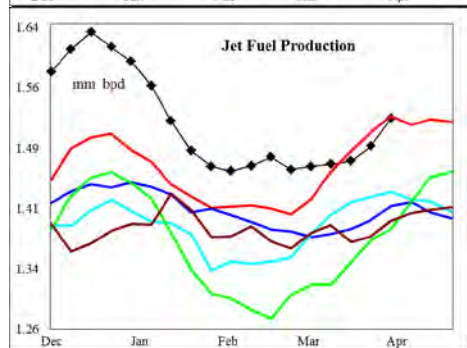
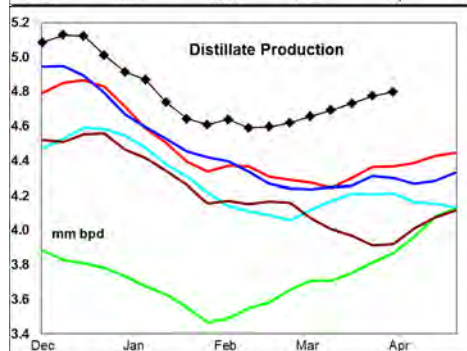
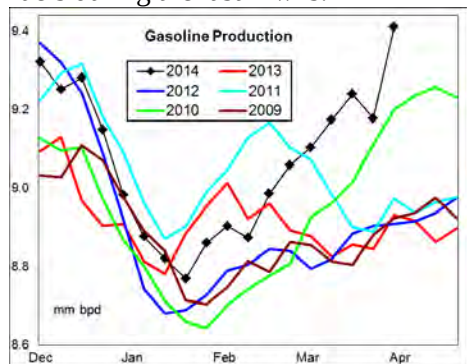




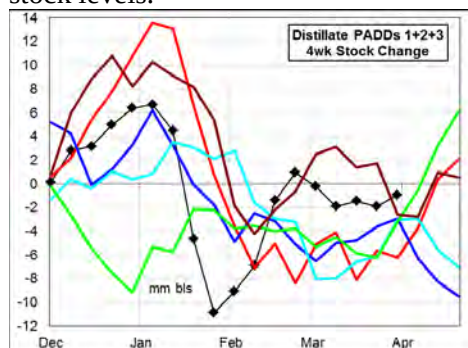
Major Fundamental Trends¹

Below normal refinery maintenance, capacity additions in the Gulf and substitution of shale crude oil grades for heavier gravity imports has led to an +0.8 million bpd year-on-year increase in production of transport fuels during the last 4-wks.



The increase in gasoline supply has not fully offset the rise in gasoline demand, leaving stocks -12 million barrels below last year and below the 5-yr range. A -63,000 bpd drop in gasoline blend stock imports also contributed to lower stock levels. The increase in distillate supply has led

to record low stock draws during the last month, so that stock levels are now comparable to last year. A doubling in distillate imports over the last month contributed to the improving distillate stock levels.



Crude oil imports rebounded +0.5 million bpd last week, leading to a +4 million barrel stock build. Stocks increased +0.3 million barrels in Cushing, the first build in 3- months.

Wholesale Demand increased for gasoline and distillate, while jet fuel fell sharply last week. Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +4.4%; distillate was -1.1% lower; jet fuel increased +4.9%, and residual fuel decreased -31%.

Stocks forward coverage: Gasoline demand coverage fell on a -5.2 million barrel stock draw, driven by robust demand. Coverage ended the week at a level near 3-yr lows.

Distillate coverage increased on a +0.2 million barrel stock build. Coverage ended the week at a level above last years' record low.

Jet fuel coverage remains very low on record low stocks.

Residual fuel oil coverage ended the week at a record high level on extremely weak demand and a +0.6 million barrel stock build.

Refinery utilization rates were little changed on a +22,000 bpd rise in crude oil runs last week. During the latest 4-wk period crude oil input was +0.3 million bpd above a year ago.

Gasoline yield % on crude oil runs surged last week on a +327,000 bpd increase in output compared to the

+22,000 bpd rise in crude oil runs. Yield % on crude oil runs matched the 3-yr mid range.

Distillate yield % on crude oil runs was nearly unchanged last week, on a +9,000 bpd increase in output compared to the small increase in crude oil runs. The yield % on crude oil runs ended the week at a level well above the historic range.

Jet fuel yield % on crude oil runs increased on a +34,000 bpd rise in output, compared to the small rise in crude oil runs. The yield % on crude oil runs ended the week near the 3-yr mid range.

Petroleum Imports/Exports: Imports of crude oil climbed +0.5 million bpd last week.

During the latest 4-wk period crude oil imports were -0.4 million bpd below last year; distillate imports were +135,000 bpd higher; finished gasoline imports were nearly unchanged, gasoline blend stock imports were -63,000 bpd lower; jet fuel imports increased +73,000 bpd, while residual fuel oil imports were -51,000 bpd lower.

Exports during the most recent week for distillate were +305,000 bpd above a year ago, gasoline -19,000 bpd lower, jet fuel +2,000 bpd and propane was +5,000 bpd higher.

Crude Oil stocks climbed +4 million barrels last week, including a +0.3 million barrel build in Cushing. The build in stocks was driven by a +0.5 million bpd rise in imports. The extremely high stock levels in the Gulf have occurred even as refinery crude oil runs averaged +0.3 million bpd above last years' record high, and imports were -0.4 million bpd lower for the last 4-wks.

¹ Source is latest EIA Weekly Statistics



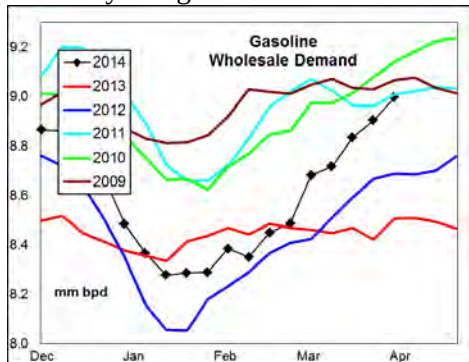
WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

A Fundamental Petroleum Trends Weekly Report

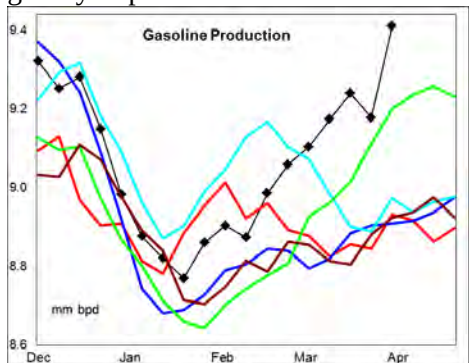
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Wednesday, April 09, 2014

Product Supply-Demand Trends

Gasoline wholesale demand increased +0.3 million bpd last week, to a level well above the last 2-yr. The latest 4-wk average demand was +375,000 bpd above a year ago.



Supply increased +0.3 million bpd on the week, due to higher production. Supply for the latest 4-wk period was +373,000 bpd above a year ago. Record high production has been driven by a below average maintenance season and substitution of domestic shale crude oil for heavier gravity imports.

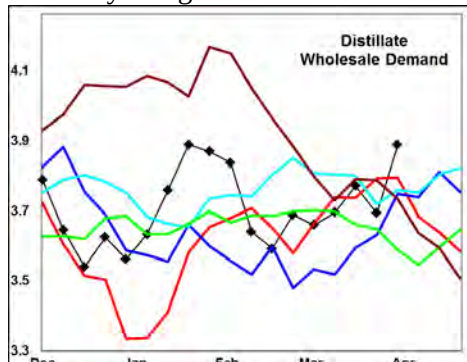


Stocks fell -5.2 million barrels last week, with declines in all regional markets.

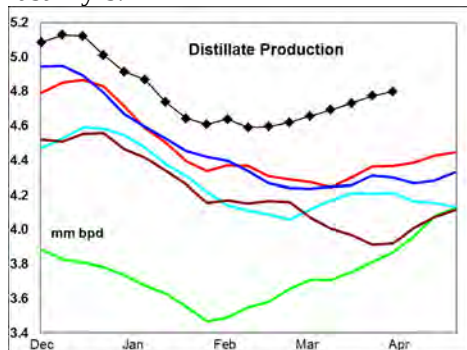
The latest 4-wk stock draw East of the Rockies of -10.4 million barrels equal to the 3-yr mid range. Stock levels on the East Coast and Midwest are extremely low. Stocks in the Rockies and West Coast match 5-yr lows for the period. These markets are at risk of a supply squeeze during the 2nd quarter, although high production may mitigate the duration of tight supplies.

Distillate wholesale demand increased

+132,000 bpd last week, a level above the historic range. The latest 4-wk average demand was -45,000 bpd below last year. Supply increased +87,000 bpd on the week, with the latest 4-wk average +0.6 million bpd above a year ago.



The latest 4-wk stock change in markets East of the Rockies was a -0.9 million barrel draw, compared to an average -3 million barrel draw for the last 4-yr.



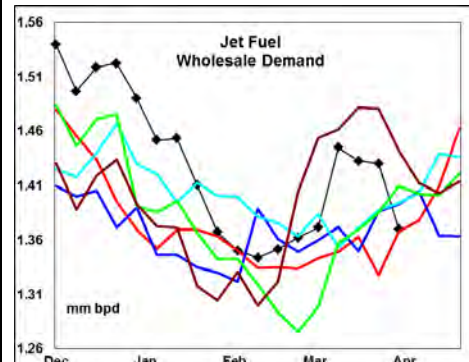
Supplies continue at a record pace, so that with soft exports, the seasonal stock draw during the last 6-wks has been significantly less than the last 4-yr. Look for a year-on-year increase in production to offset a seasonal uptrend in wholesale demand, leading to earlier than normal spring builds.

Jet Fuel wholesale demand fell -222,000 bpd last week, to match last year. The latest 4-wk average demand was +66,000 bpd above a year ago year.

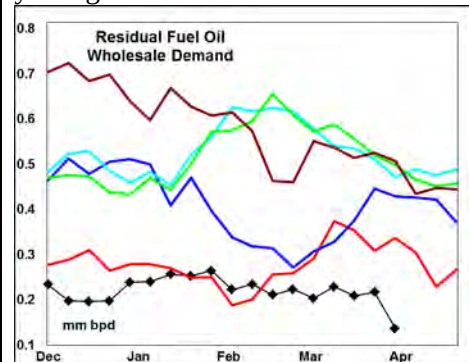
Supply increased +56,000 bpd on record imports and production. Output for the most recent 4-wk period was -42,000 bpd below a year ago. Imports were +73,000 bpd higher, at a record

level. Stocks increased +1 million barrels last week, a level -3.1 million barrels below last year.

Look for continued high imports to the East Coast, driven by extremely tight supplies in all markets East of the Rockies.



Residual fuel oil demand fell -229,000 bpd last week. Demand for the latest 4-wk period was -109,000 bpd below a year ago.



Supply (production + imports) decreased -35,000 bpd on lower imports. Production was -122,000 bpd below a year ago for the latest 4-wk period, while imports also decreased -51,000 bpd. Stock levels ended the week at the 3-yr mid range.

Production and imports in the key gulf region are -41 and -5%; respectively below a year ago for the most recent 4-wk period. Even with the low supply, stock levels ended the week at a record high for this time of year.



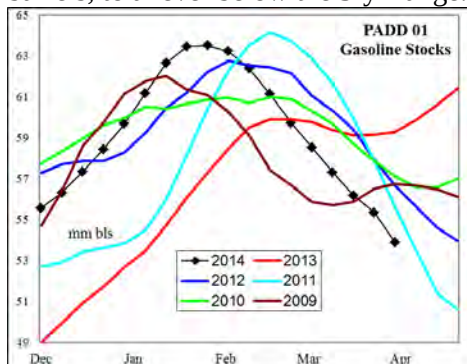
WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Wednesday, April 09, 2014

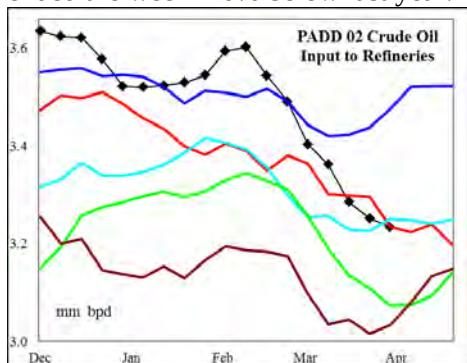
PADD Supply Trends

PADD 1 refinery crude oil runs matched the 3-yr mid range; with the latest 4-wk average -45,000 bpd below last year. Increased +194,000 bpd on the week. Stocks declined -1.2 million barrels, to a level below the 5-yr range.



Distillate supply increased +94,000 bpd on higher imports last week, with the 4-wk average +135,000 bpd above last year. Stocks increased +1.6 million barrels on the week, -2% below last year.

Jet fuel imports were 125,000 bpd on the week, a record high. Stocks ended the week -20% below last year.



PADD 2 crude oil refinery runs decreased -133,000 bpd last week, with the latest 4-wk average -51,000 bpd below last year. Crude oil stocks increased +0.7 million barrels last week, including a +0.3 million barrel build in Cushing.

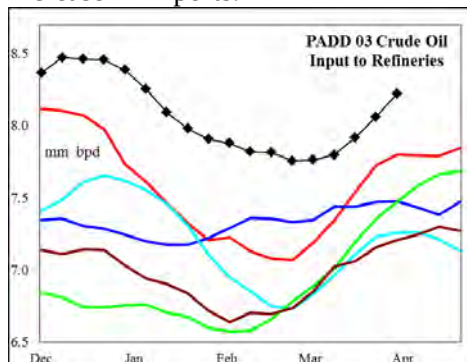
Gasoline supply decreased -27,000 bpd last week, but remains above the 5-yr range. Production for the most recent 4-wk period was +346,000 bpd above a year ago – driven by the EIA recording sub octane product shipped into the Midwest as finished product production when blended with ethanol.

Stocks were nearly unchanged on the week, ending at a level sharply below the 5-yr range.

Distillate supply increased +71,000 bpd last week, with the 4-wk average +58,000 bpd above a year ago. Stock levels ended the week -9% below the 5-yr range.

Jet fuel production was near year ago levels last week. Stocks ended the week -8% below the 5-yr range.

PADD 3 refinery runs climbed +167,000 bpd last week, a level above the historic range. During the latest 4-wk period, average runs were +303,000 bpd above last year. Crude oil stocks increased +3 million barrels last week, driven by a +0.7 million bpd increase in imports.



Gasoline supply decreased -23,000 bpd last week, with the latest 4-wk average +166,000 bpd above a year ago. Stocks fell -2.3 million barrels last week, with the level still above the historic range.

Distillate supply declined -52,000 bpd on the week. The latest 4-wk average supply was +268,000 bpd above last year. Stocks declined -0.9 million barrels last week, to a level near the mid range of the last 2-yrs.

Jet fuel stock levels ended the week -1.6 million barrels below the 5-yr range, while production climbed to near record highs.

Residual fuel supply was -161,000 bpd below last year, down -41% on lower refinery output. Stocks were +1.4 million barrels above the 5-yr range.

PADD 4 refinery crude runs declined -17,000 bpd last week, with the 4-wk

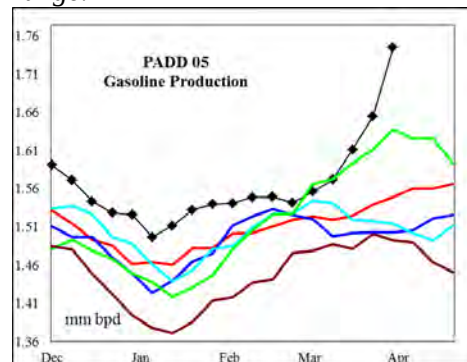
average -44,000 bpd below last year.

Gasoline production 24% above last year for the most recent 4-wk period, and at a record high. Stocks fell to match historic lows.

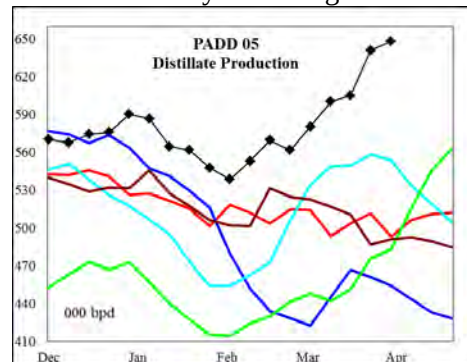
Distillate production was -10,000 bpd below last year for the most recent 4-wk period, with stocks comparable to last year.

Jet fuel production dropped below the 5-yr range. Stock levels matched the 3-yr mid range.

PADD 5 crude oil refinery runs were nearly unchanged last week, with the 4-wk run rate +132,000 bpd above last year. Refinery unit upgrades and low maintenance has lifted output of transport fuels sharply above the 5-yr range.



Gasoline supply continues to set new records, with the 4-wk average +83,000 bpd above a year ago. Stocks were near the 2-yr mid range.



Distillate production extended the record level, with the 4-wk average +100,000 bpd above a year ago. Stocks were above the 5-yr range.

Jet fuel production was +14,000 bpd above the 5-yr range for the latest 4-wk period. Stocks remain +1 million barrels above last year.



FUNDAMENTAL

PETROLEUM TRENDS

PETROLEUM: Graph Link and Weekly Summary

A Fundamental Petroleum Trends Weekly Report

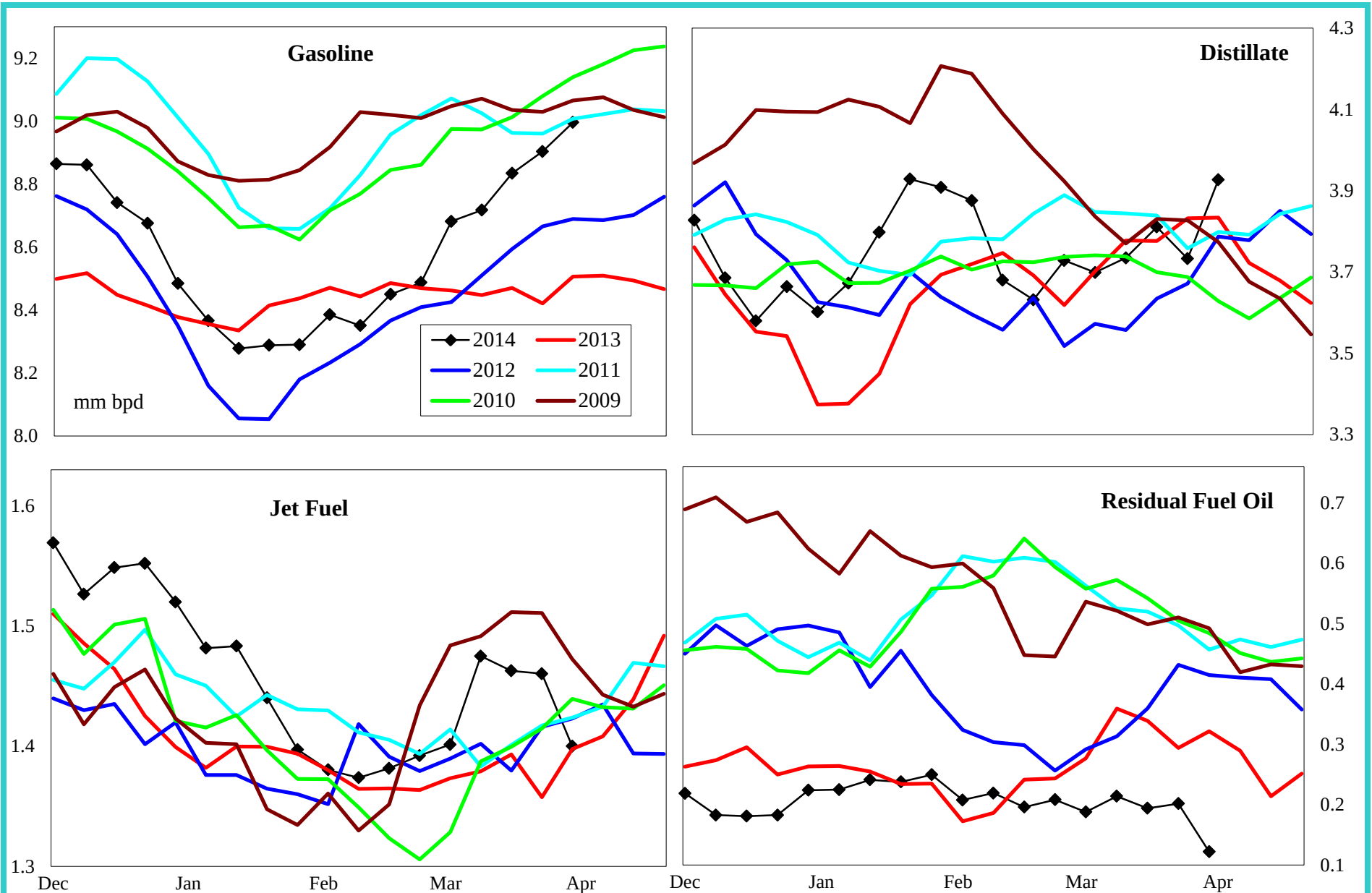
April 9, 2014

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Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization		Product Yield %		Imports
Supply/Demand Trends	4-Apr-14	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
Crude Oil	Stocks	4,030	318	701	3,028	14	-30
	Imports	481	17	-75	673	-2	-132
	Input	22	-1	-133	167	-17	7
	% Utilization	-0.20					
Gasoline	Stocks	-5,188	-1,220	-101	-2,267	-470	-1,130
	Production	327	274	-24	-61	15	110
	Imports	-31	-80	-3	38	0	13
	Supplied	283					
Distillate	Stocks	239	1,625	-542	-920	-121	198
	Production	9	-1	74	-52	-17	6
	Imports	78	95	-3	0	0	-14
	Supplied	132					
Jet Fuel	Stocks	1,021	171	334	607	-12	-78
	Production	34	11	-6	38	-3	-5
	Imports	22	23	0	0	0	-1
	Supplied	-222					
Residual Fuel Oil	Stocks	551	-680	71	1,345	-8	-179
	Production	52	-4	19	57	1	-20
	Imports	-87	-95	2	19	1	-11
	Supplied	-229					

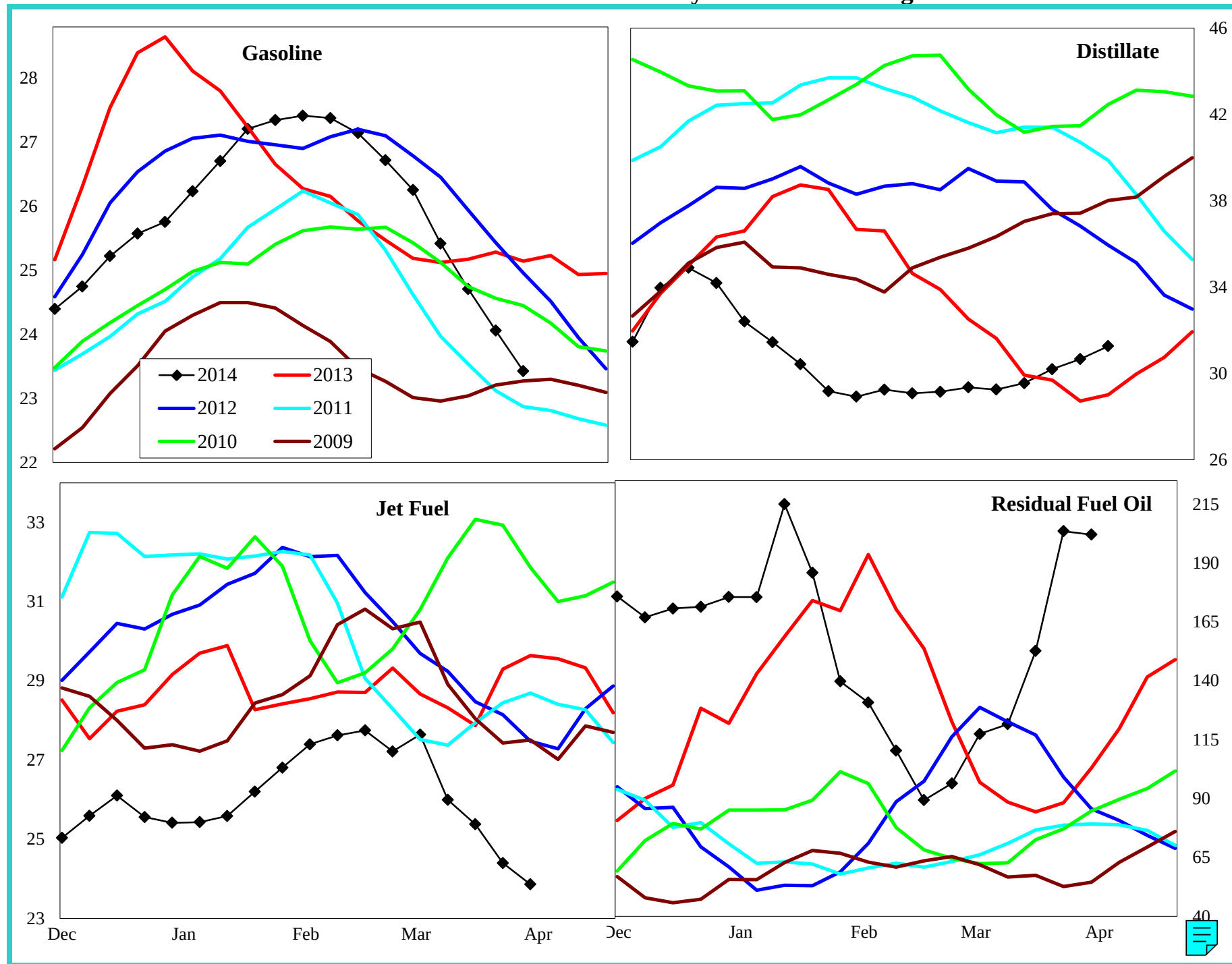
United States Wholesale Petroleum Demand



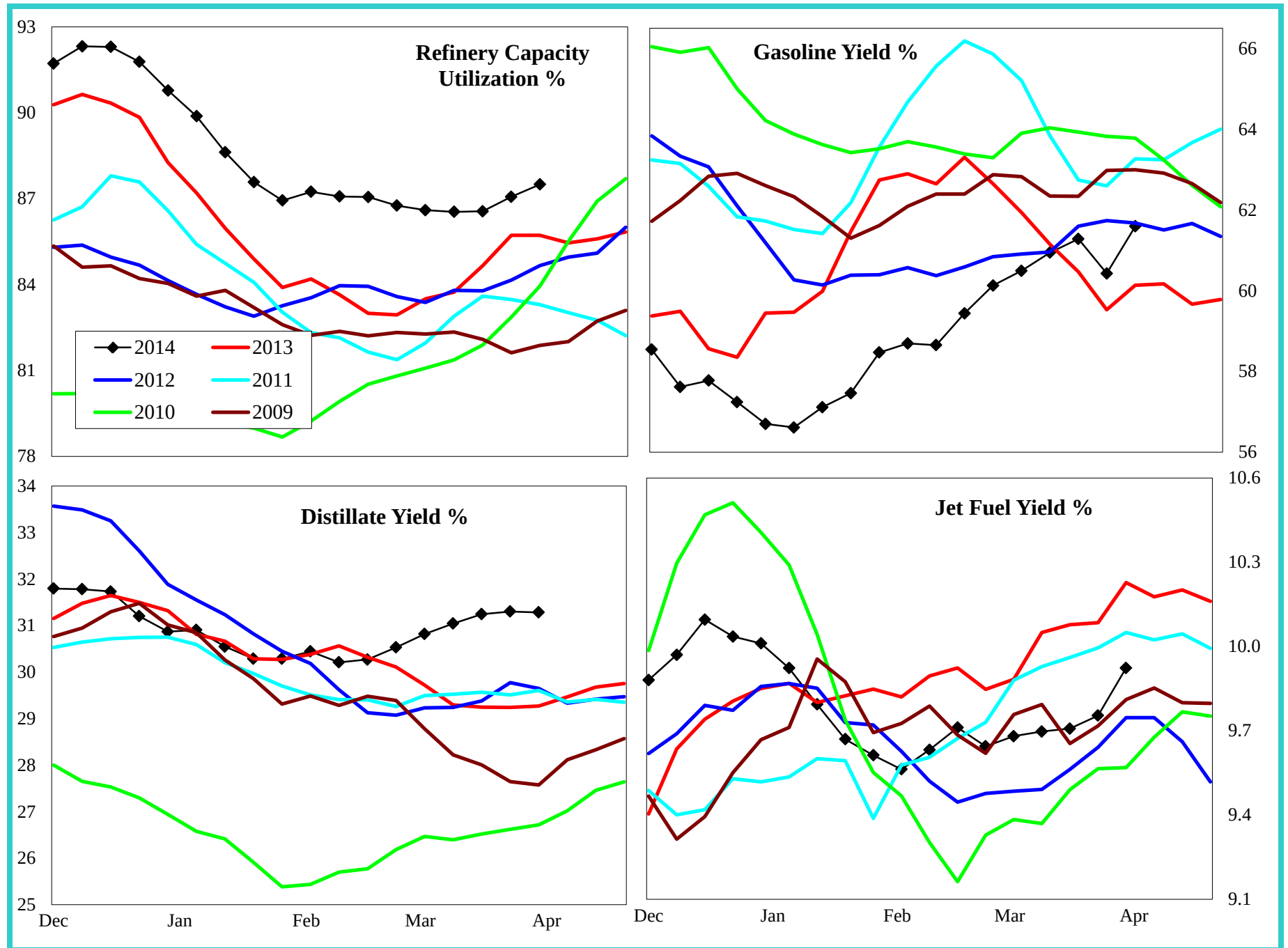
	000 bpd change from prior year				% change from prior year			
	4wk avg	Feb	Jan	Dec	4wk avg	Feb	Jan	Dec
Gasoline	375	-87	61	297	4.4	-1.0	0.7	3.5
Distillate	-45	-360	-63	422	-1.1	-9.1	-1.6	12.0
Jet Fuel	66	-10	140	66	4.9	-0.8	10.8	4.8
Resid	-109	-55	-52	28	-30.8	-18.1	-14.9	14.7



