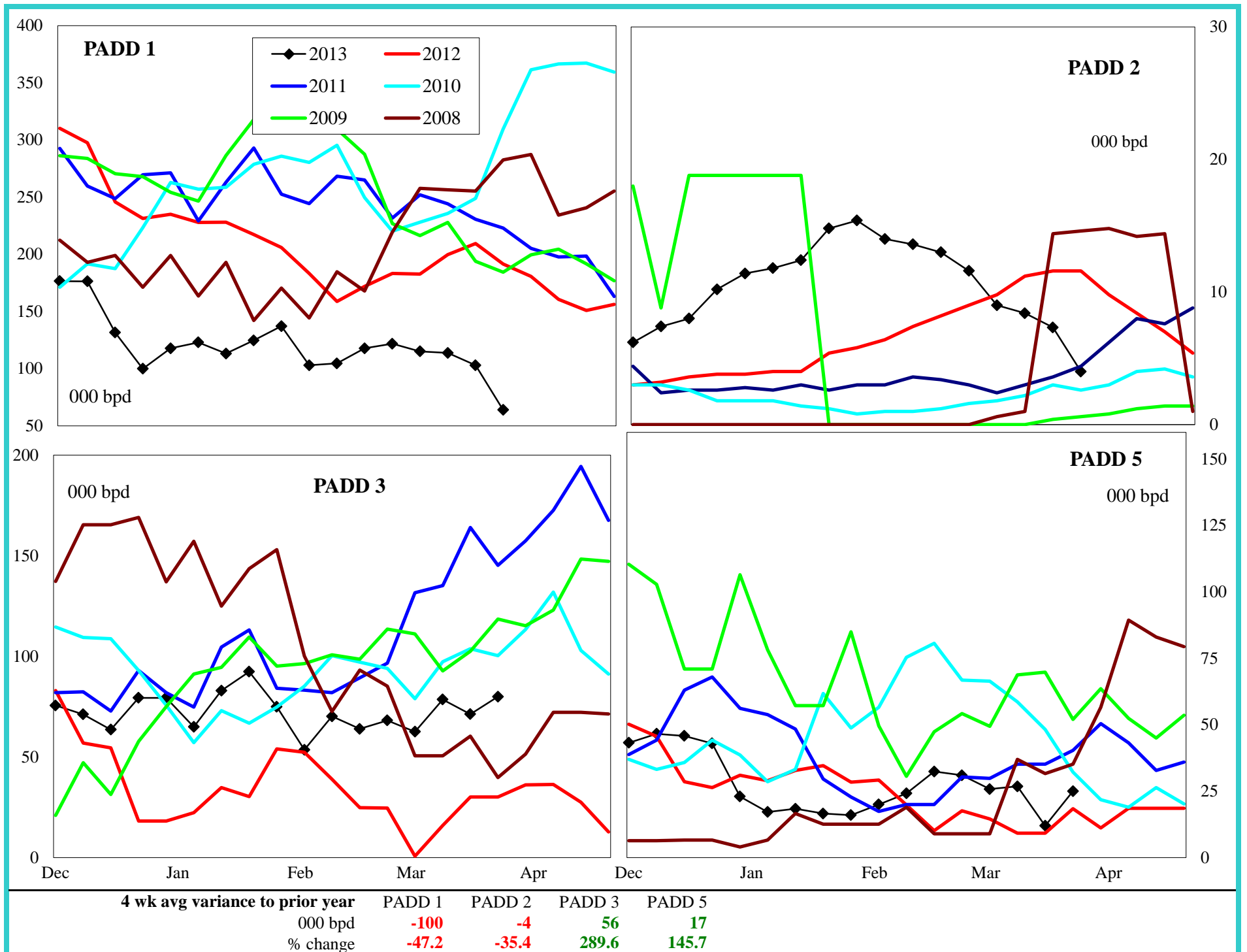
Distillate Imports by PADD



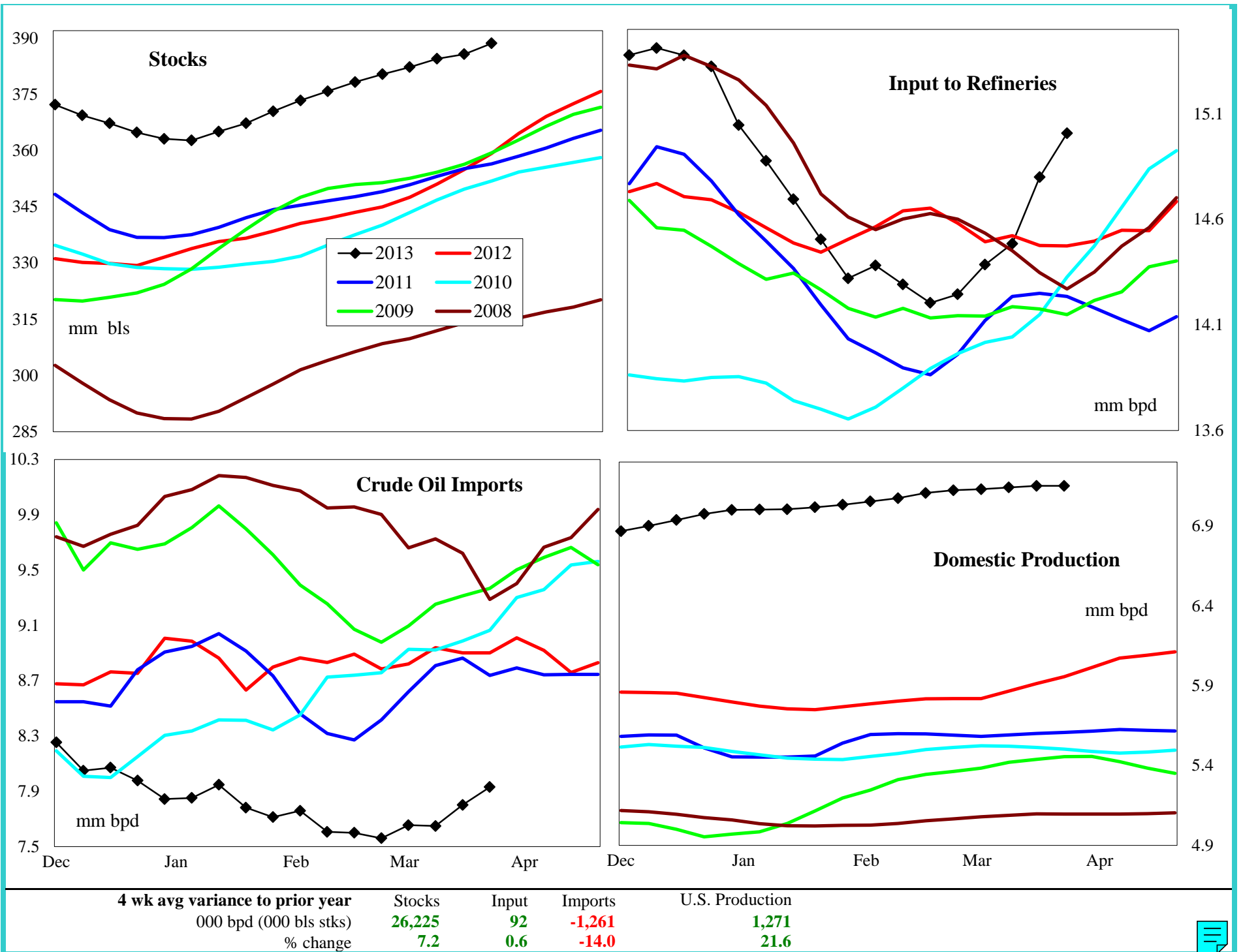
Jet Fuel Imports by PADD



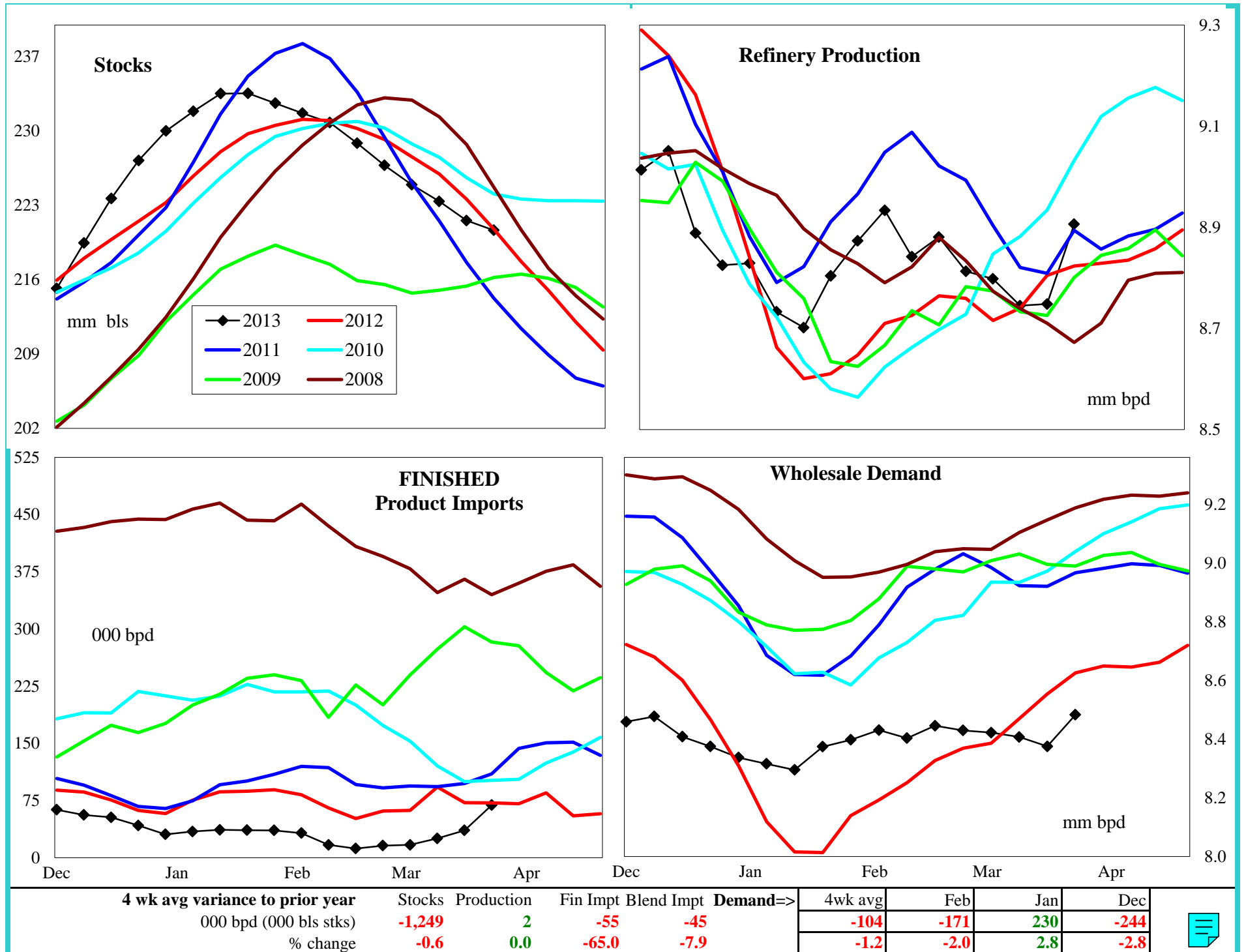
Residual Fuel Oil Imports by PADD



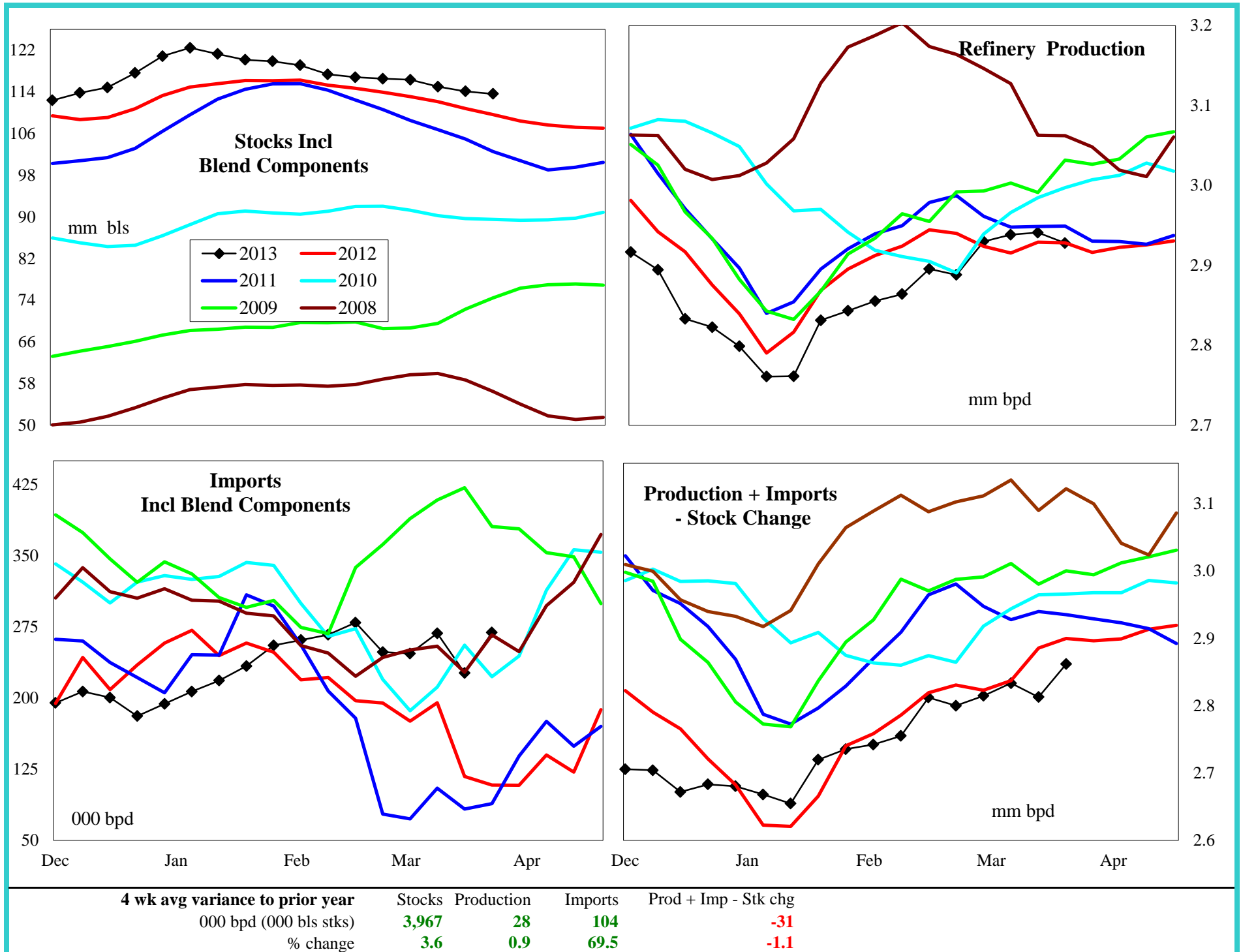
United States Crude Oil Supply and Demand Balance



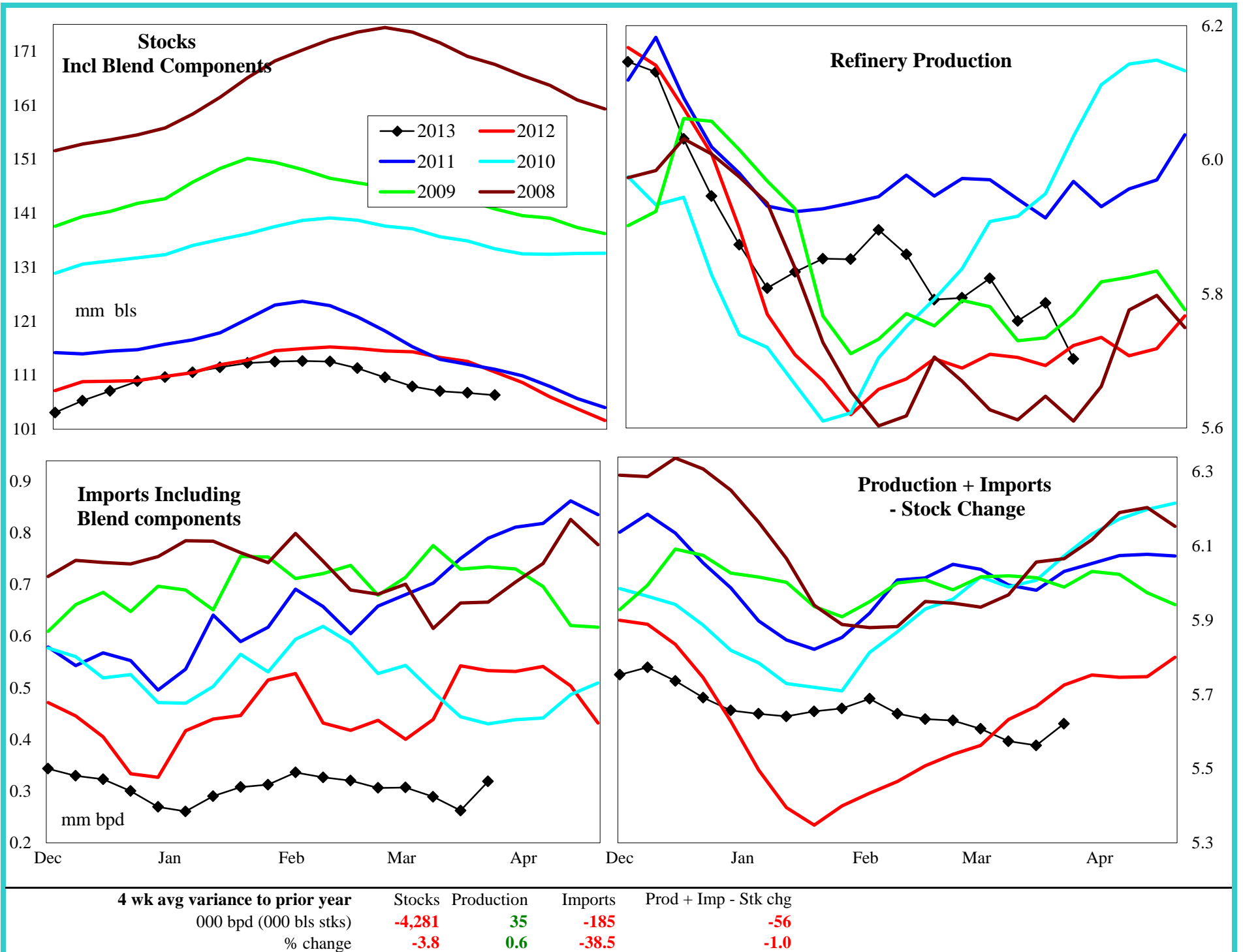
United States Gasoline Supply and Demand Balance



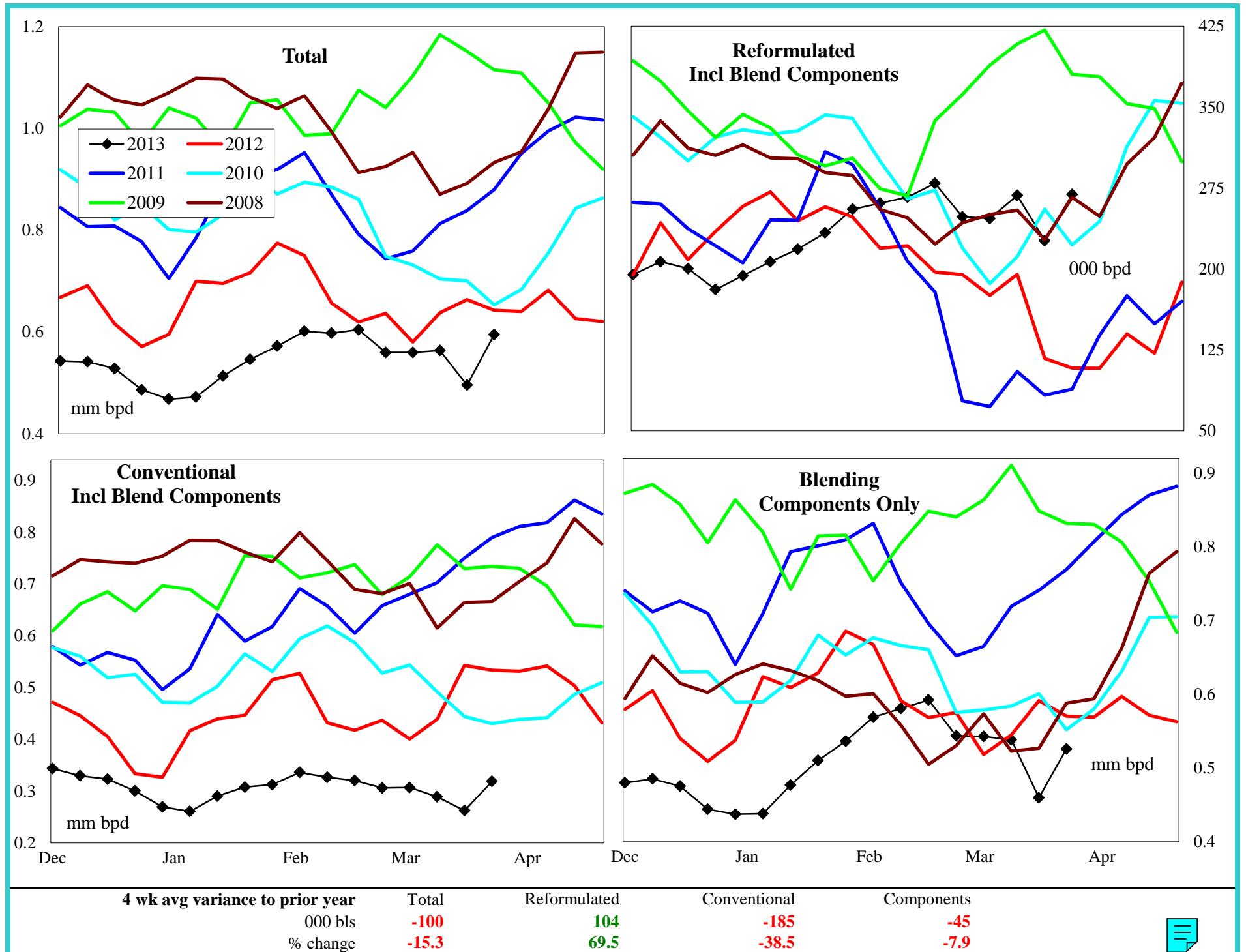
United States Reformulated Gasoline Supply



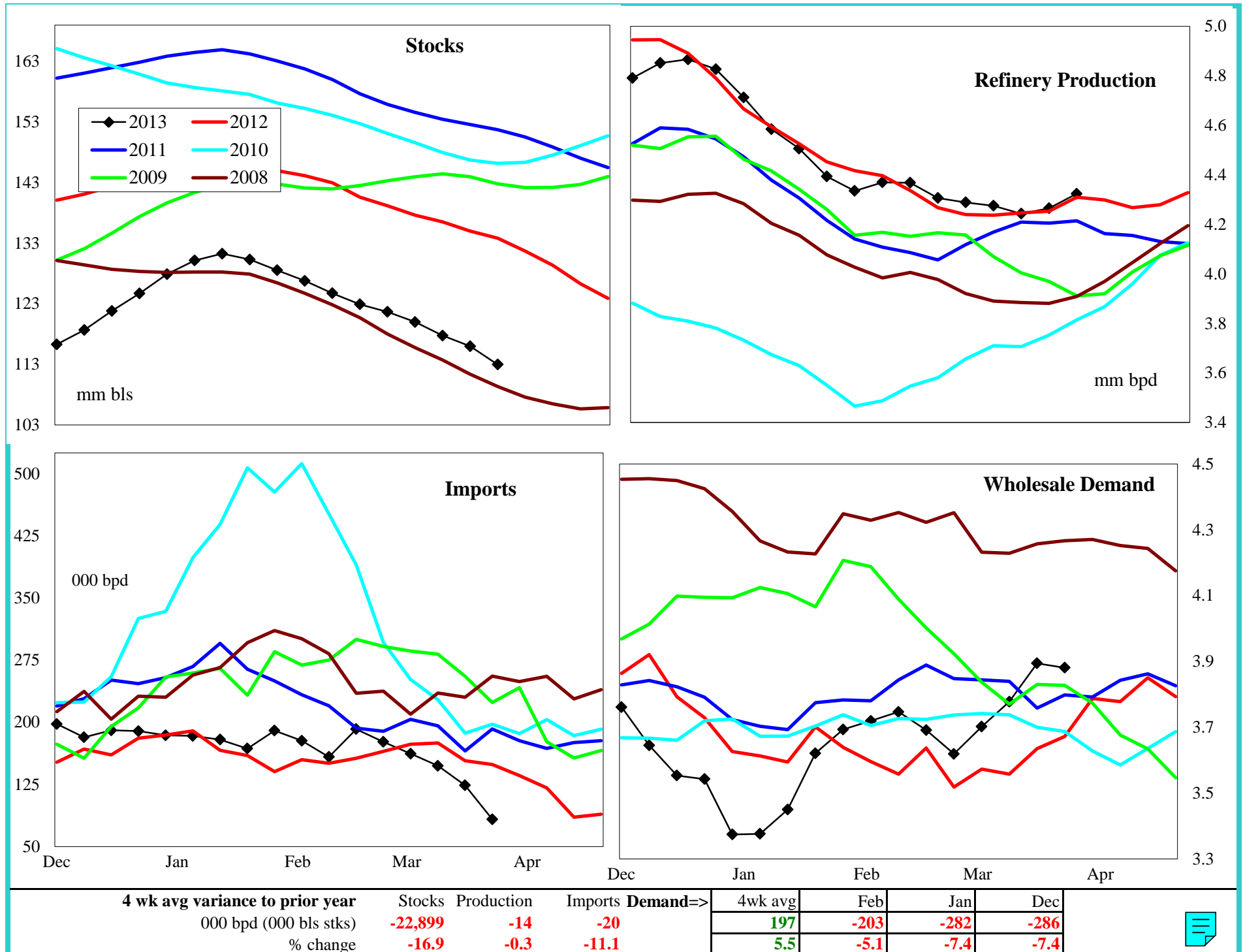
United States Conventional Gasoline Supply