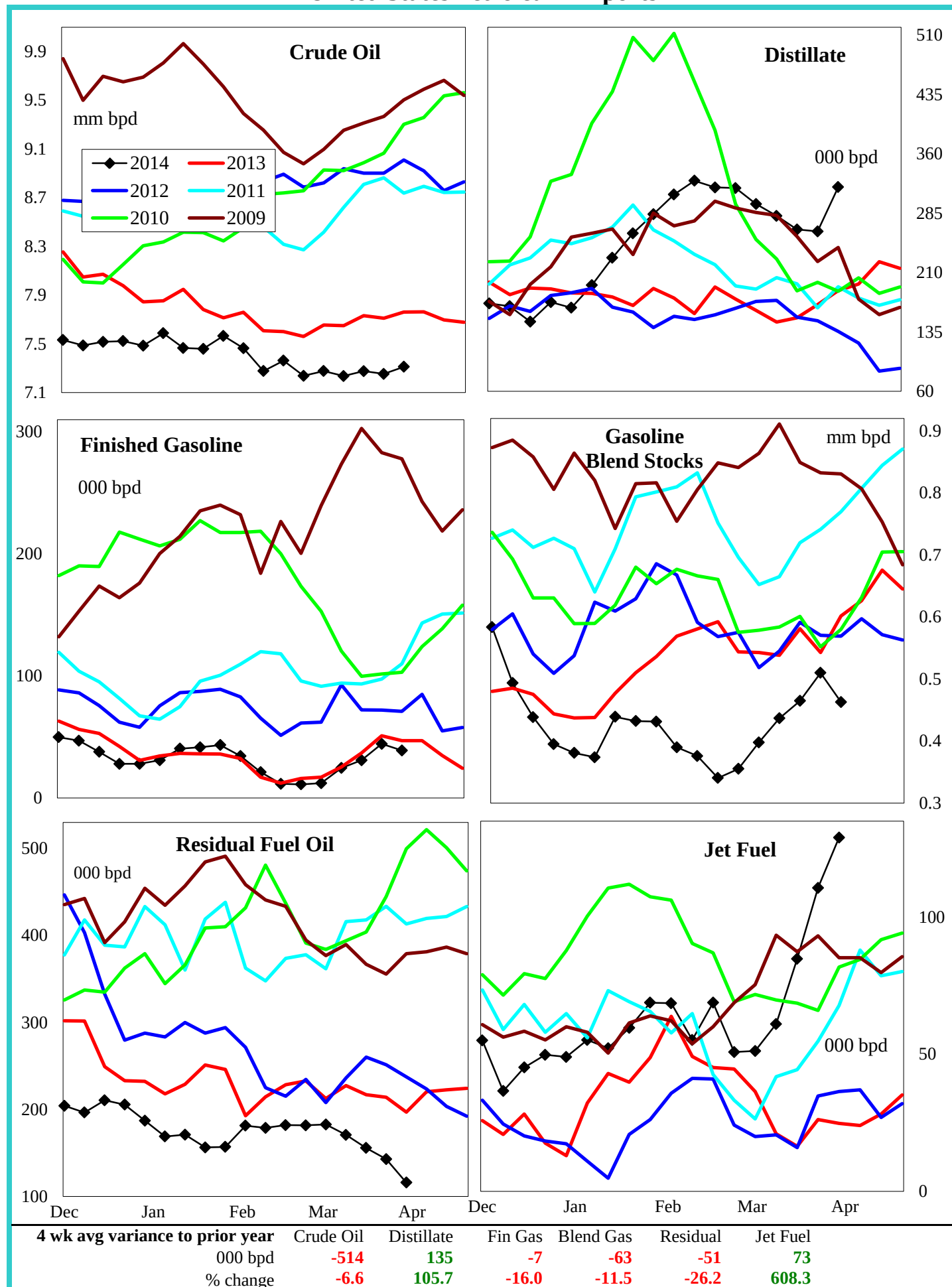
United States Product Stocks: Days Forward Coverage



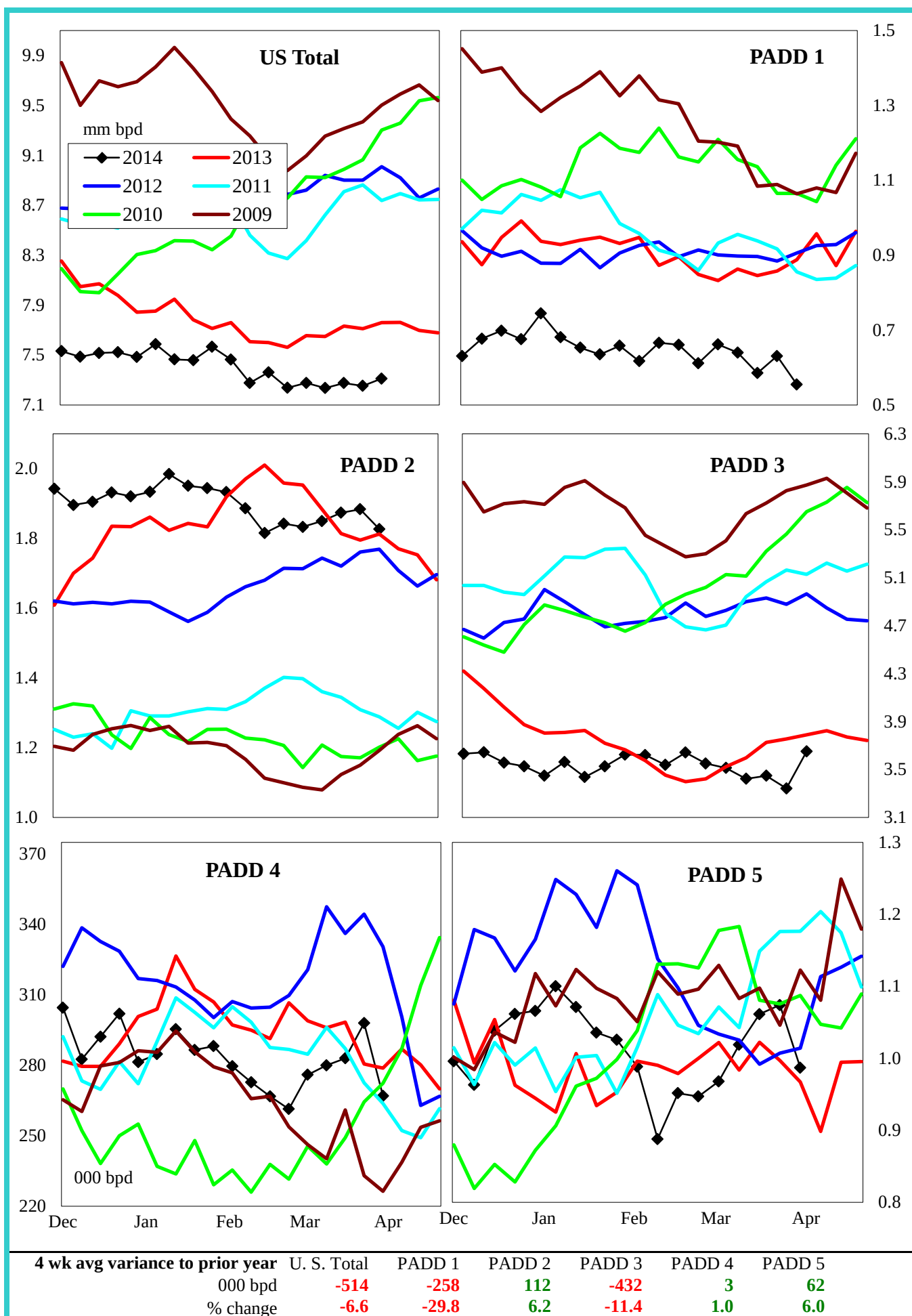
United States Refinery Percent Utilization Rate and Product Yields



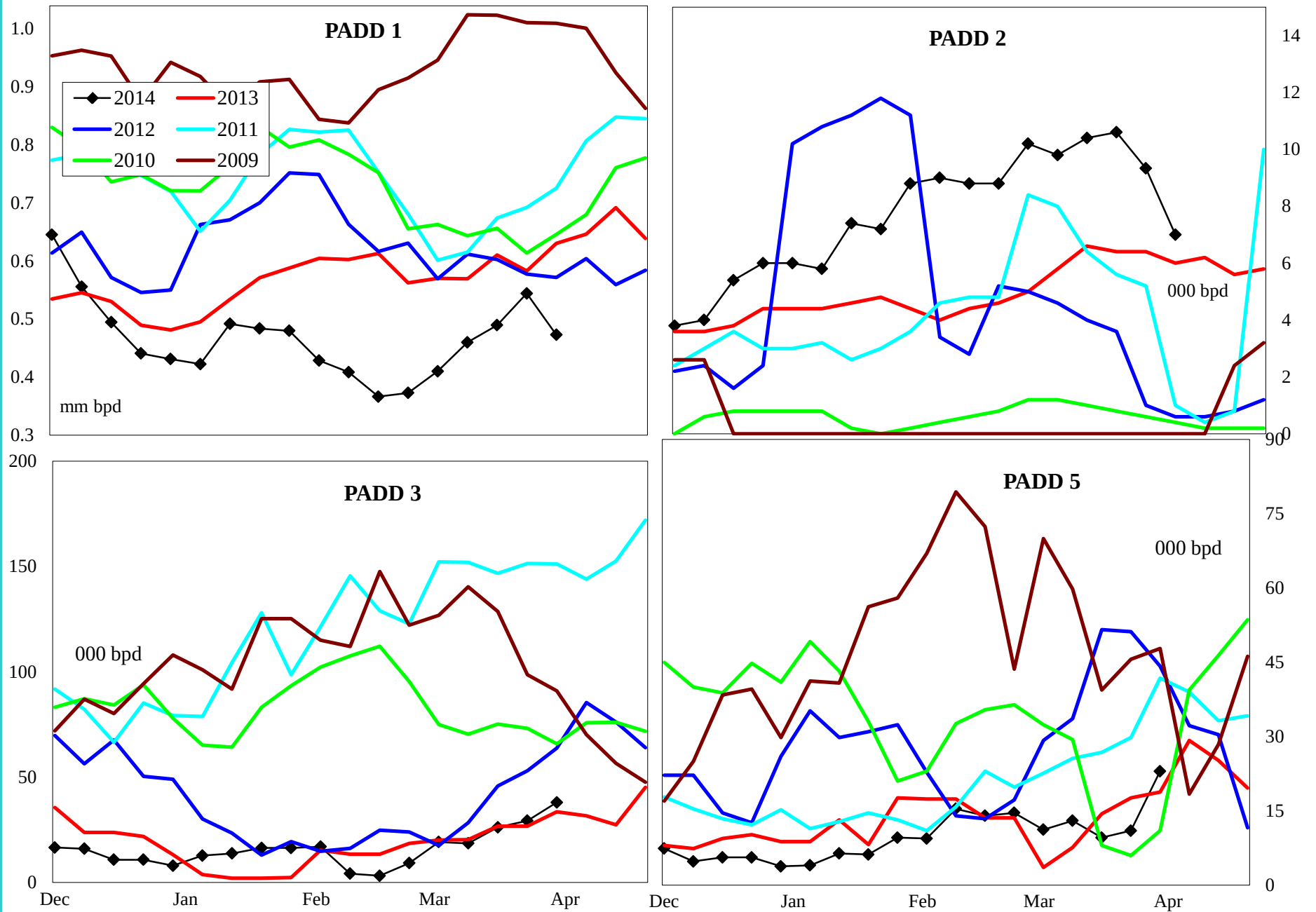
United States Petroleum Imports



Crude Oil Imports by PADD

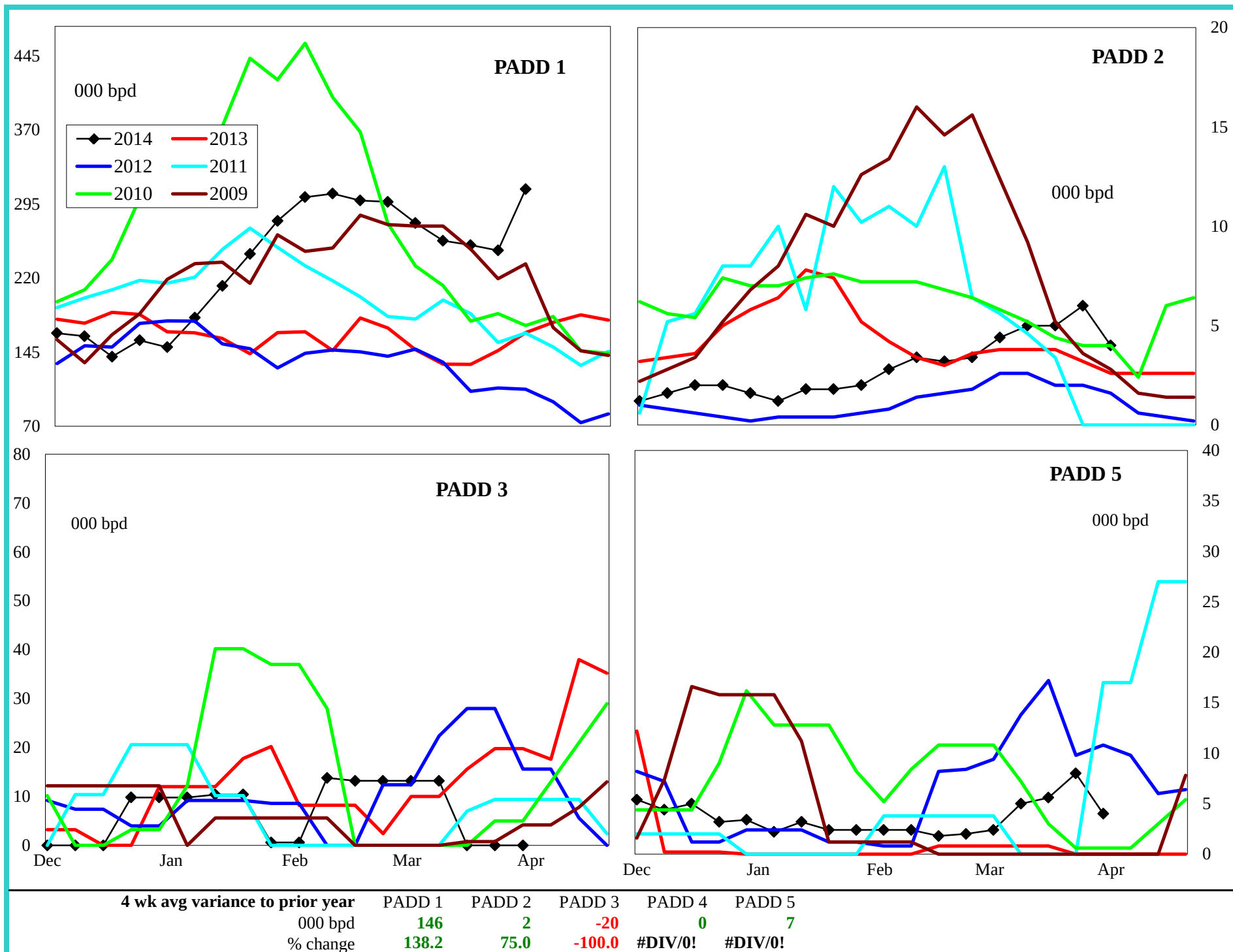


Gasoline Imports by PADD (Finished + Blend Stocks)

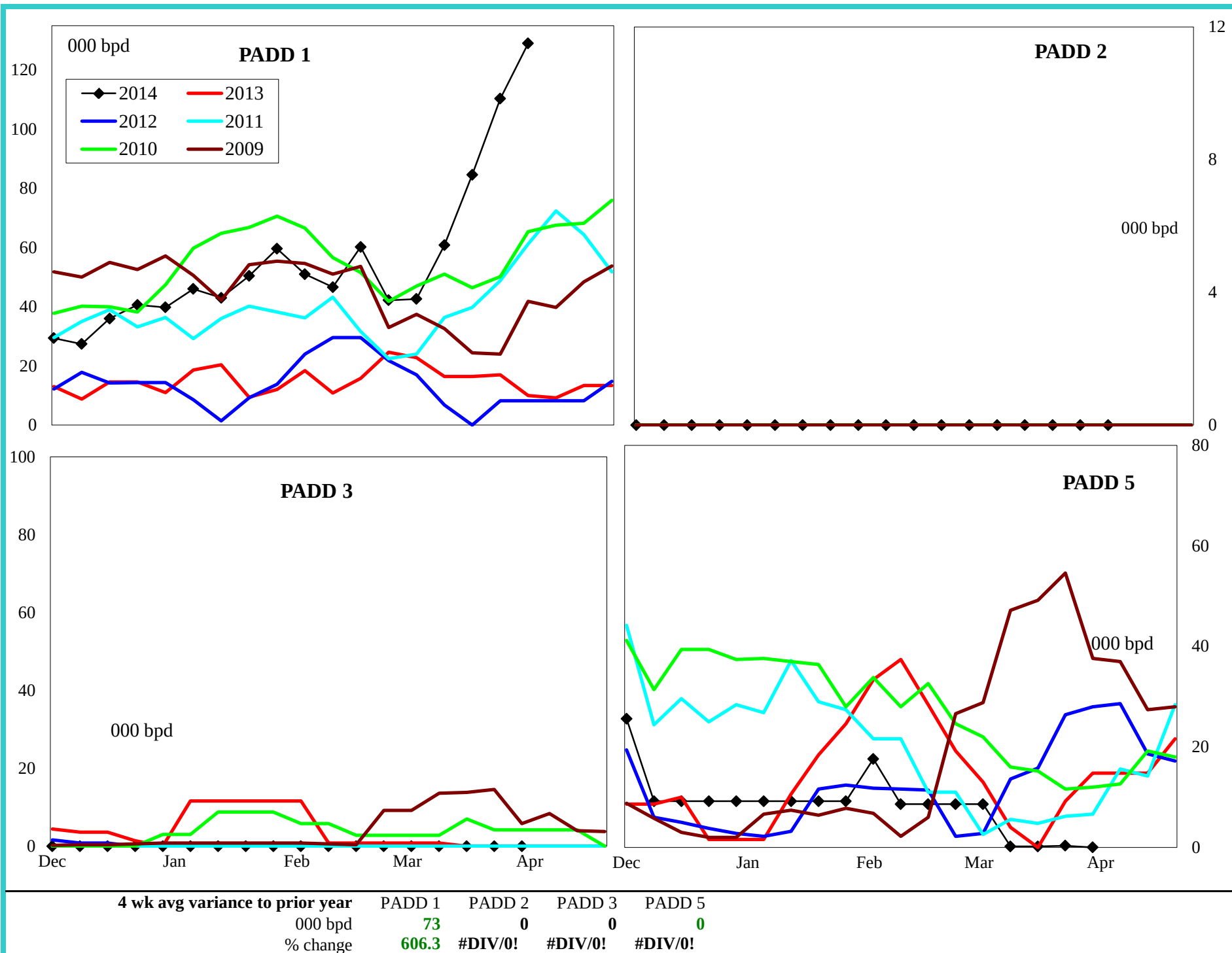


4 wk avg variance to prior year	PADD 1	PADD 2	PADD 3	PADD 5
000 bpd	-66	4	-1	-8
% change	-12.3	61.5	-2.2	-43.5

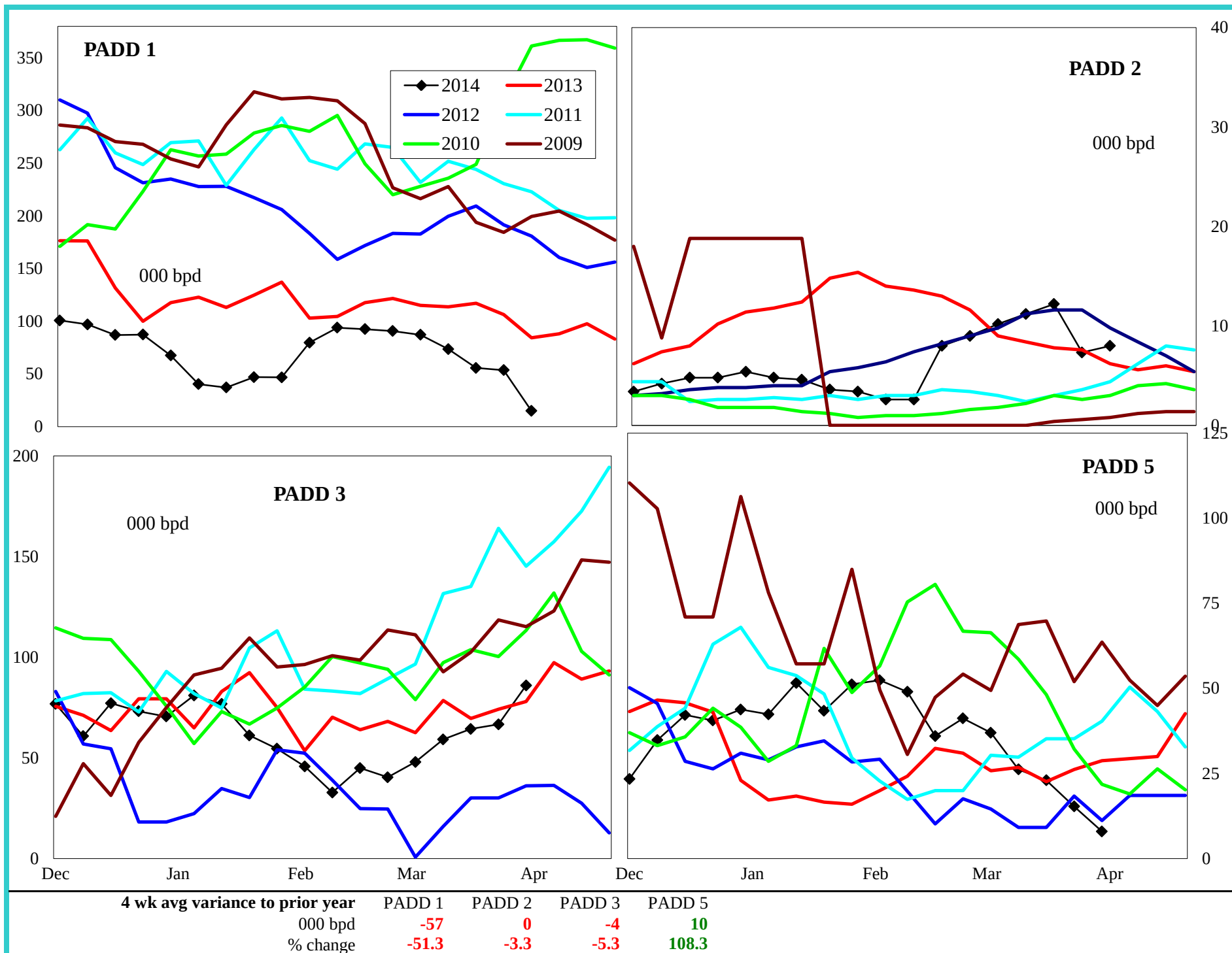
Distillate Imports by PADD



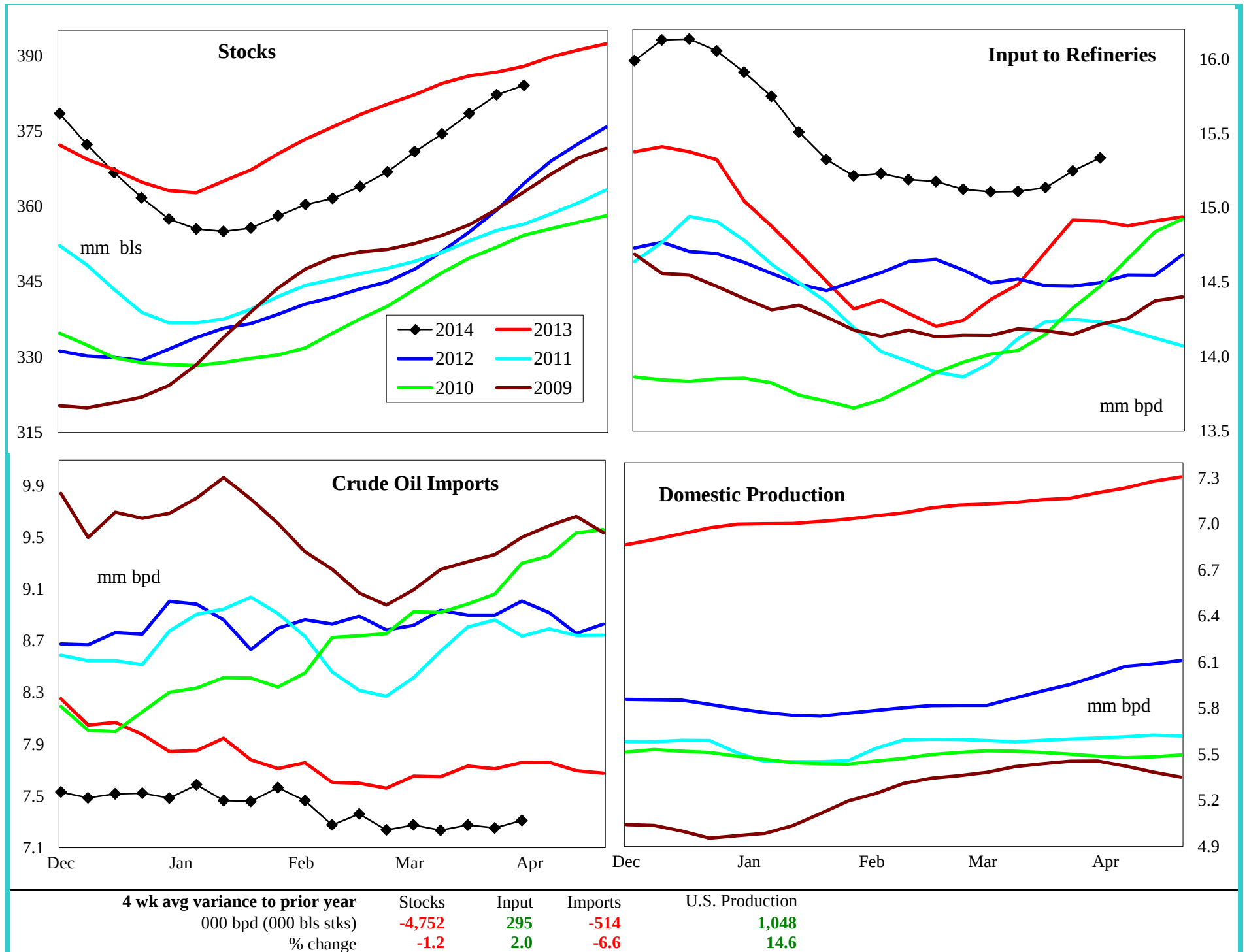
Jet Fuel Imports by PADD



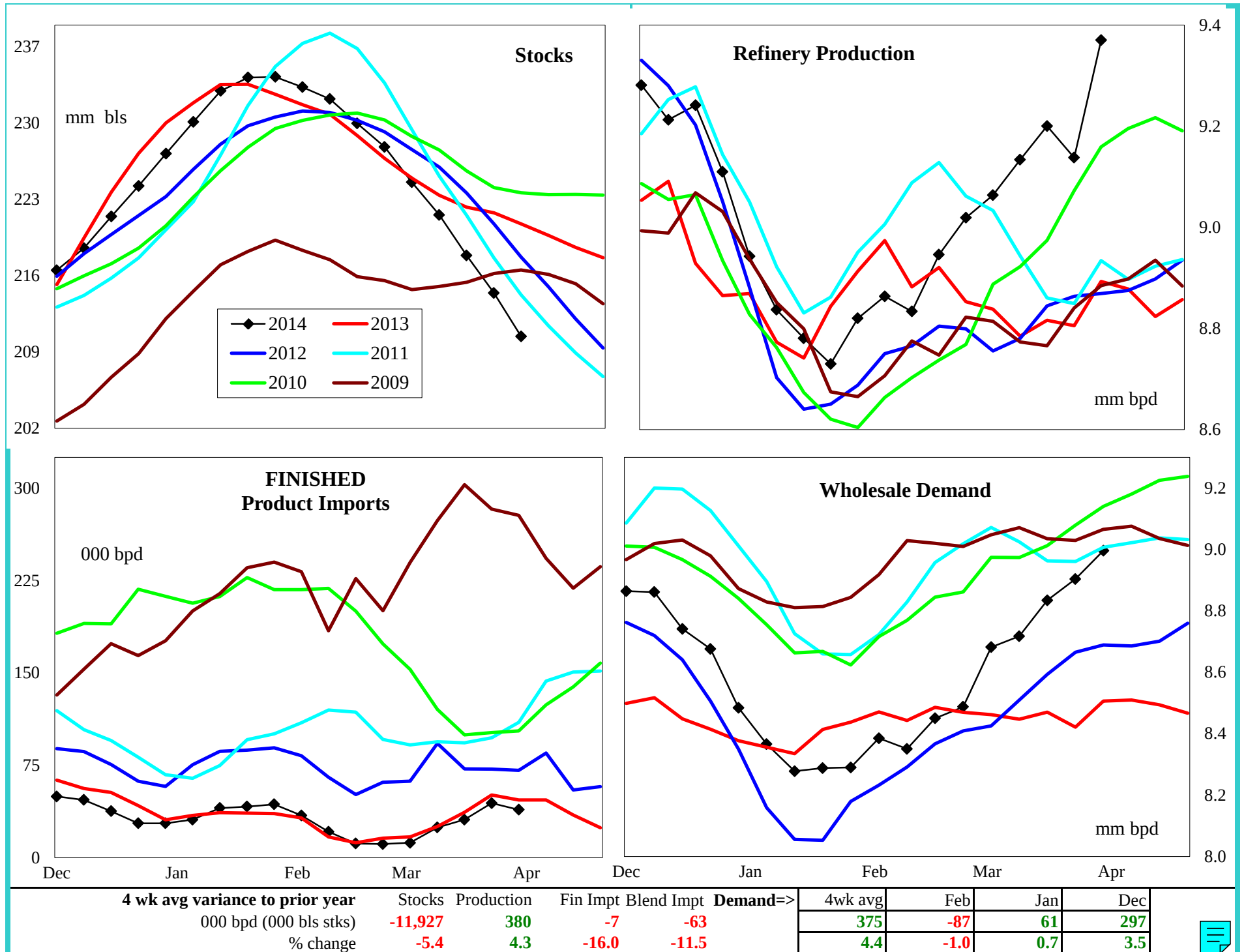
Residual Fuel Oil Imports by PADD



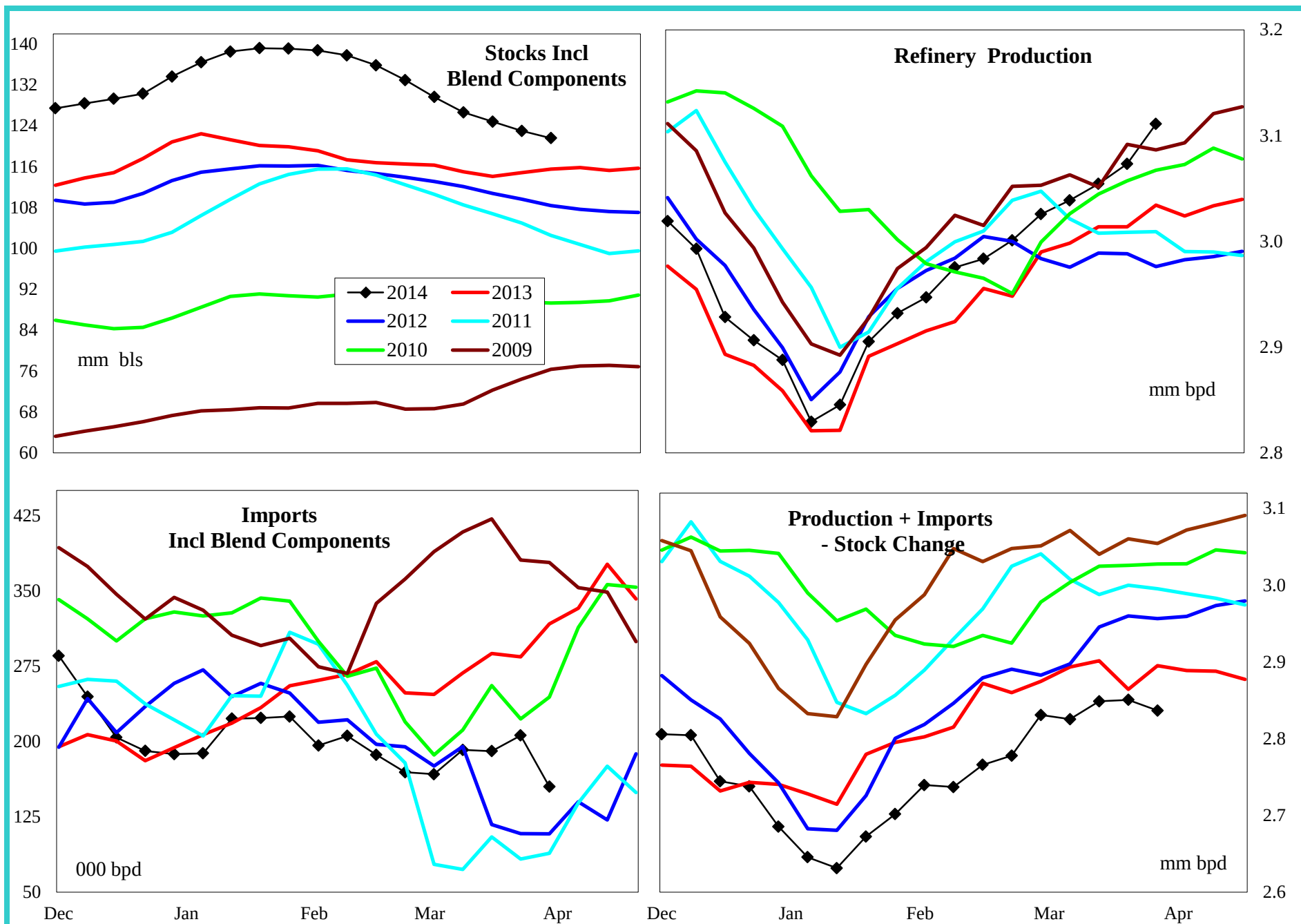
United States Crude Oil Supply and Demand Balance



United States Gasoline Supply and Demand Balance



United States Reformulated Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

6,057

5.2

Production

54

1.8

Imports

-104

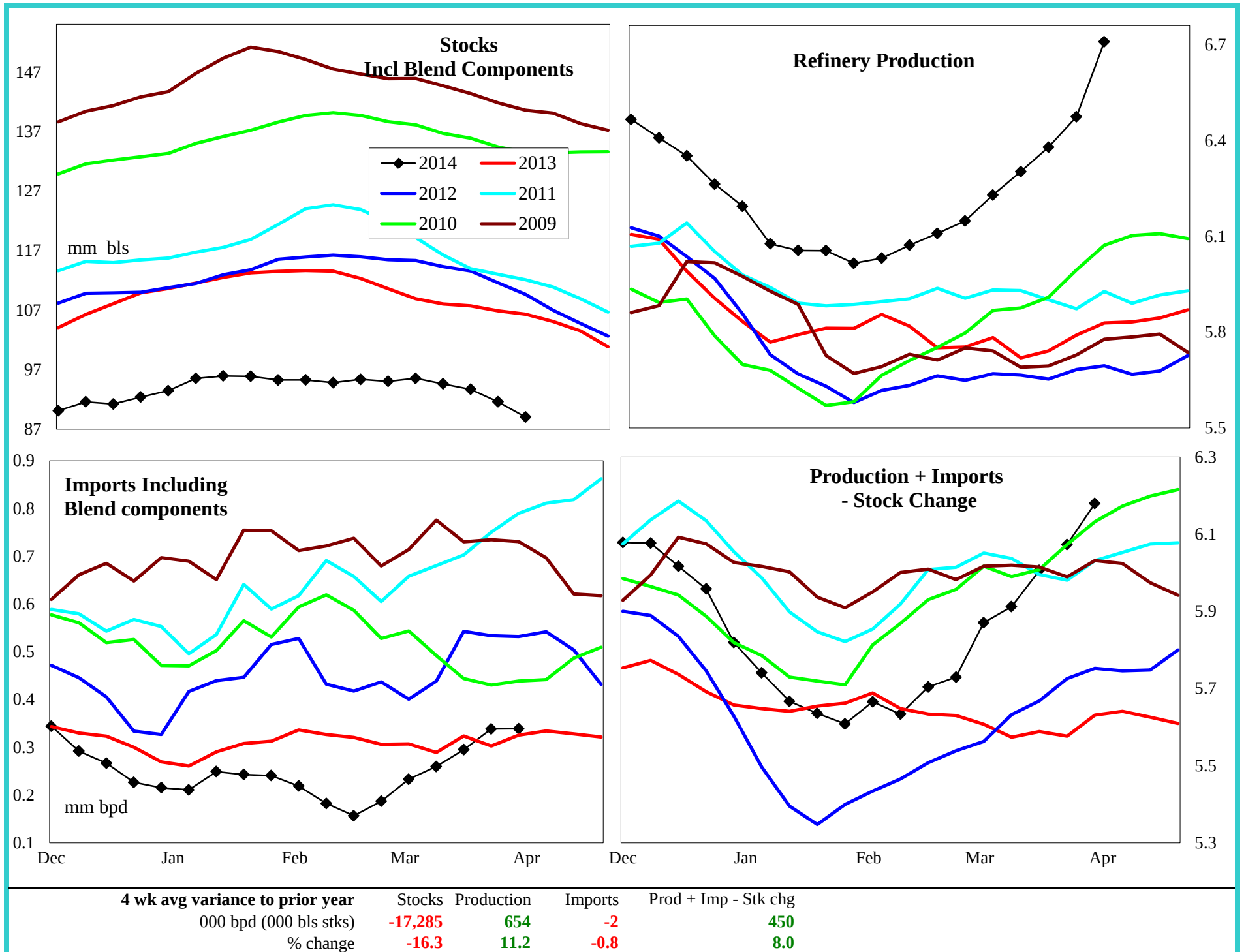
-35.8

Prod + Imp - Stk chg

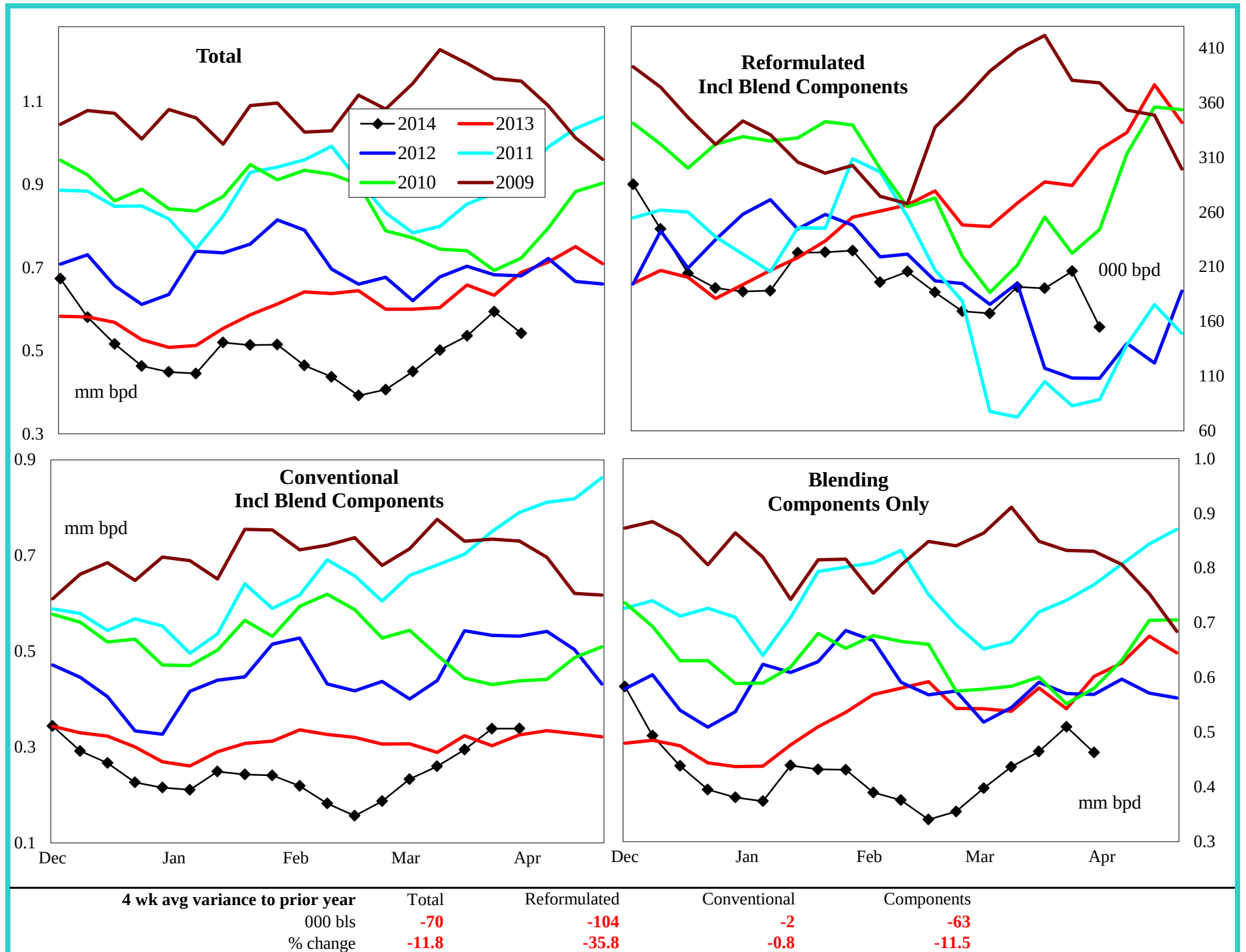
-48

-1.7

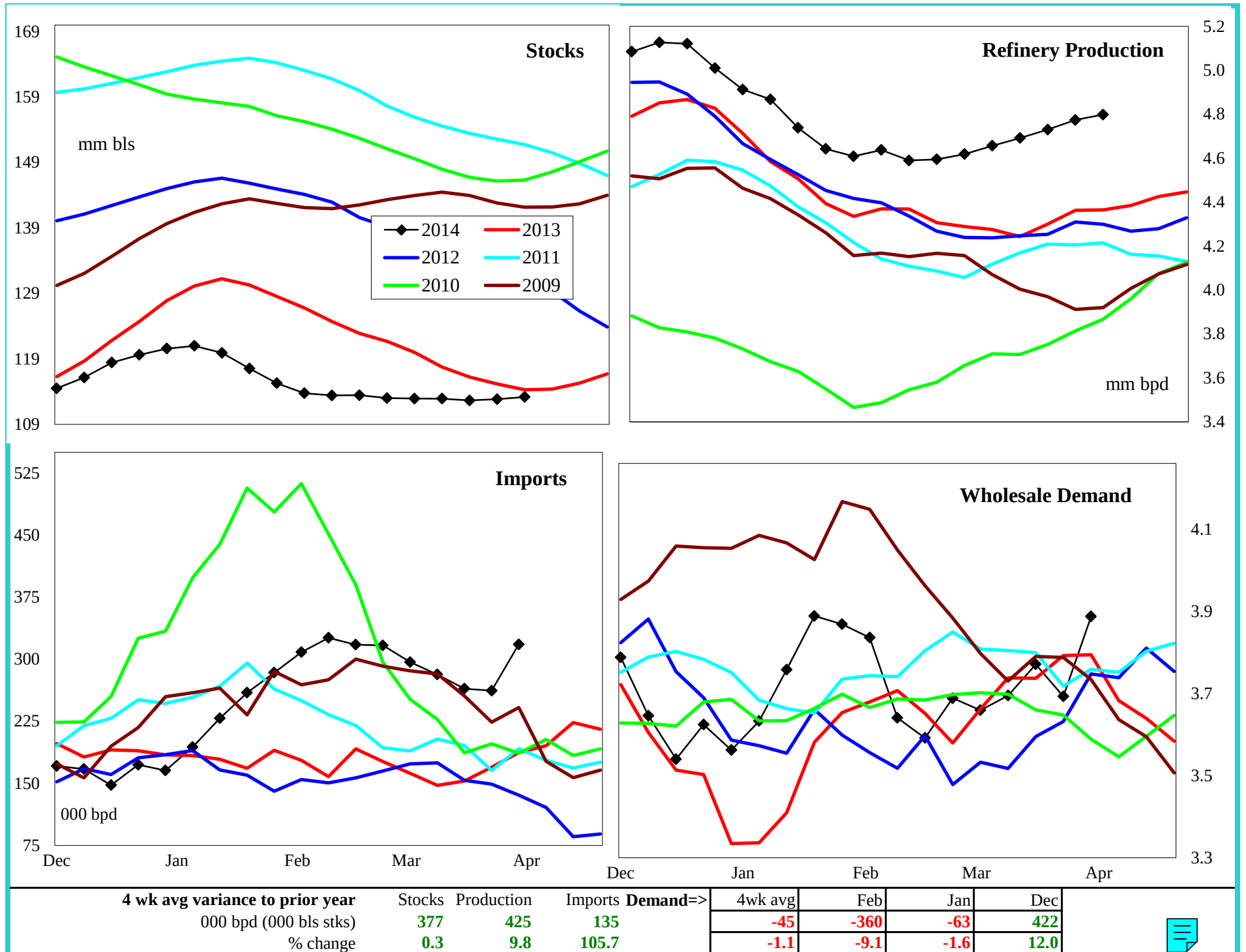
United States Conventional Gasoline Supply



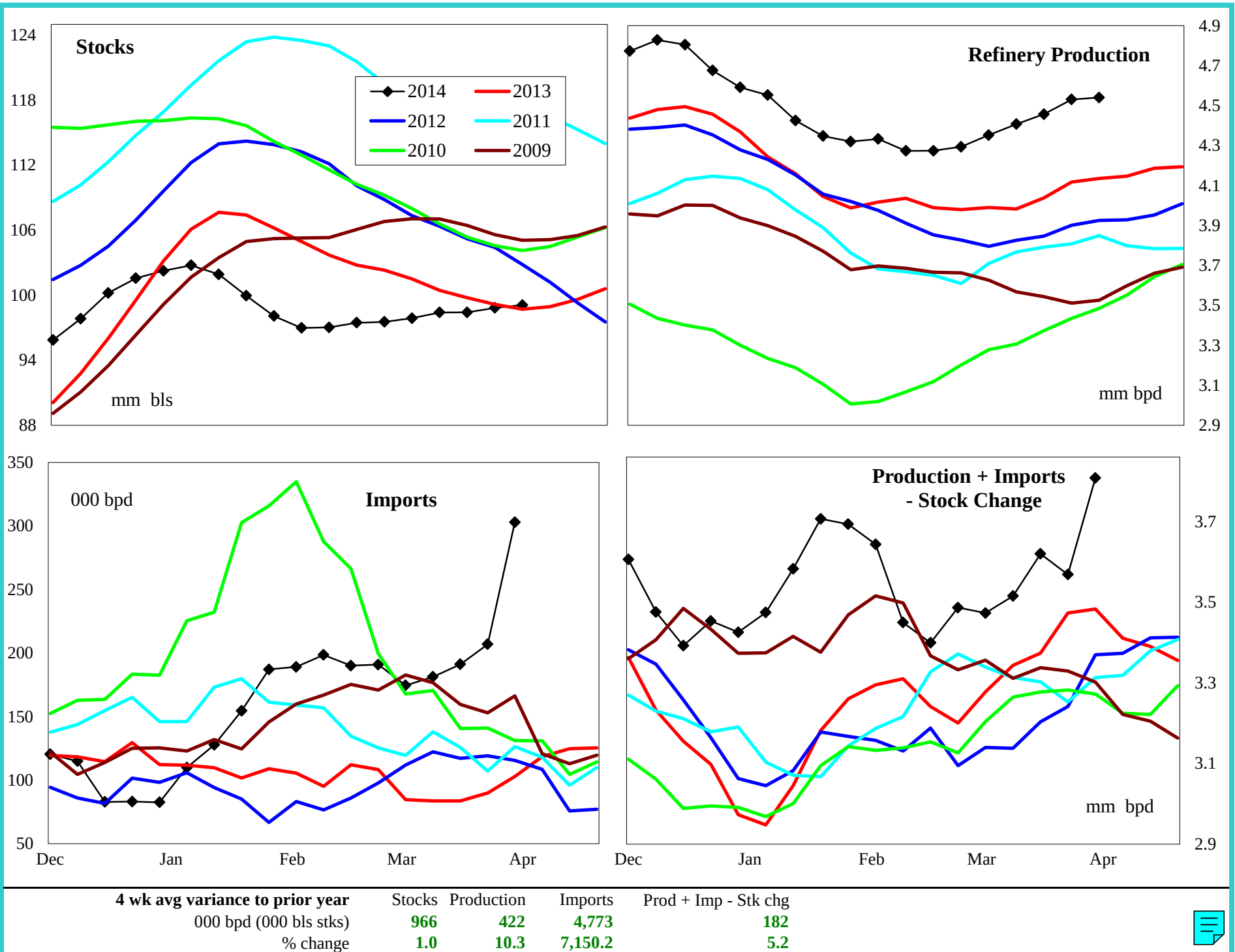
United States Gasoline Imports by Type



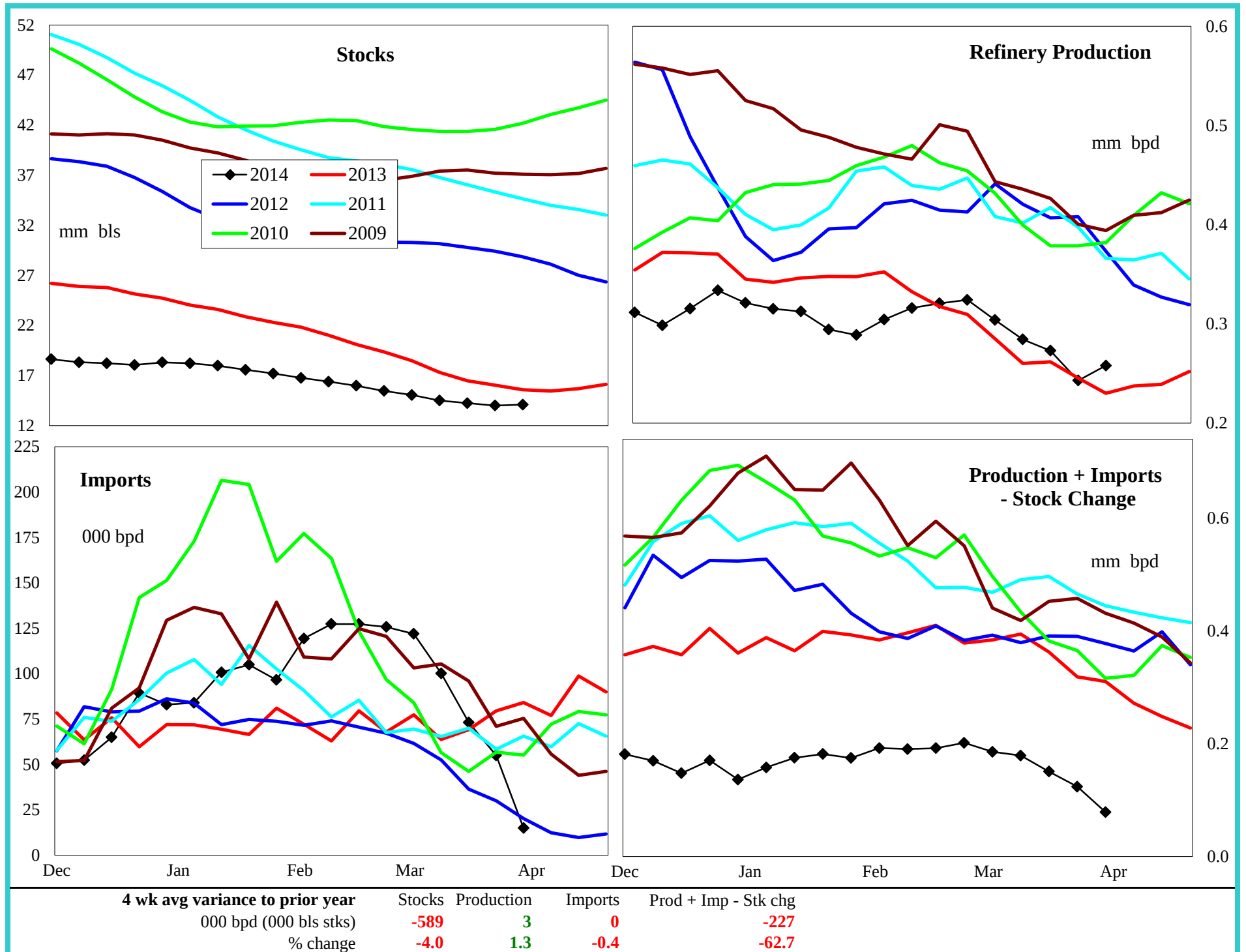
United States Distillate Supply and Demand Balance



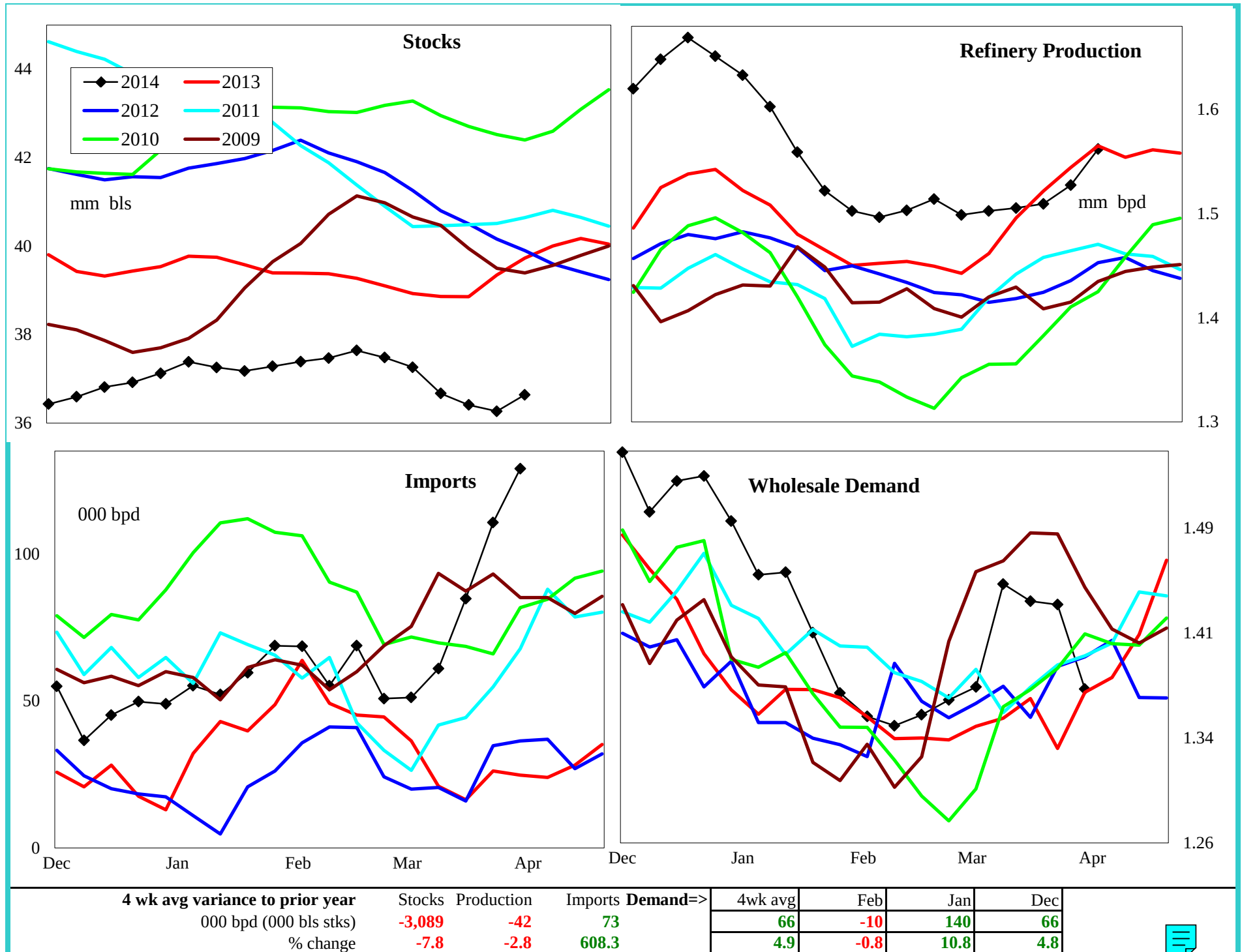
United States Low Sulfur Distillate Supply



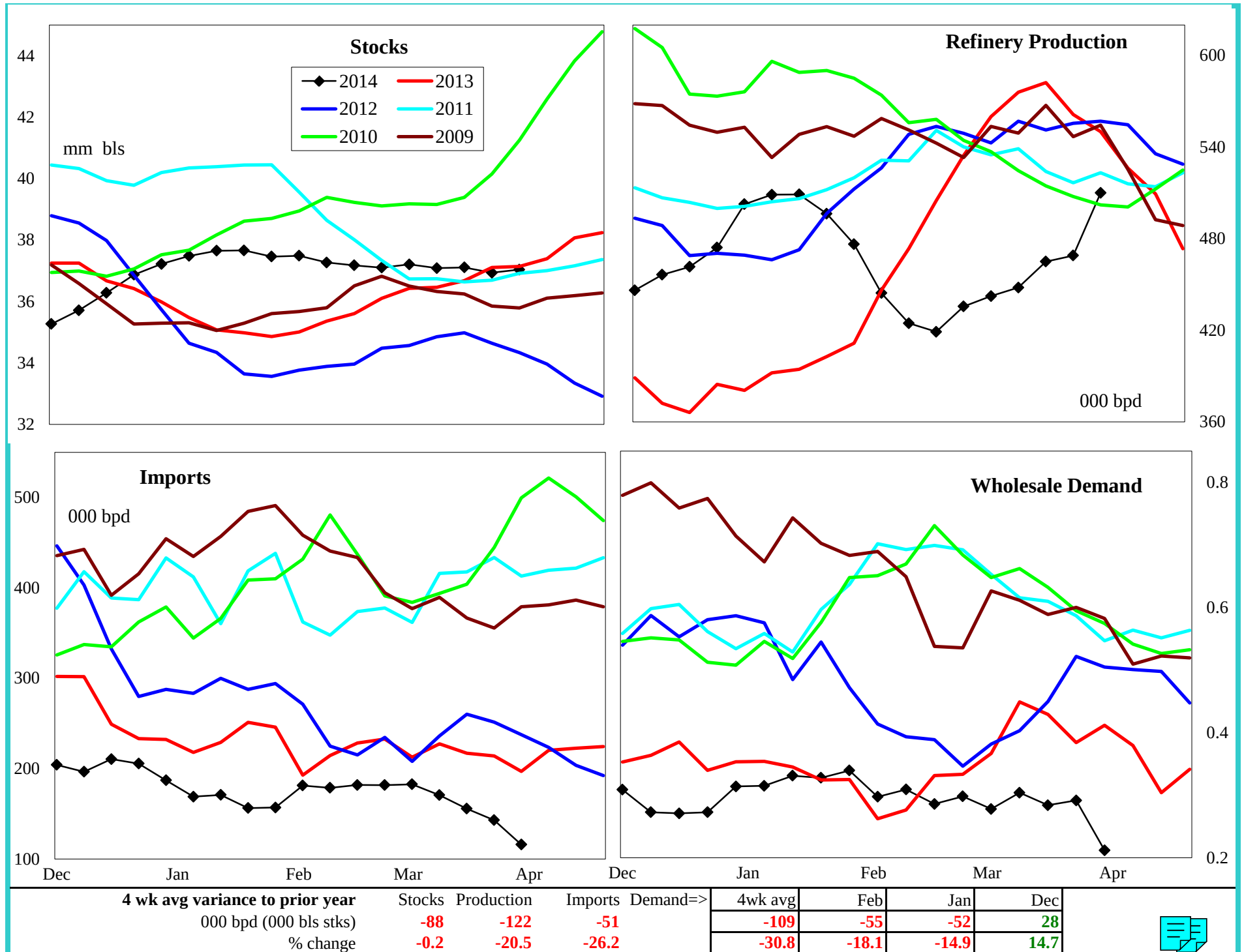
United States High Sulfur Distillate Supply