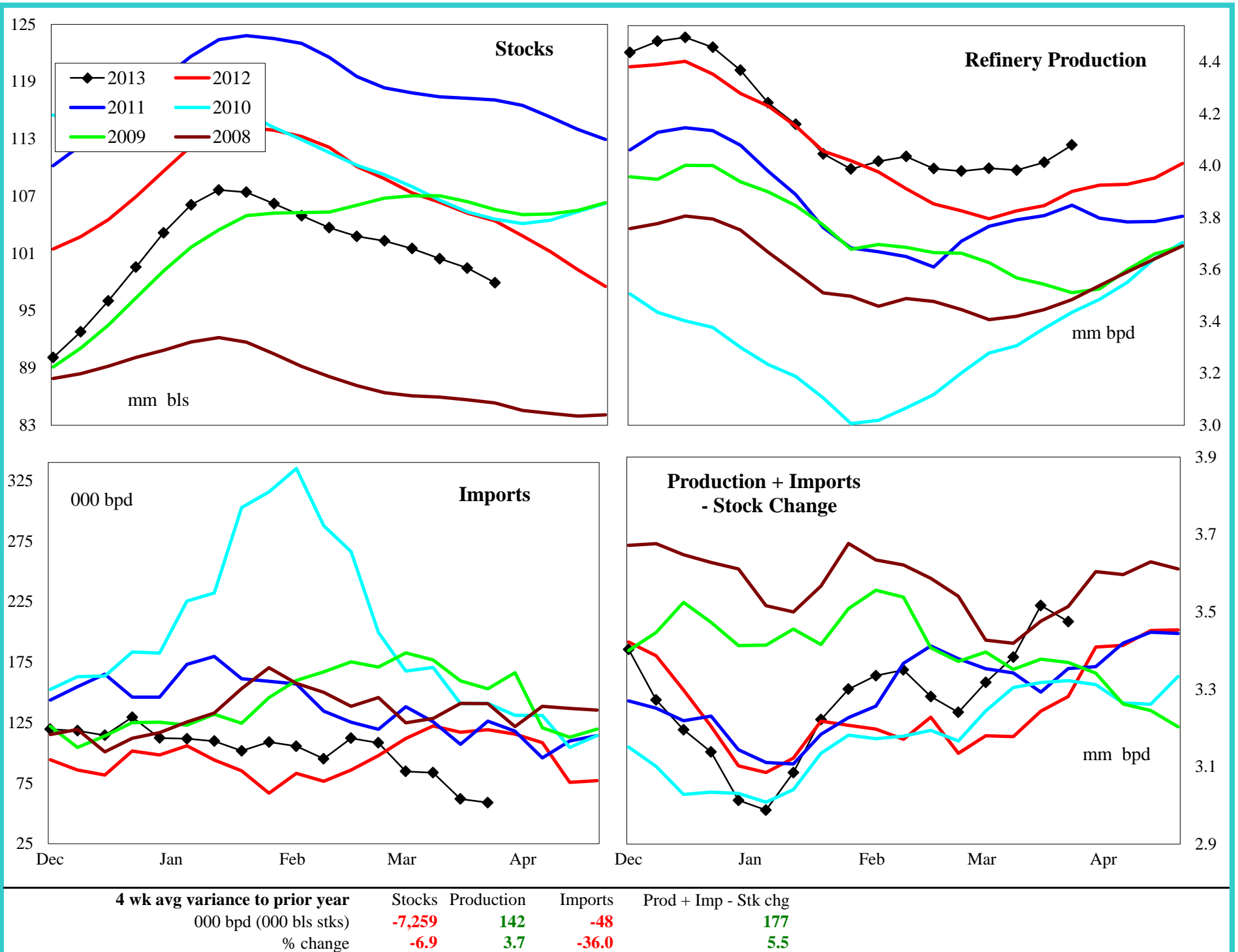
United States Gasoline Imports by Type



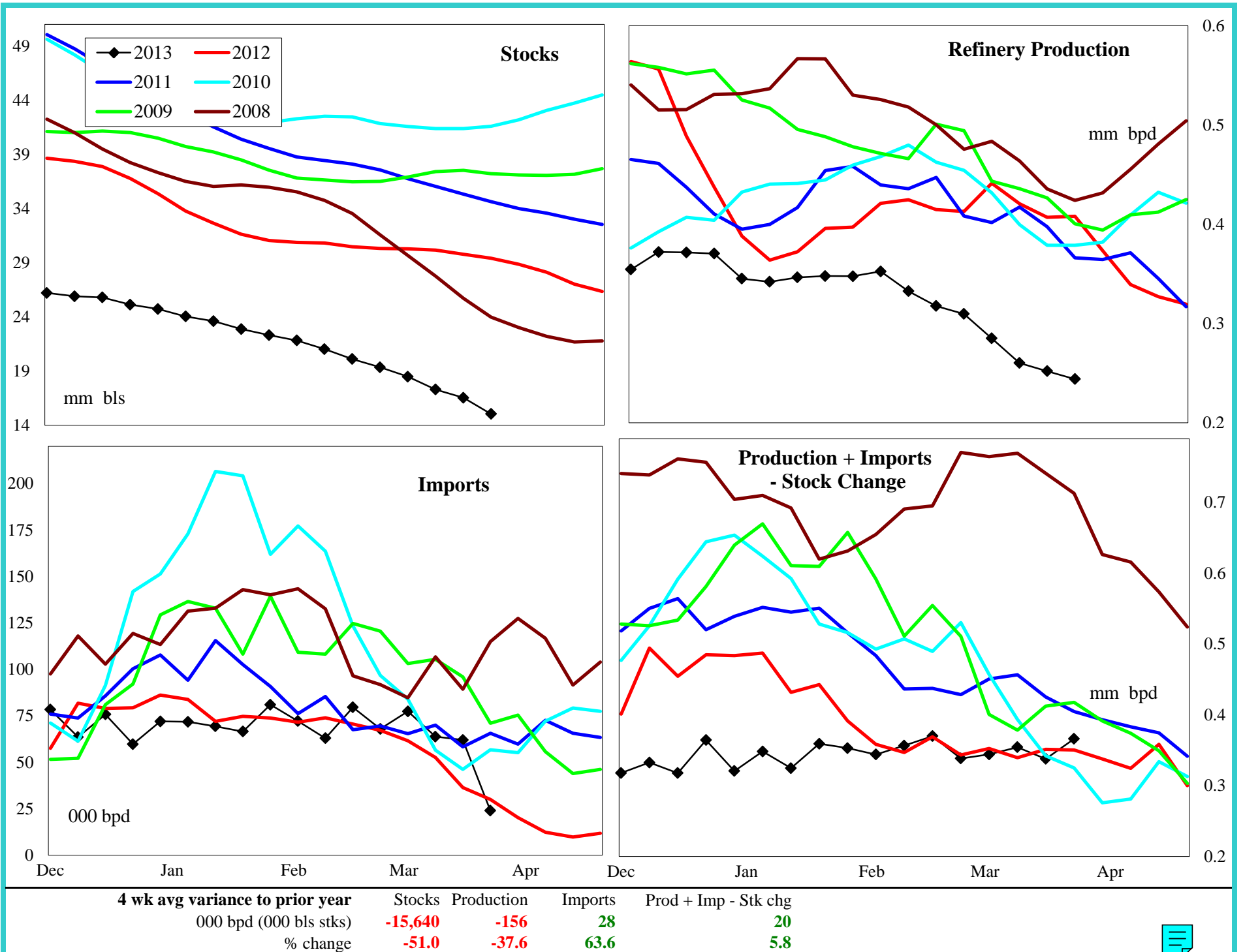
United States Distillate Supply and Demand Balance



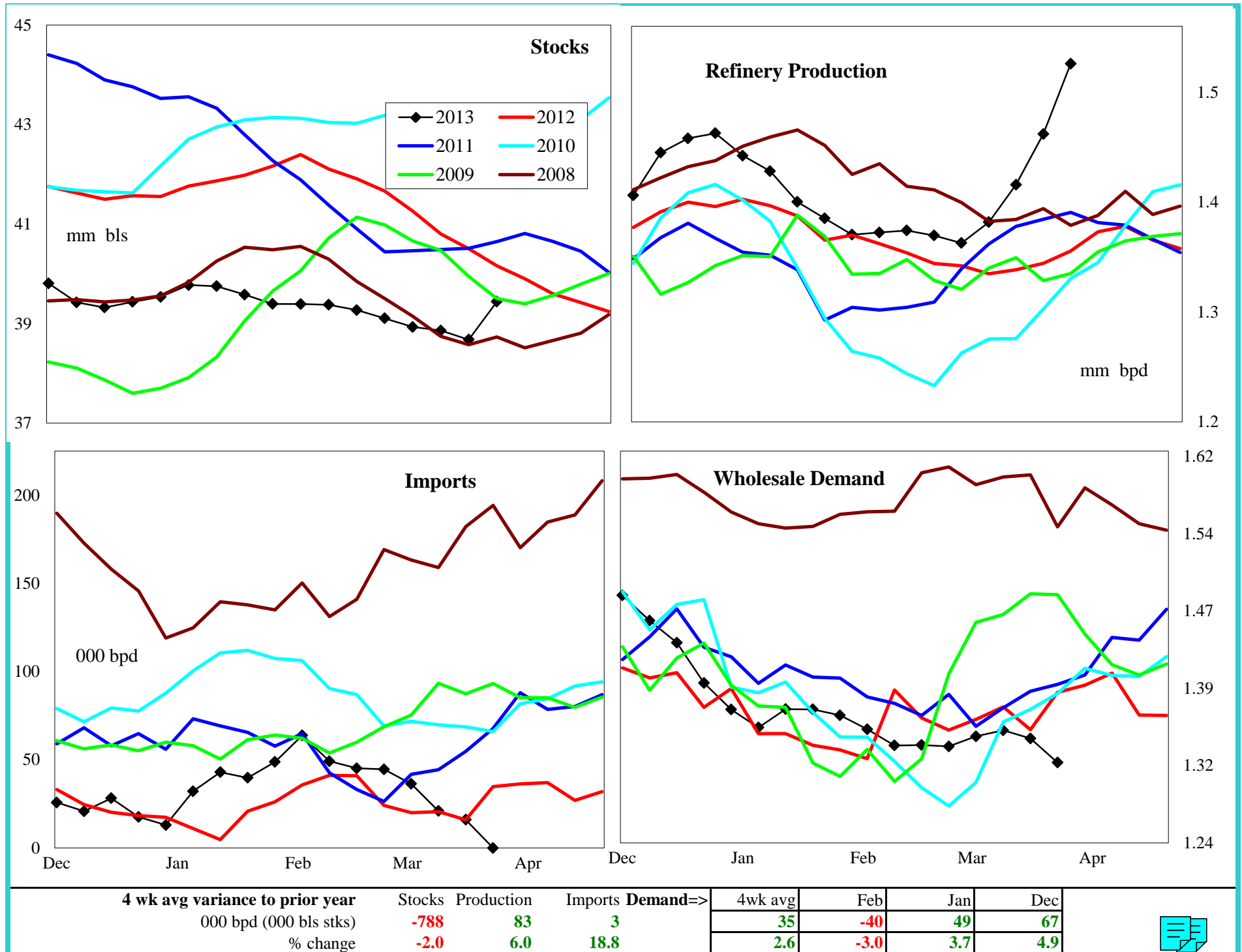
United States Low Sulfur Distillate Supply



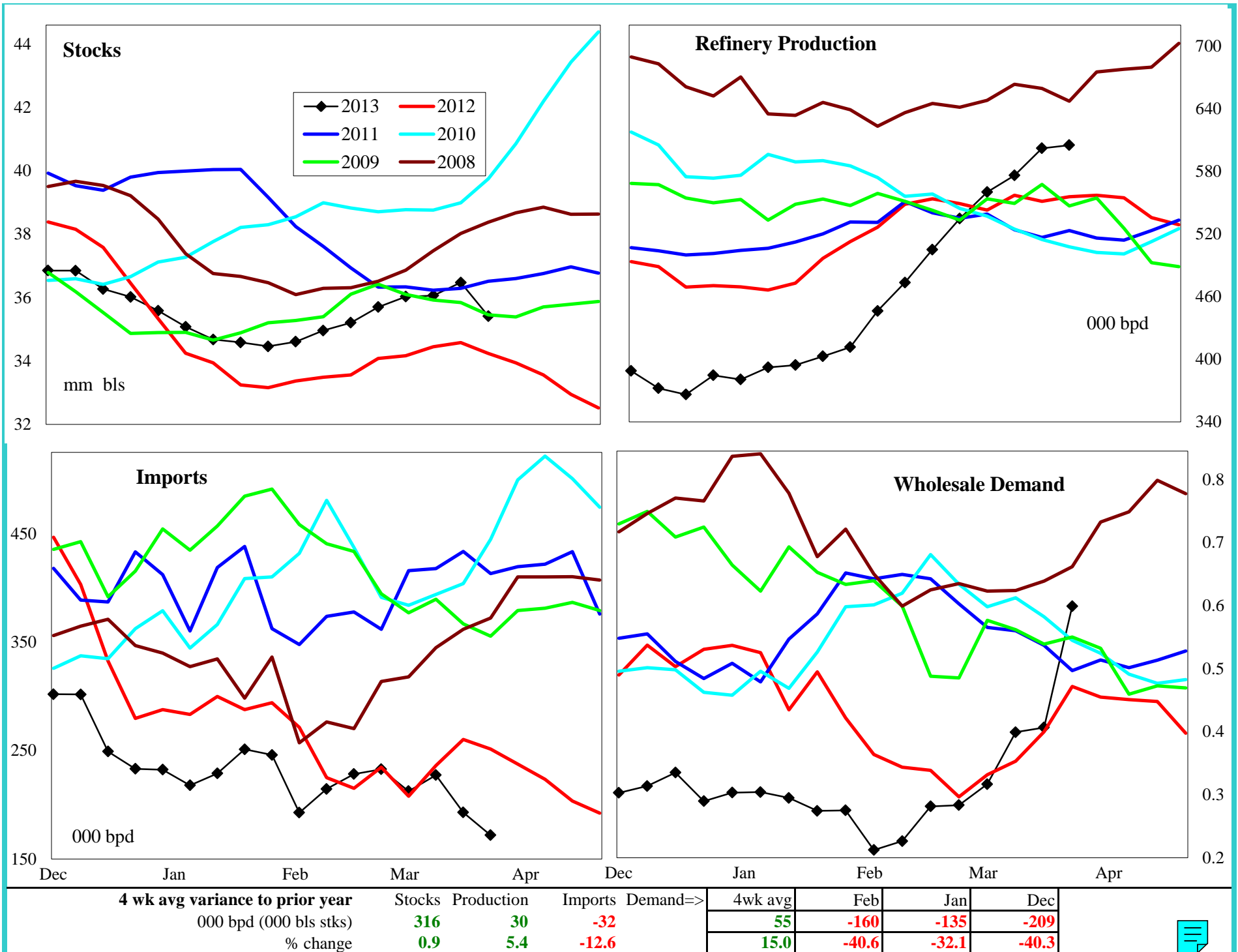
United States High Sulfur Distillate Supply



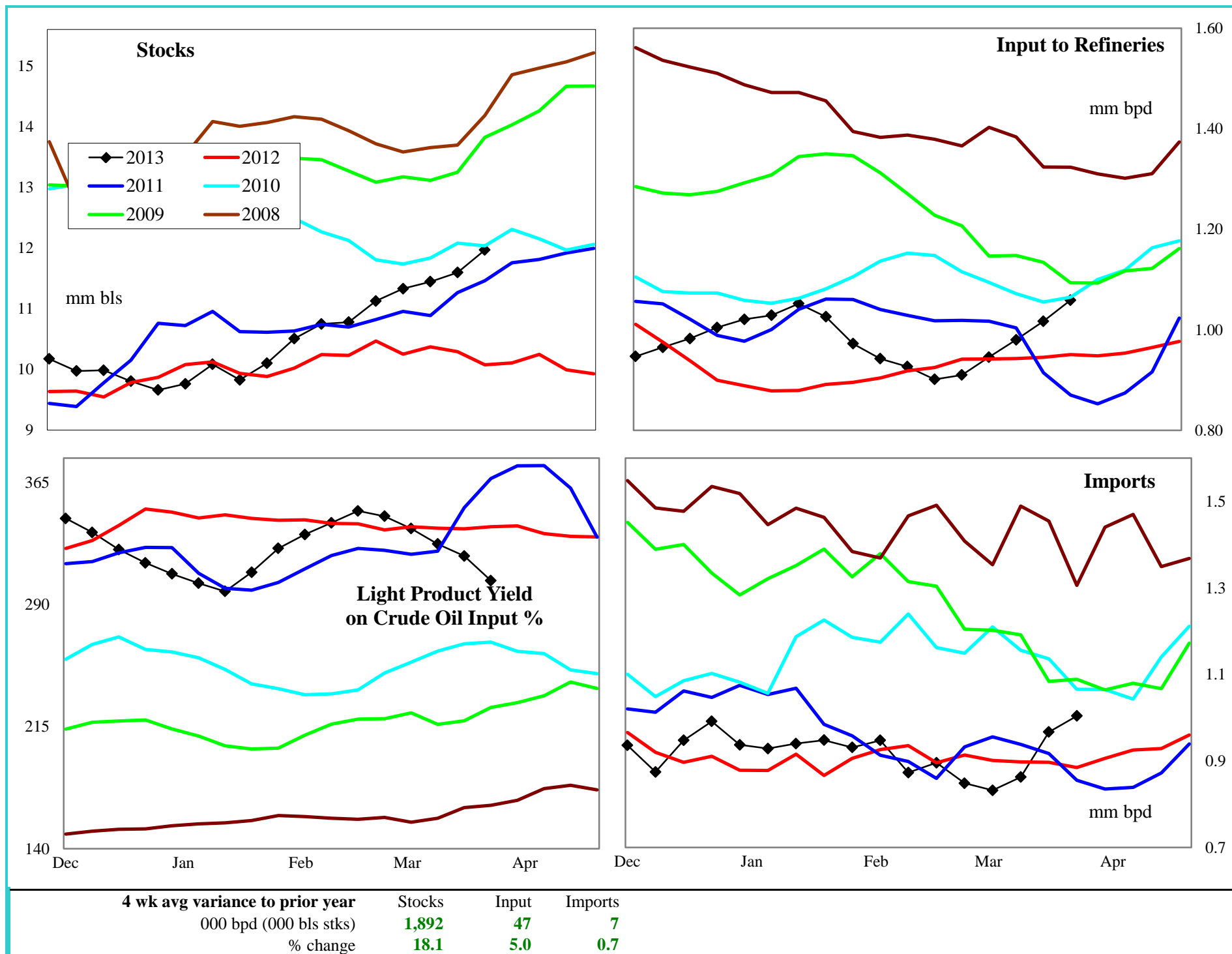
United States Jet Fuel Supply and Demand Balance



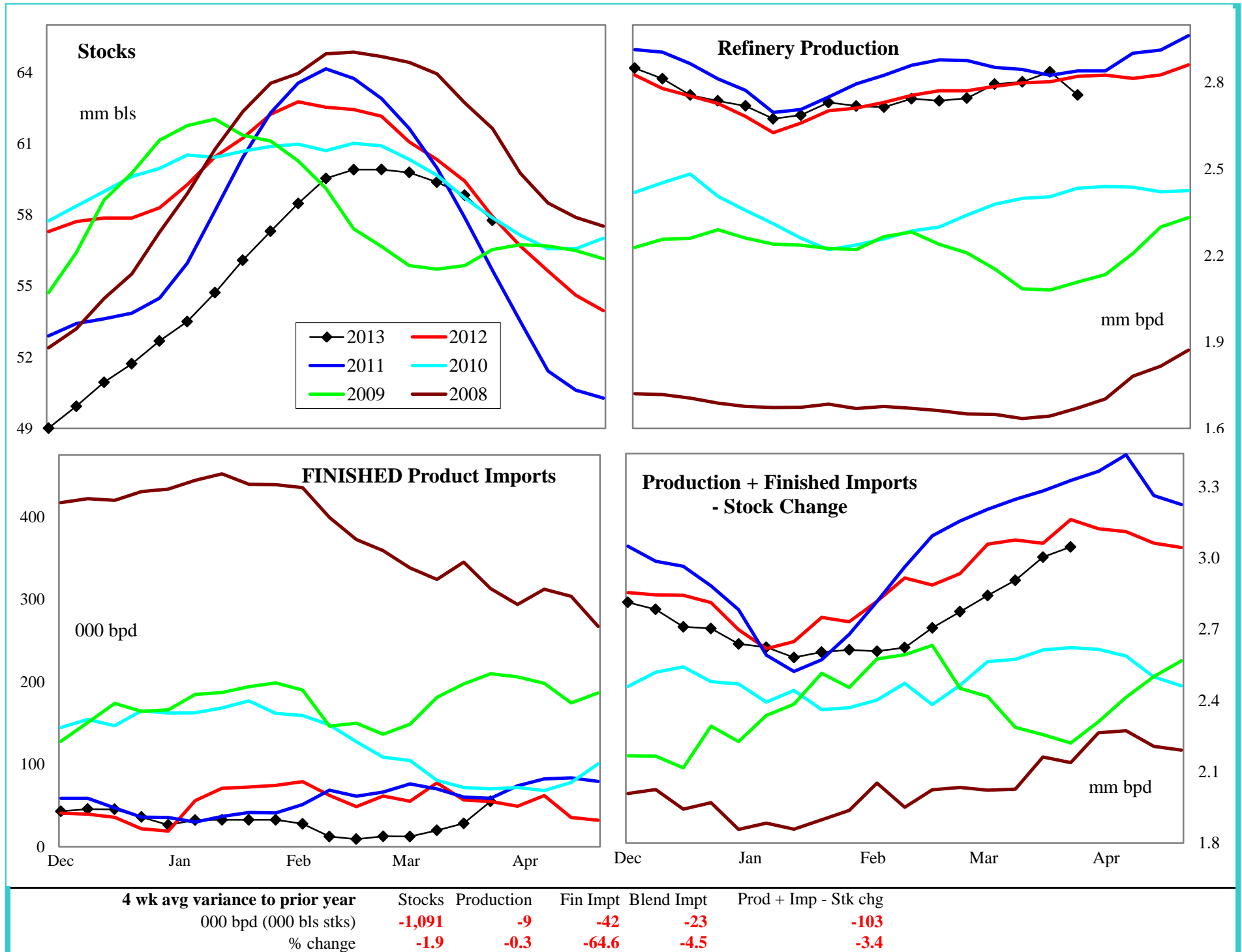
United States Residual Fuel Oil Supply and Demand Balance



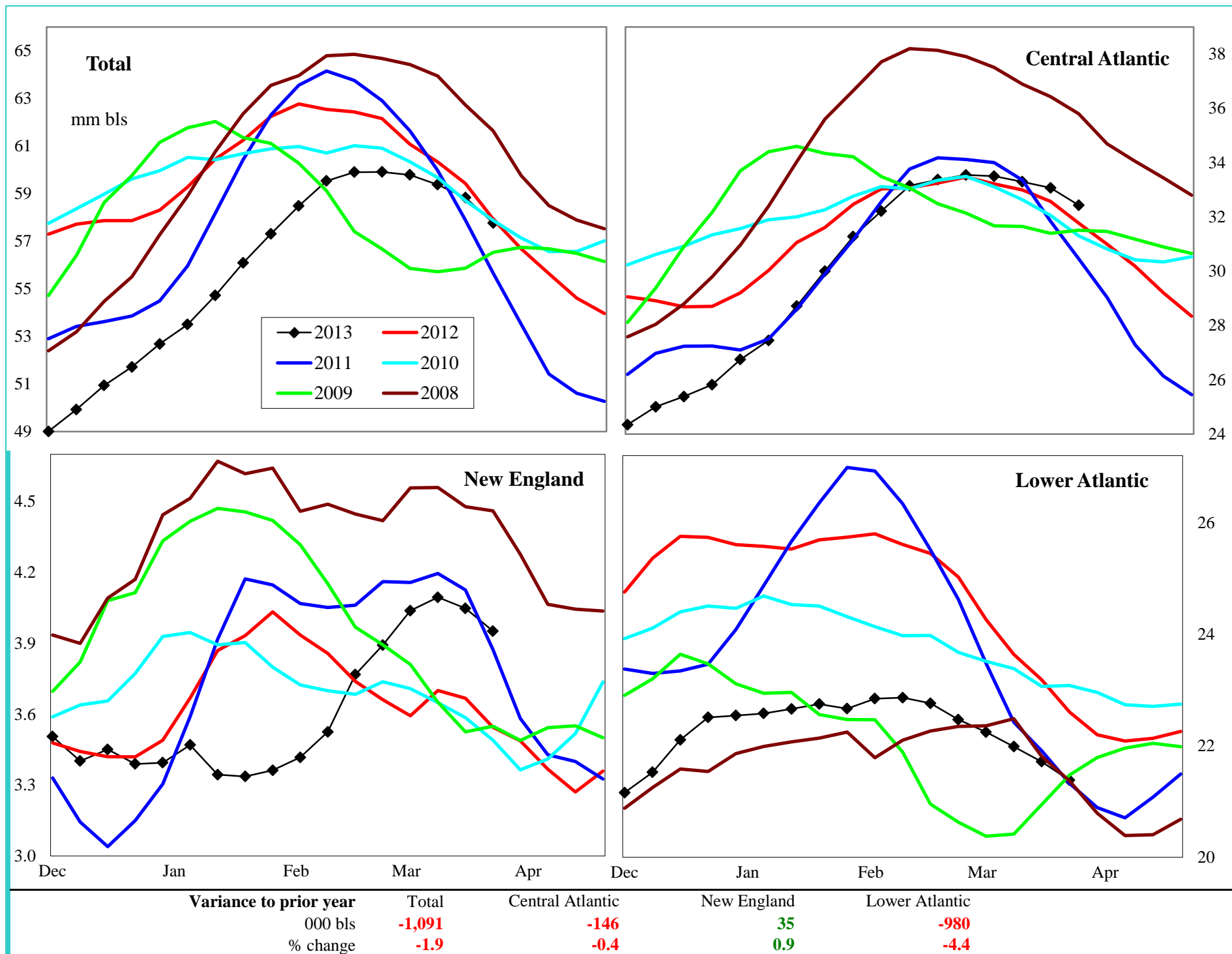
PADD 1 Crude Oil Supply and Refining



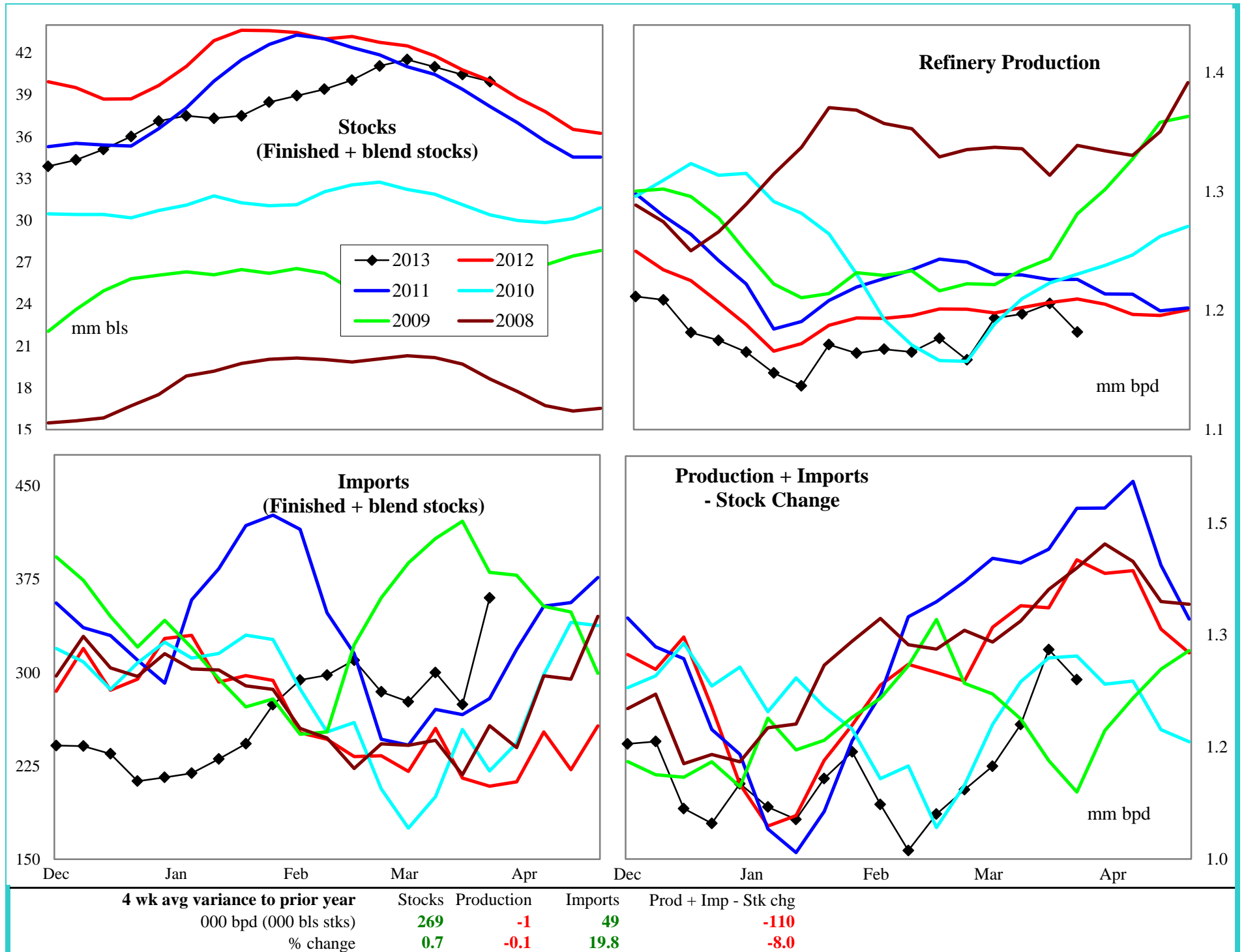
PADD 1 Gasoline Supply



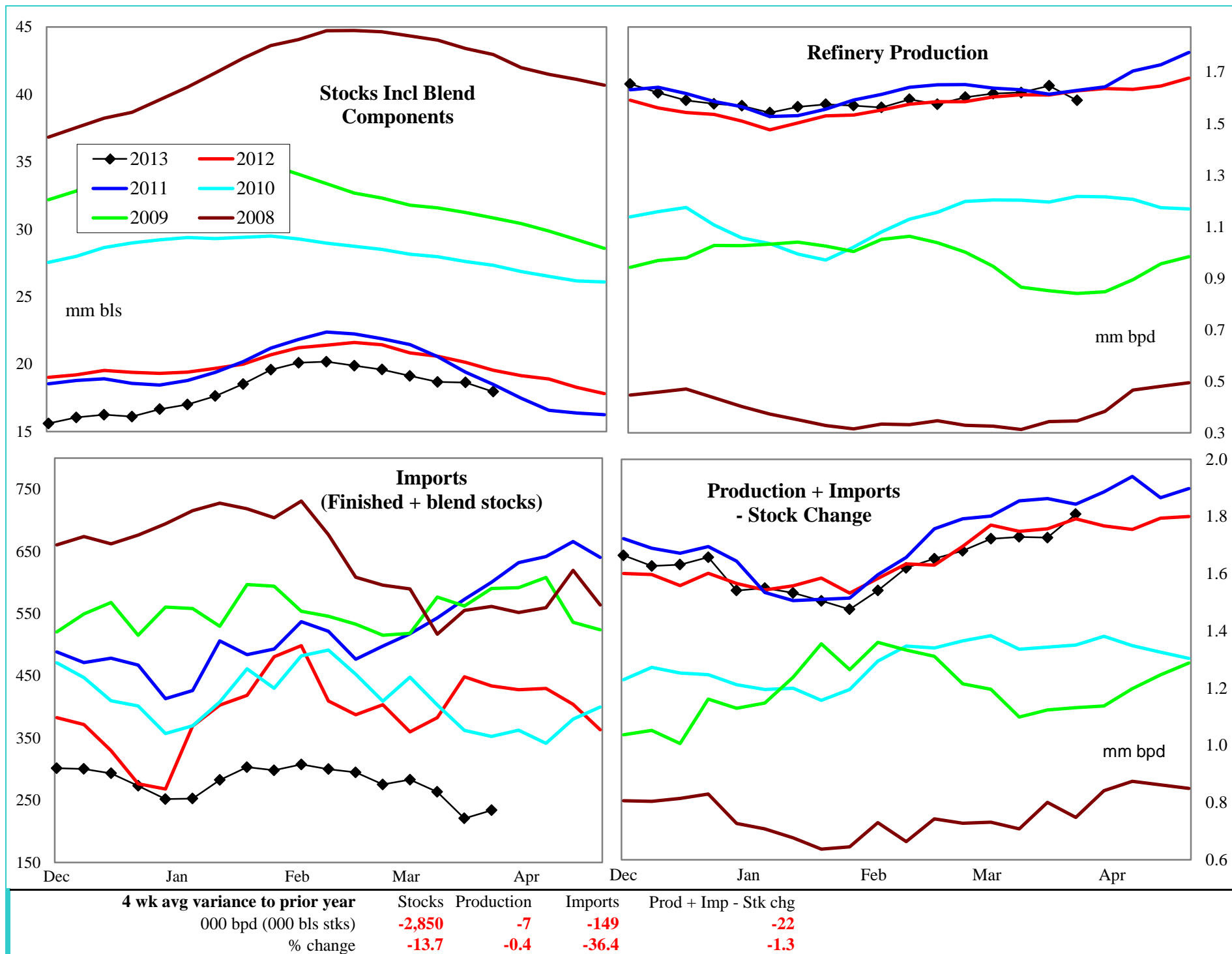
PADD 1 Gasoline Stocks by Region



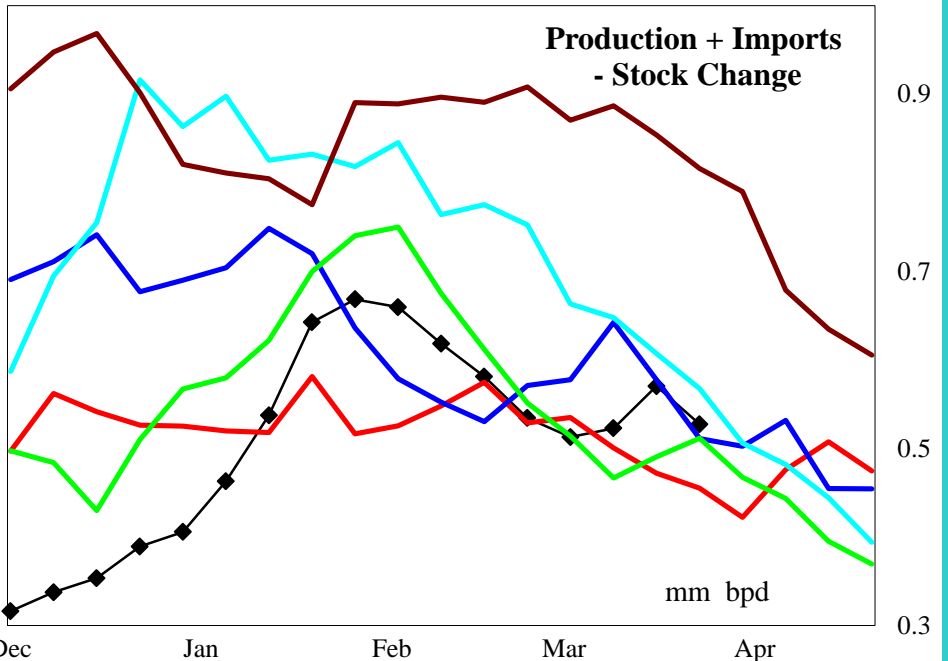
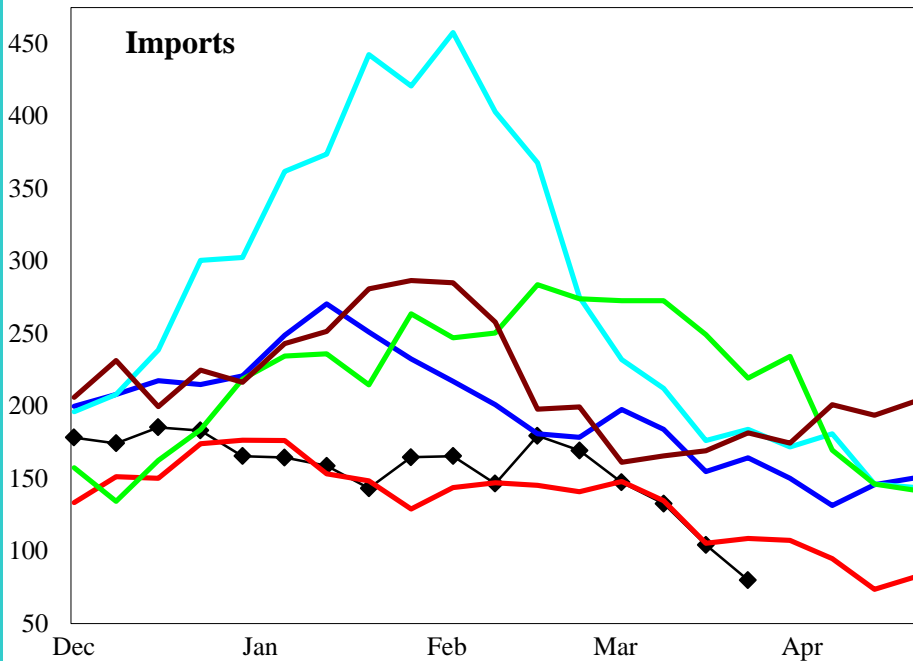
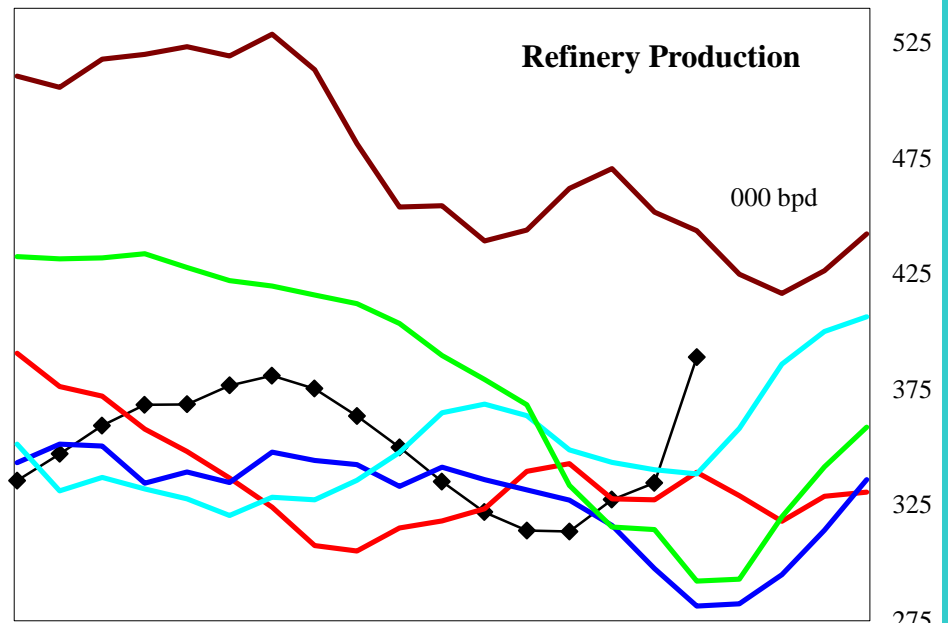
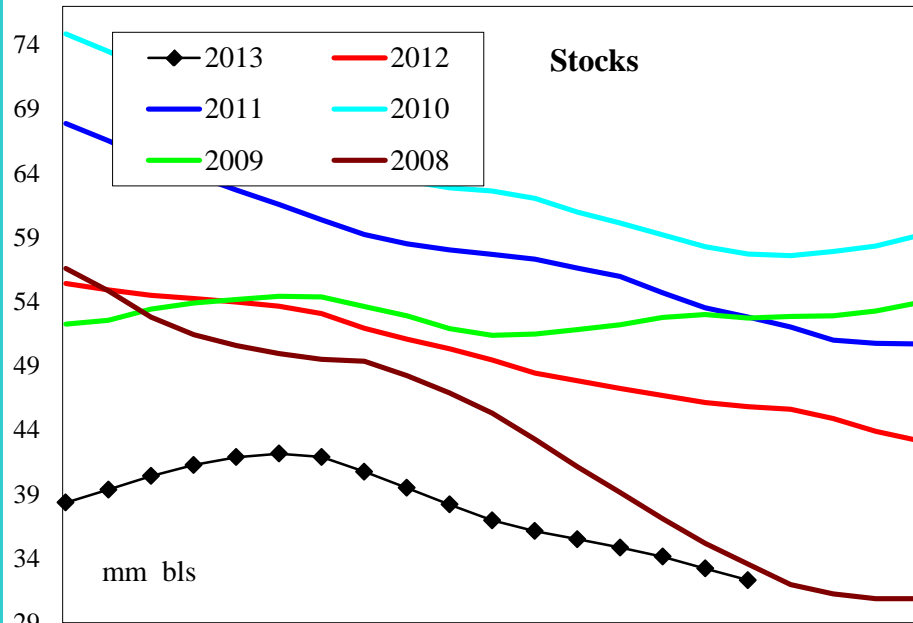
PADD 1 Reformulated Gasoline Supply