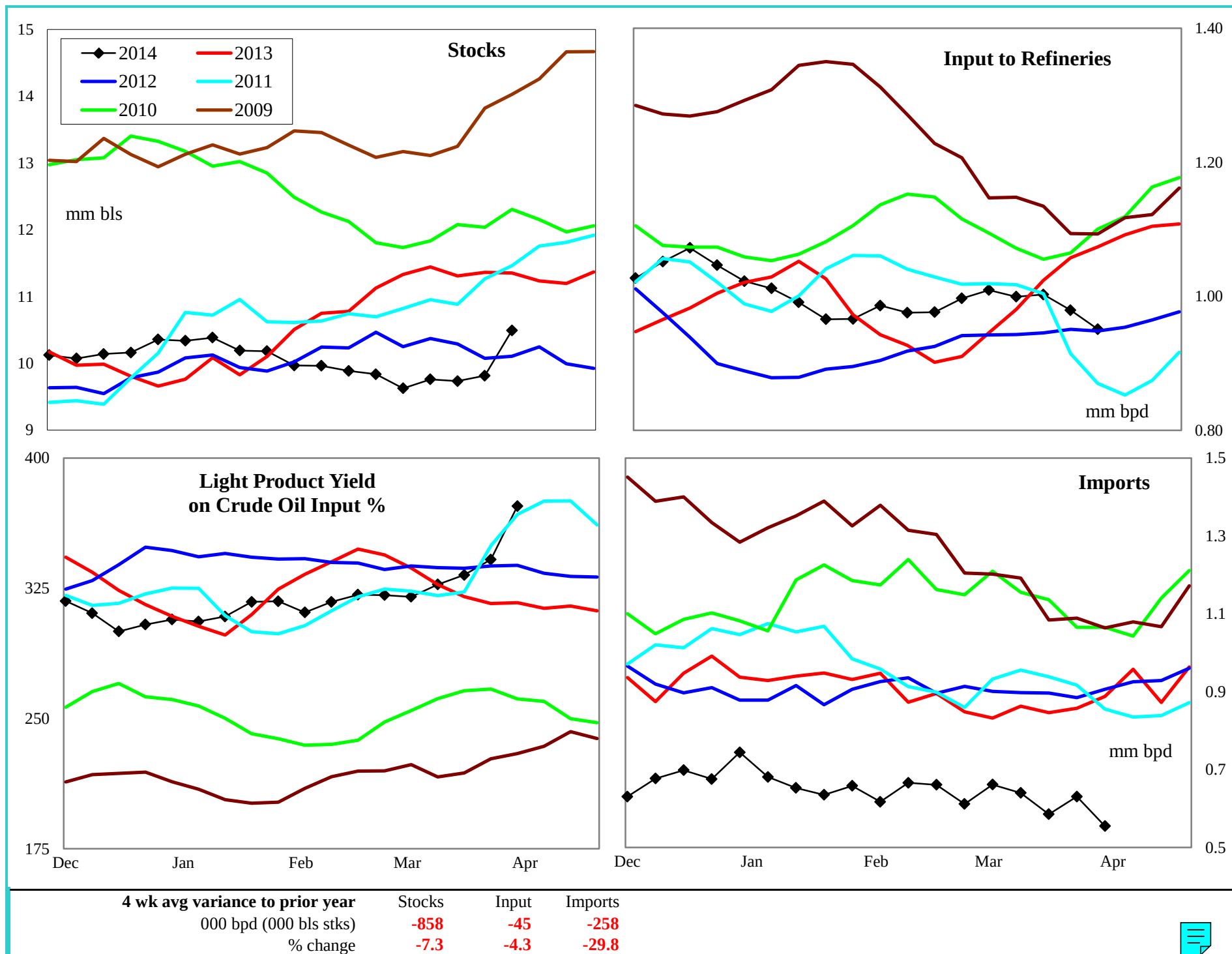
United States Jet Fuel Supply and Demand Balance



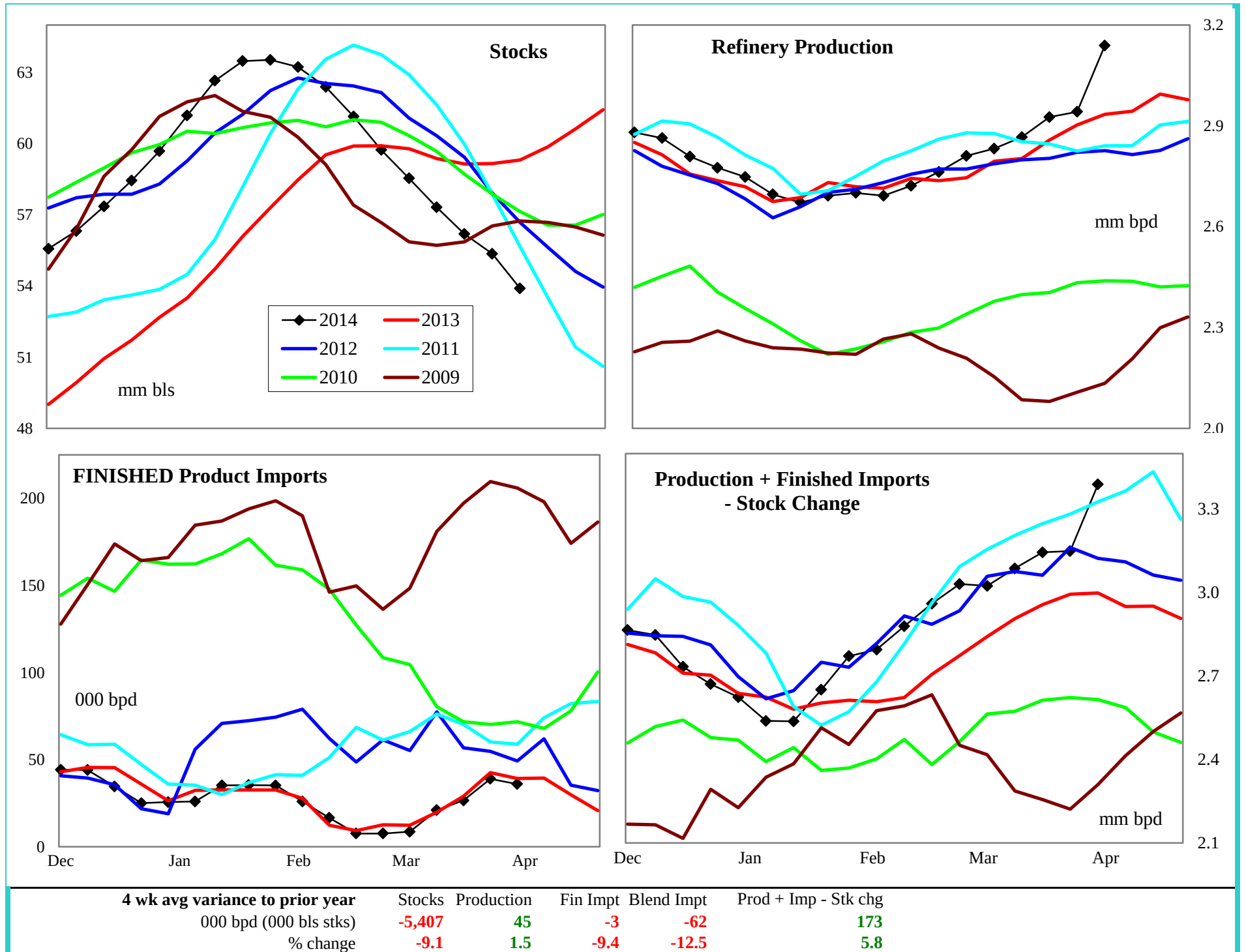
United States Residual Fuel Oil Supply and Demand Balance