PADD 1 Conventional Gasoline Supply



PADD 1 Distillate Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

-14,220

4

12

69

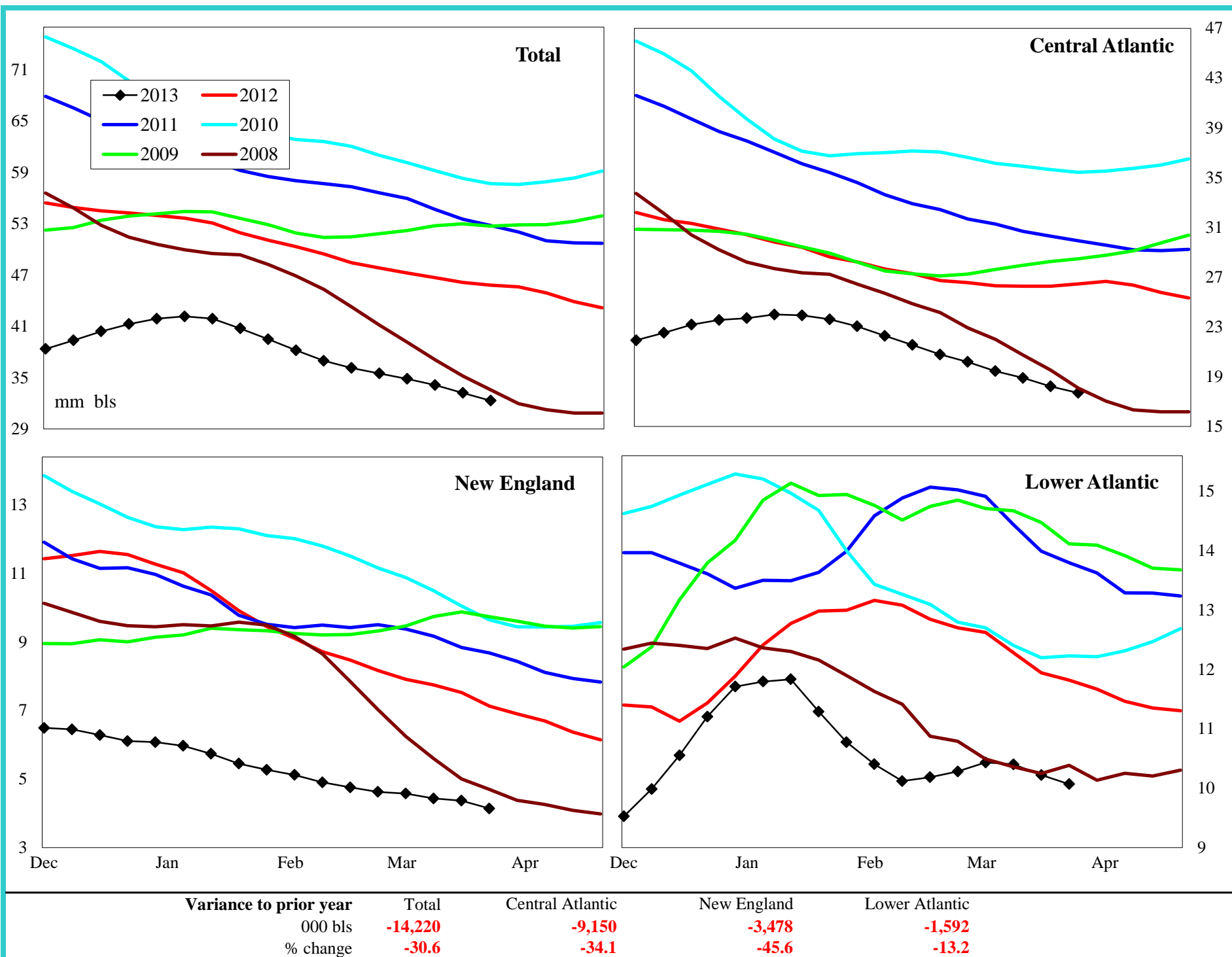
-30.6

1.2

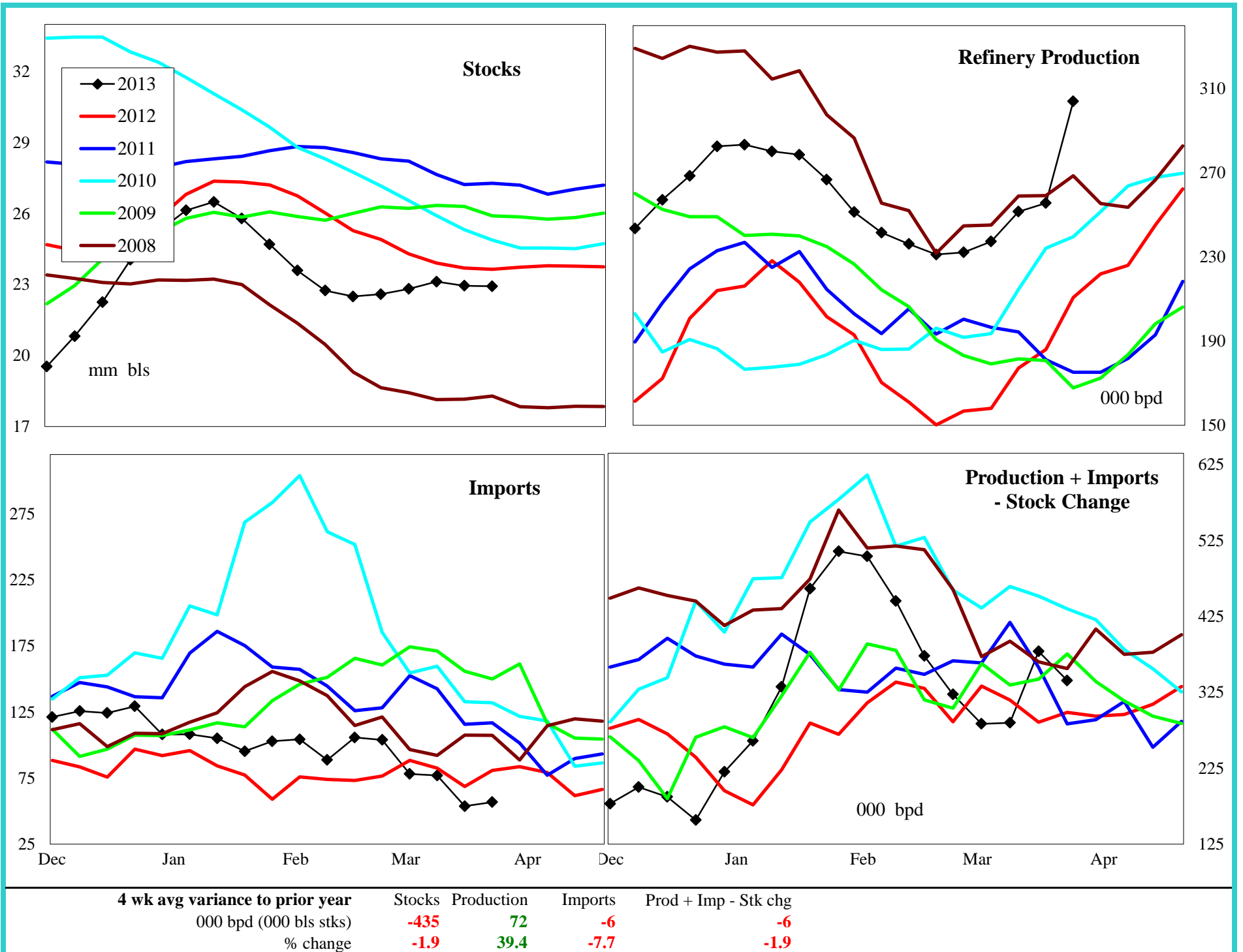
9.0

13.7

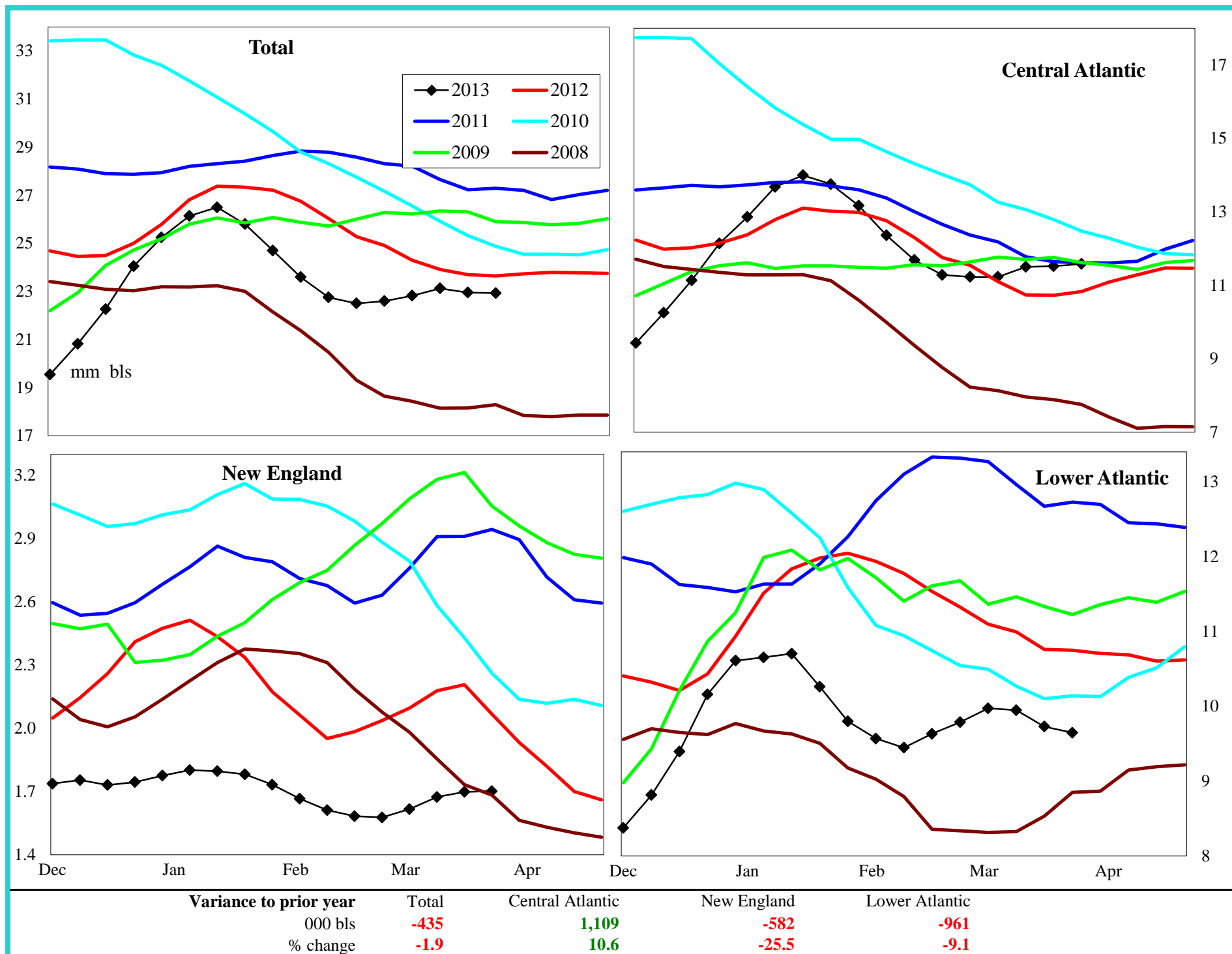
PADD 1 Distillate Stocks by Region



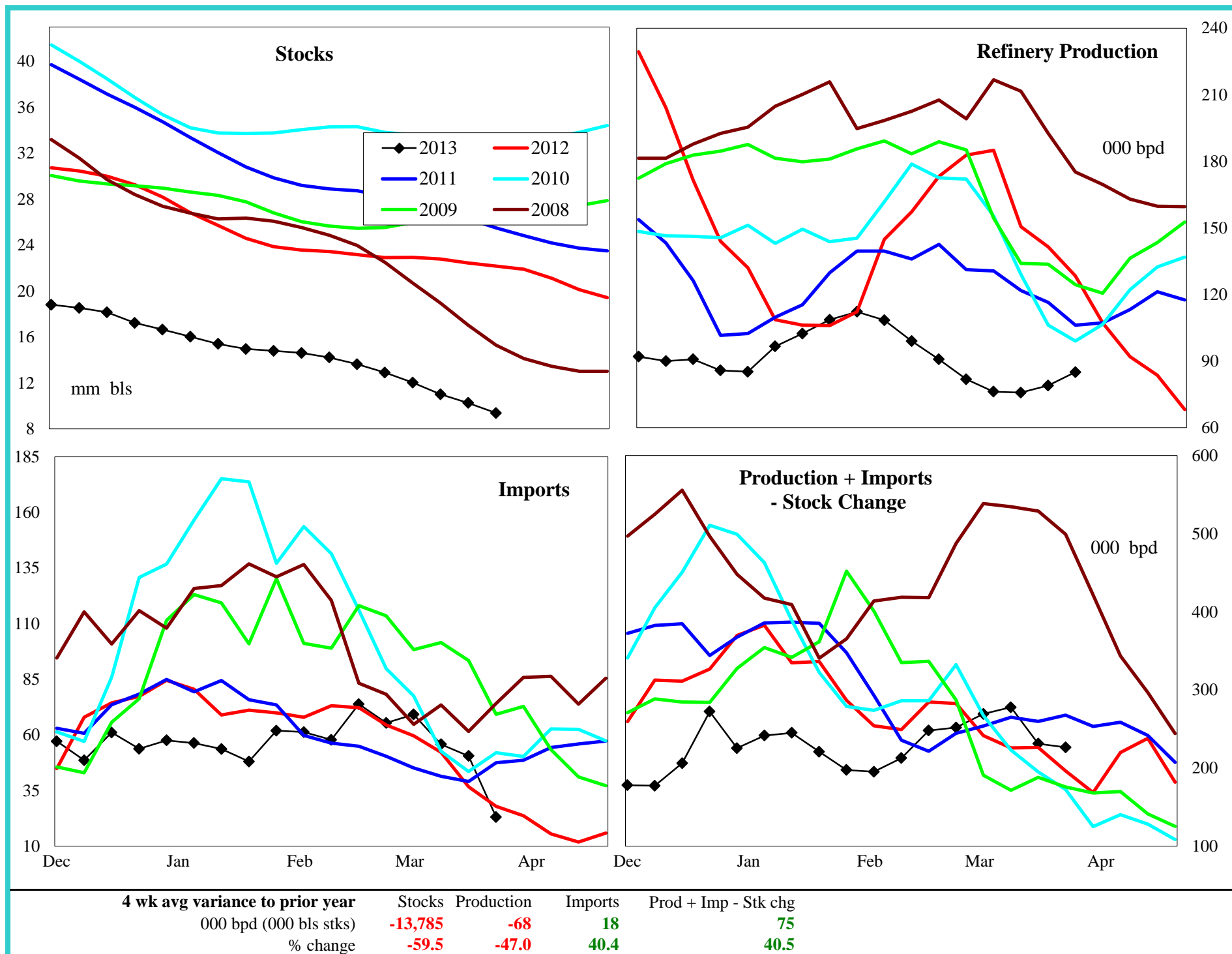
PADD 1 Low Sulfur Distillate Supply



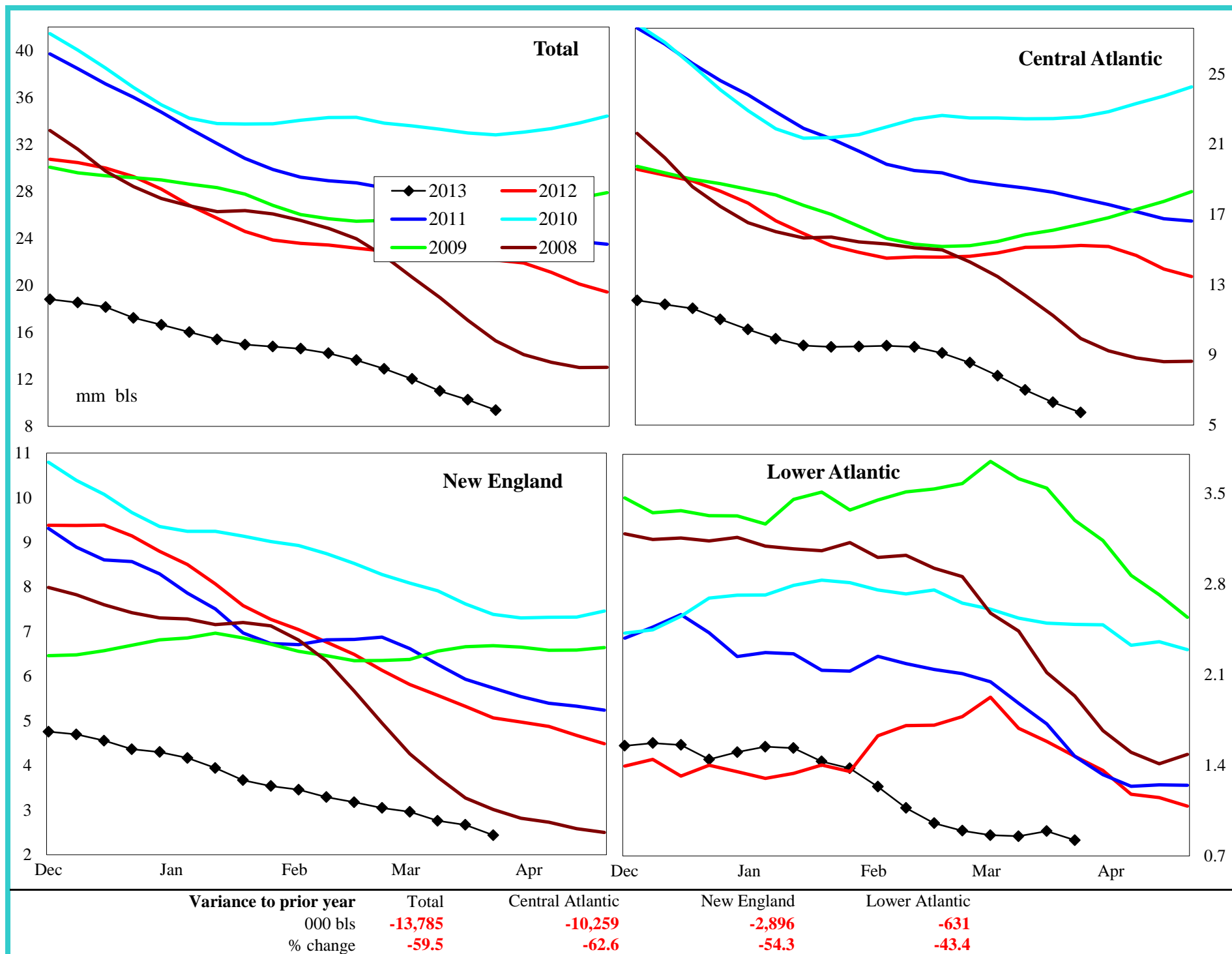
PADD 1 Low Sulfur Distillate Stocks by Region



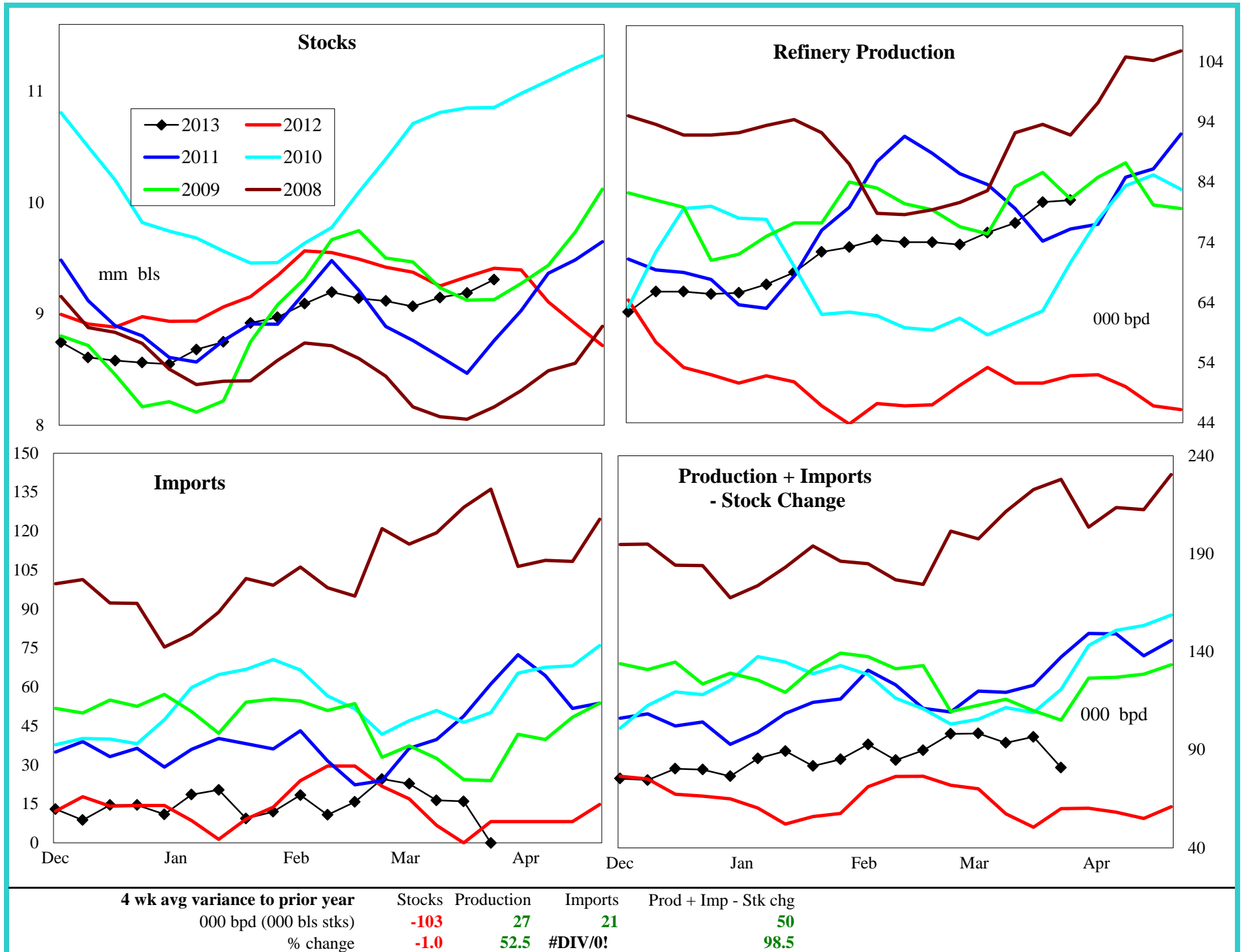
PADD 1 High Sulfur Distillate Supply



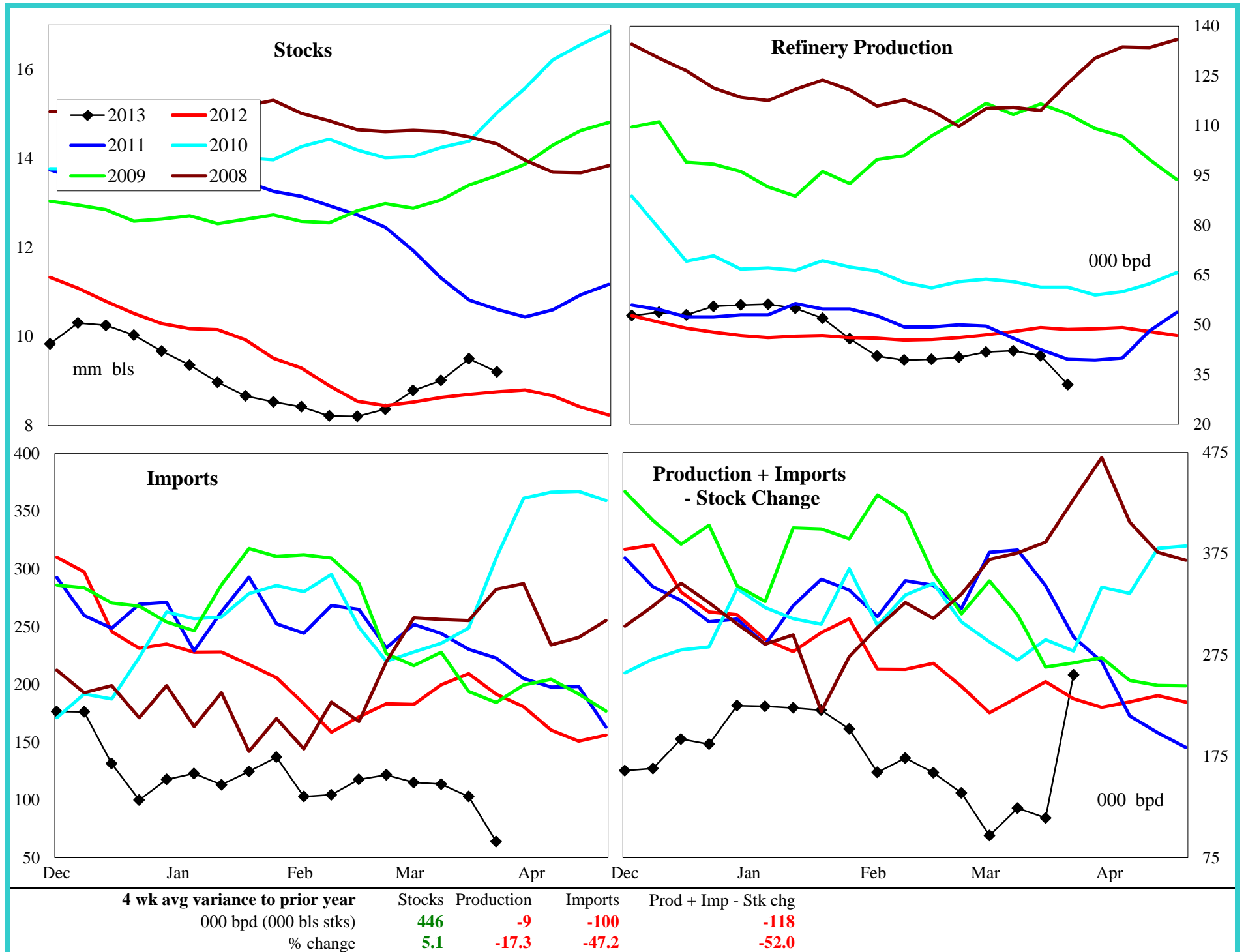
PADD 1 High Sulfur Distillate Stocks by Region



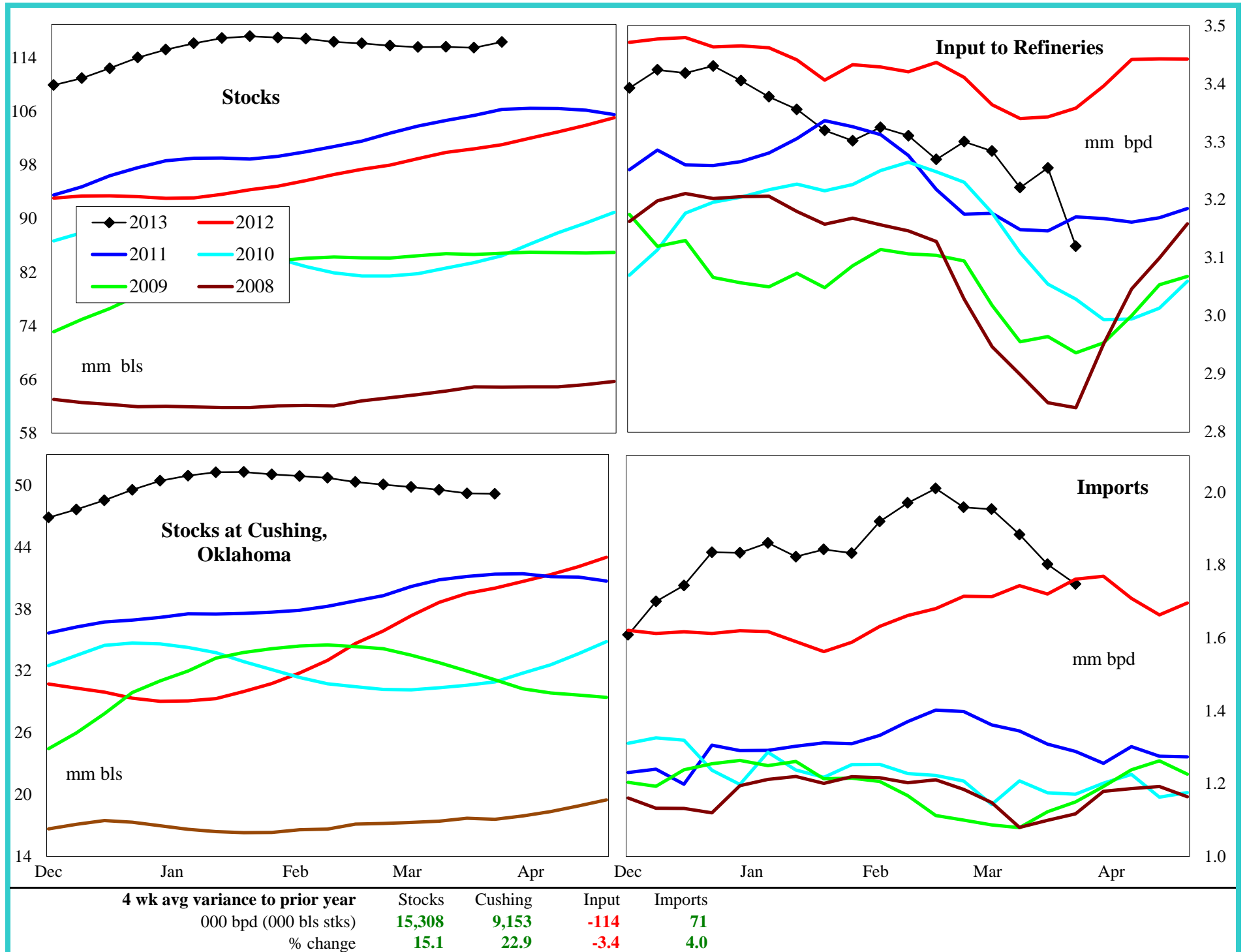
PADD 1 Jet Fuel Supply



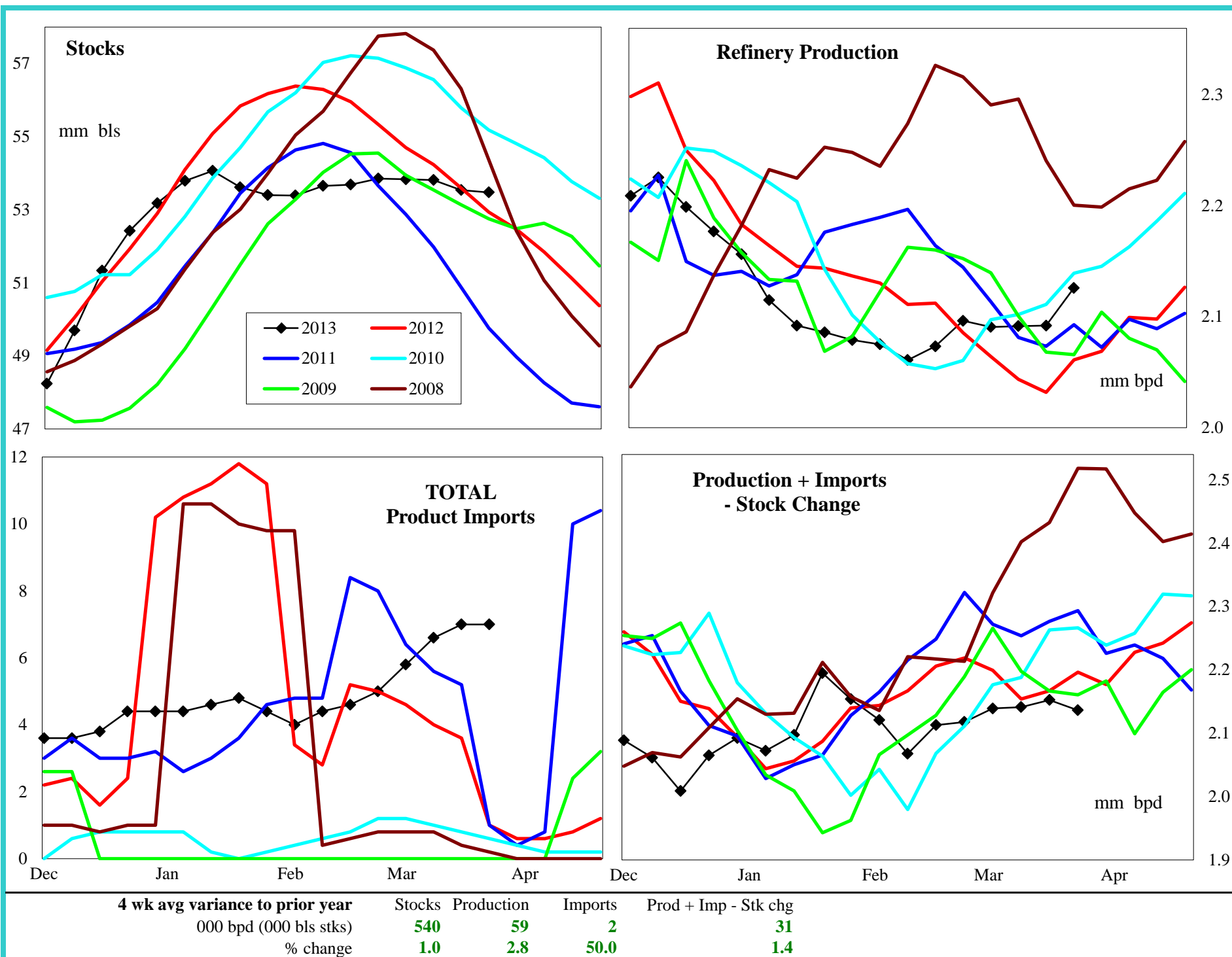
PADD 1 Residual Fuel Oil Supply



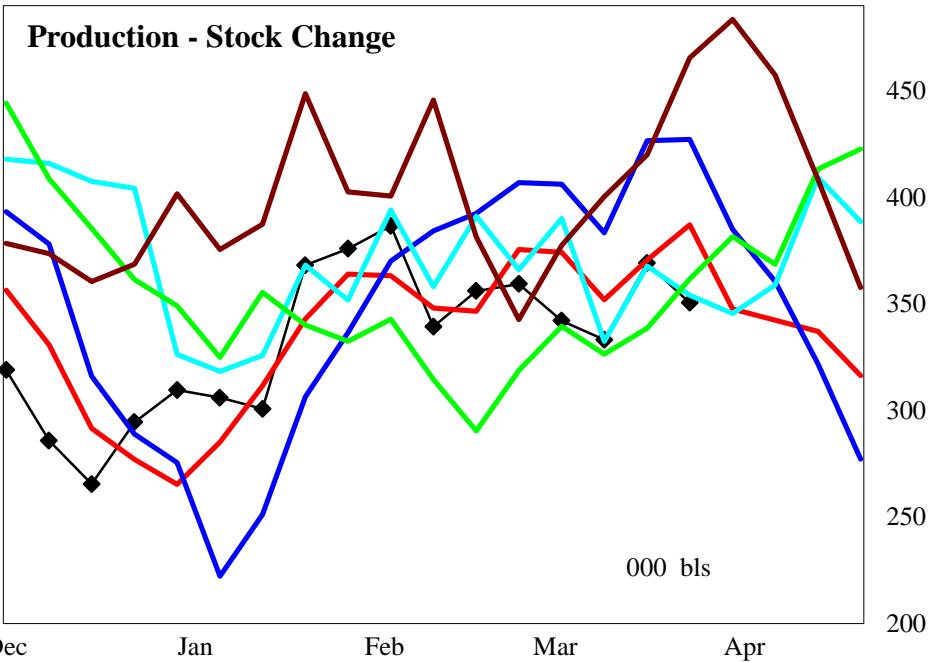
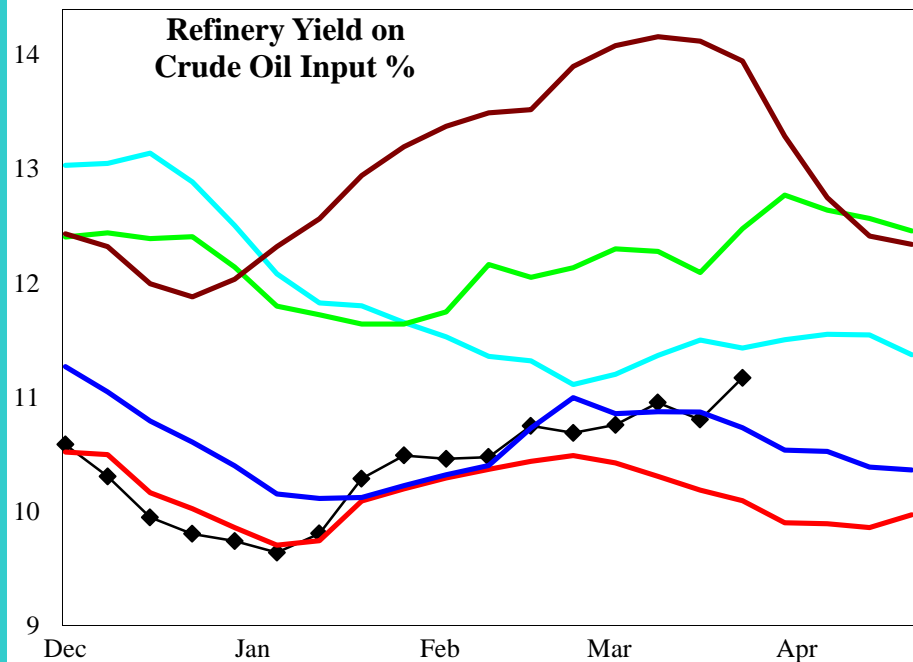
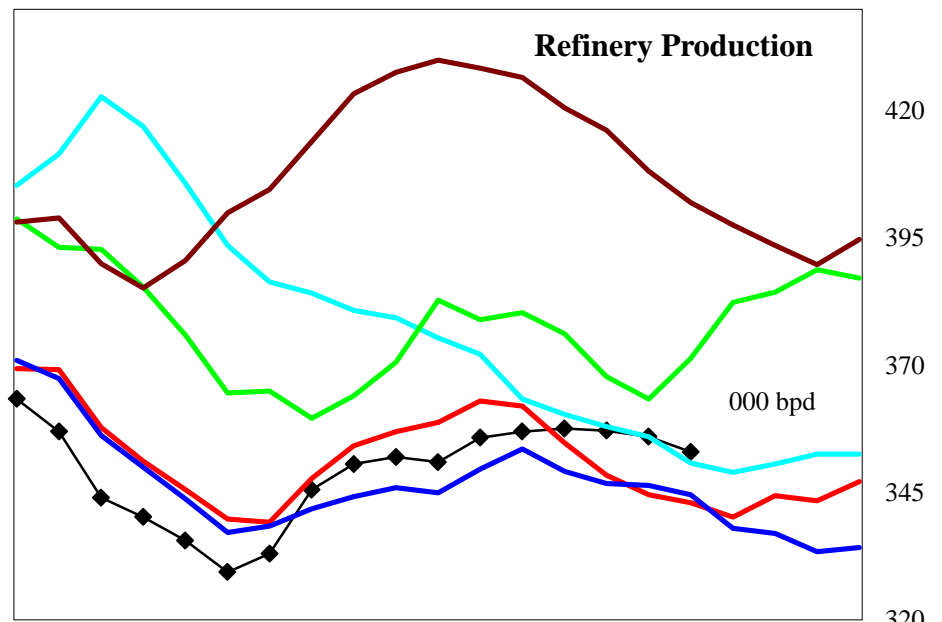
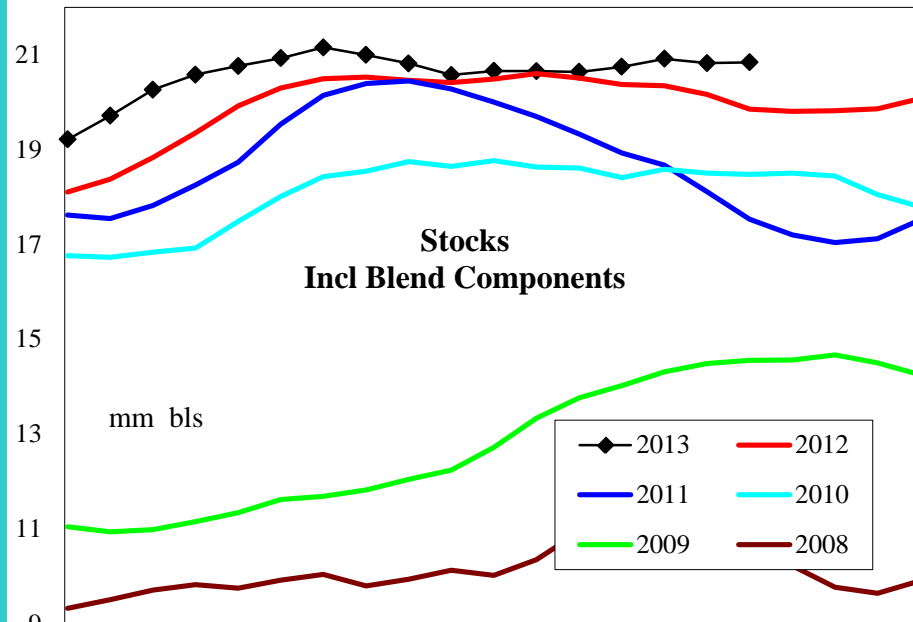
PADD 2 Crude Oil Supply and Refining



PADD 2 Gasoline Supply



PADD 2 Reformulated Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

984

8

5.0

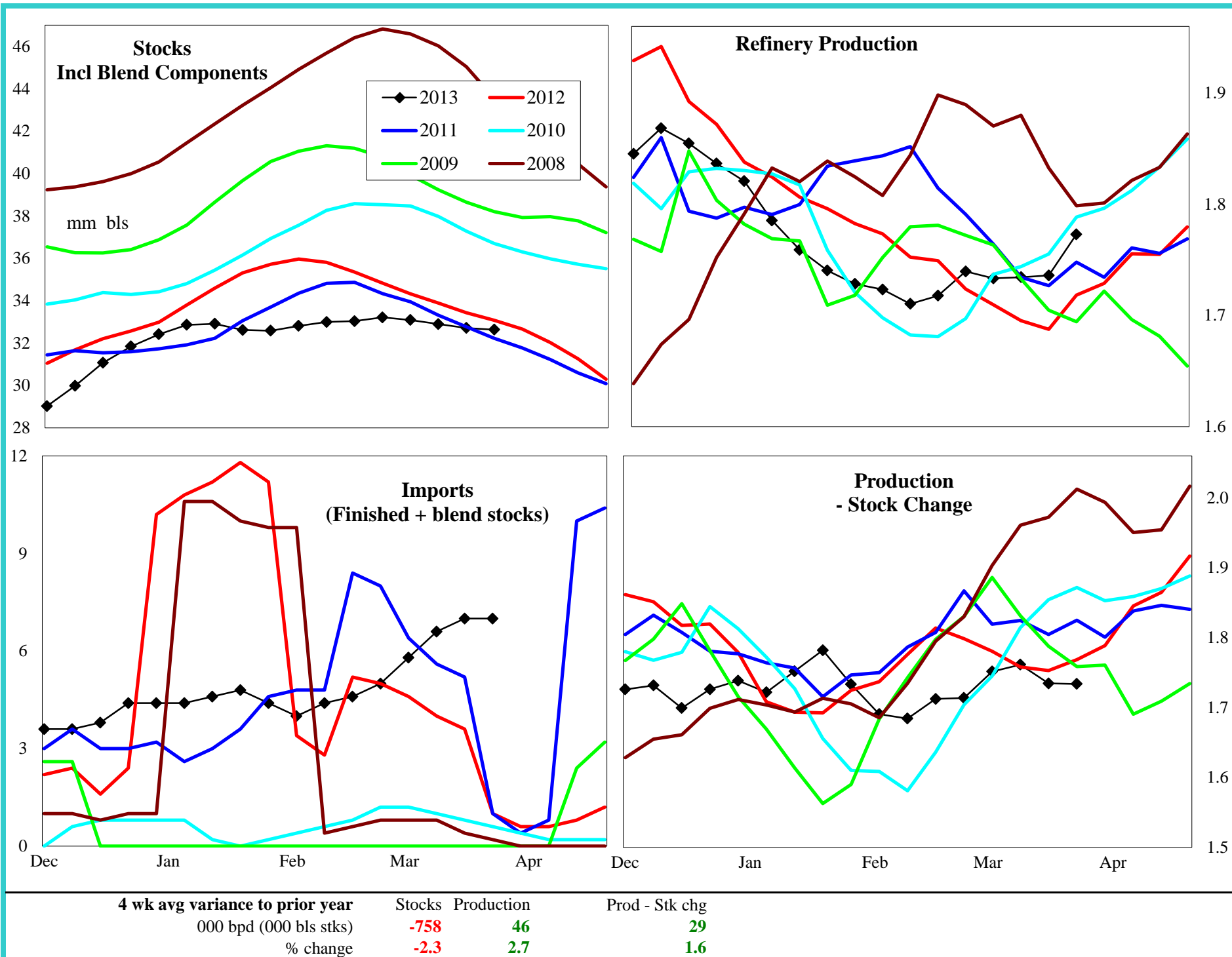
2.4

Prod - Stk chg

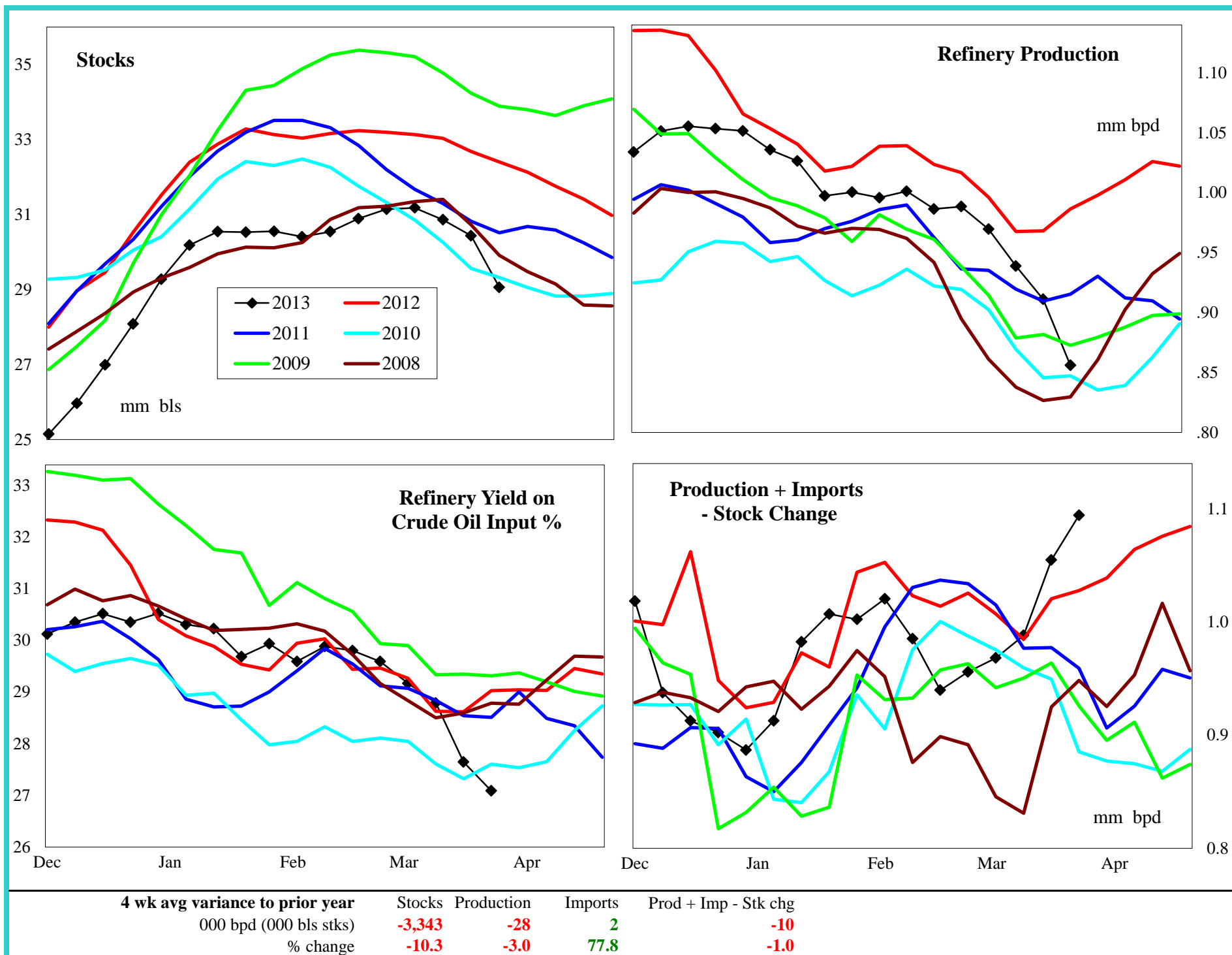
-22

-6.0

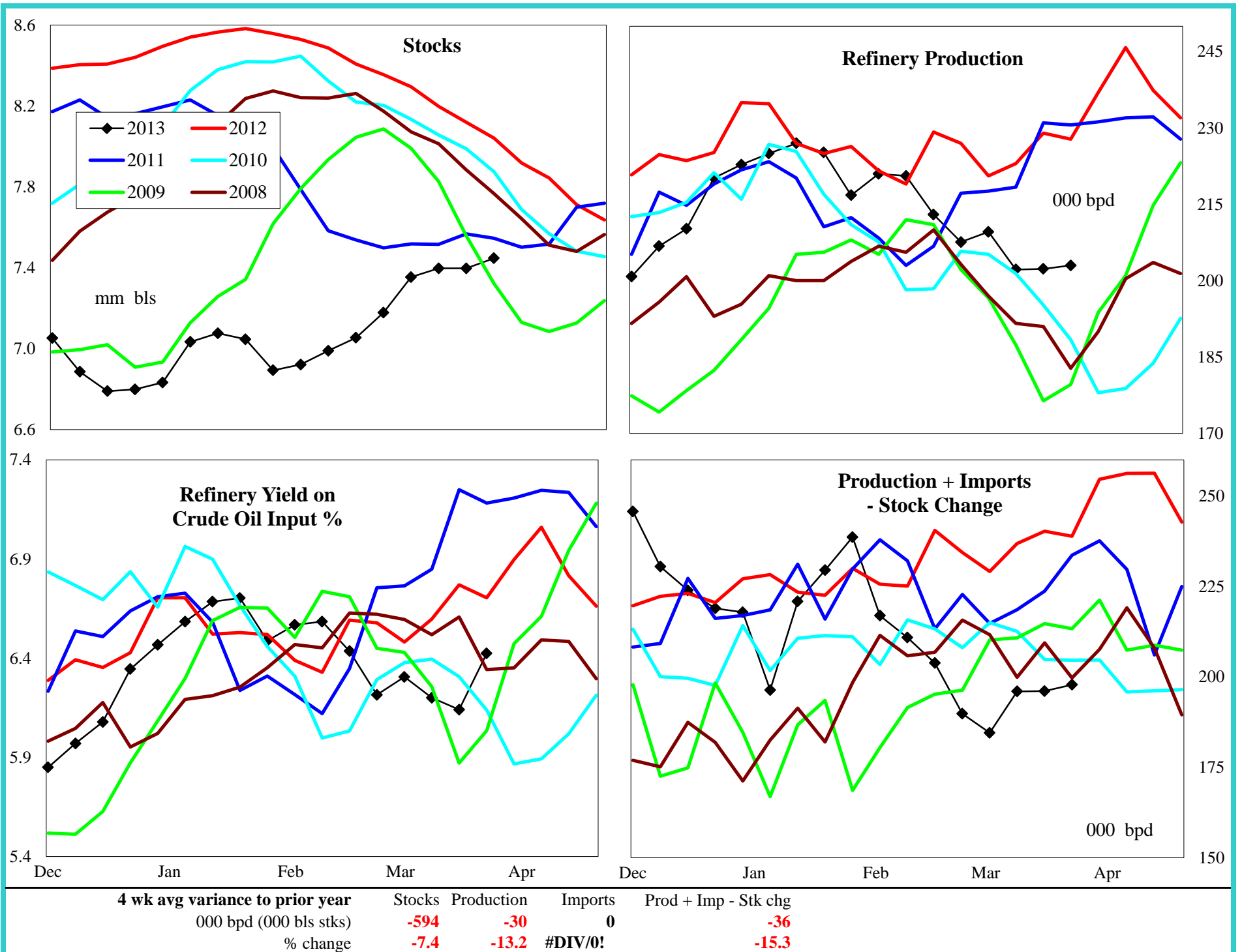
PADD 2 Conventional Gasoline Supply



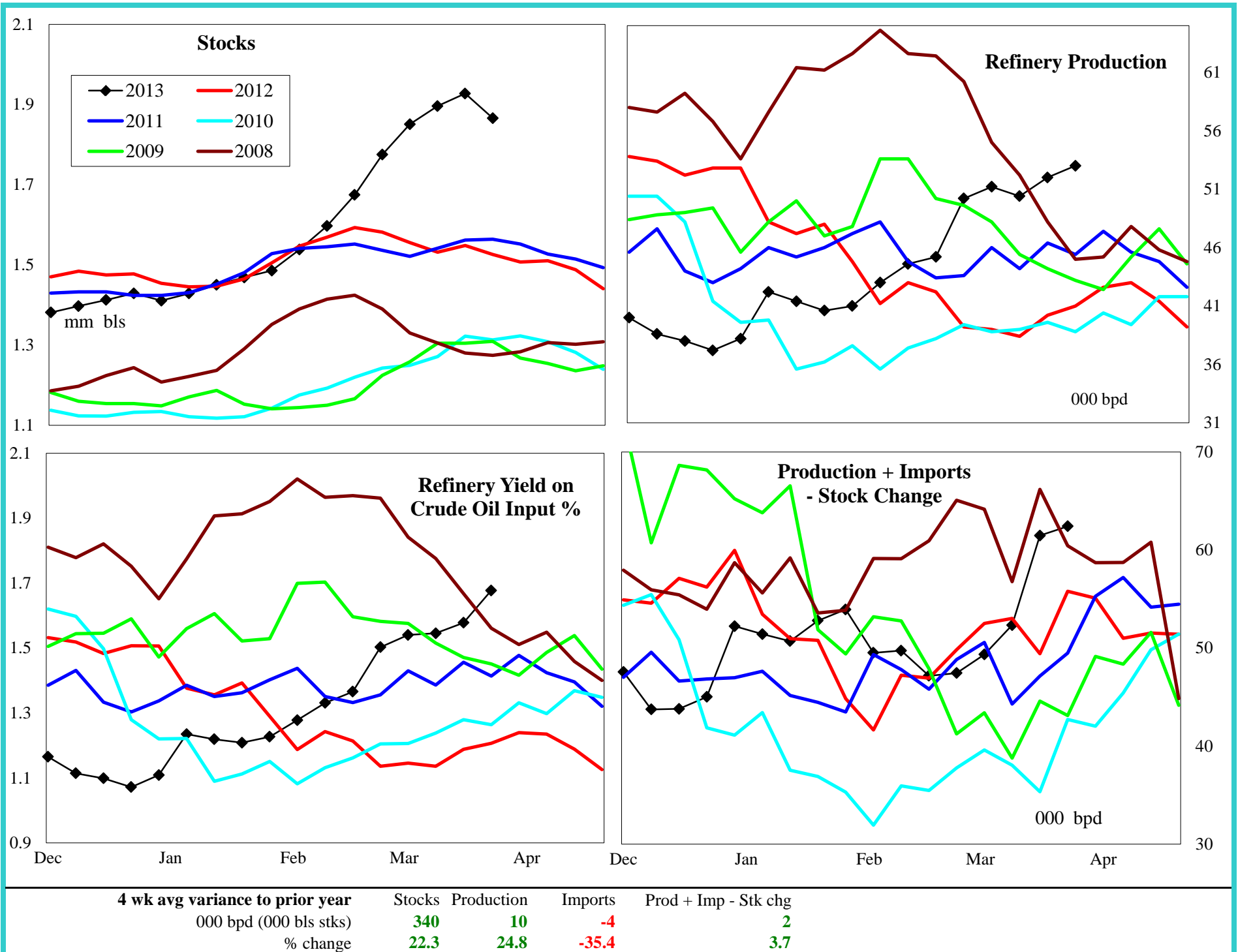
PADD 2 Distillate Supply



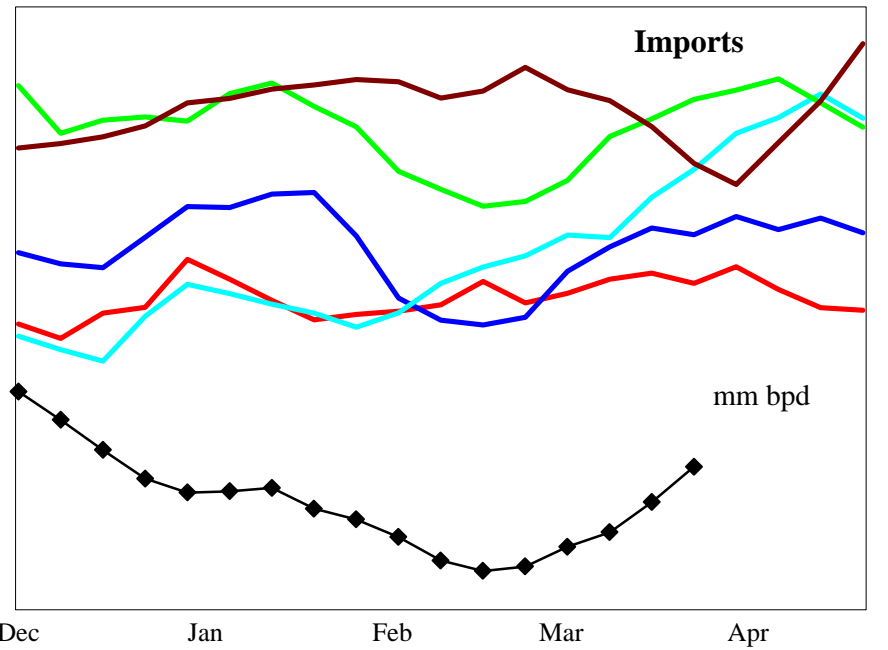
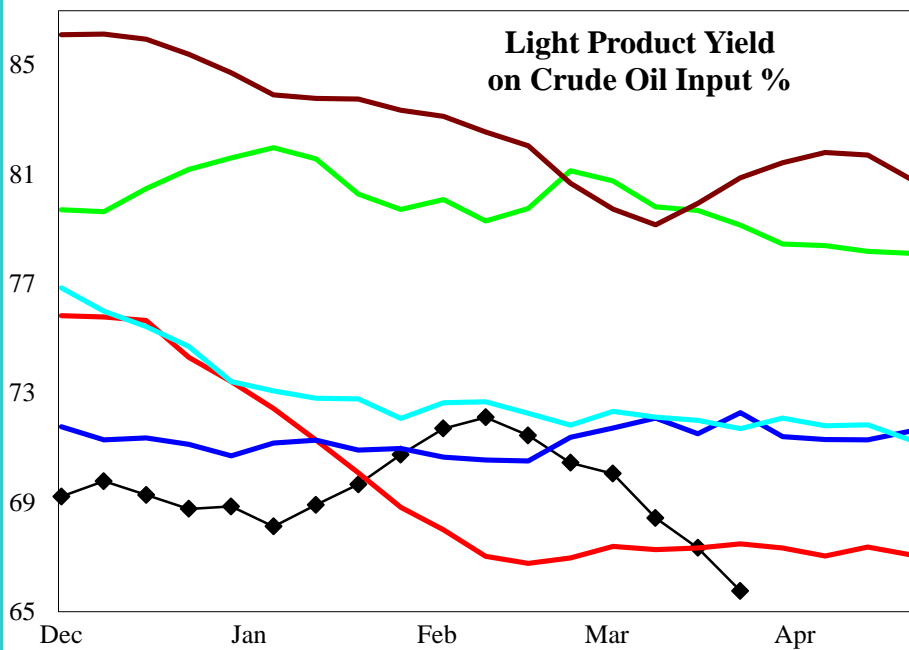
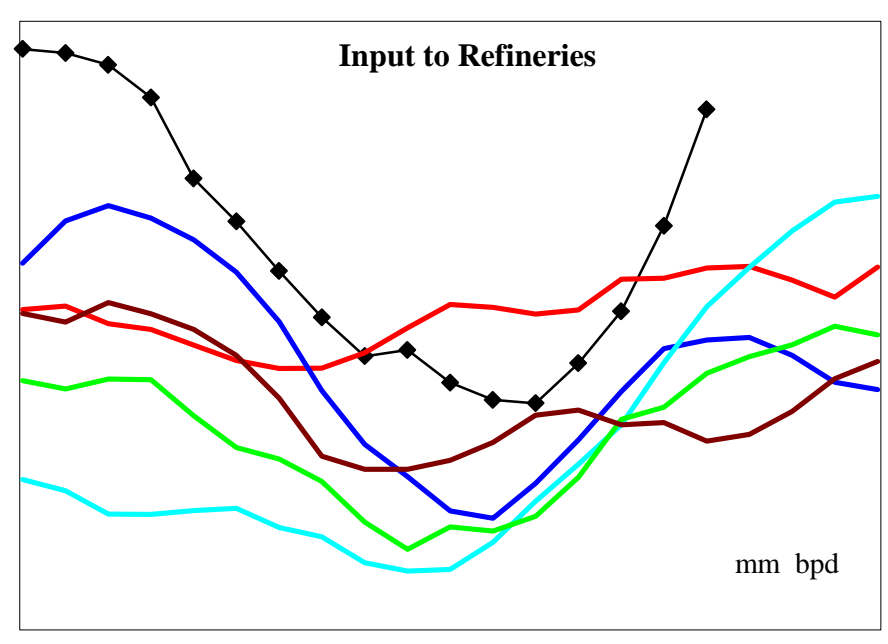
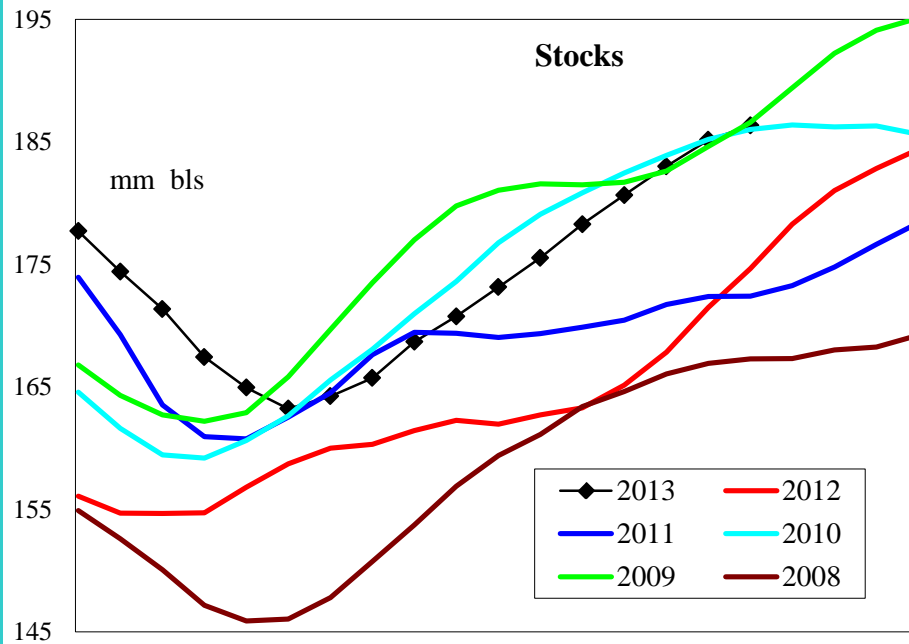
PADD 2 Jet Fuel Supply



PADD 2 Residual Fuel Oil Supply



PADD 3 Crude Oil Supply and Refining



4 wk avg variance to prior year

000 bpd (000 bbls stks)