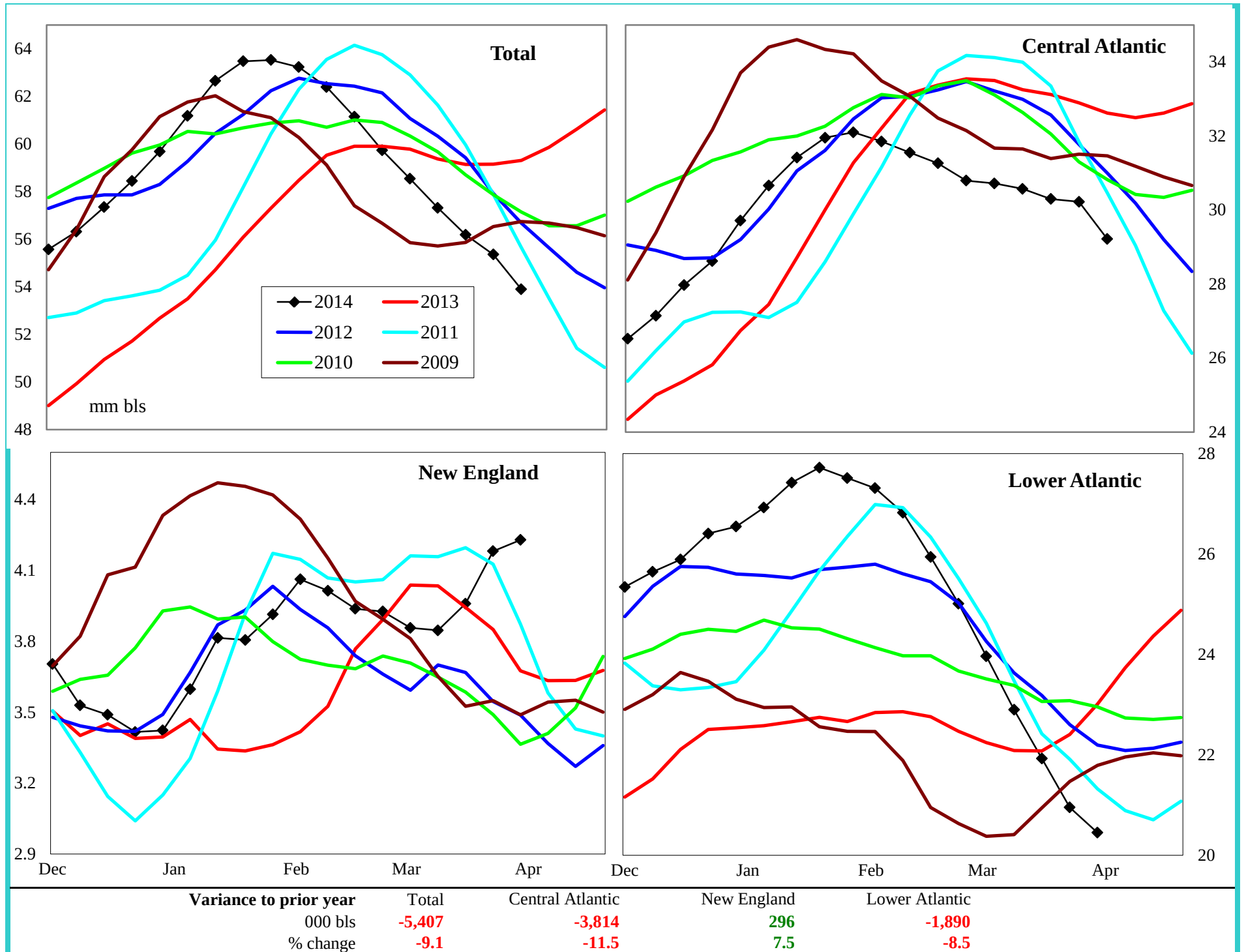
PADD 1 Crude Oil Supply and Refining



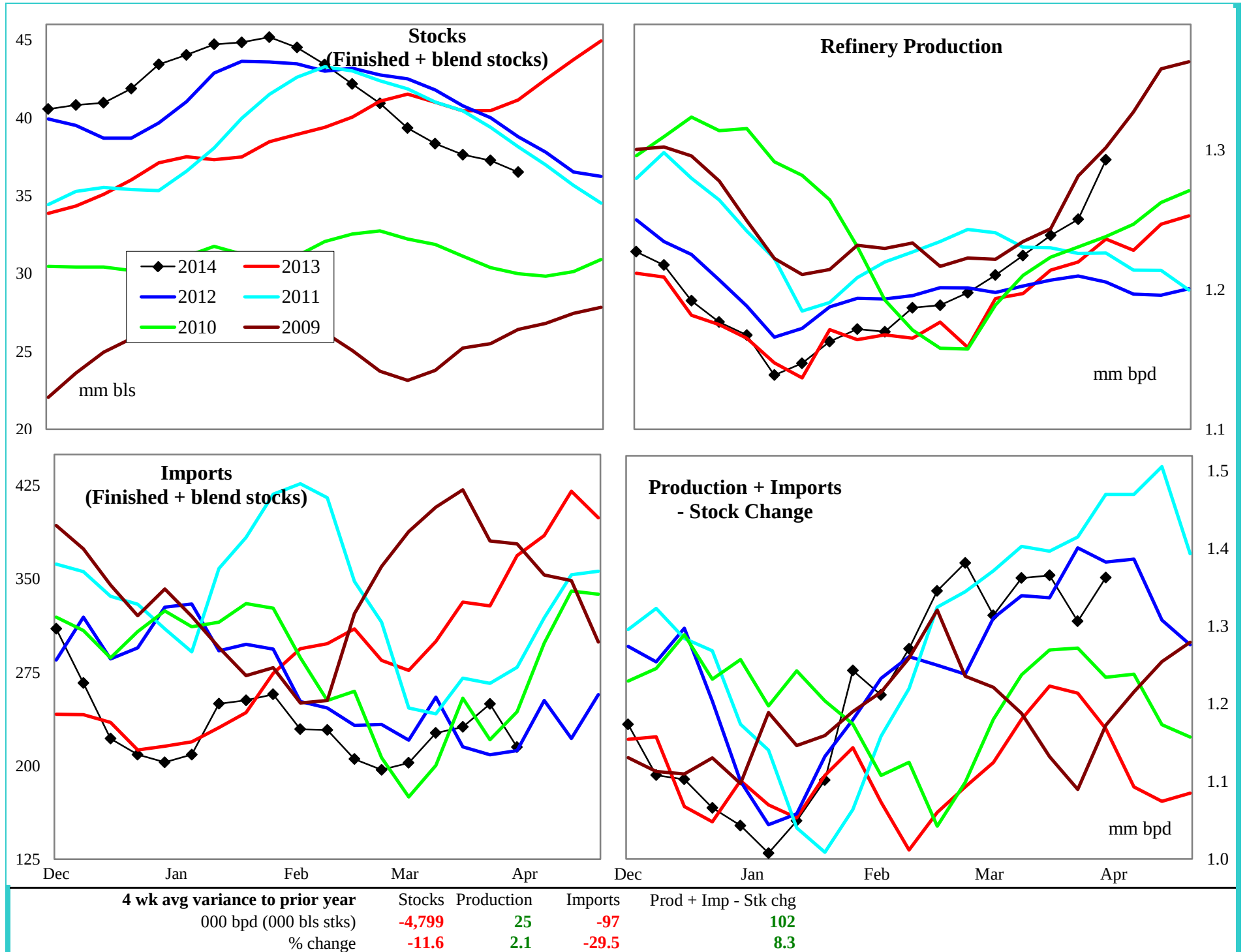
PADD 1 Gasoline Supply



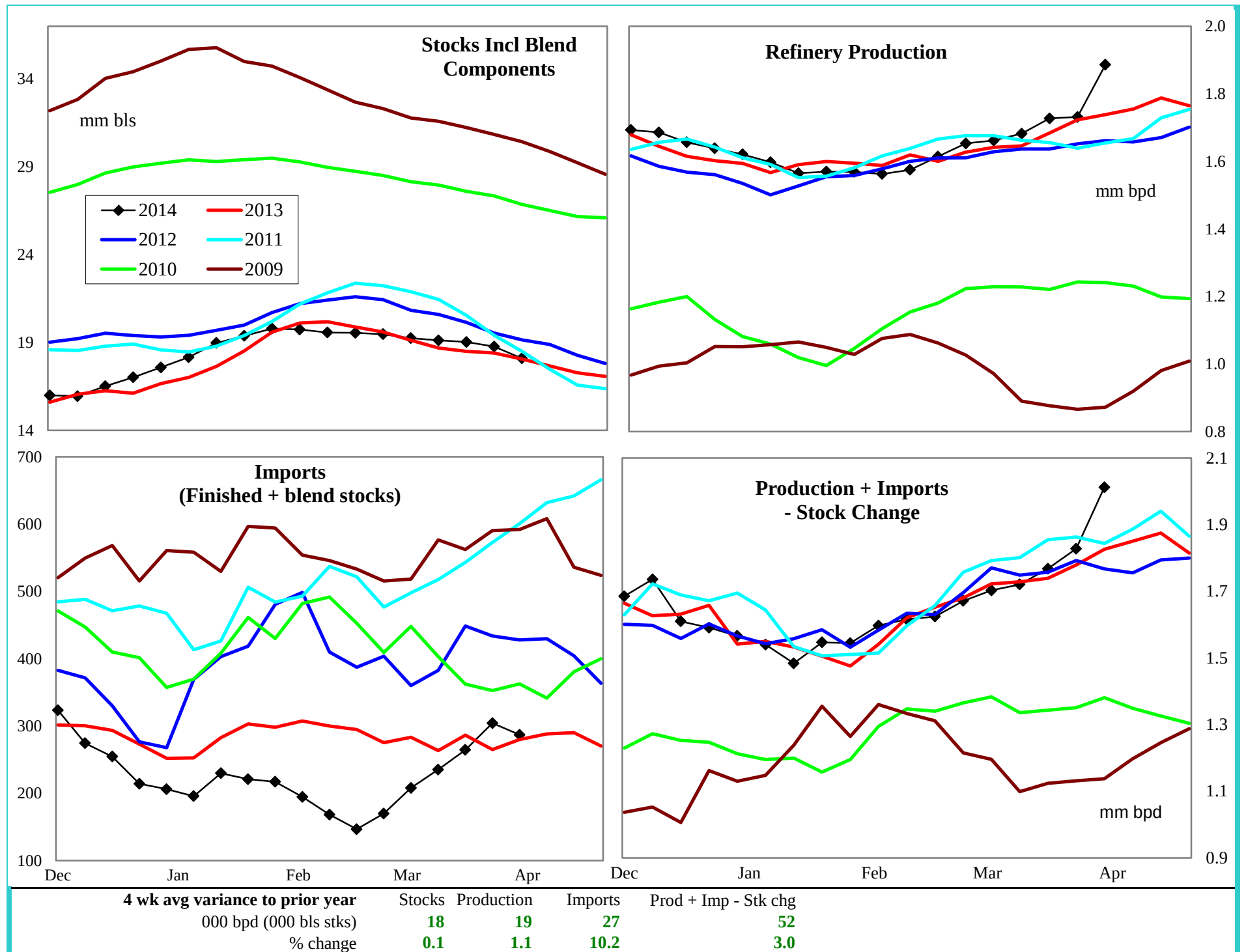
PADD 1 Gasoline Stocks by Region



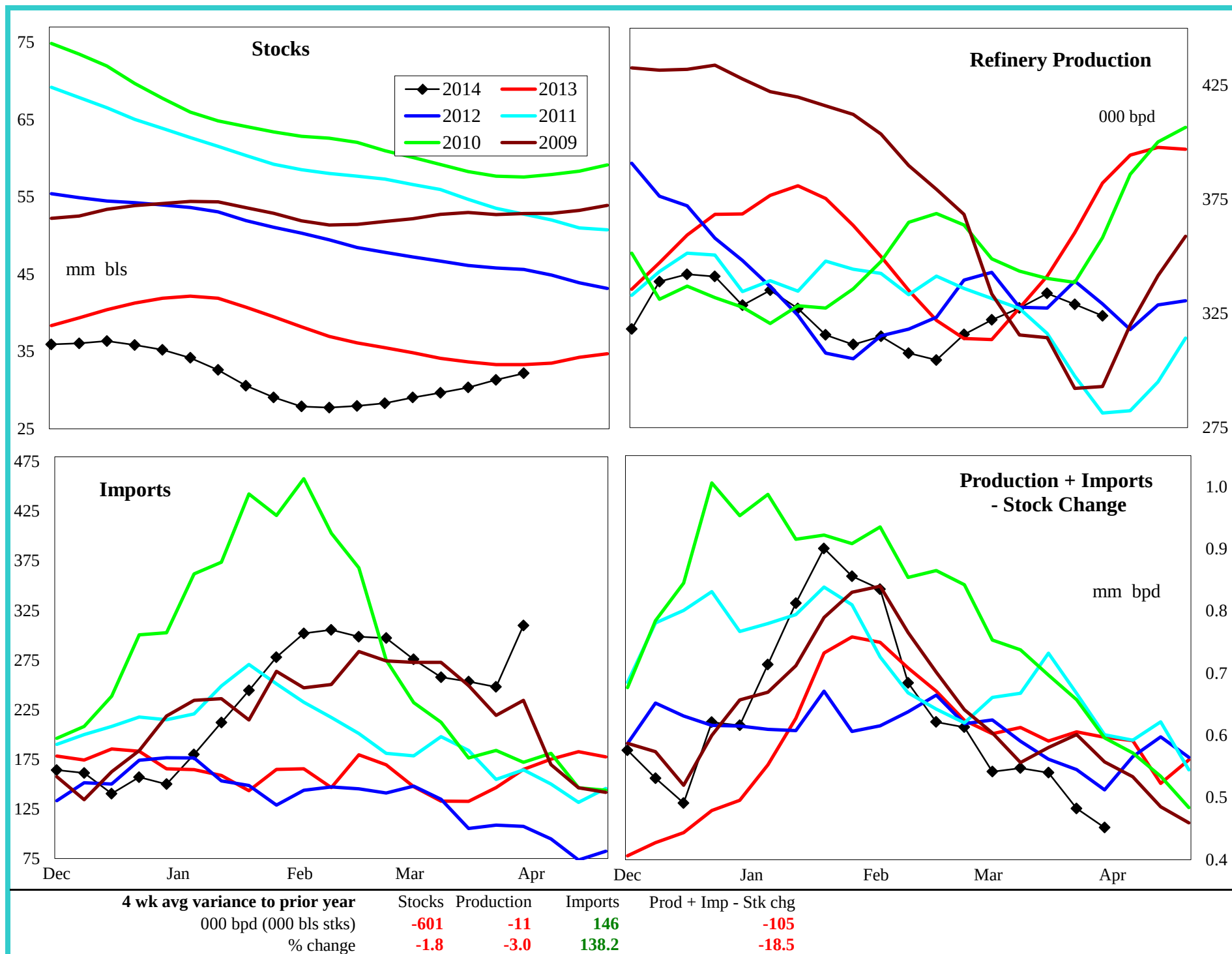
PADD 1 Reformulated Gasoline Supply



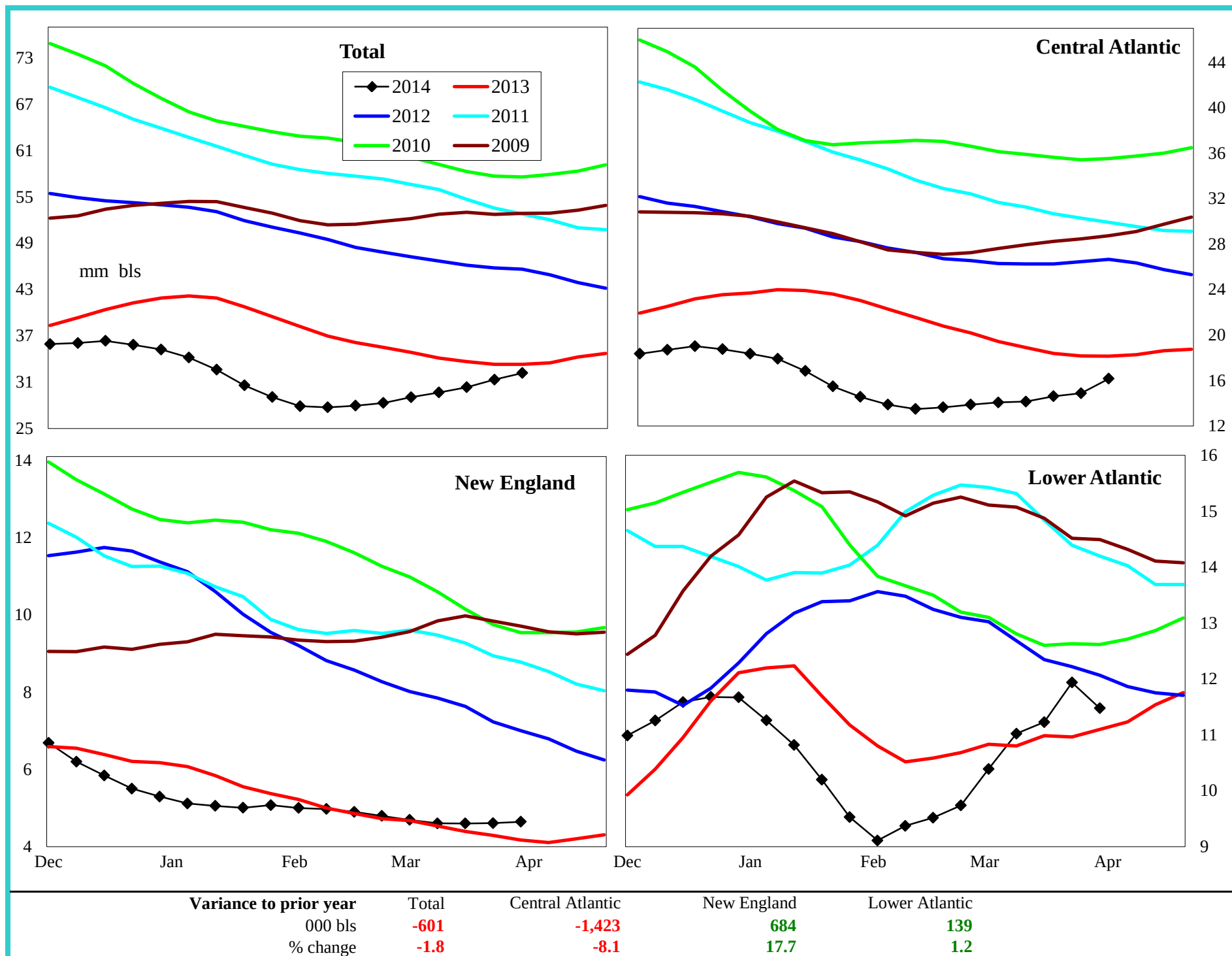
PADD 1 Conventional Gasoline Supply



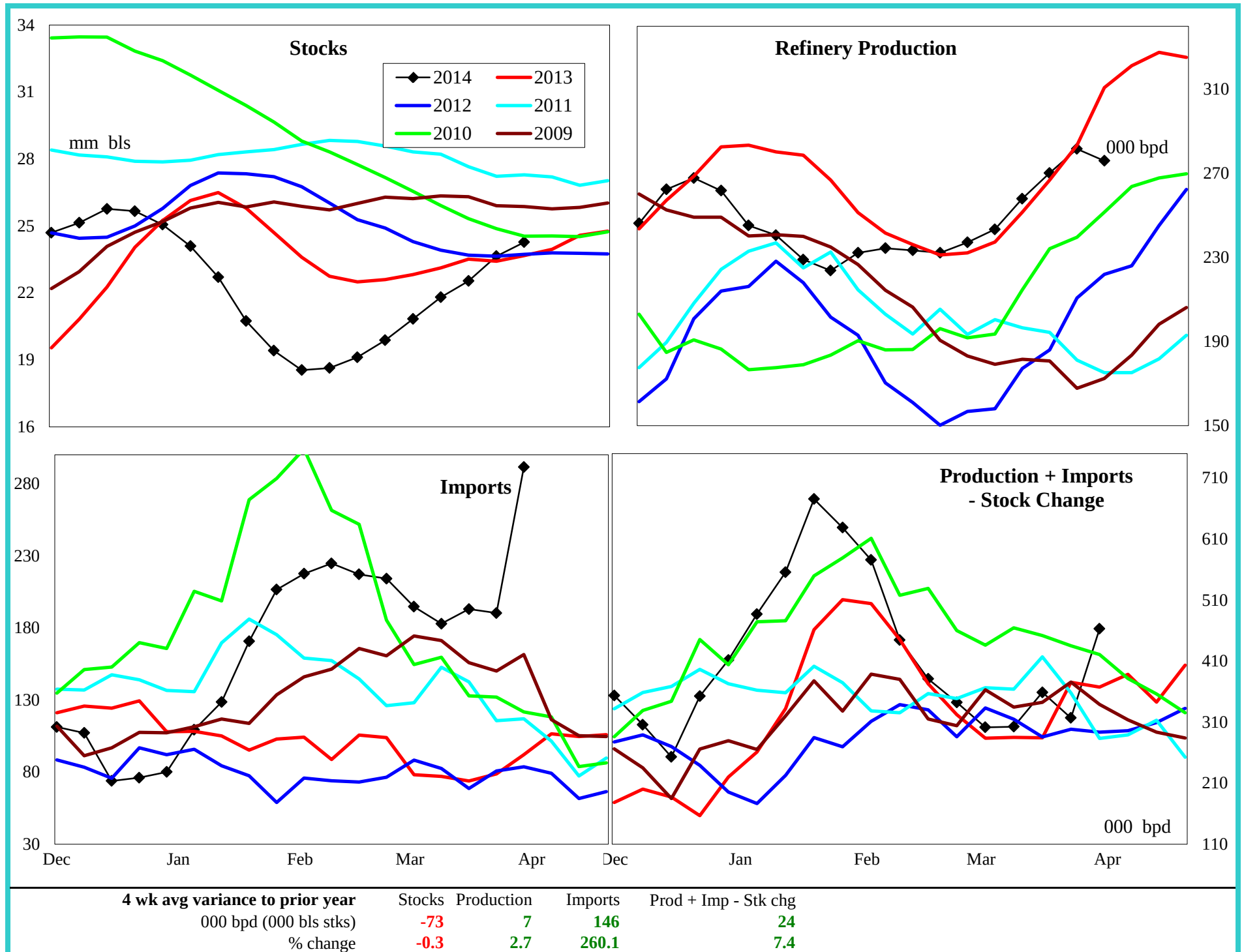
PADD 1 Distillate Supply



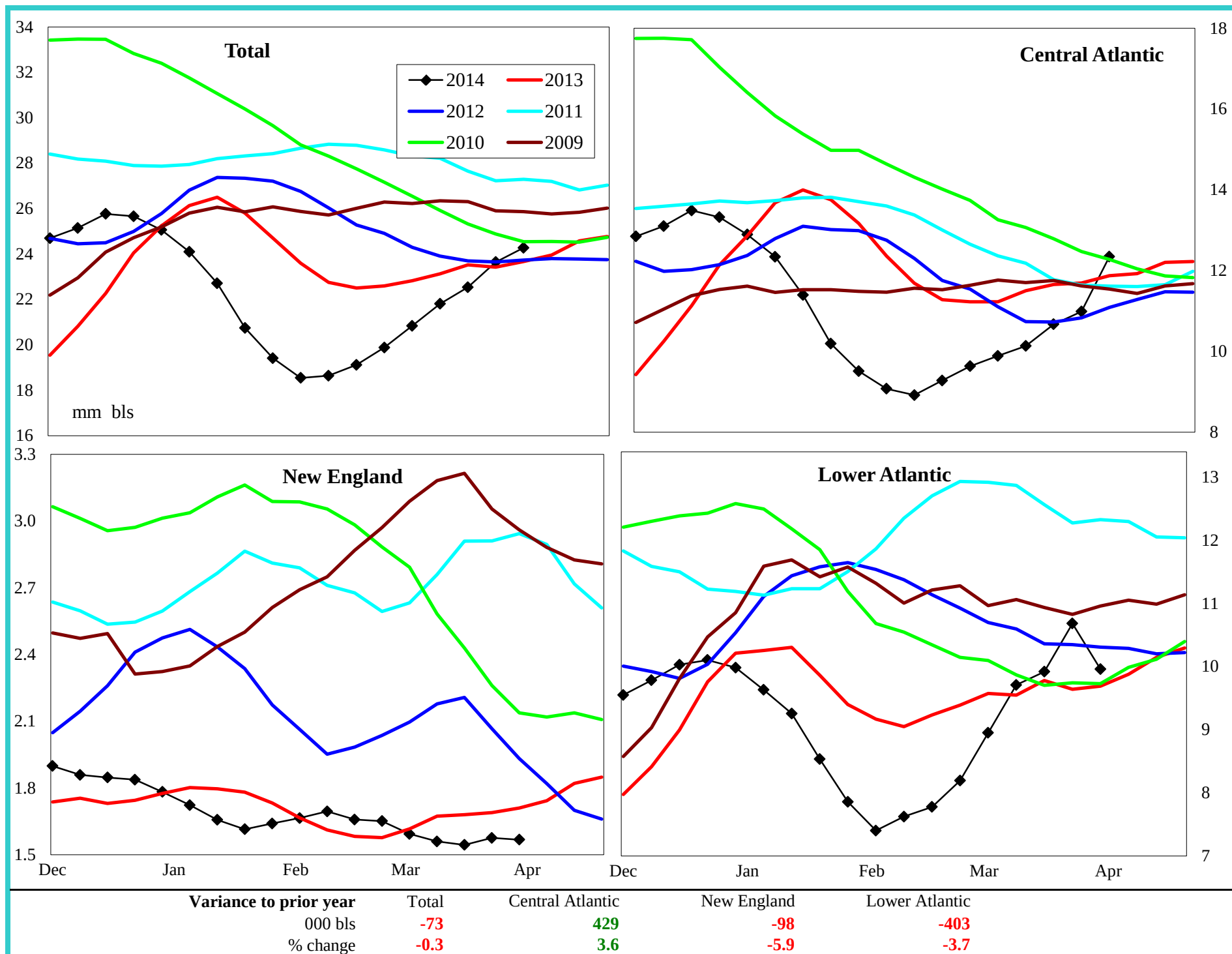
PADD 1 Distillate Stocks by Region



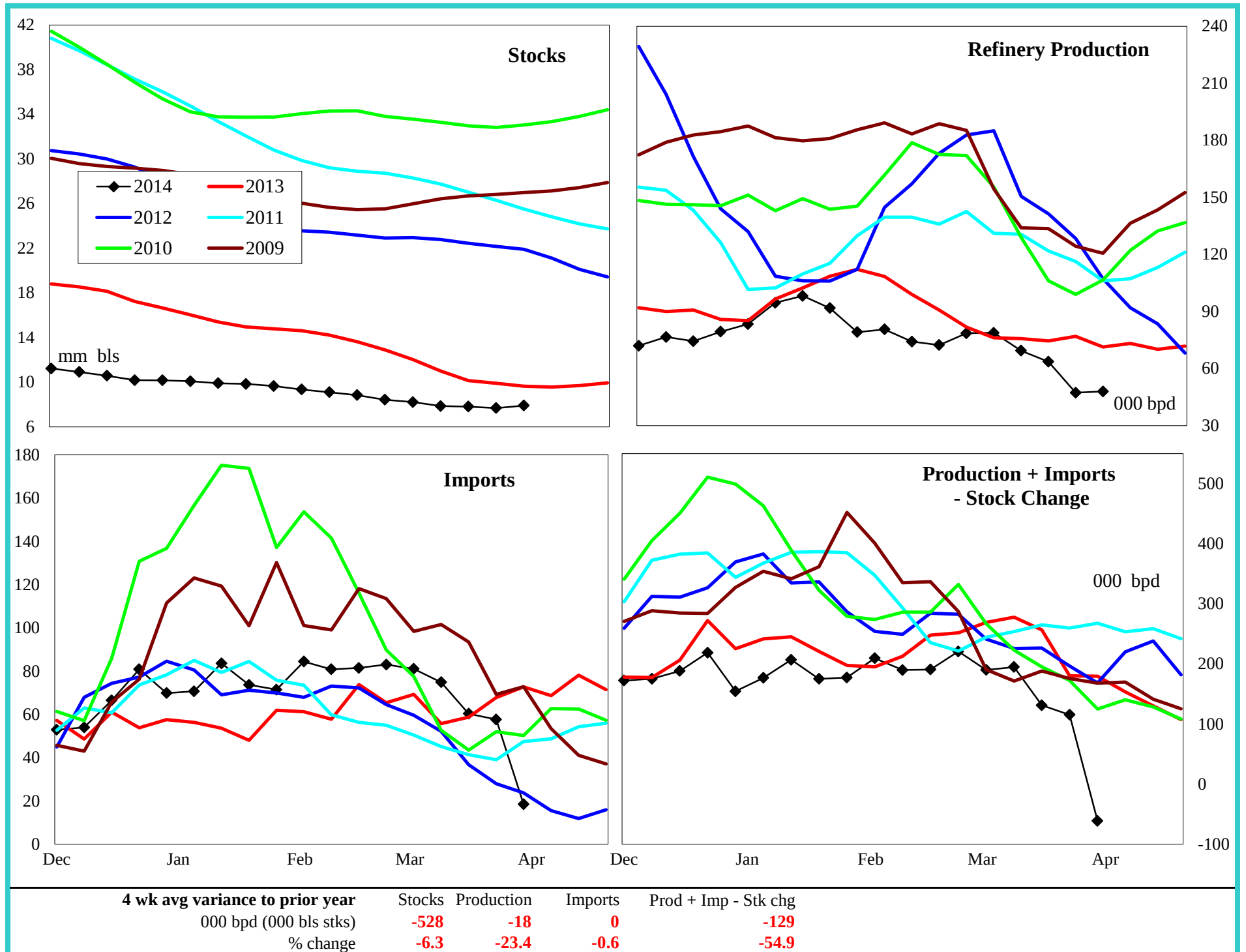
PADD 1 Low Sulfur Distillate Supply



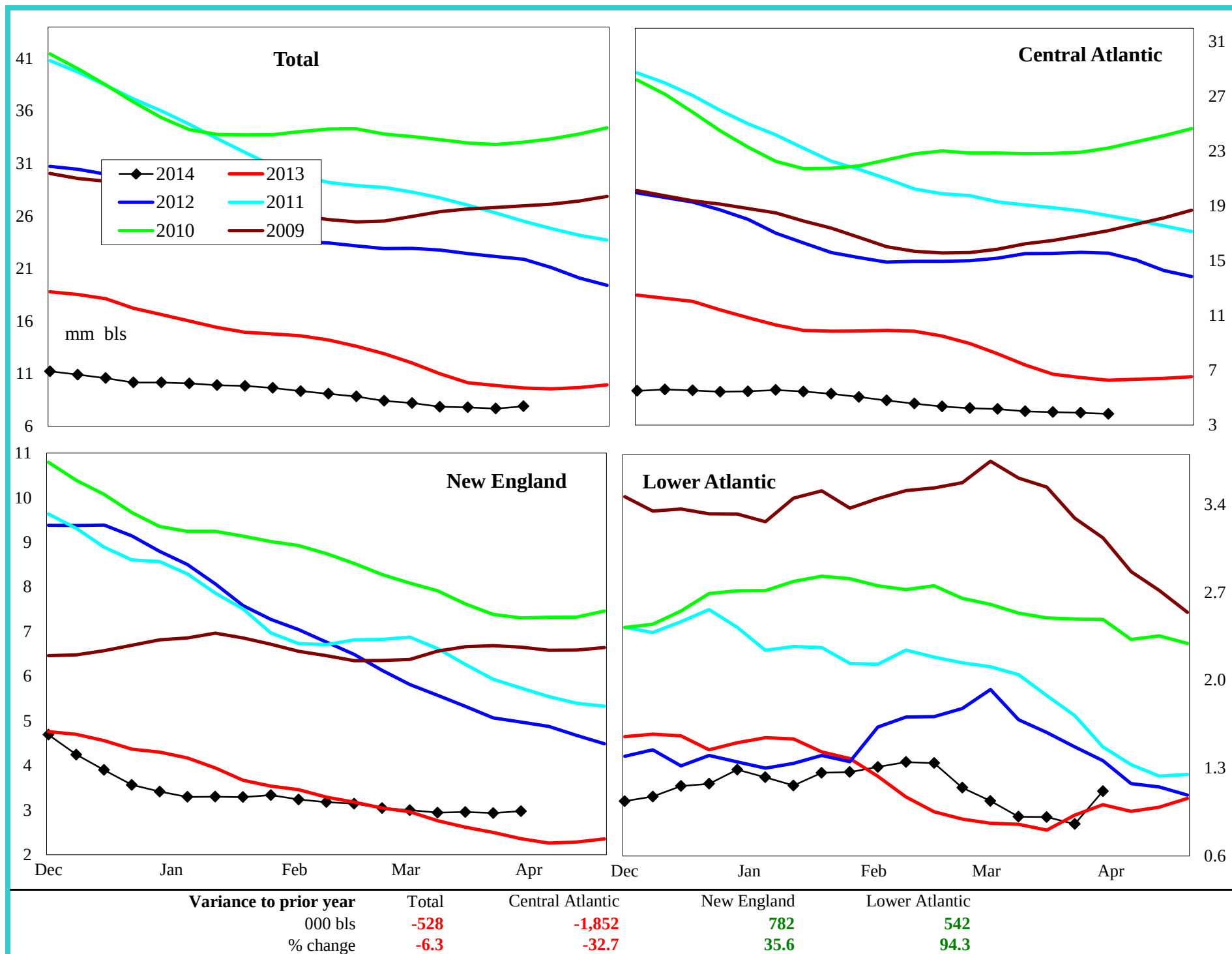
PADD 1 Low Sulfur Distillate Stocks by Region



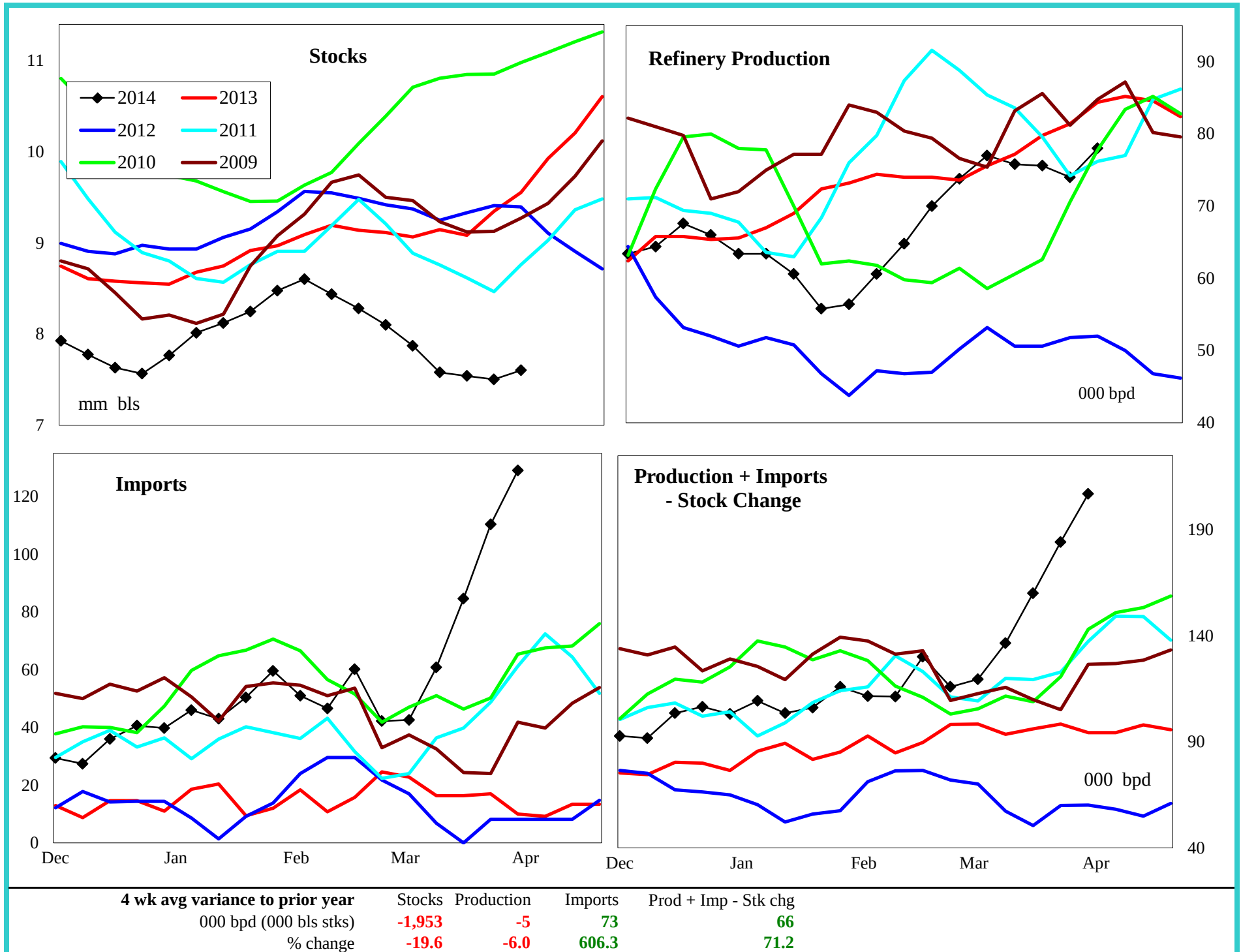
PADD 1 High Sulfur Distillate Supply



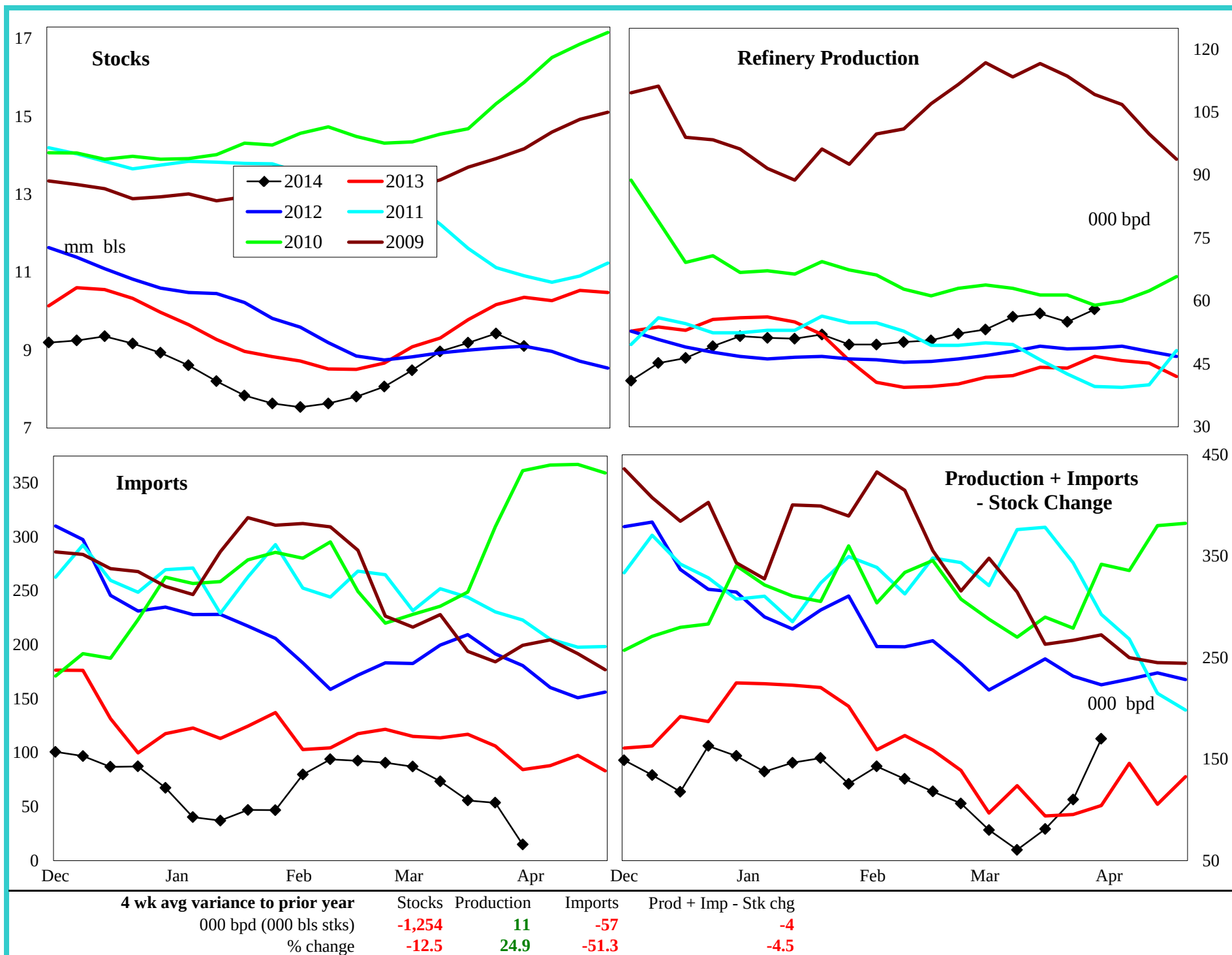
PADD 1 High Sulfur Distillate Stocks by Region