% change

Stocks

11,686

6.7

Input

14

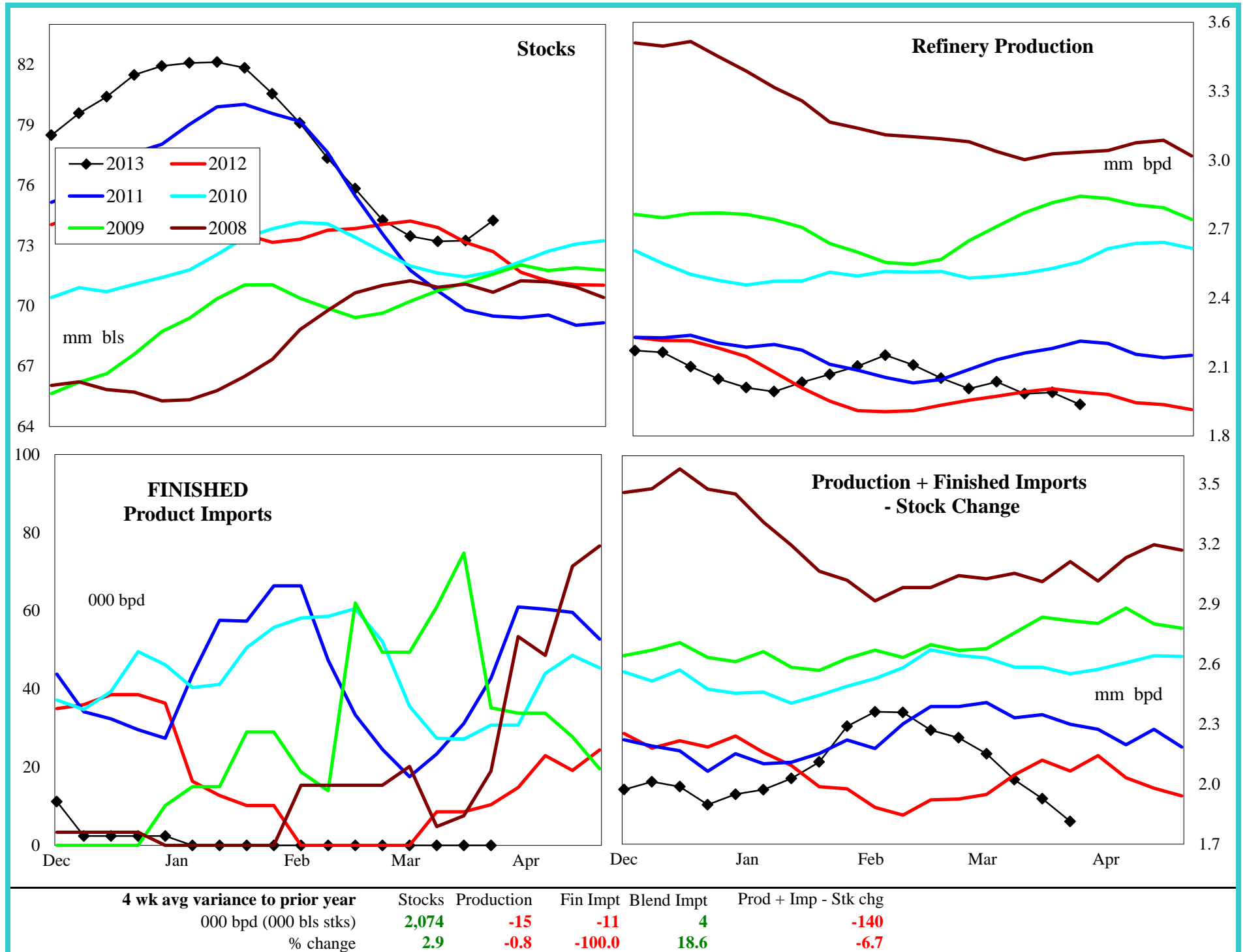
0.2

Imports

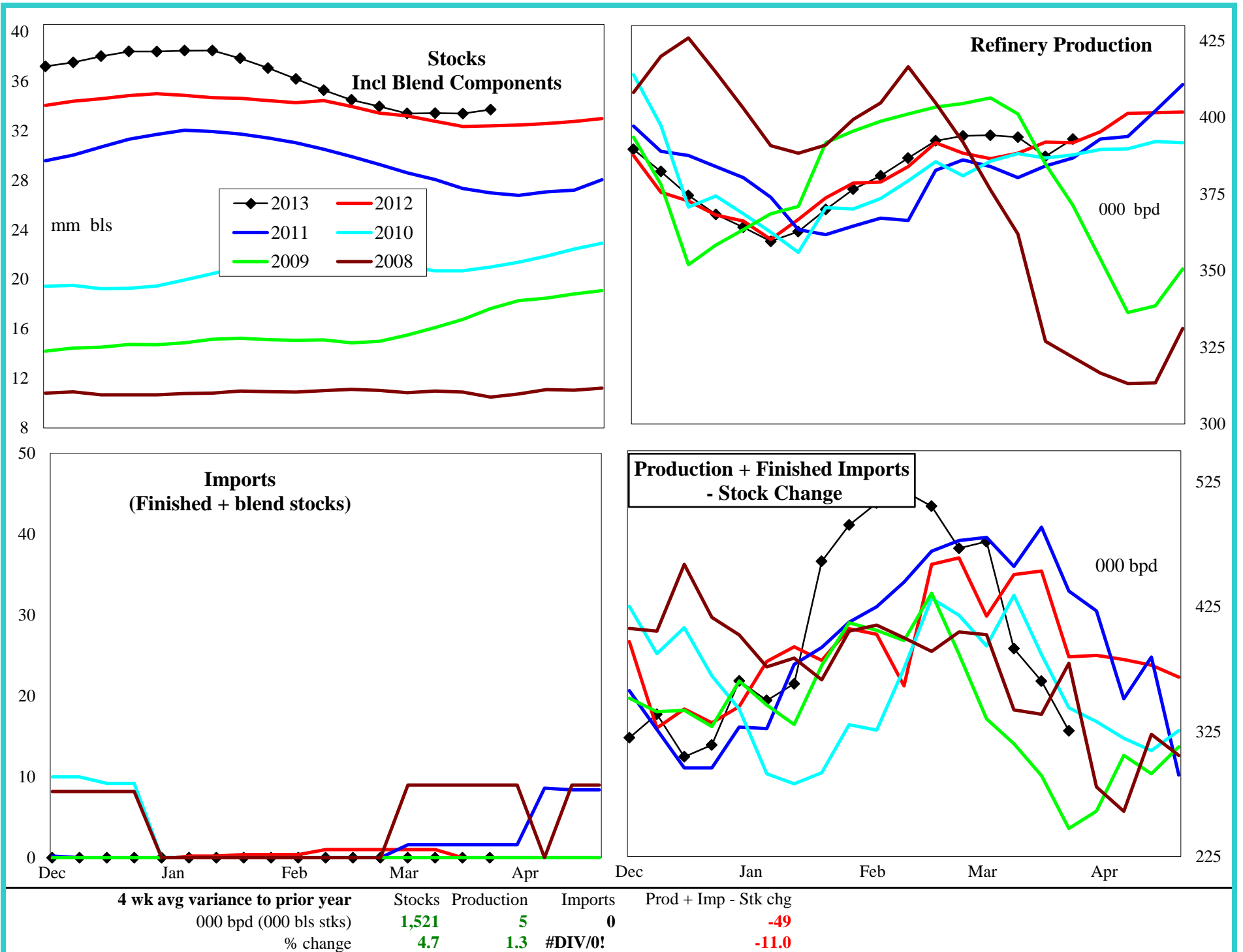
-1,252

-25.4

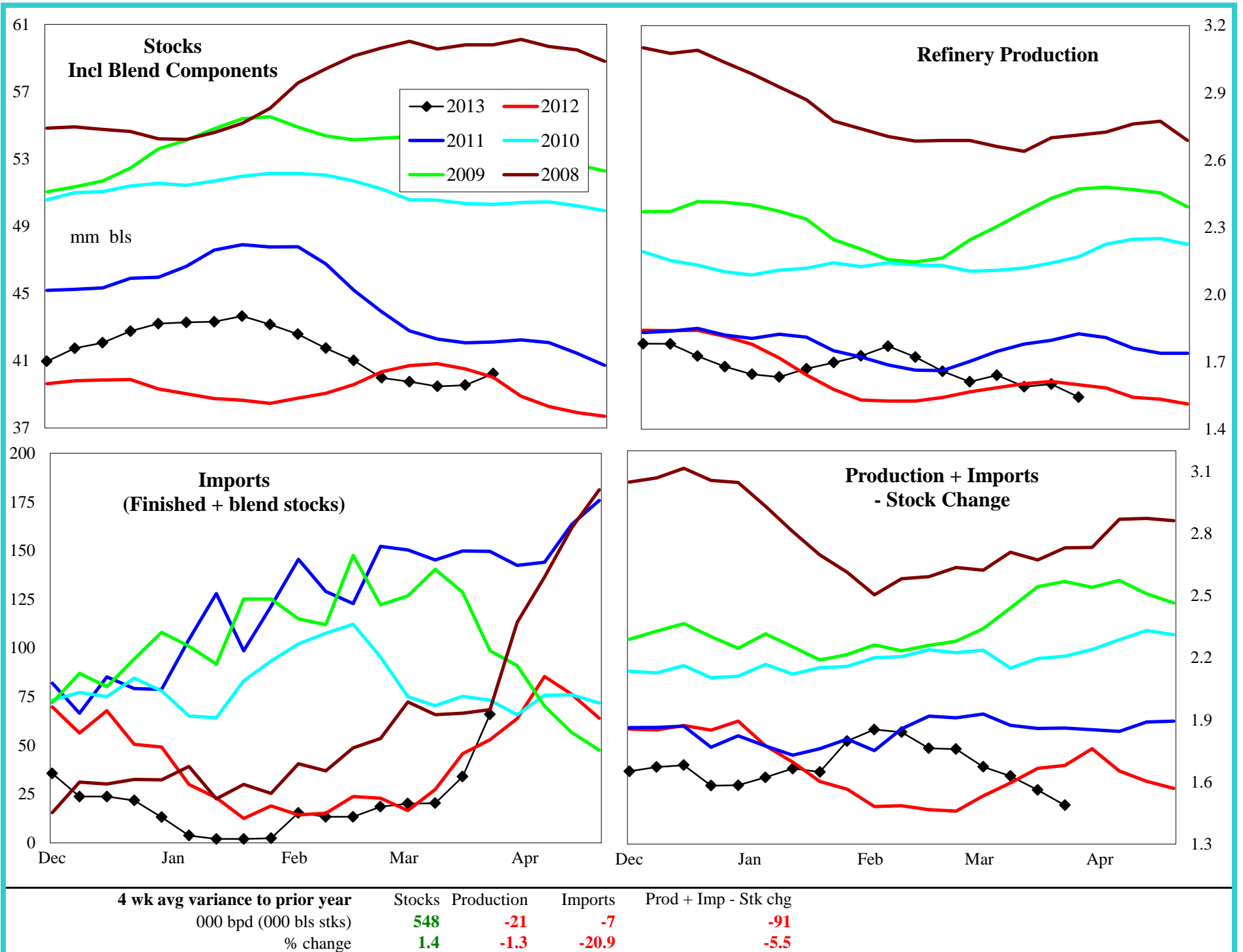
PADD 3 Gasoline Supply



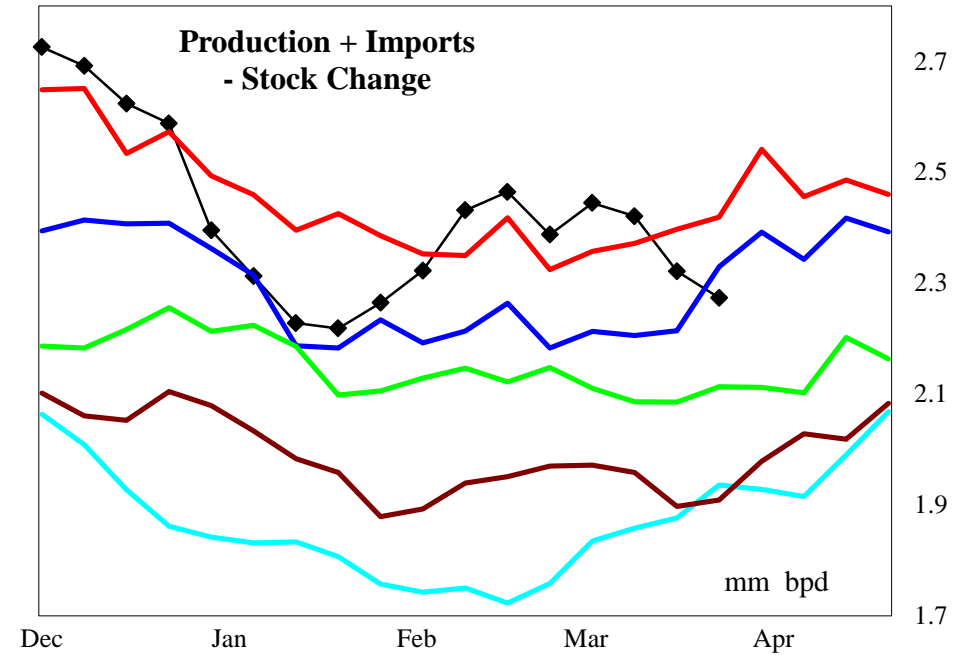
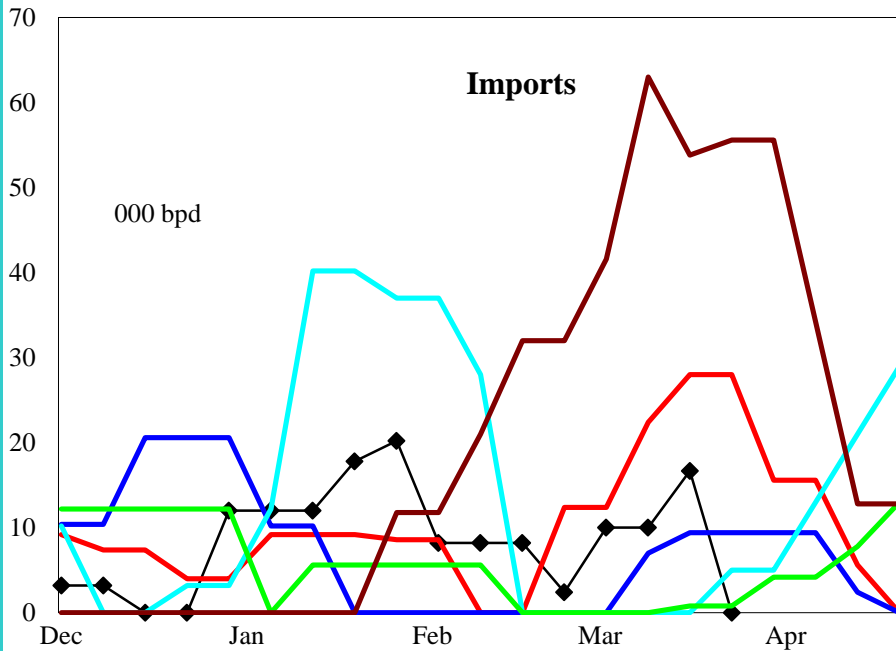
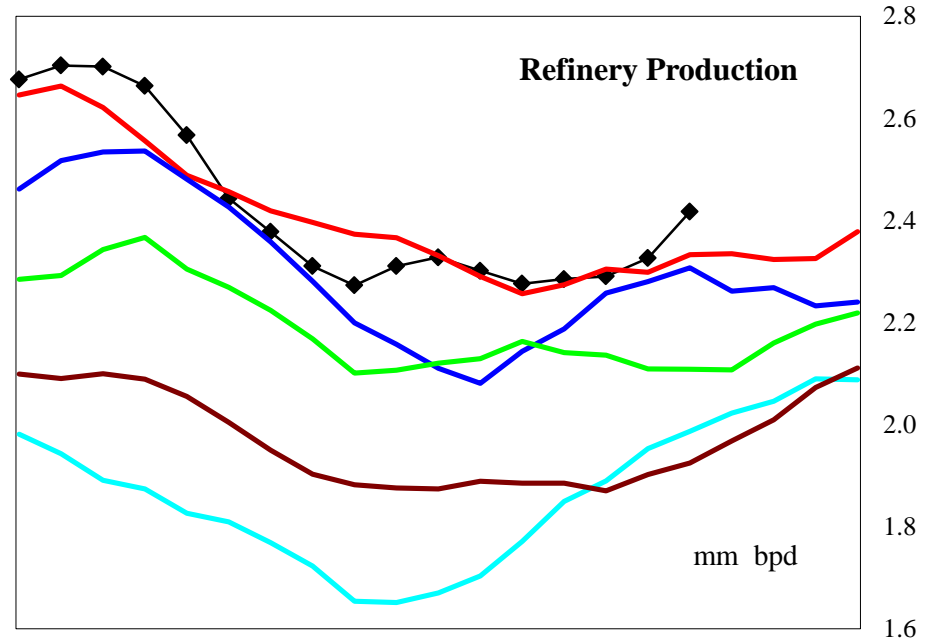
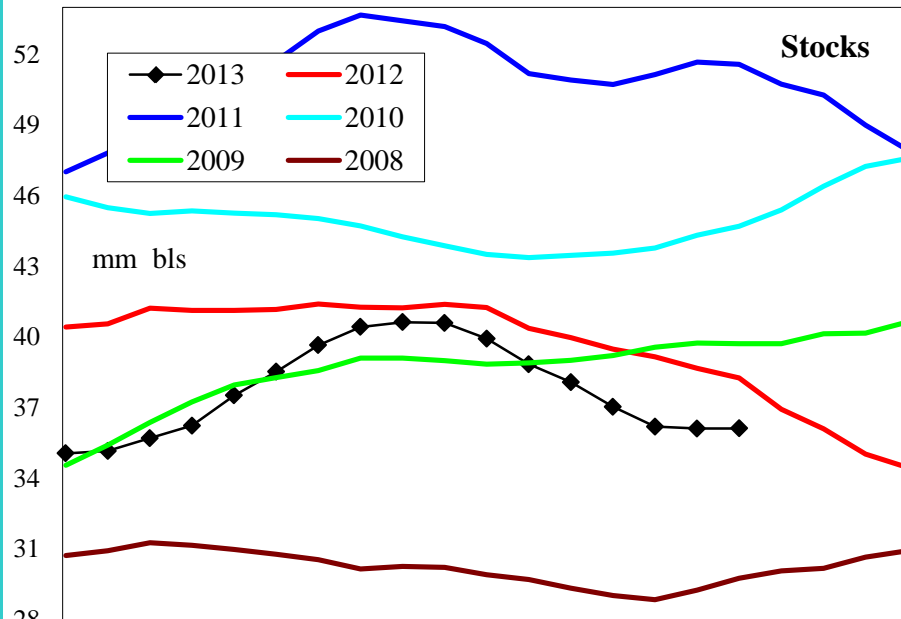
PADD 3 Reformulated Gasoline Supply



PADD 3 Conventional Gasoline Supply



PADD 3 Distillate Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

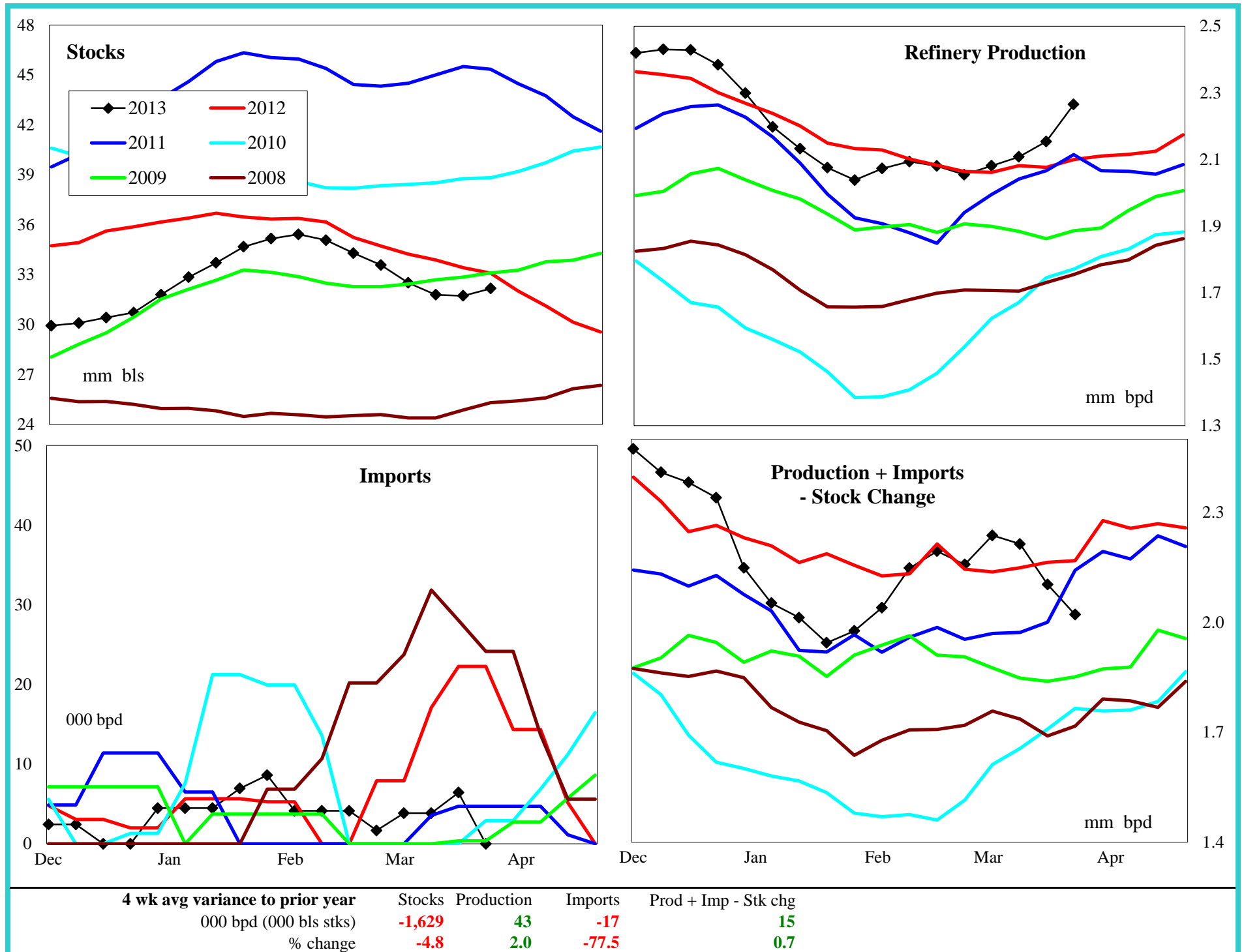
Production

Imports

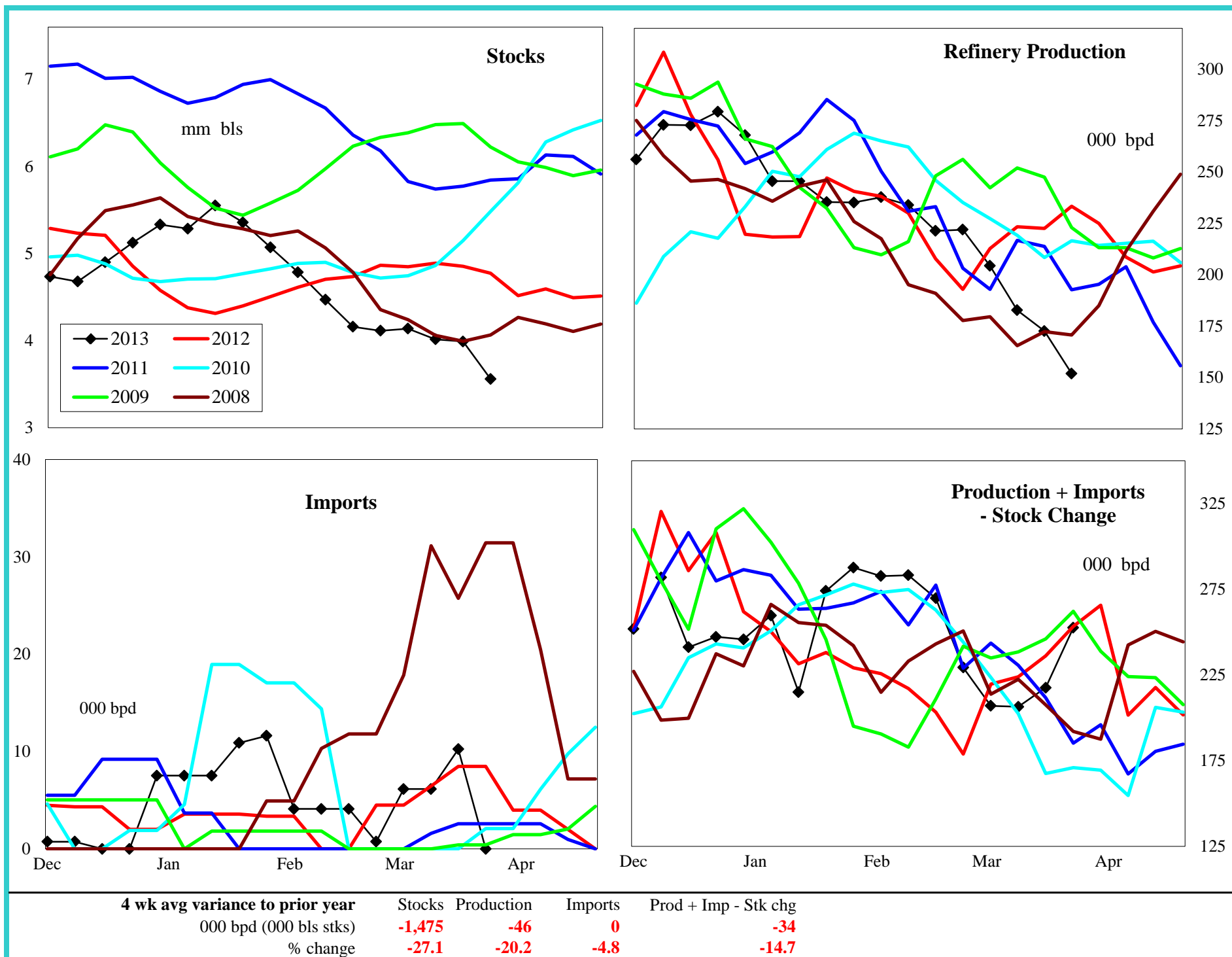
Prod + Imp - Stk chg

-3,103**-3****-16****-17****-7.9****-0.1****-55.4****-0.7**

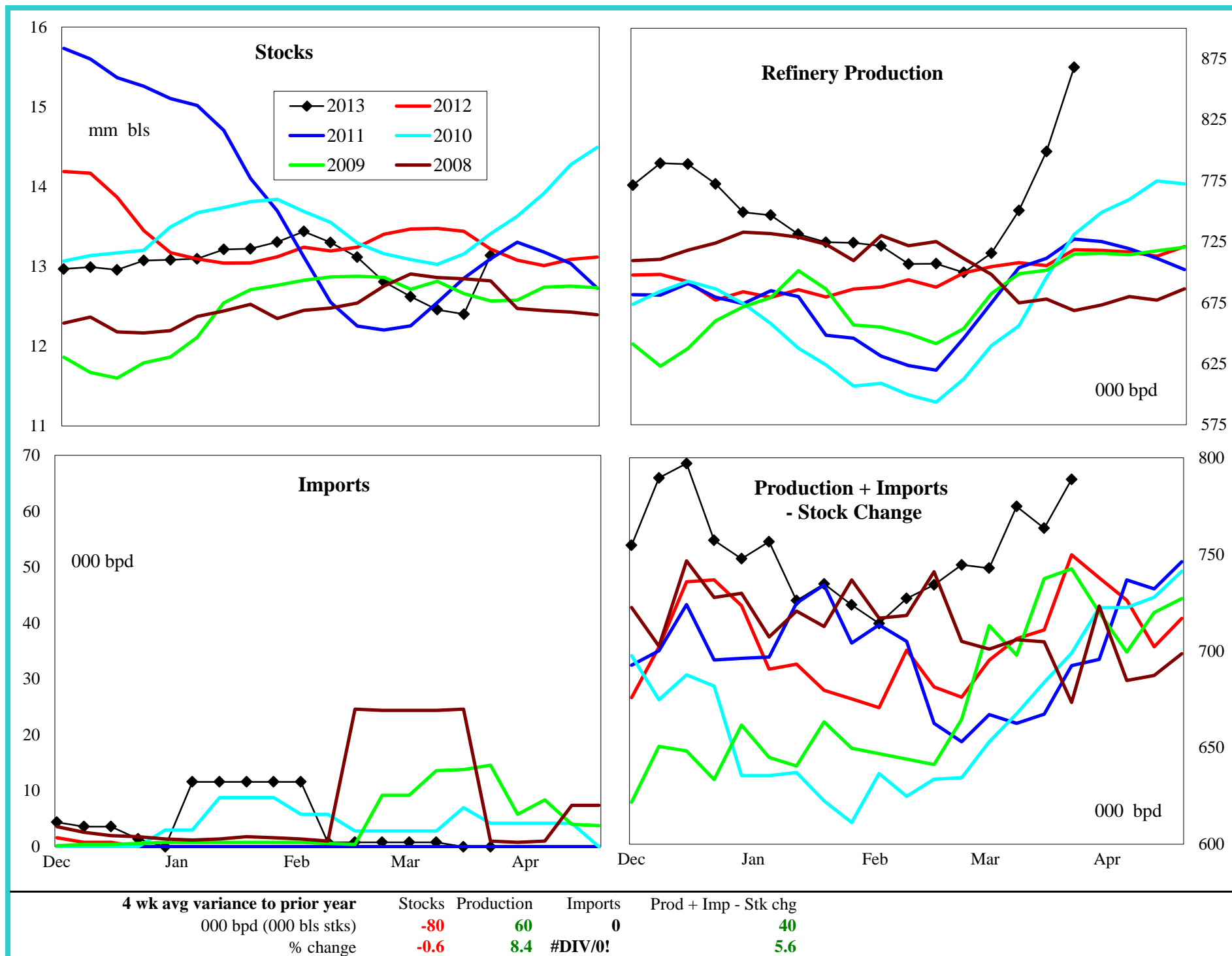
PADD 3 Low Sulfur Distillate Supply



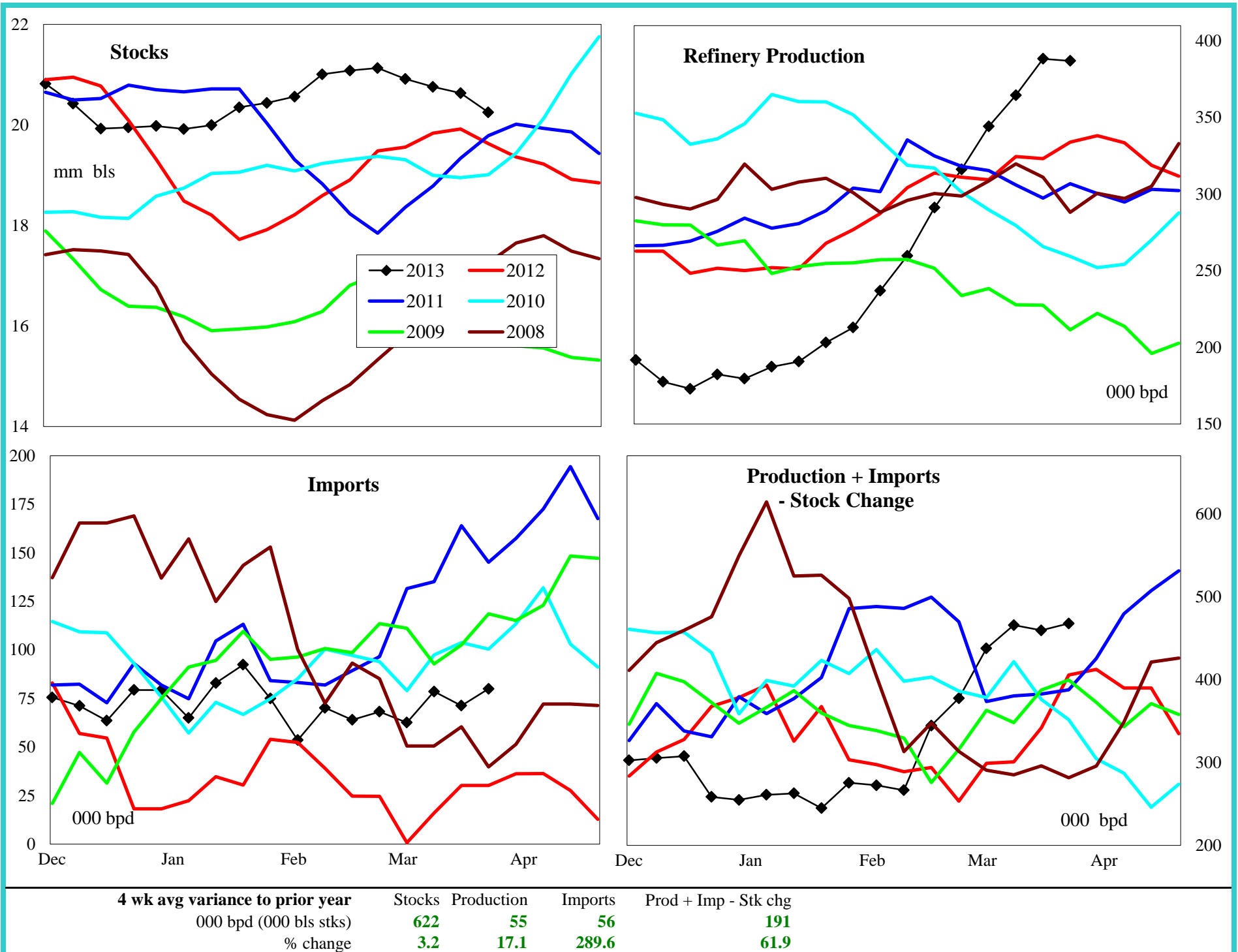
PADD 3 High Sulfur Distillate Supply



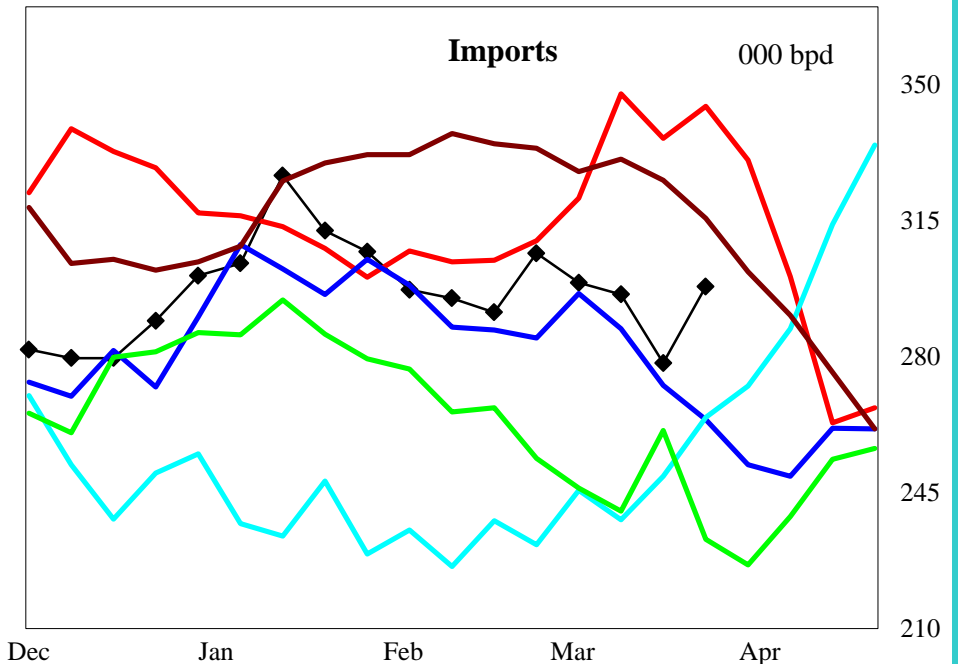
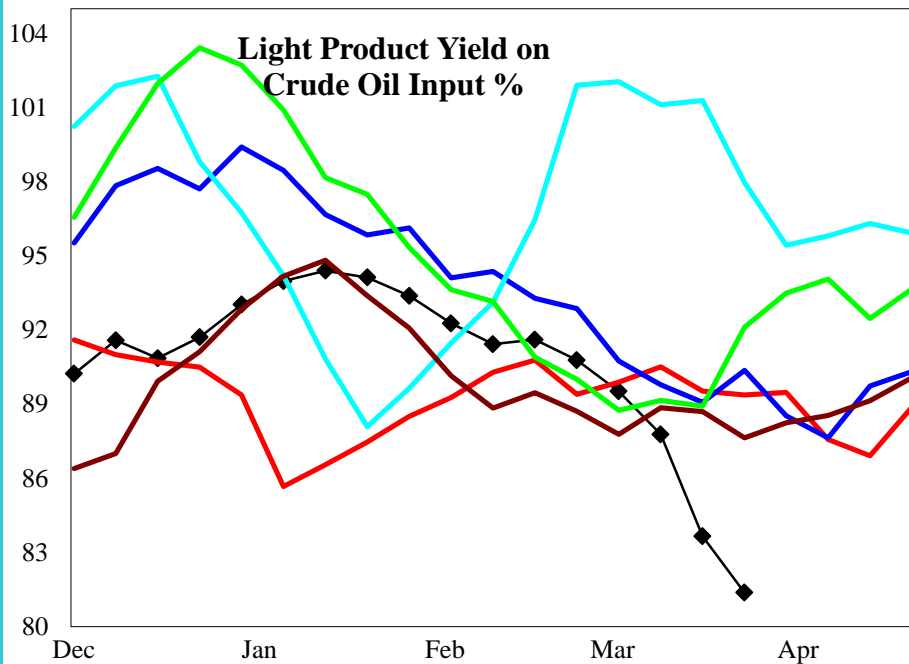
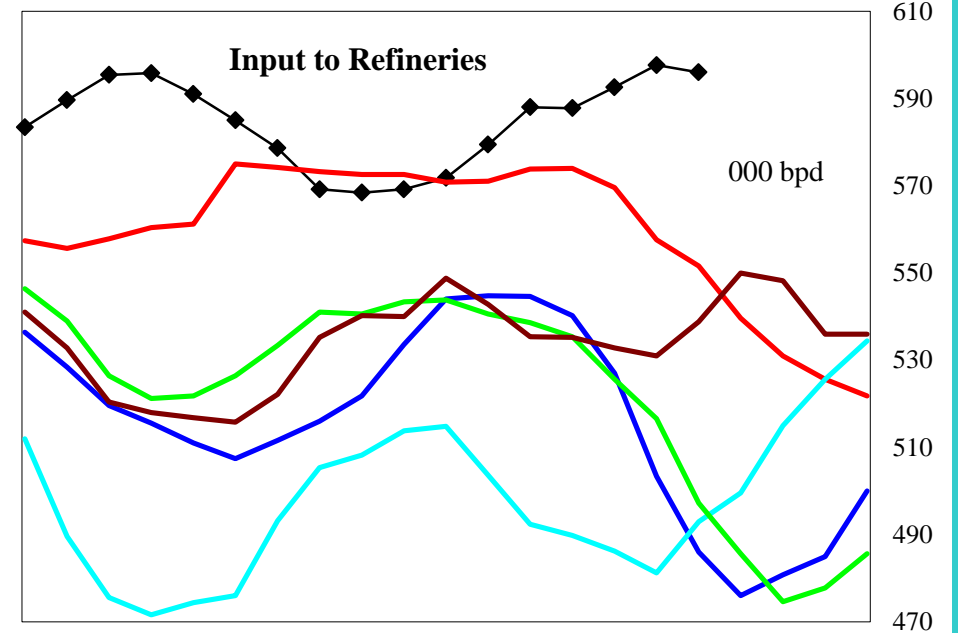
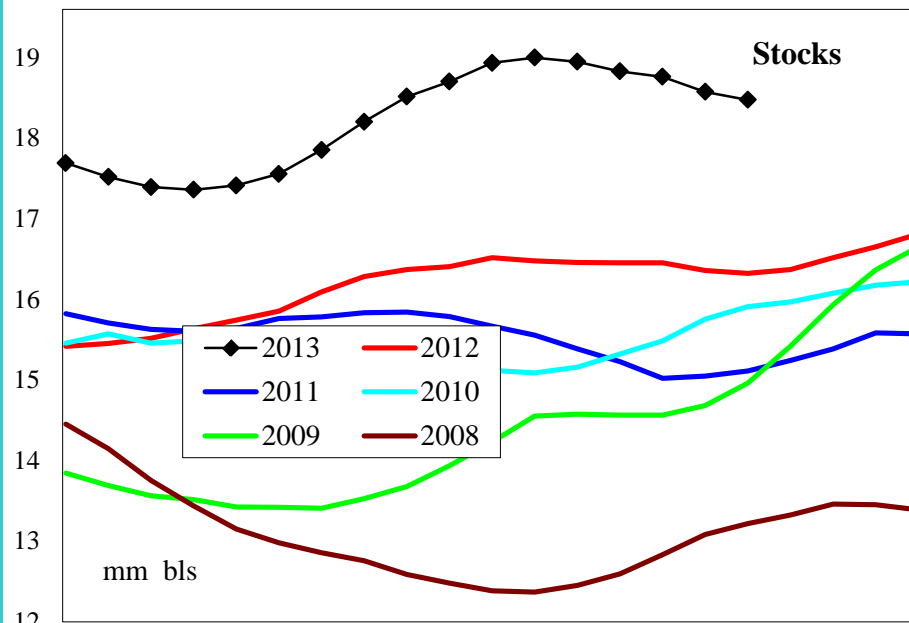
PADD 3 Jet Fuel Supply



PADD 3 Residual Fuel Oil Supply



PADD 4 Crude Oil Supply and Refining



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

2,155

12.9

Input

32

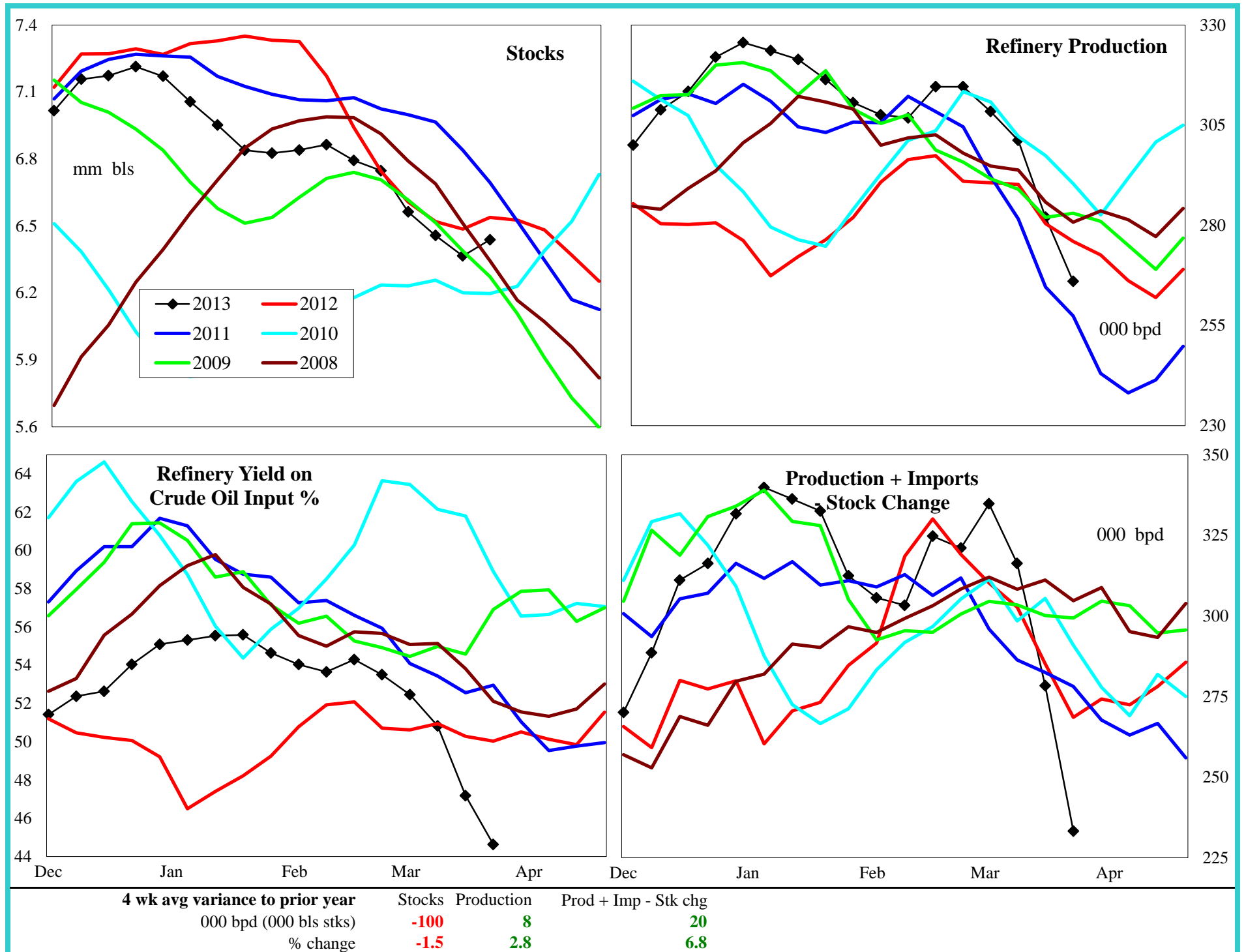
5.6

Imports

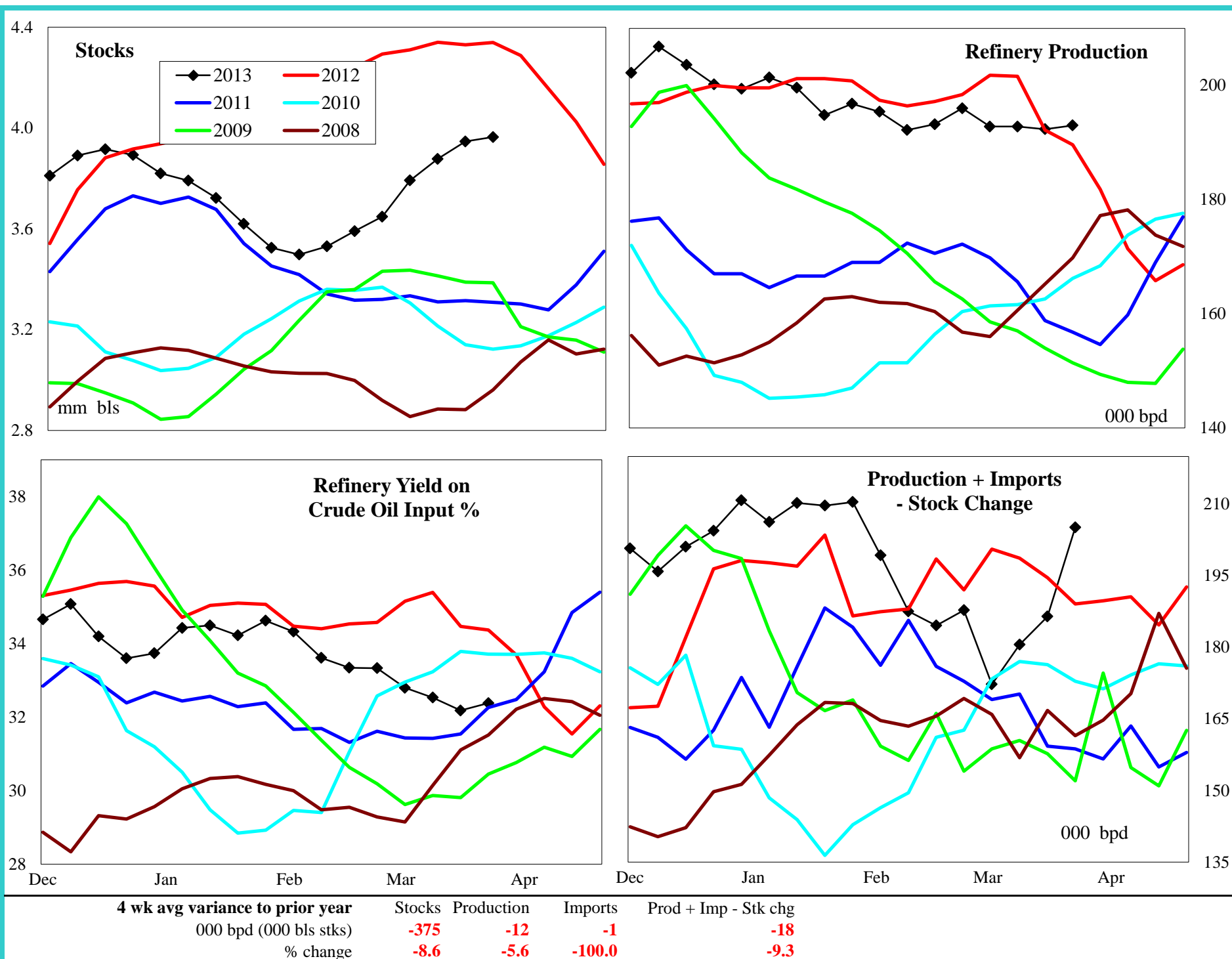
-59

-16.8

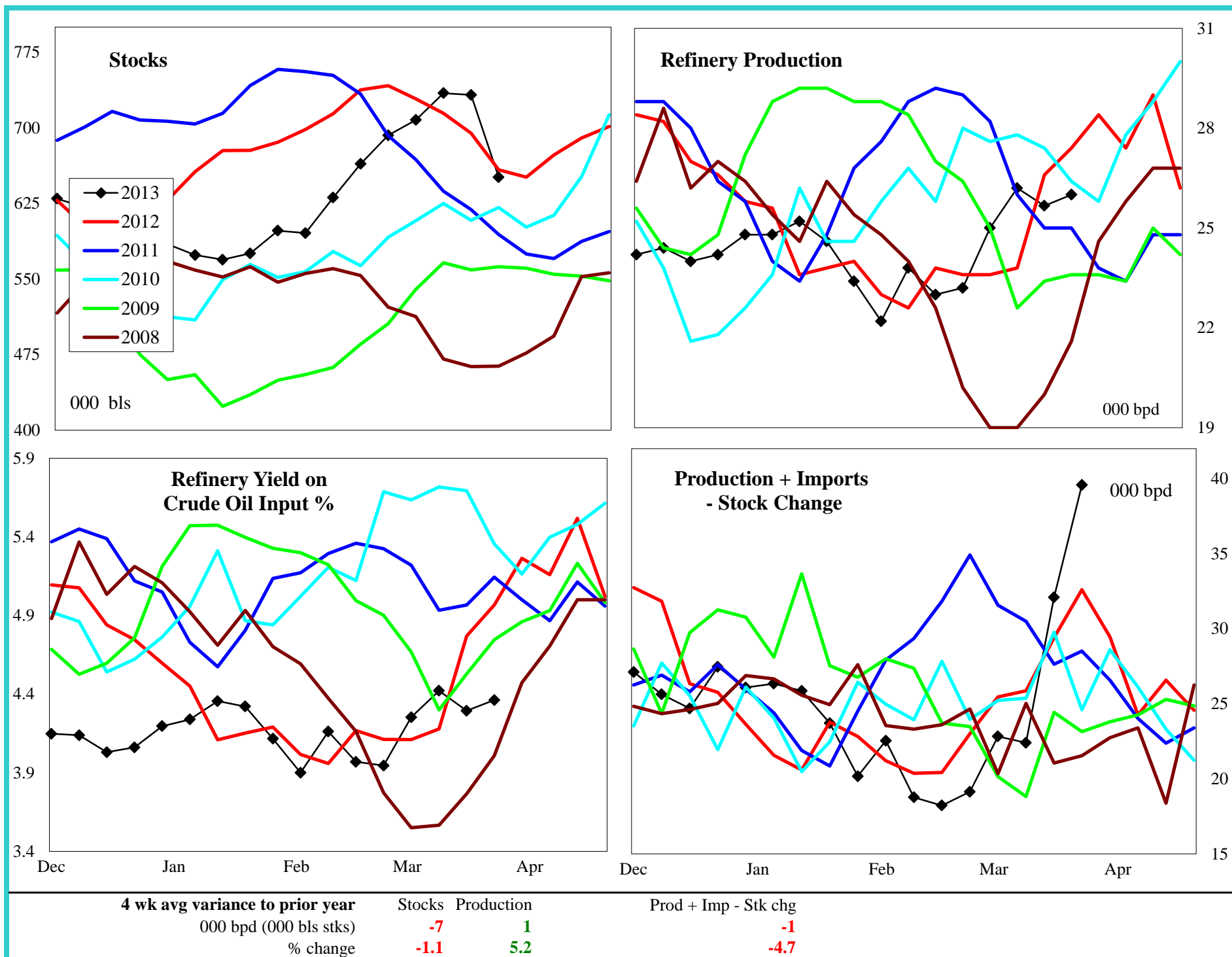
PADD 4 Gasoline Supply



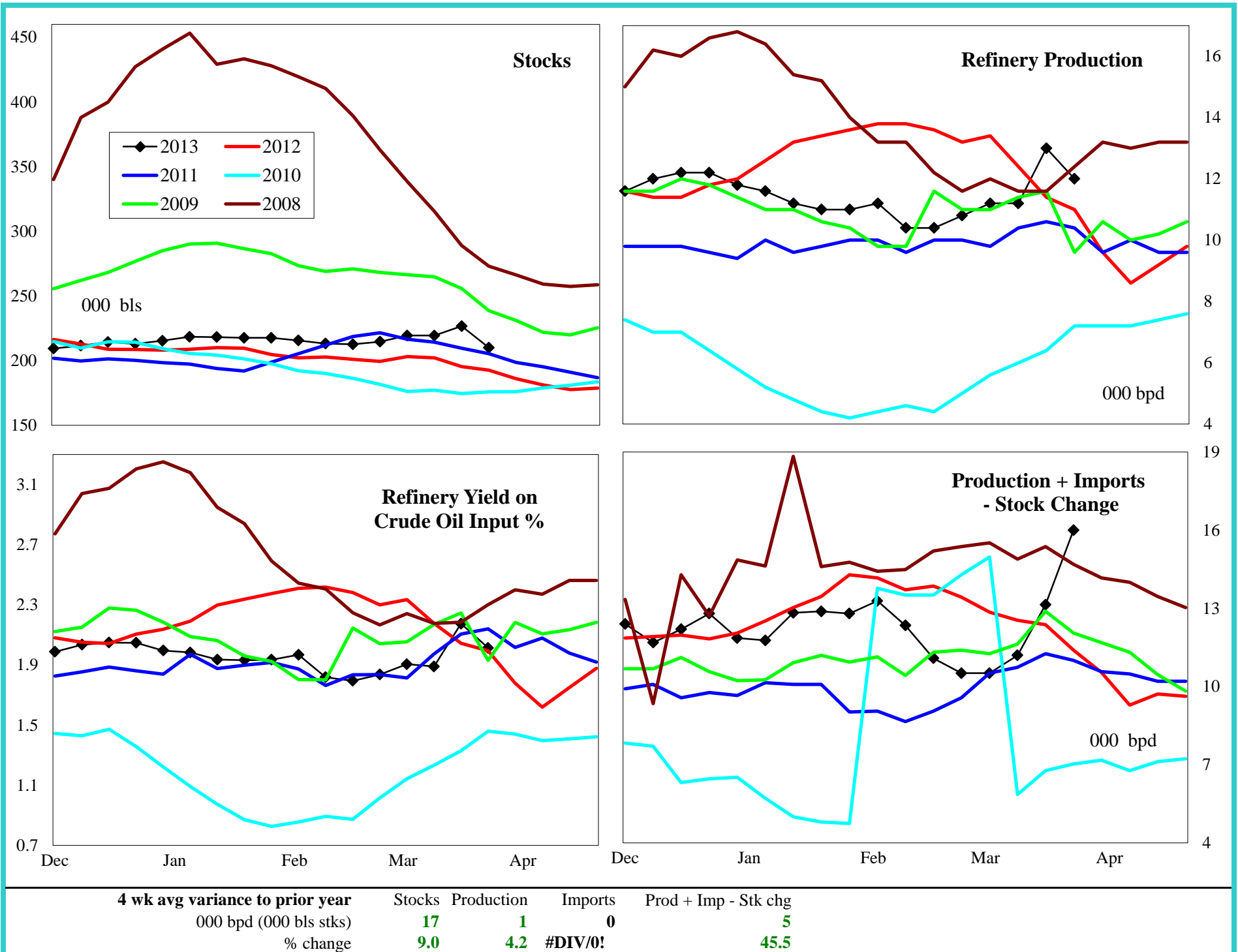
PADD 4 Distillate Supply



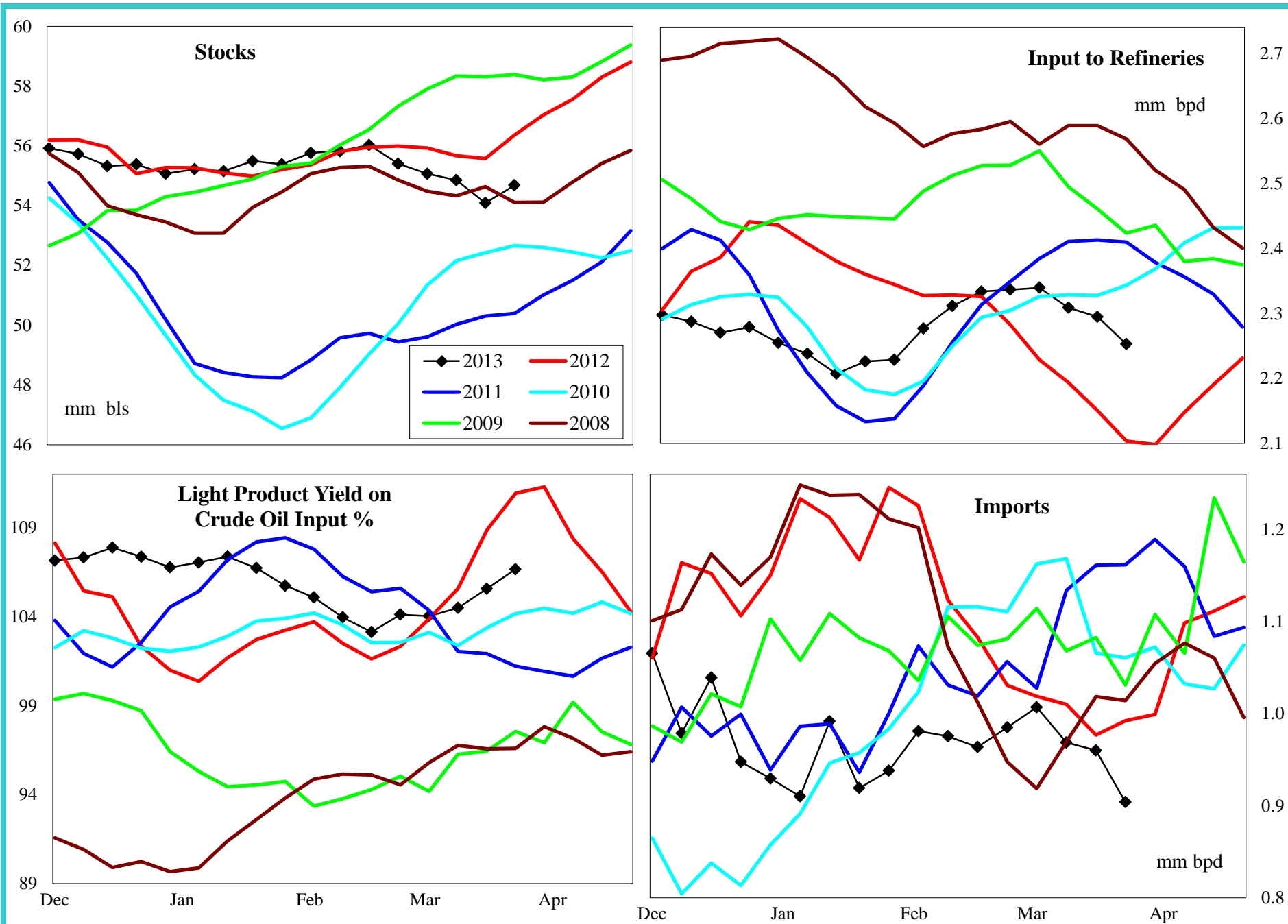
PADD 4 Jet Fuel Supply



PADD 4 Residual Fuel Oil Supply



PADD 5 Crude Oil Supply and Refining



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

-1,679

-3.0

Input

112

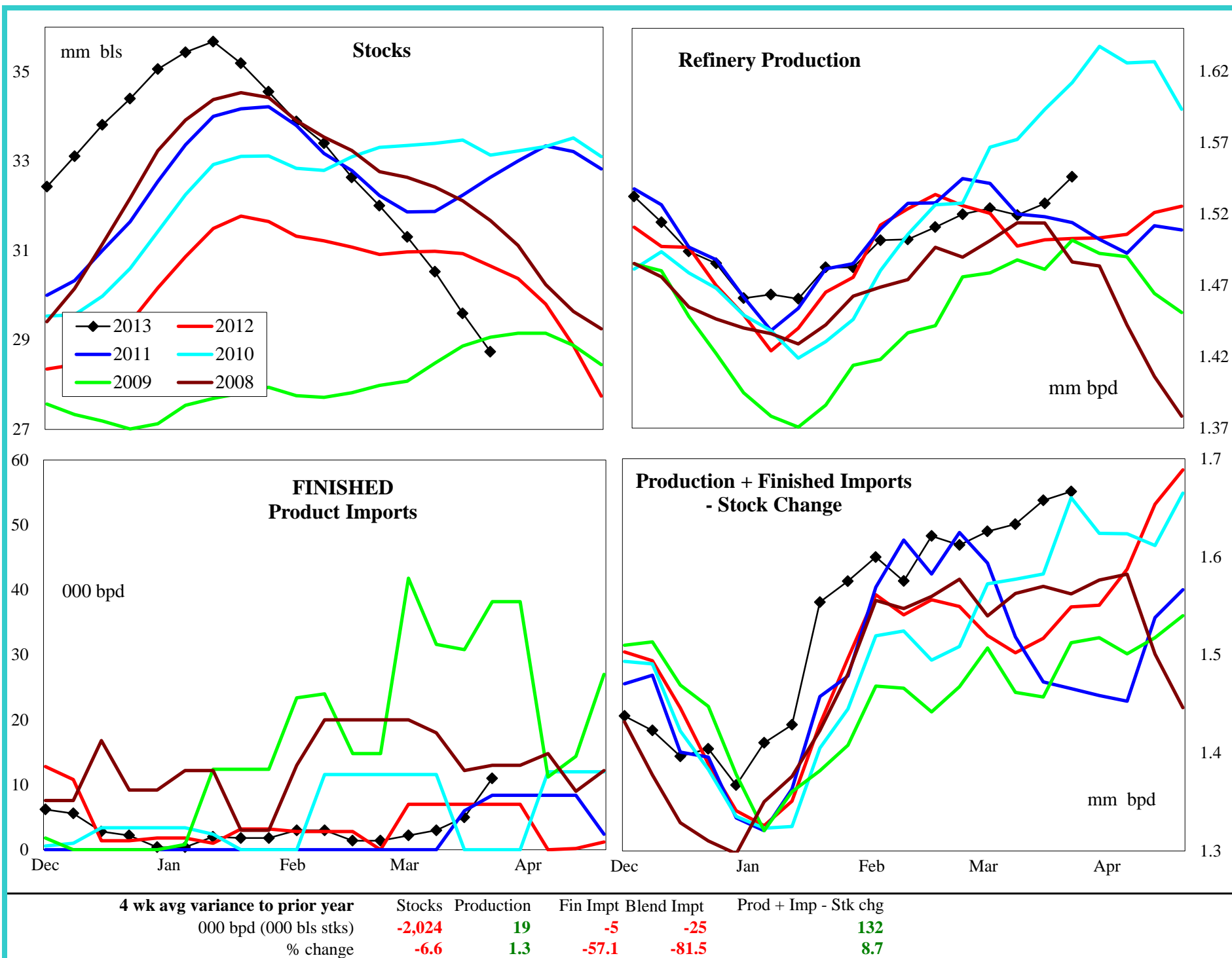
5.2

Imports

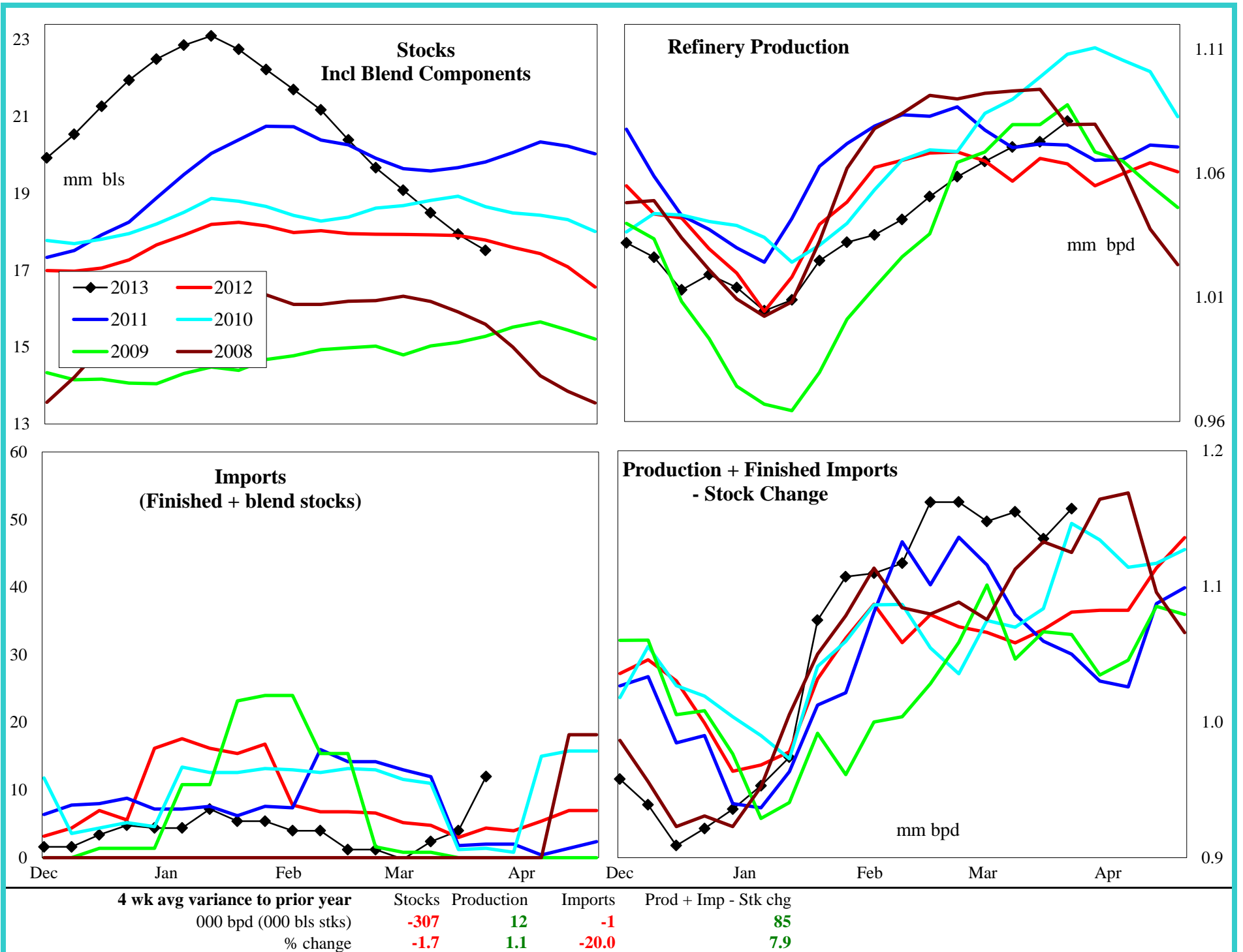
-27

-2.6

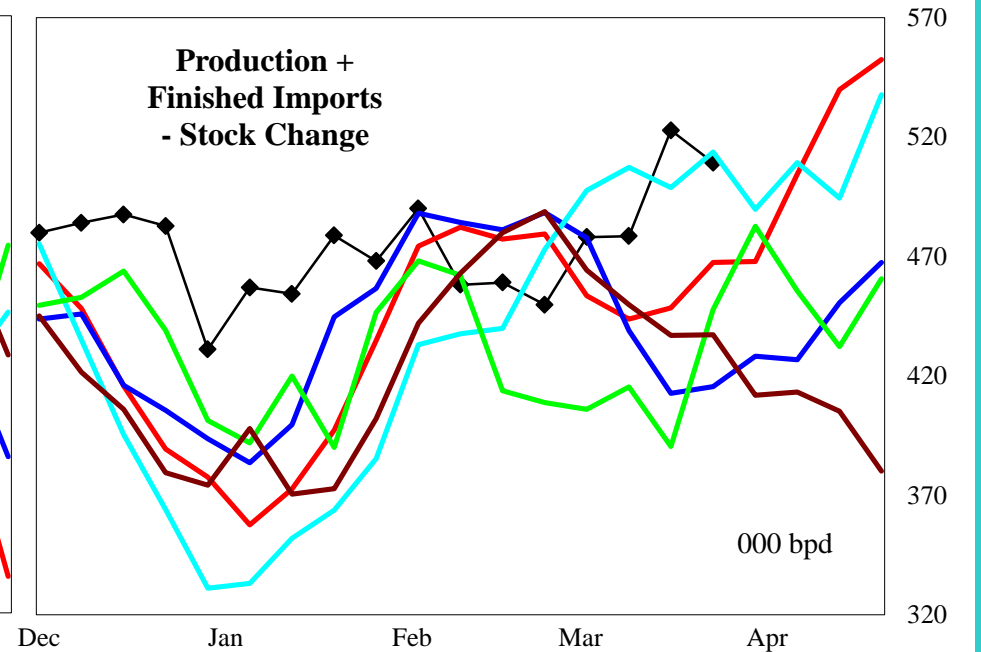
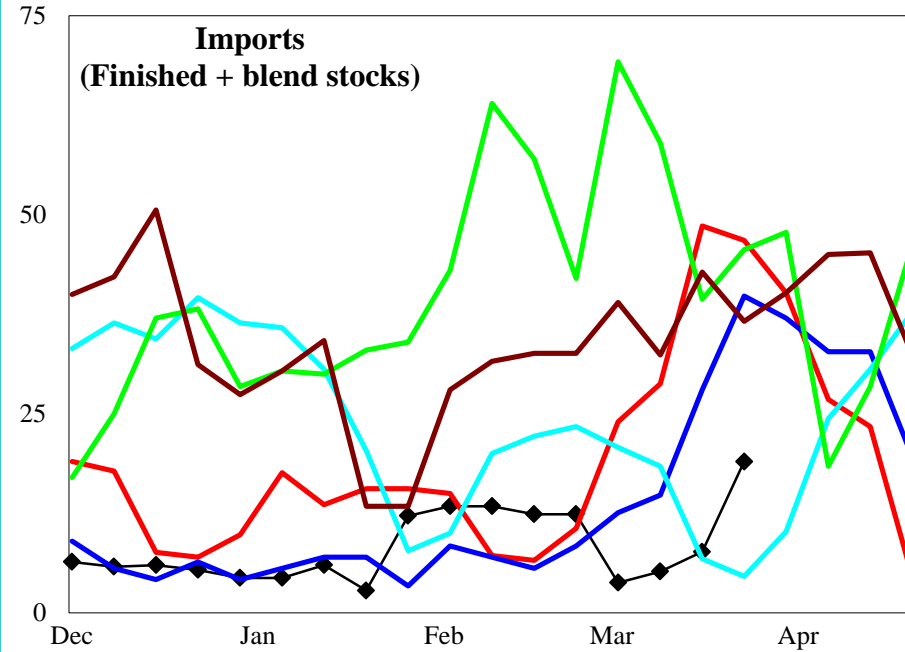
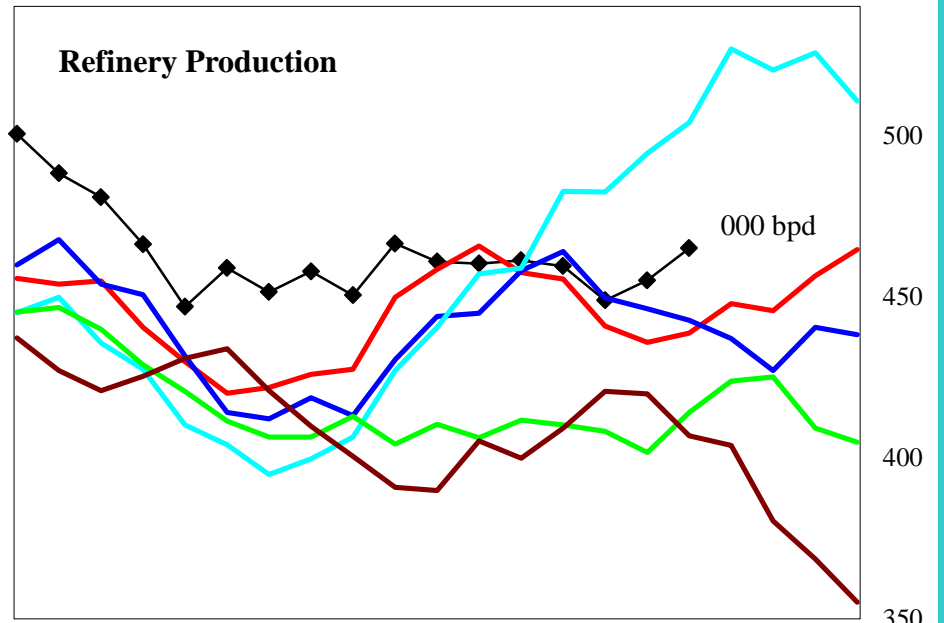
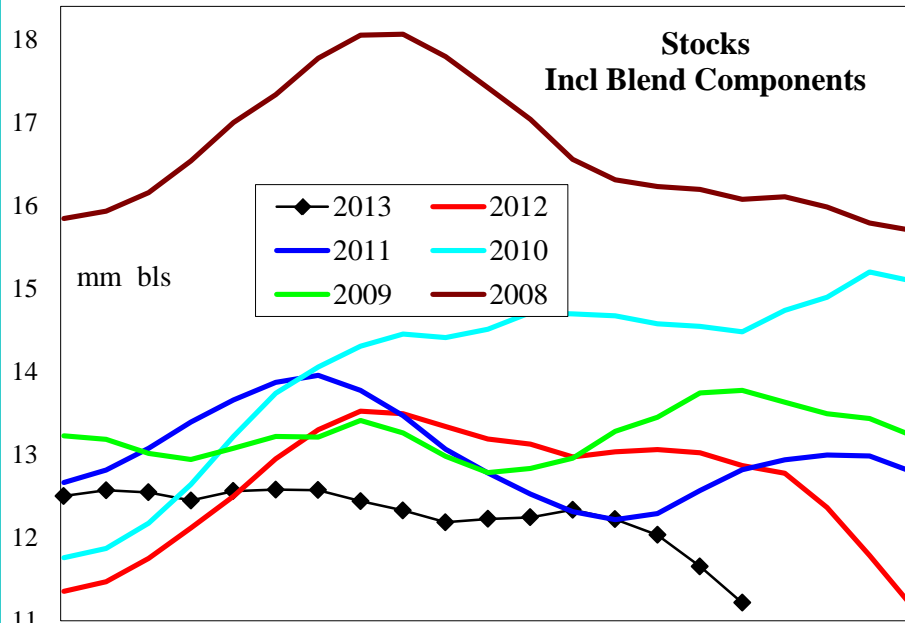
PADD 5 Gasoline Supply



PADD 5 Reformulated Gasoline Supply



PADD 5 Conventional Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

-1,717

-13.3

Production

8

1.8

Imports

-30

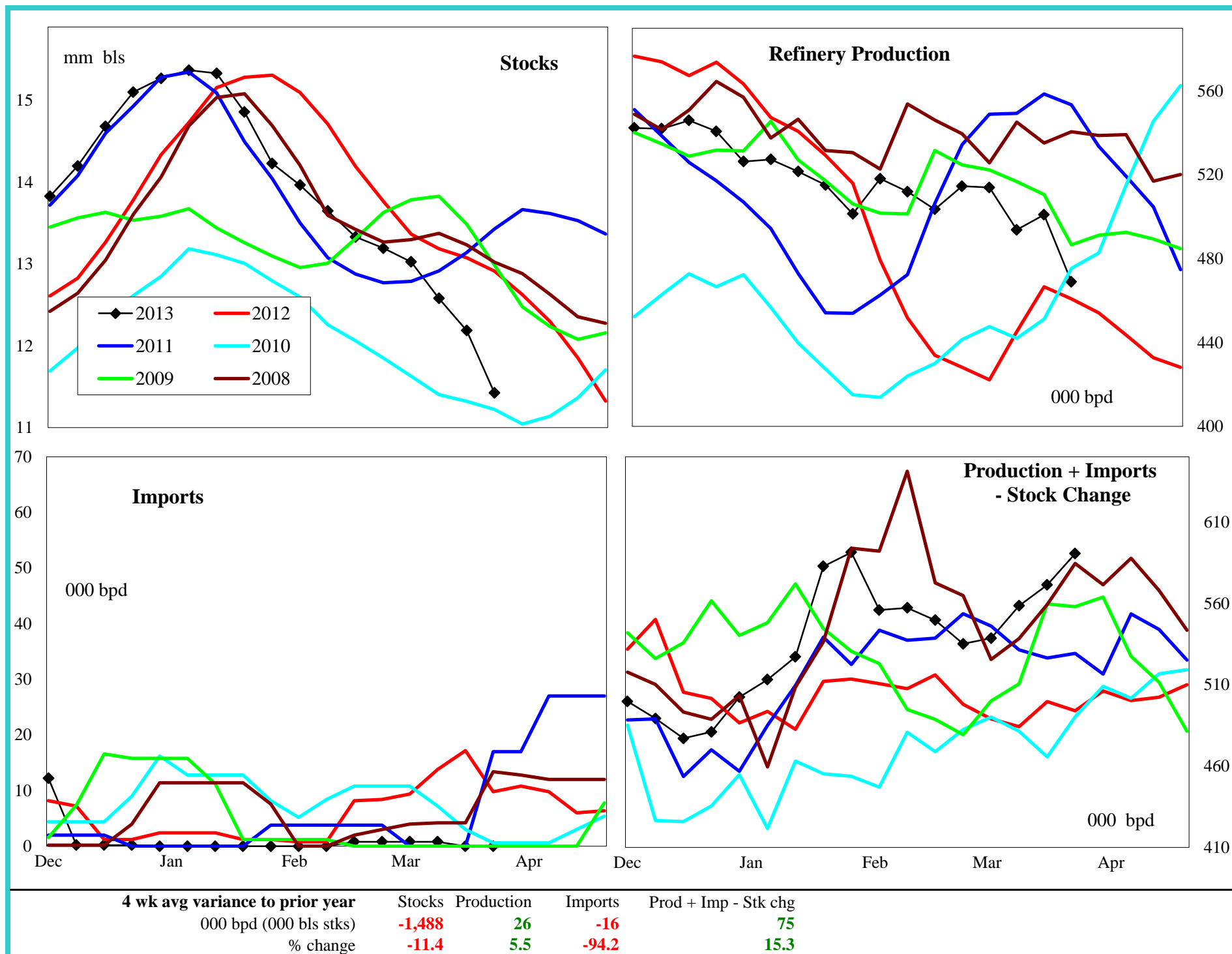
-81.9

Prod + Imp - Stk chg

48

10.6

PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply