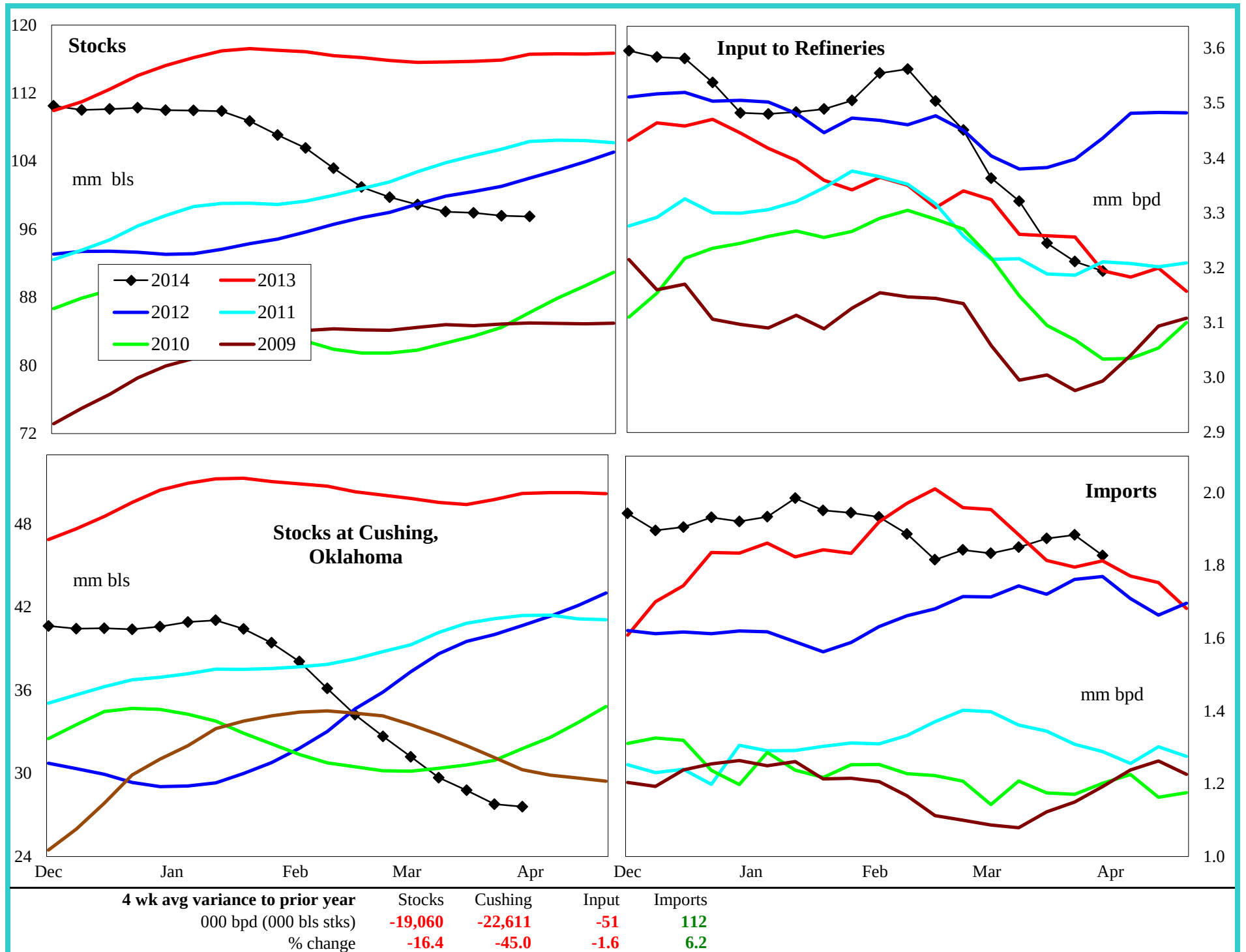
PADD 1 Jet Fuel Supply



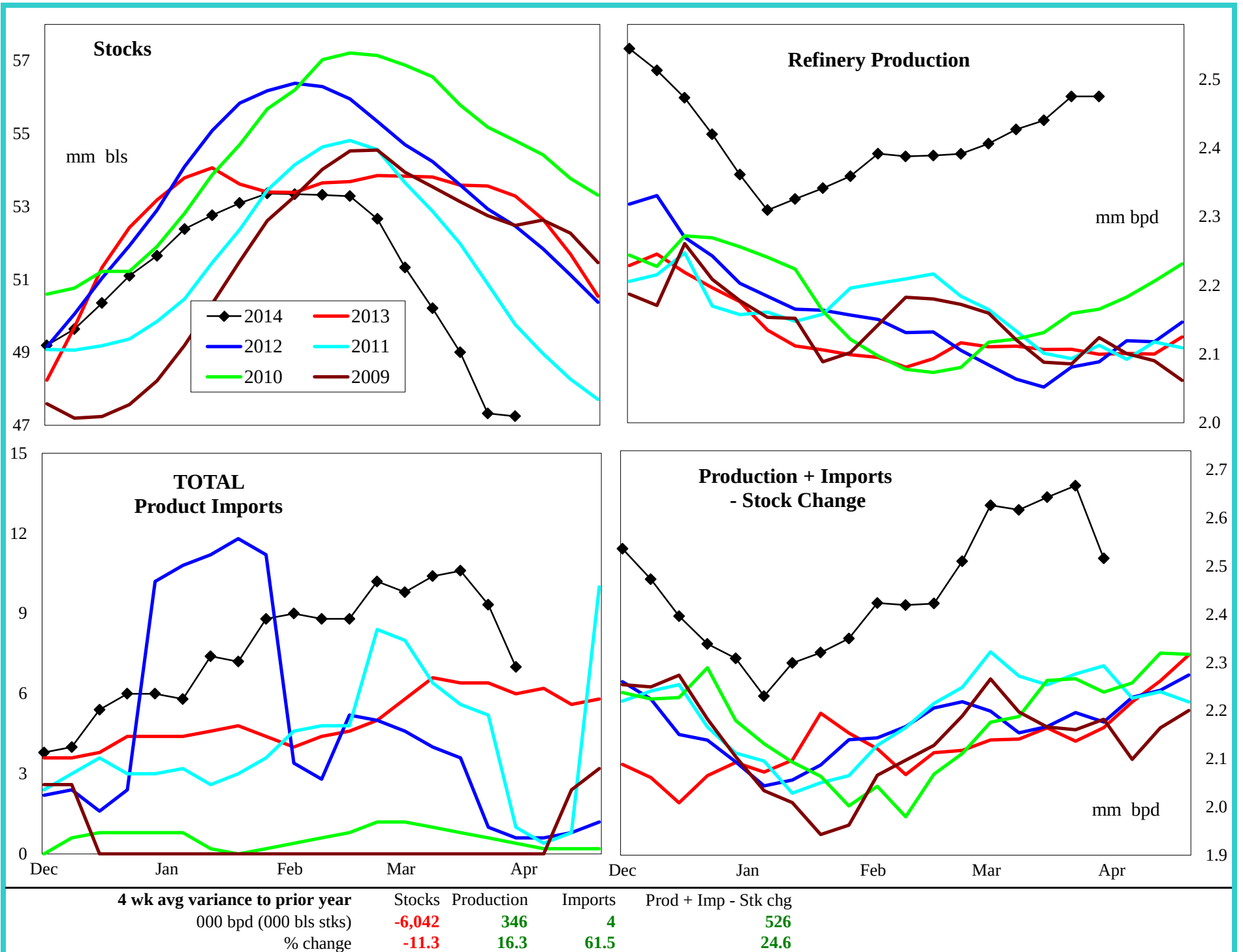
PADD 1 Residual Fuel Oil Supply



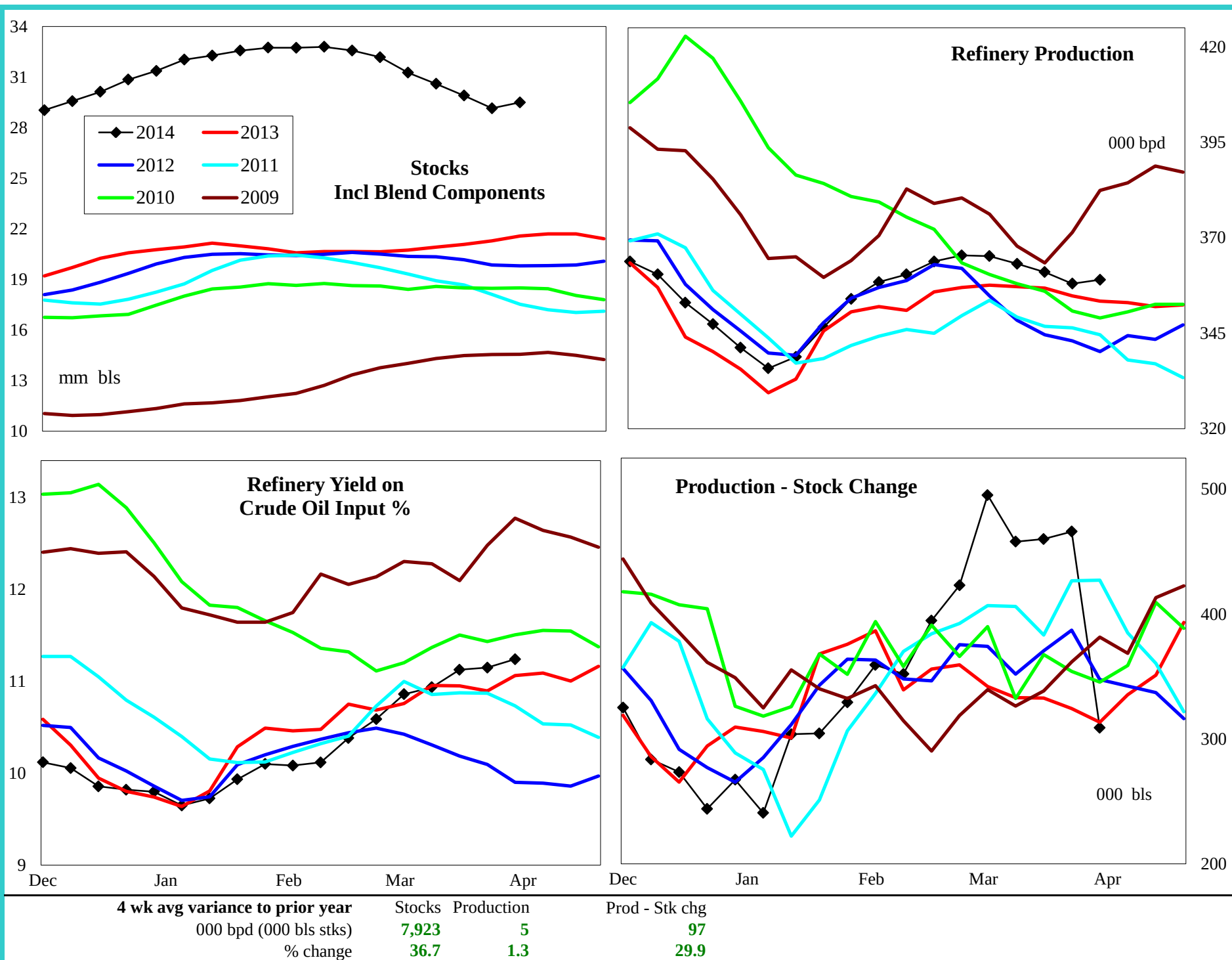
PADD 2 Crude Oil Supply and Refining



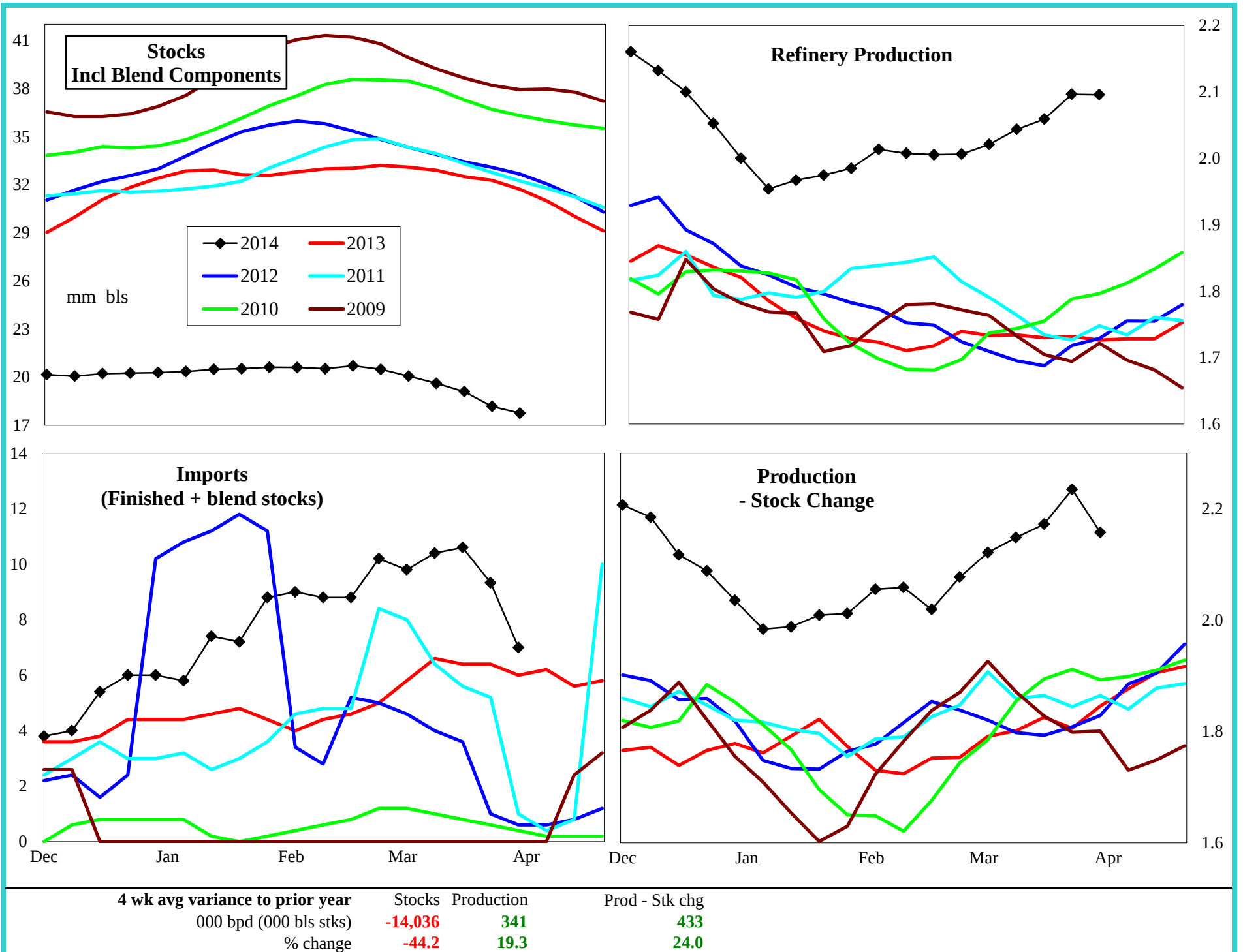
PADD 2 Gasoline Supply



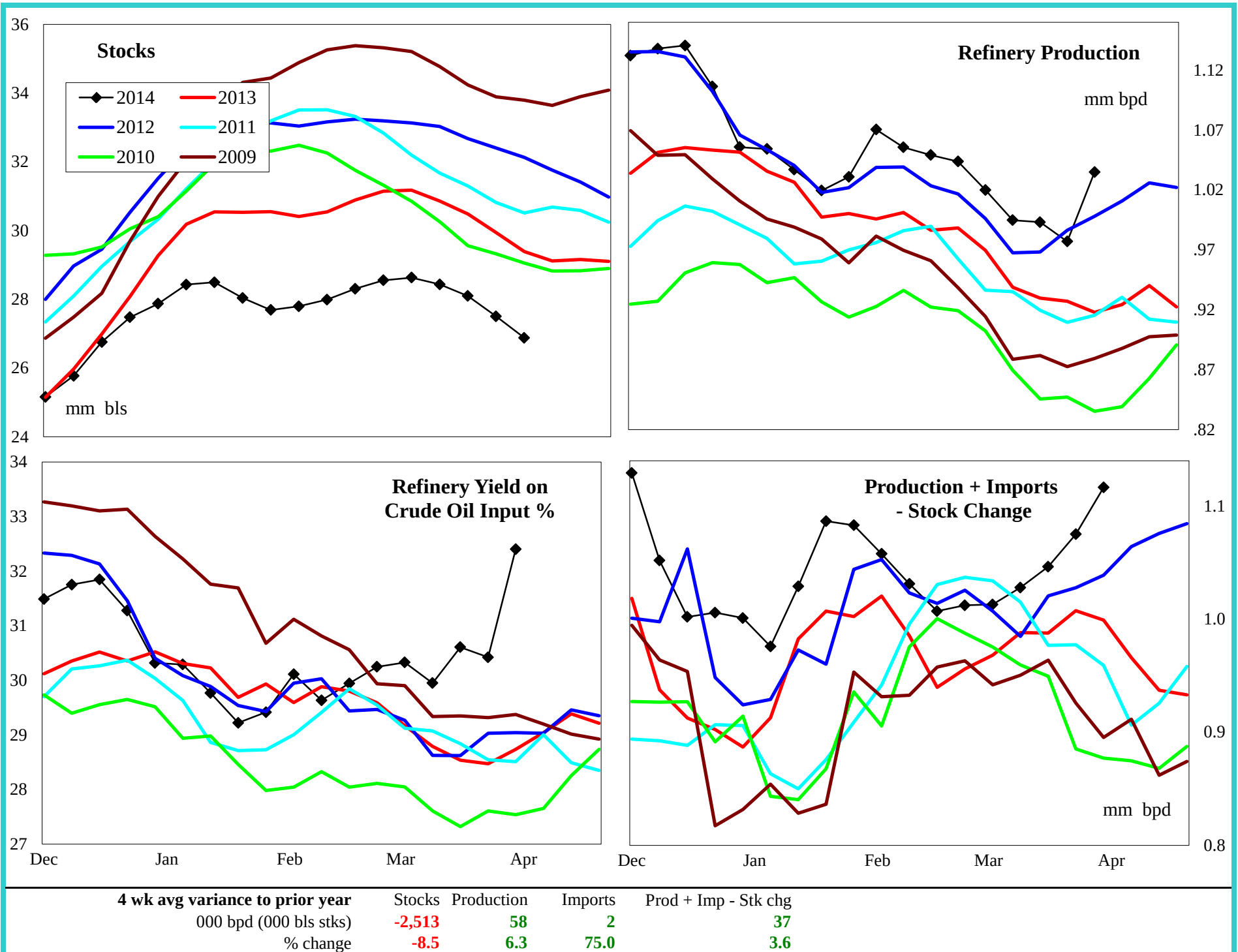
PADD 2 Reformulated Gasoline Supply



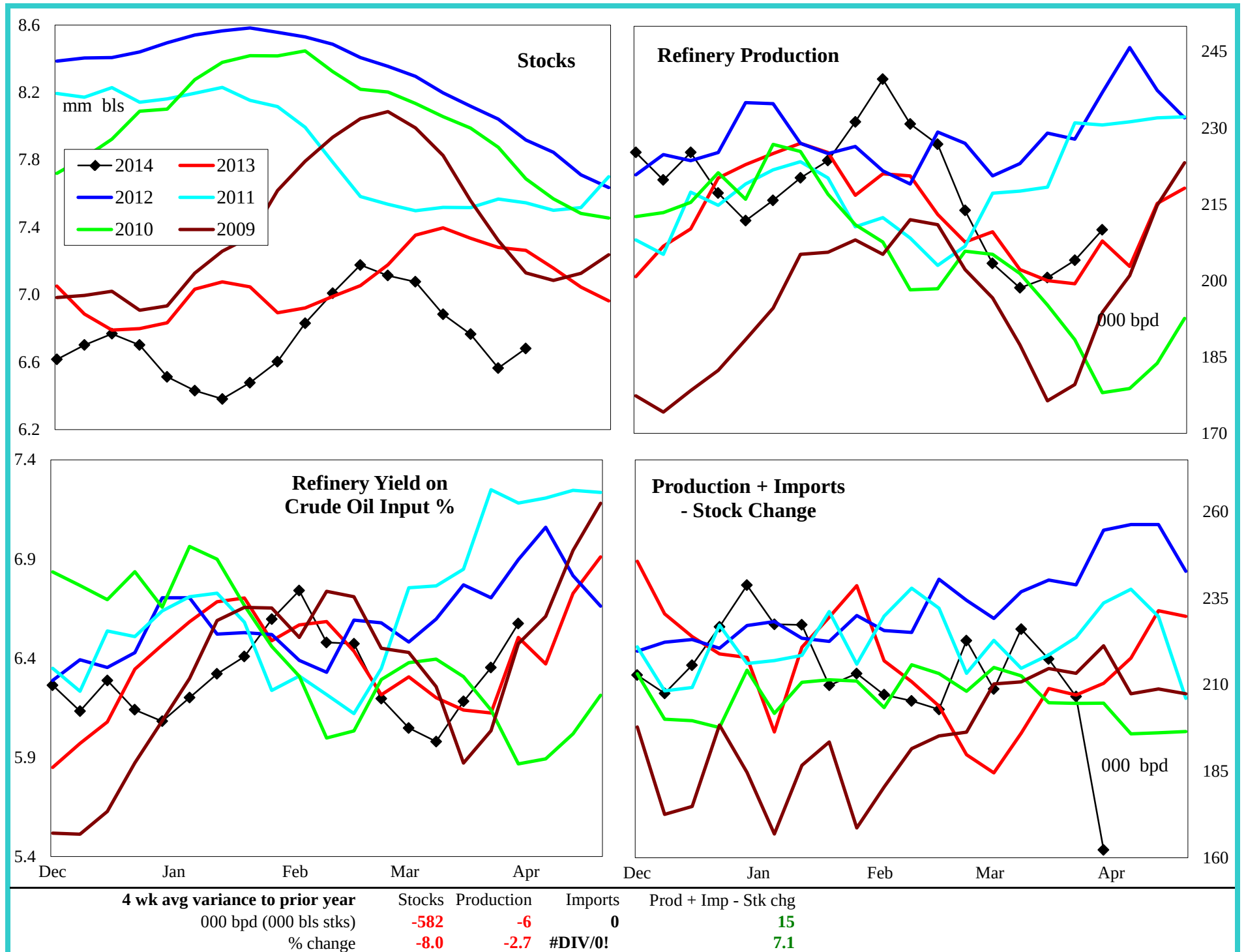
PADD 2 Conventional Gasoline Supply



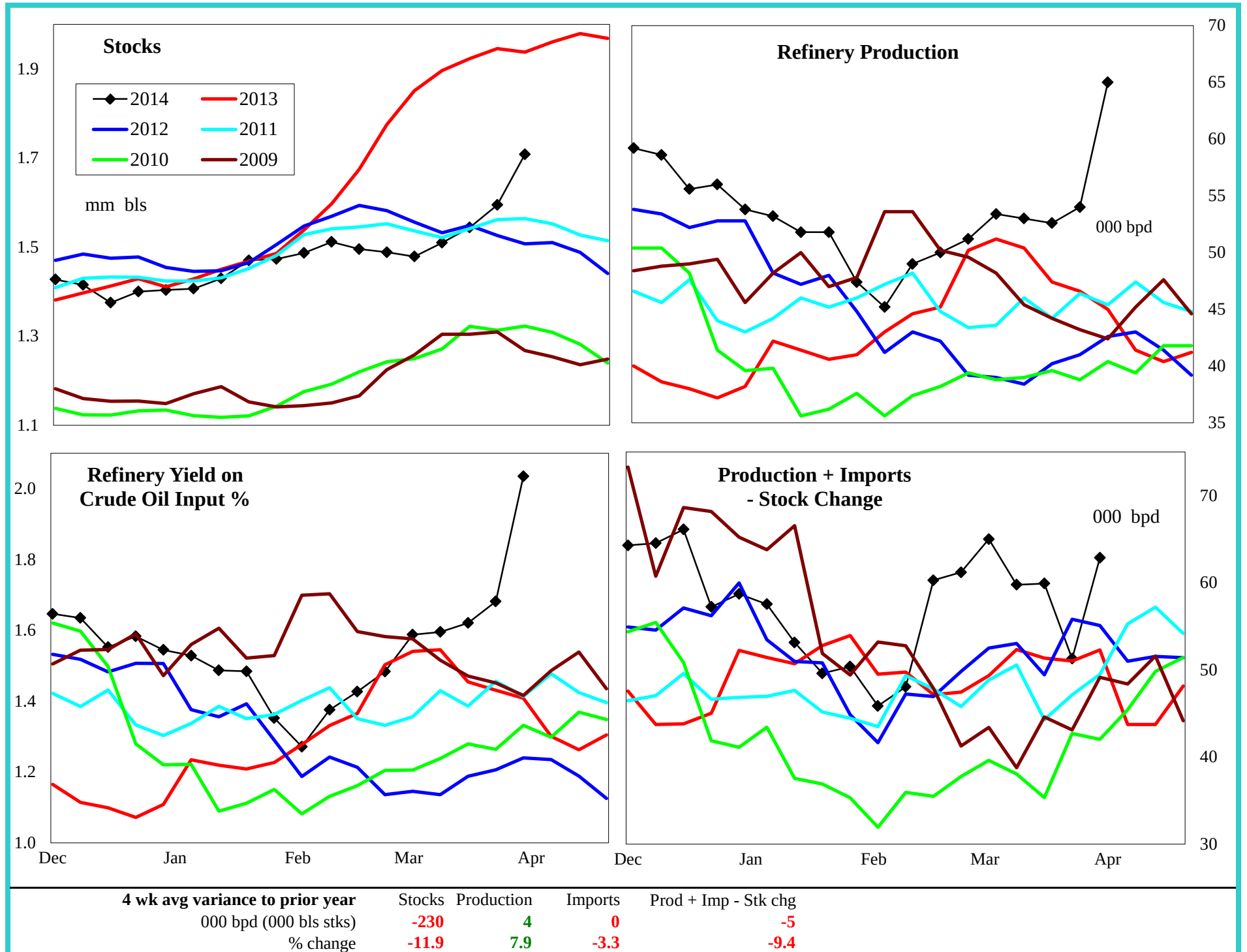
PADD 2 Distillate Supply



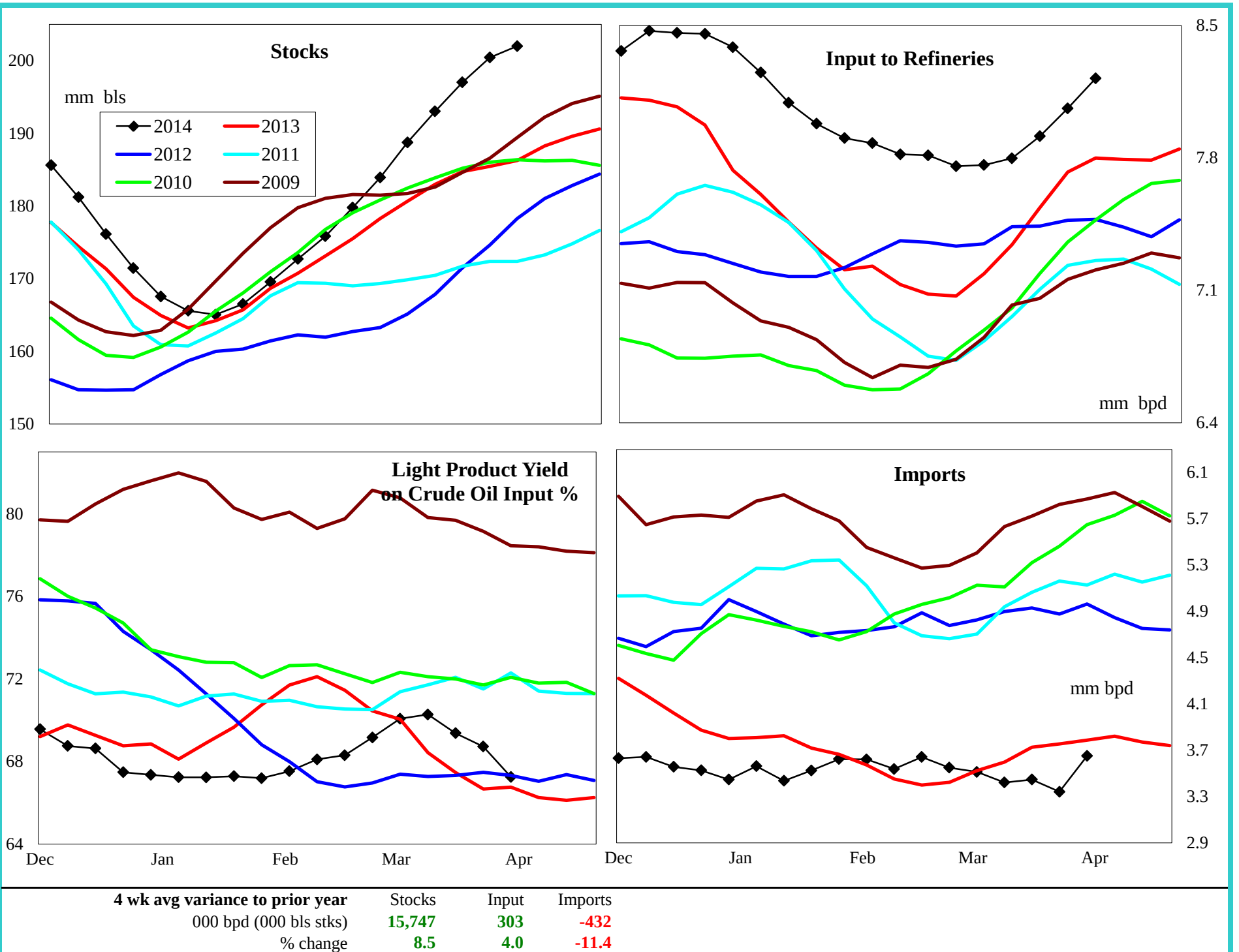
PADD 2 Jet Fuel Supply



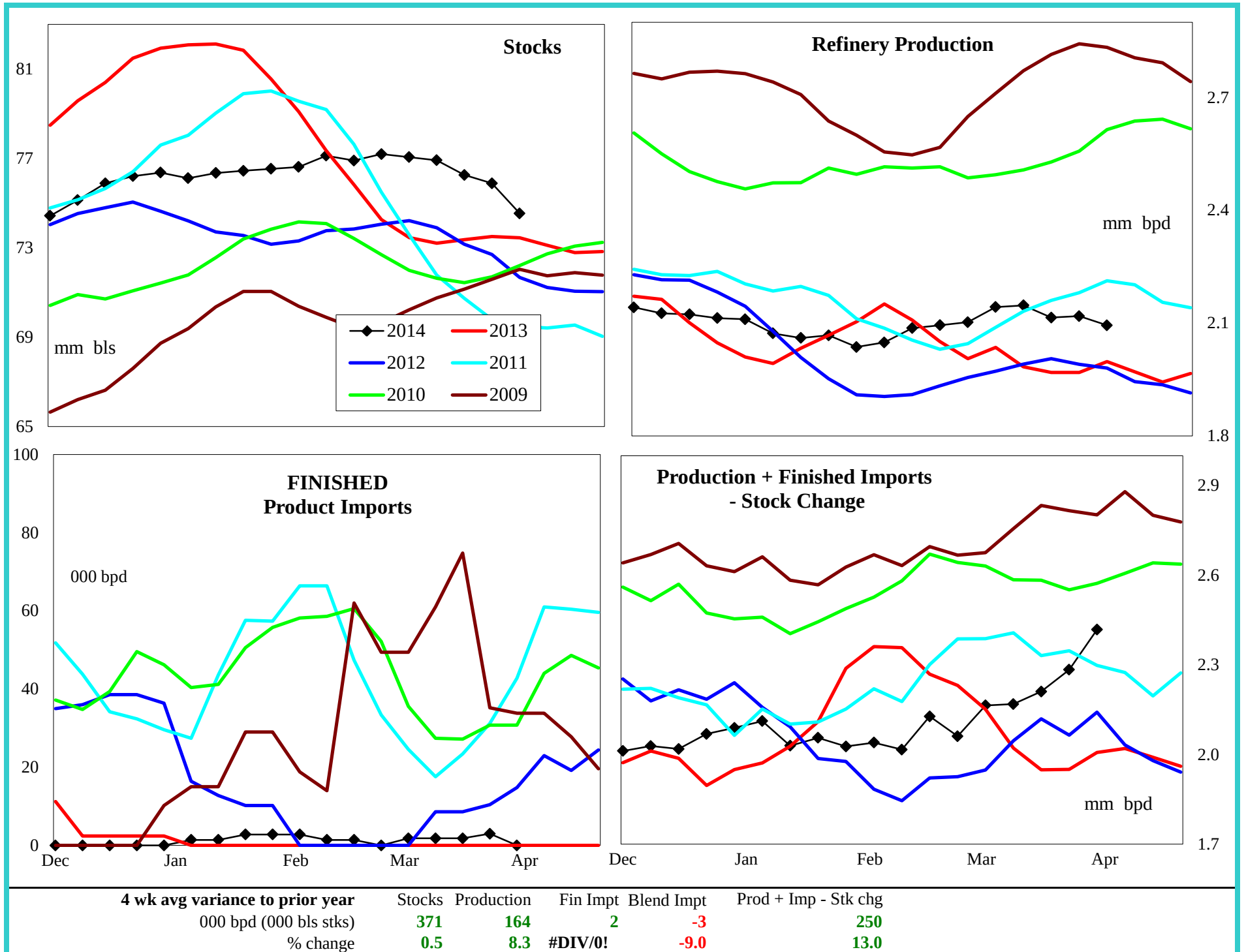
PADD 2 Residual Fuel Oil Supply



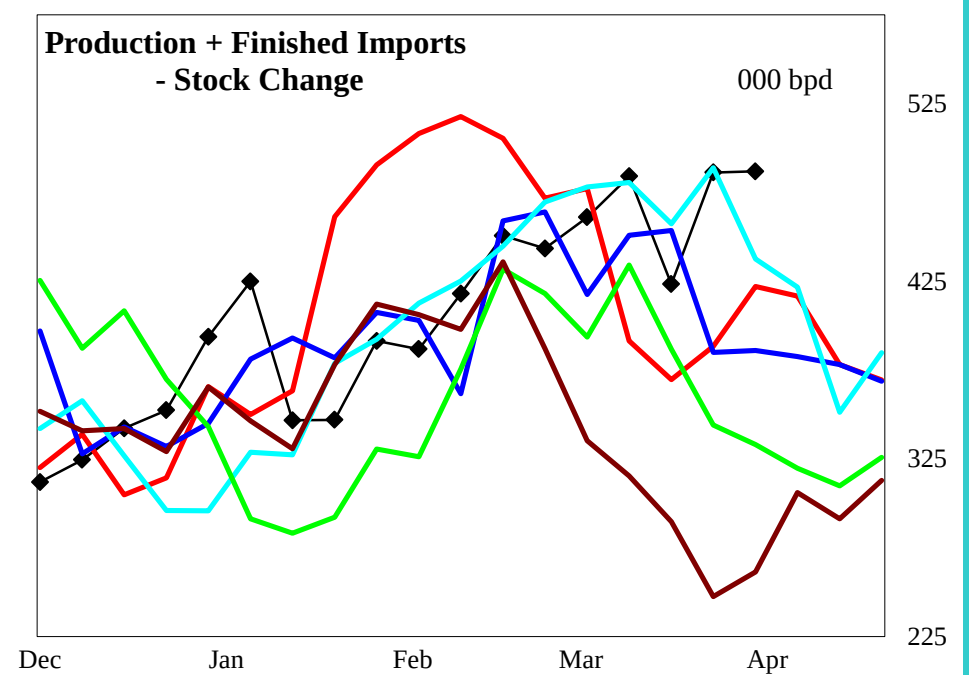
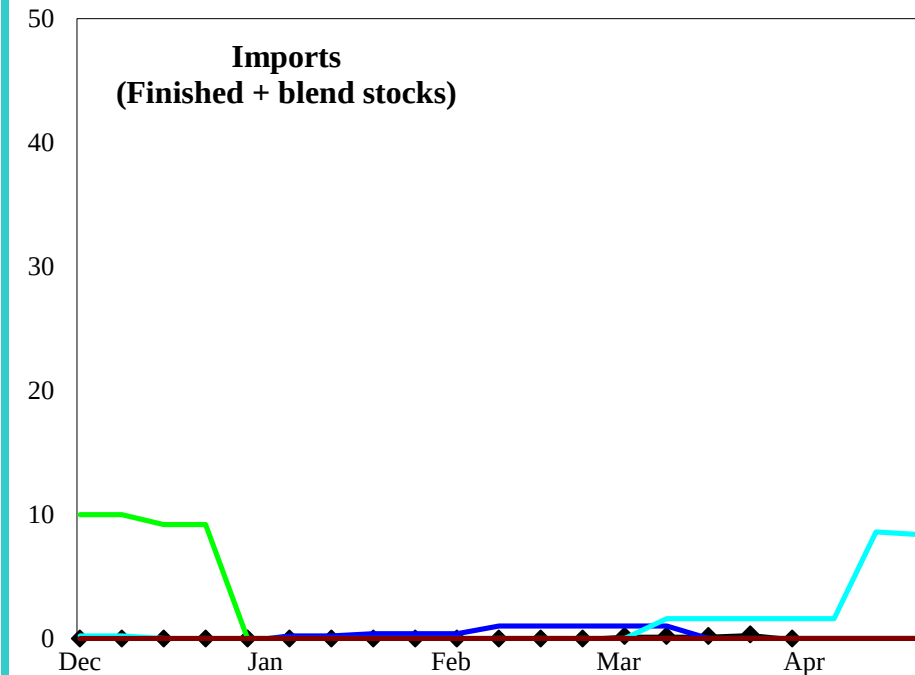
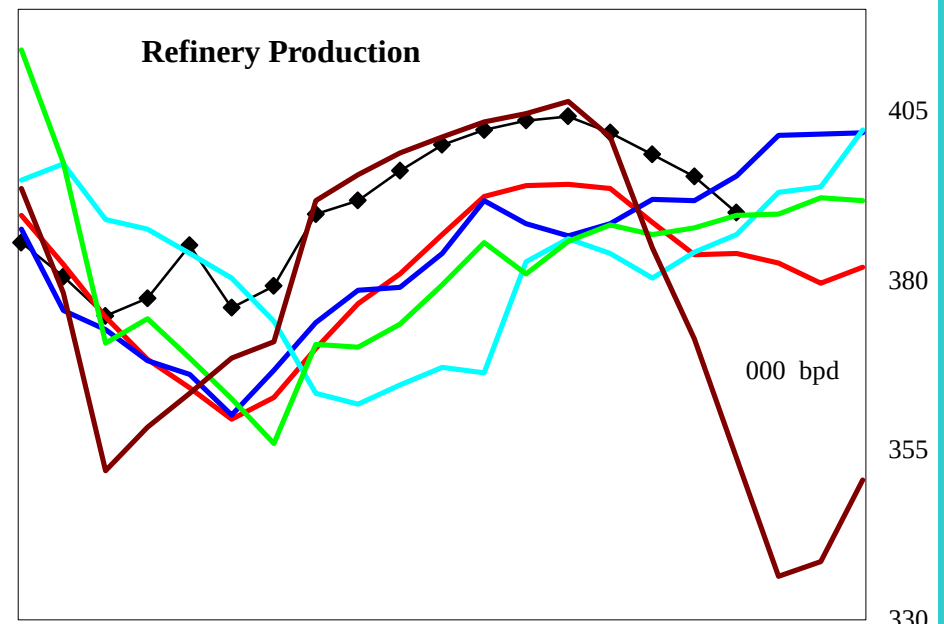
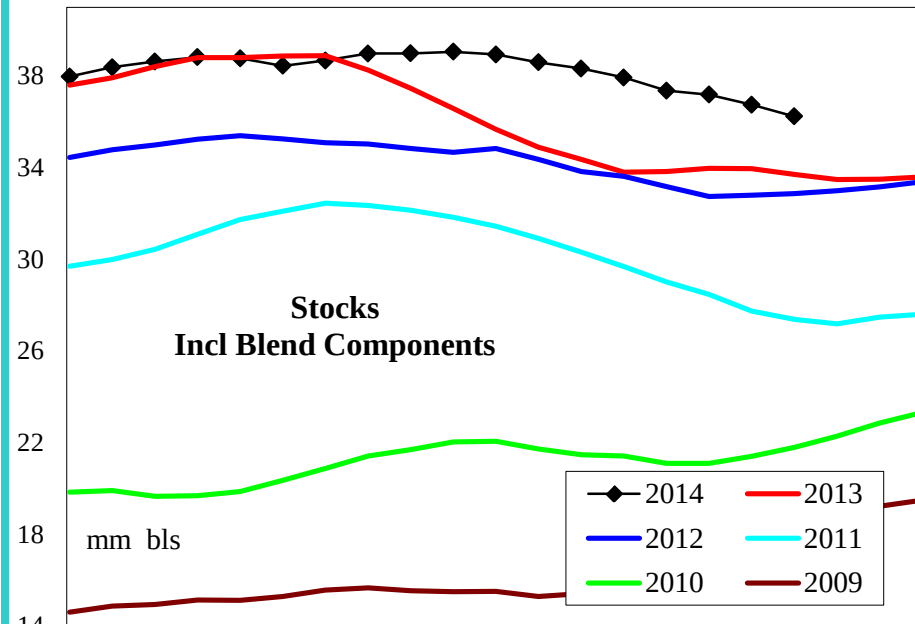
PADD 3 Crude Oil Supply and Refining



PADD 3 Gasoline Supply



PADD 3 Reformulated Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

1,343

3.8

Production

12

3.1

Imports

0

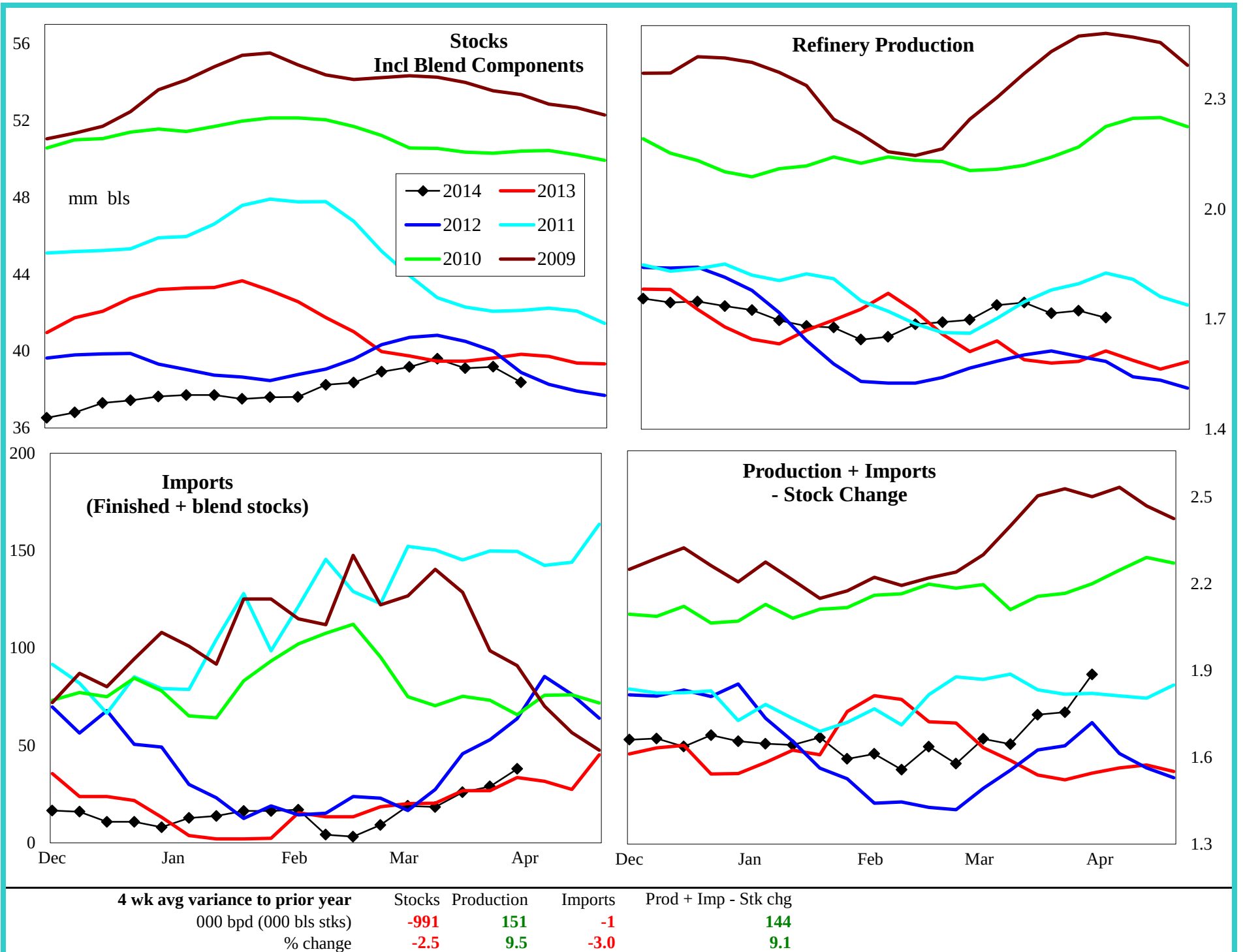
#DIV/0!

Prod + Imp - Stk chg

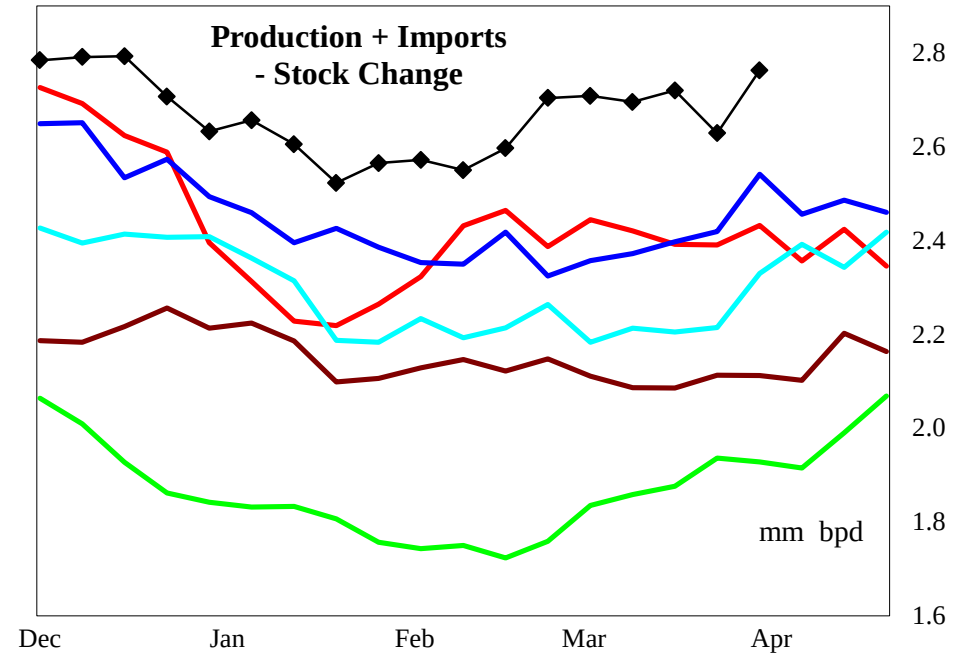
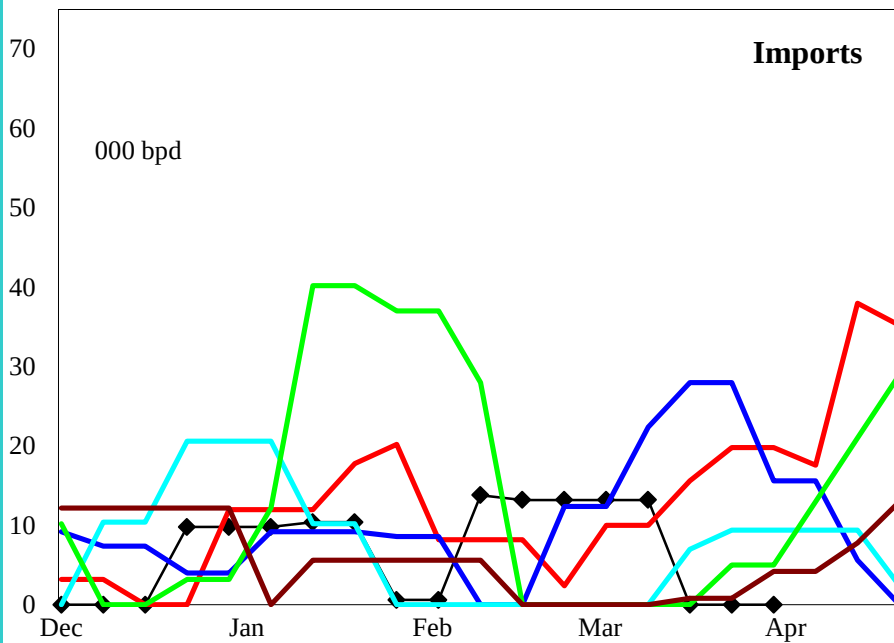
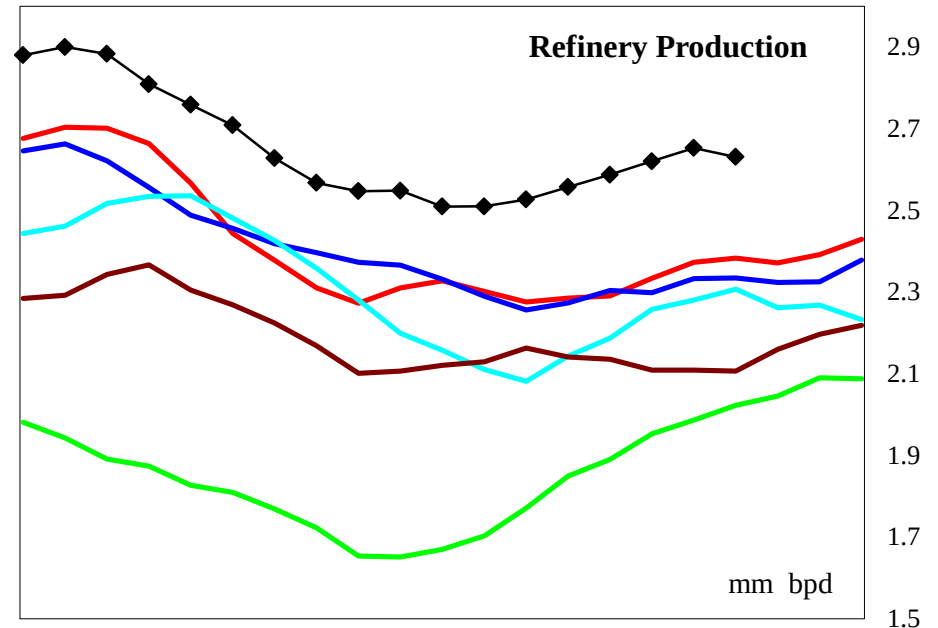
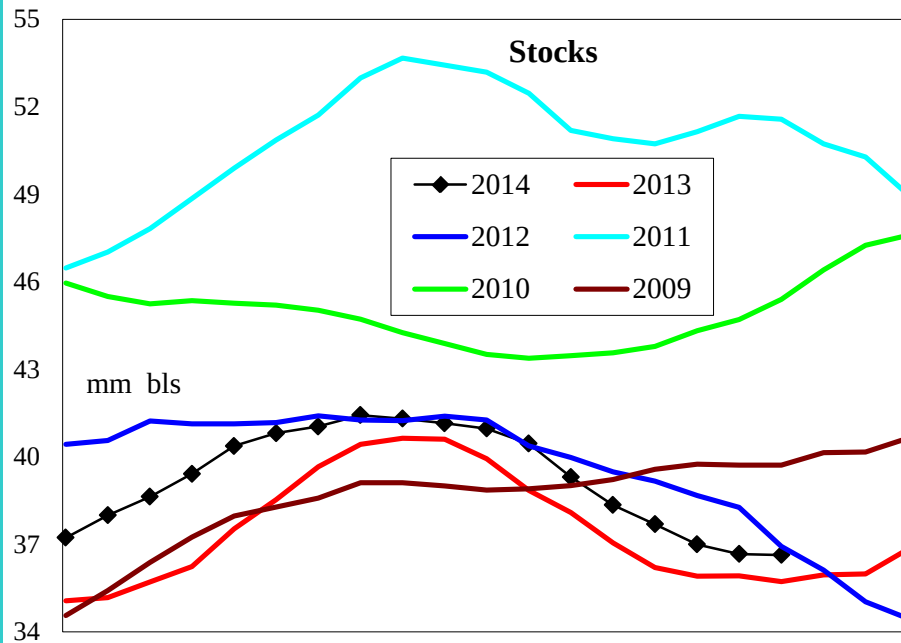
104

30.4

PADD 3 Conventional Gasoline Supply



PADD 3 Distillate Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

1,130

3.2

Production

288

12.2

Imports

-20

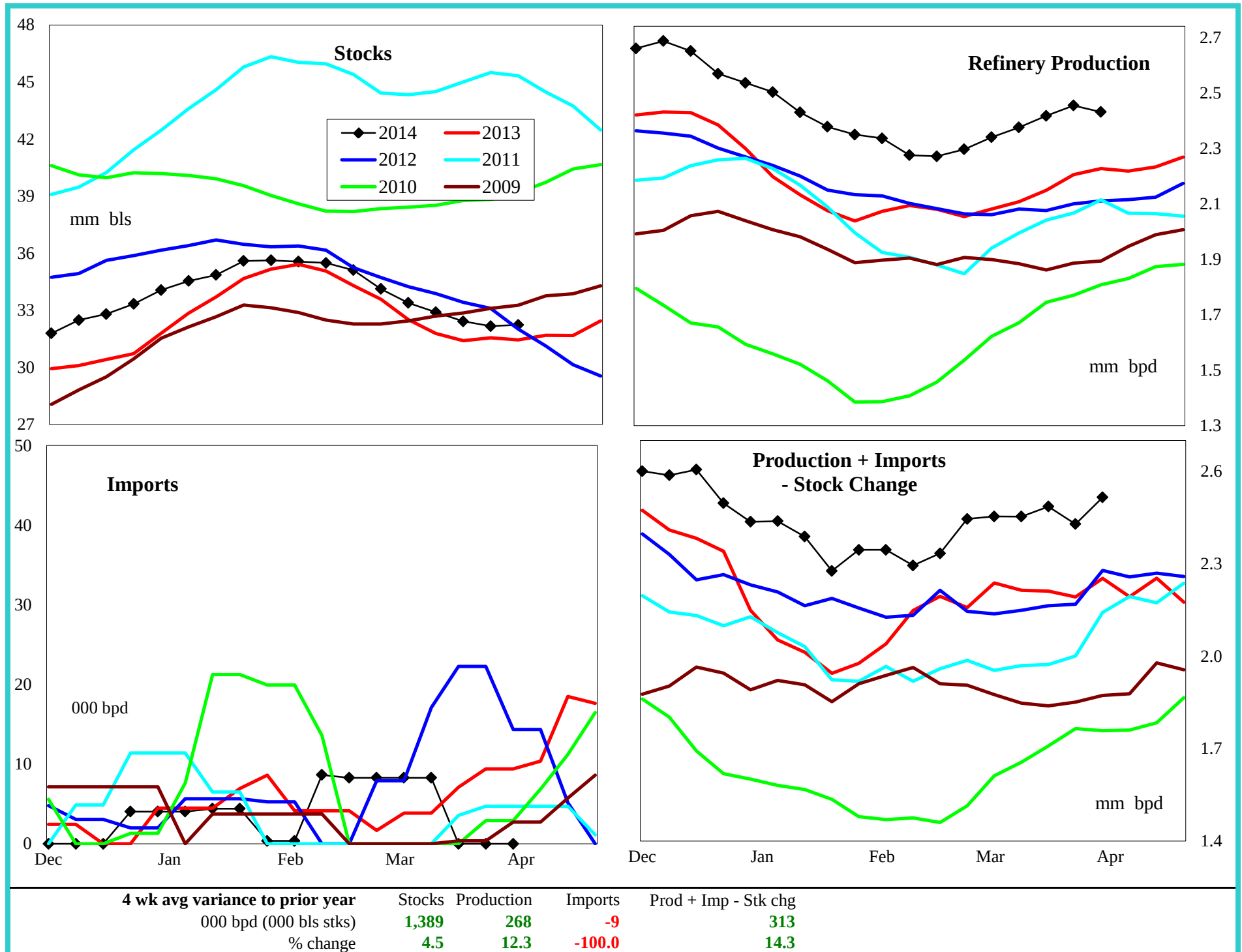
-100.0

Prod + Imp - Stk chg

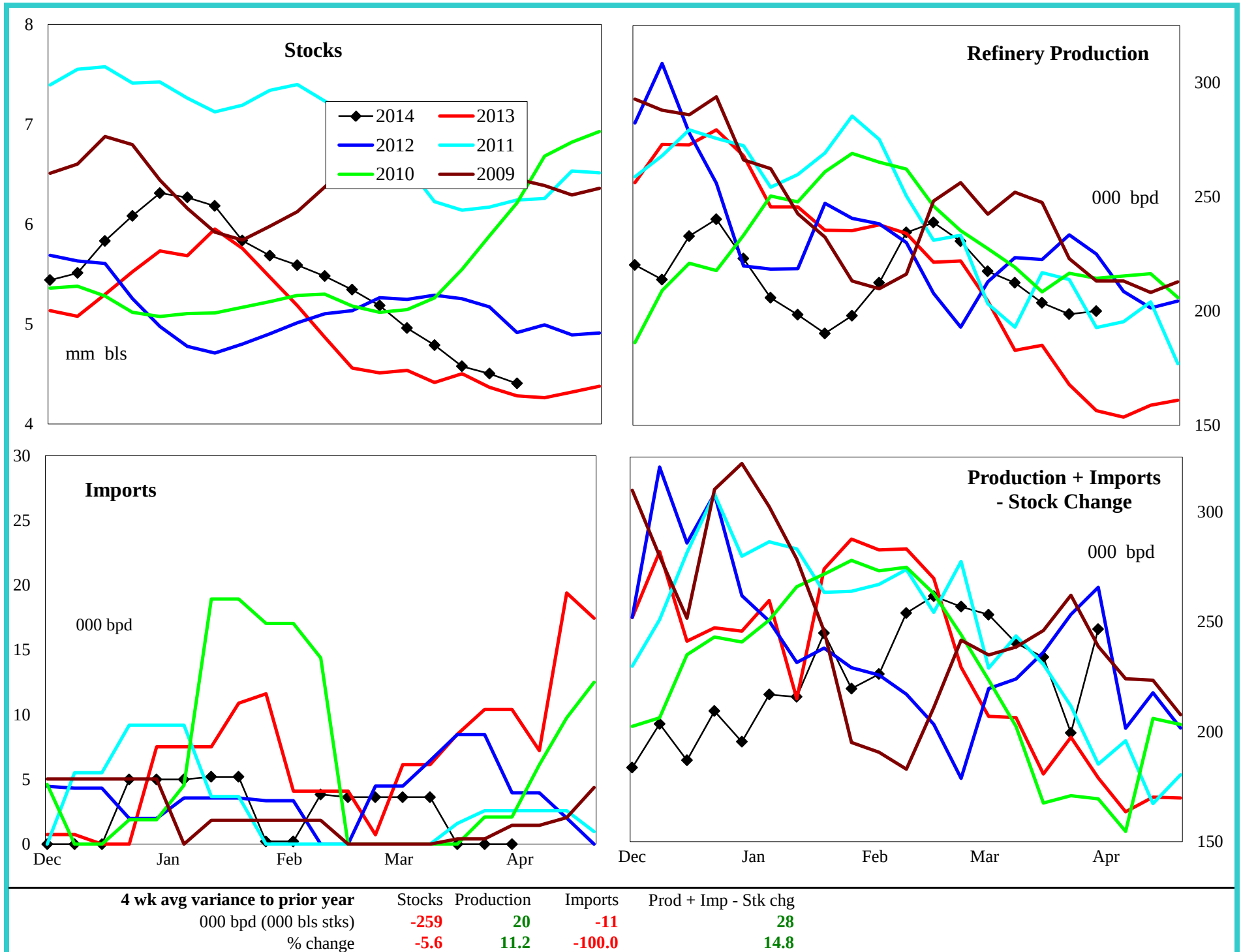
342

14.3

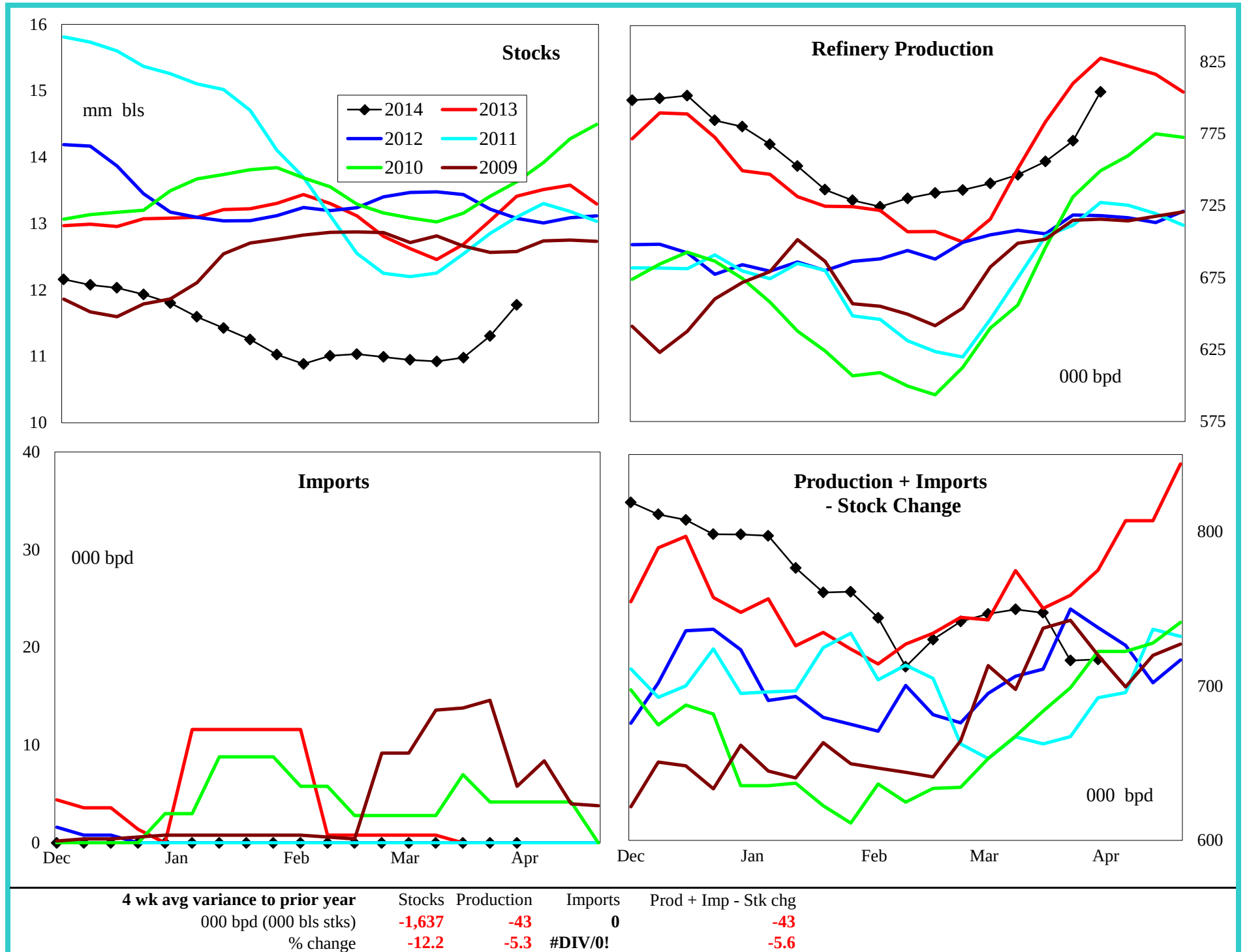
PADD 3 Low Sulfur Distillate Supply



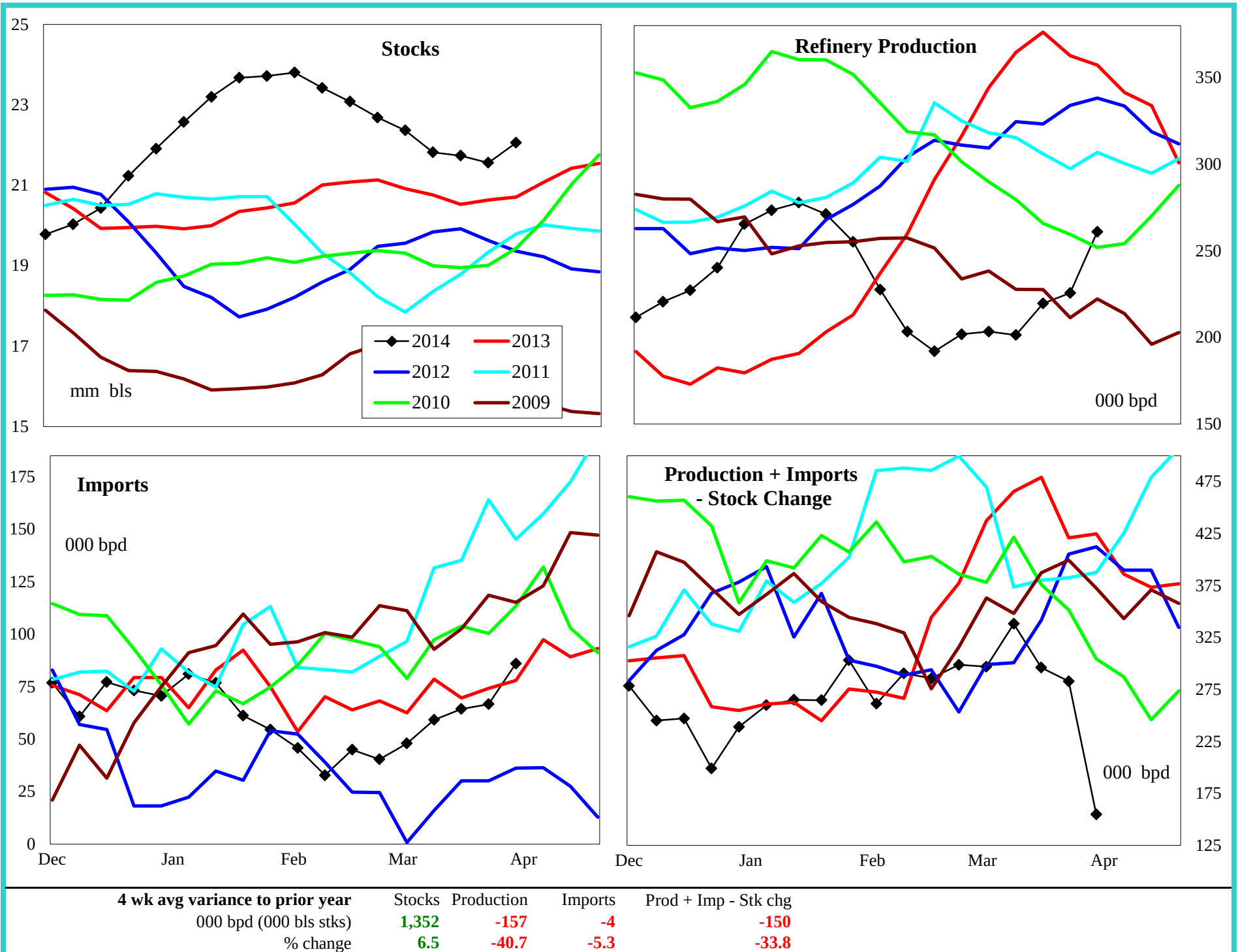
PADD 3 High Sulfur Distillate Supply



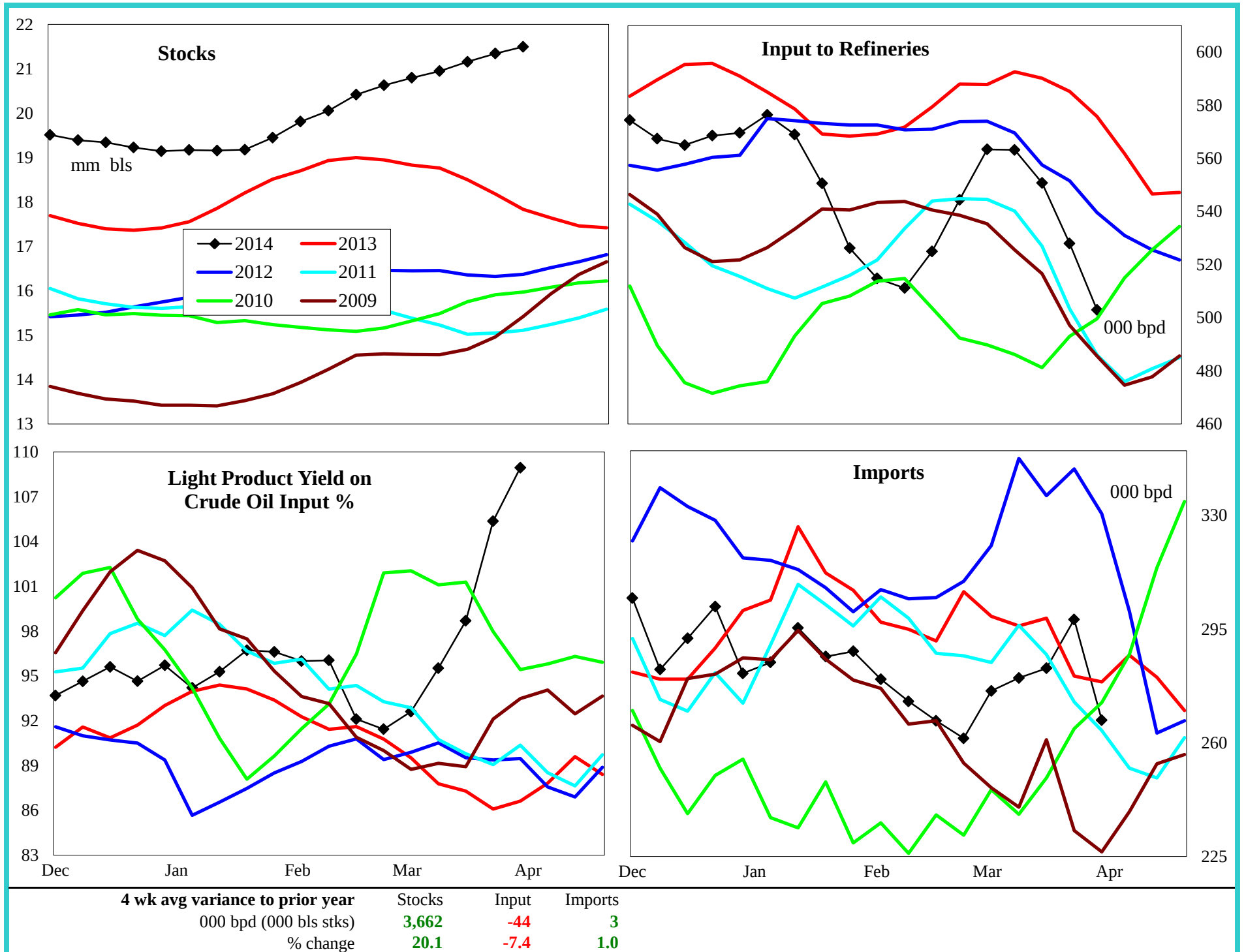
PADD 3 Jet Fuel Supply



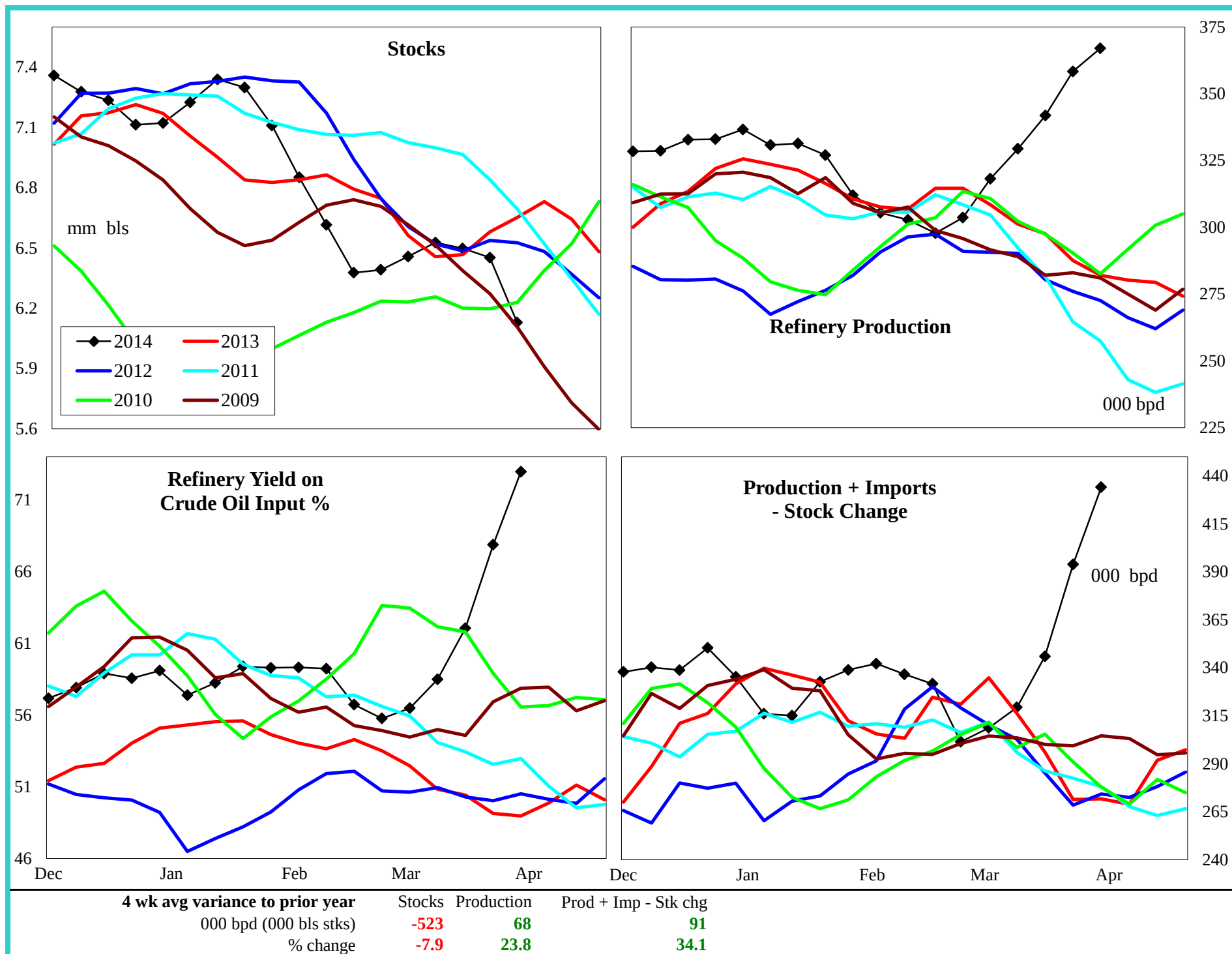
PADD 3 Residual Fuel Oil Supply



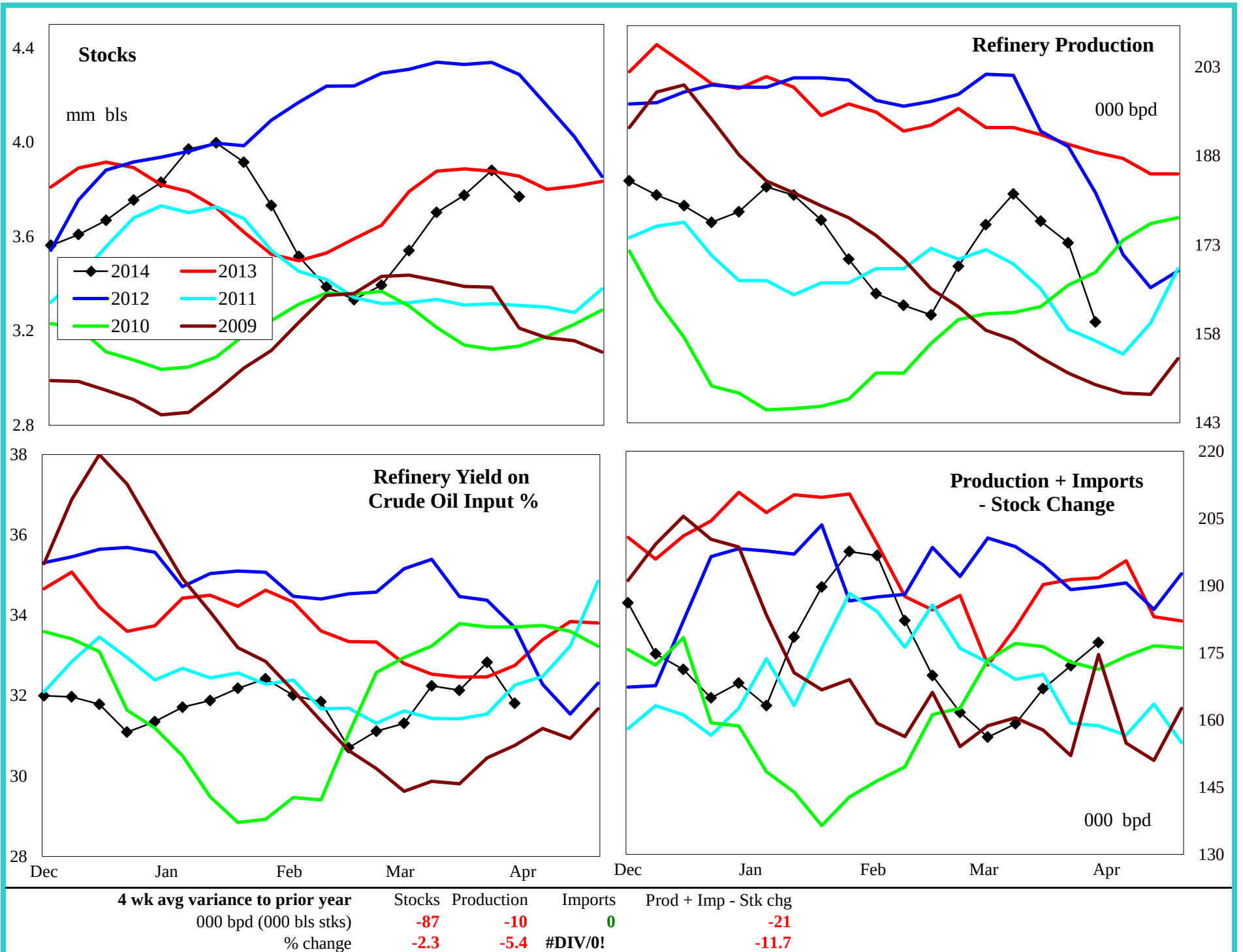
PADD 4 Crude Oil Supply and Refining



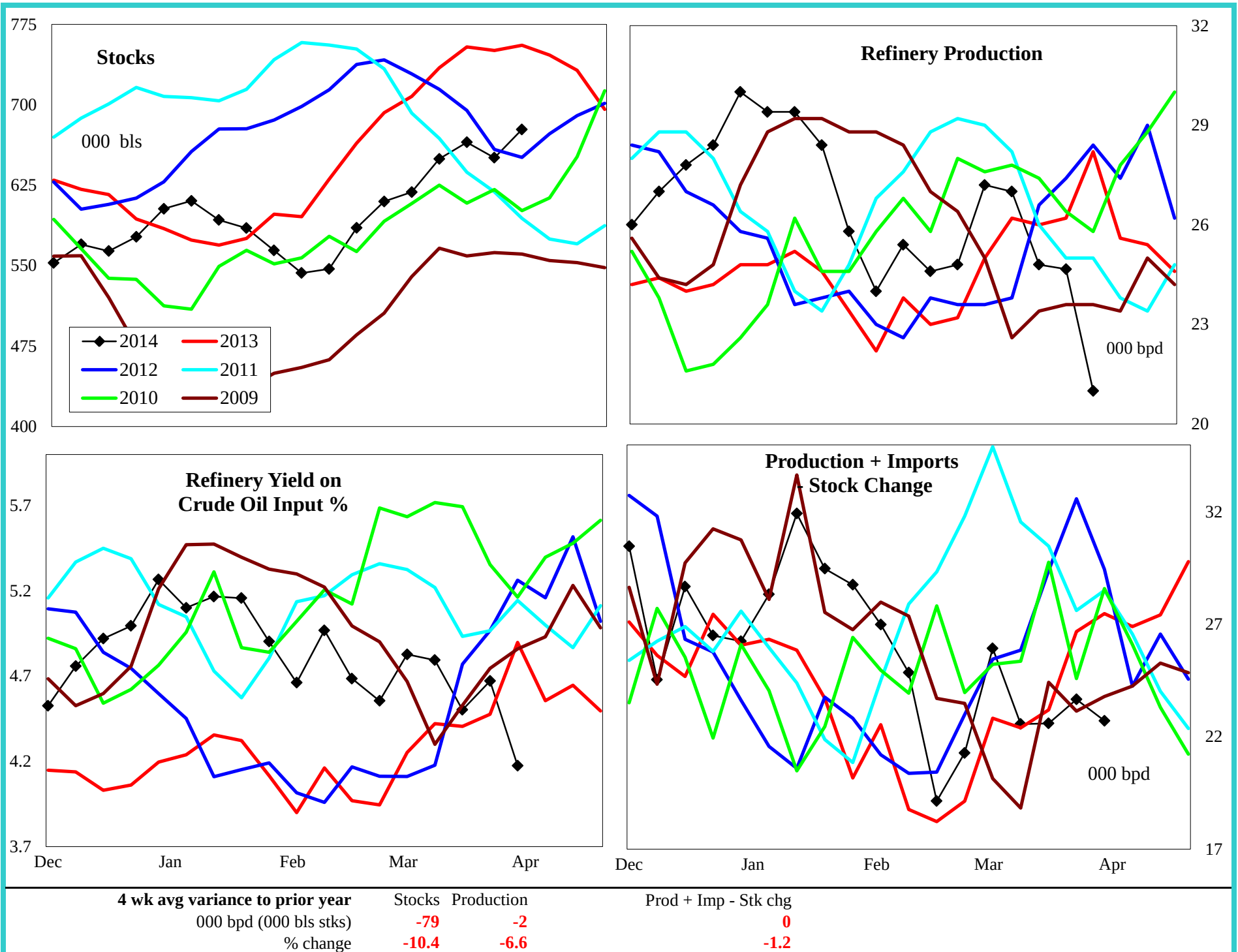
PADD 4 Gasoline Supply



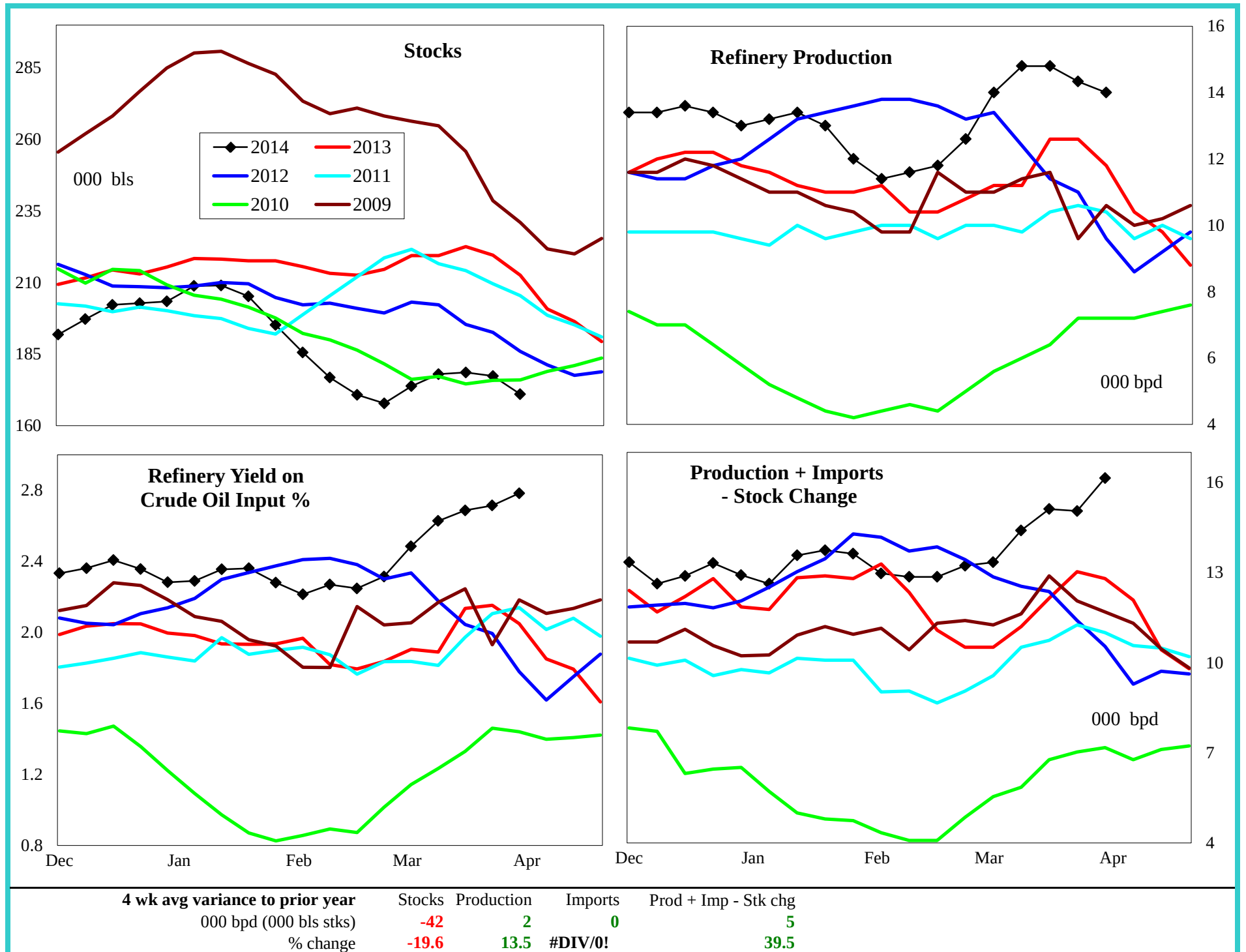
PADD 4 Distillate Supply



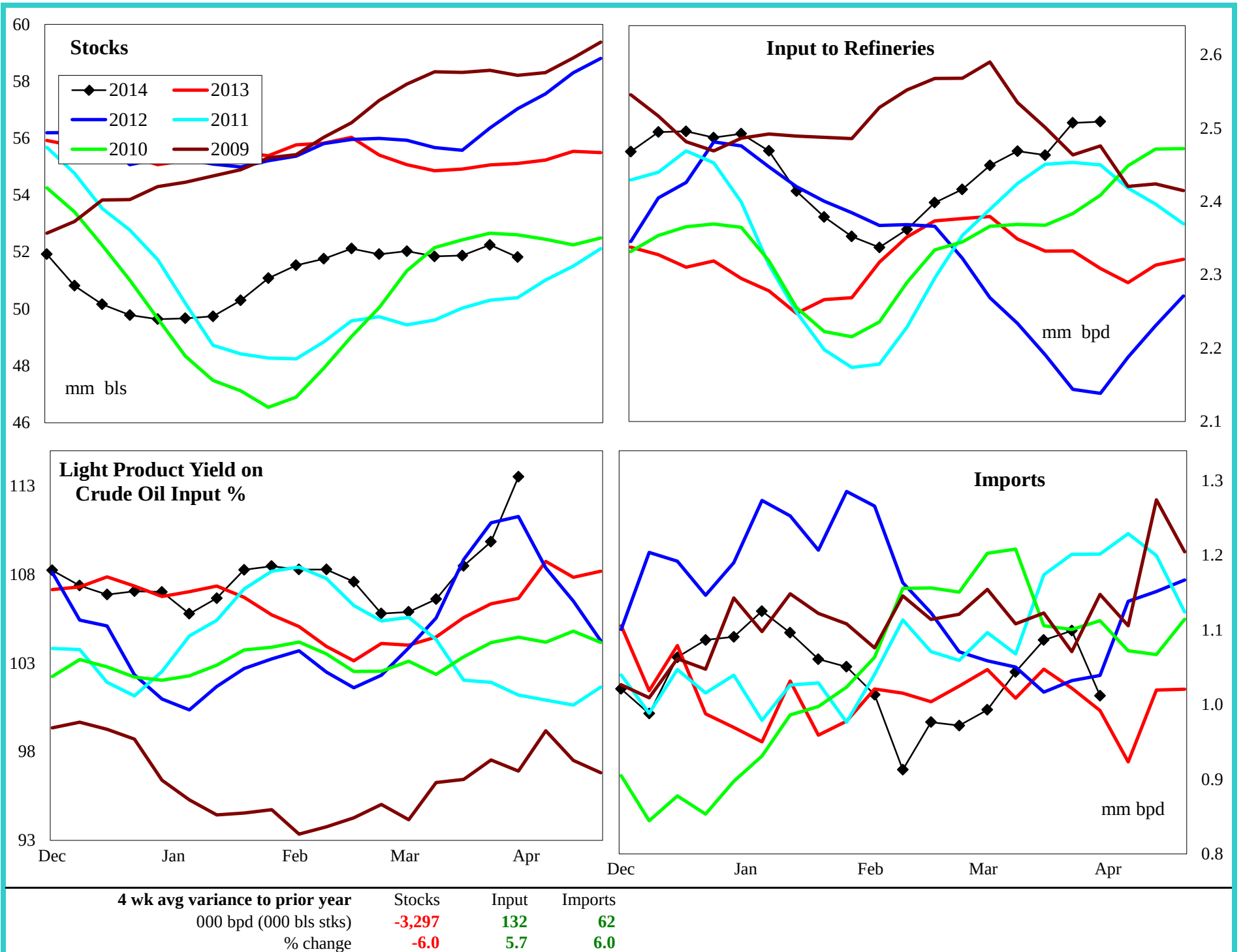
PADD 4 Jet Fuel Supply



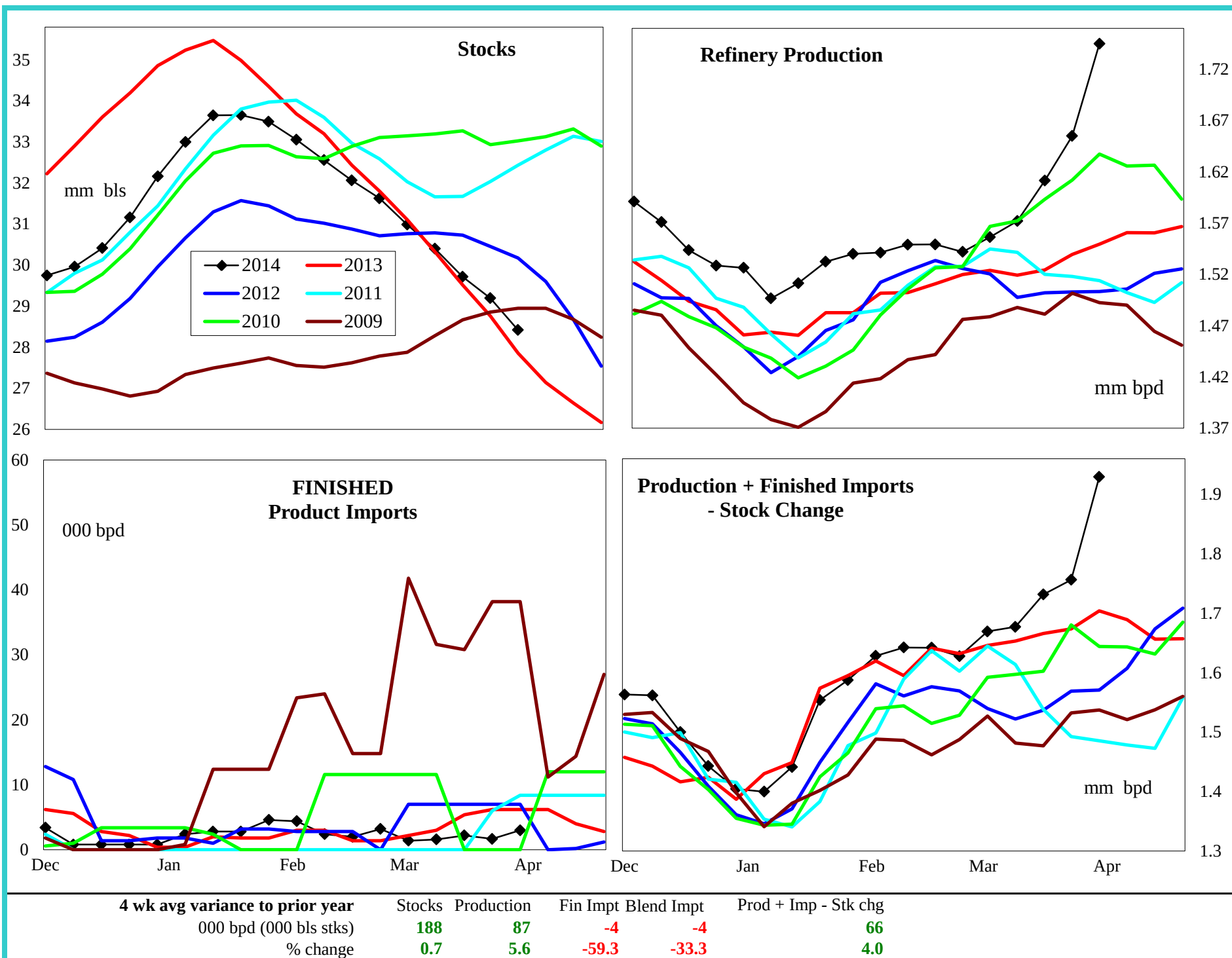
PADD 4 Residual Fuel Oil Supply



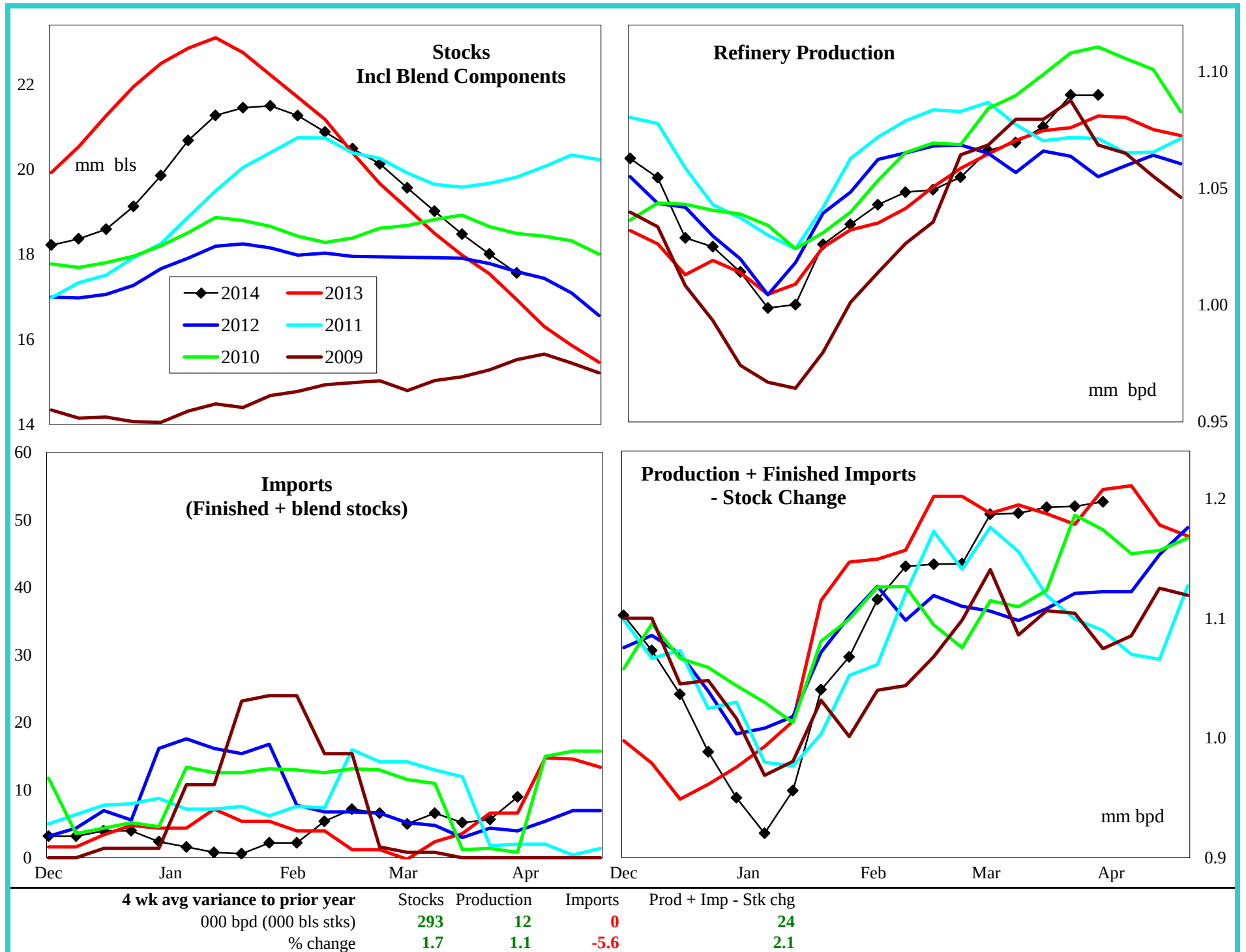
PADD 5 Crude Oil Supply and Refining



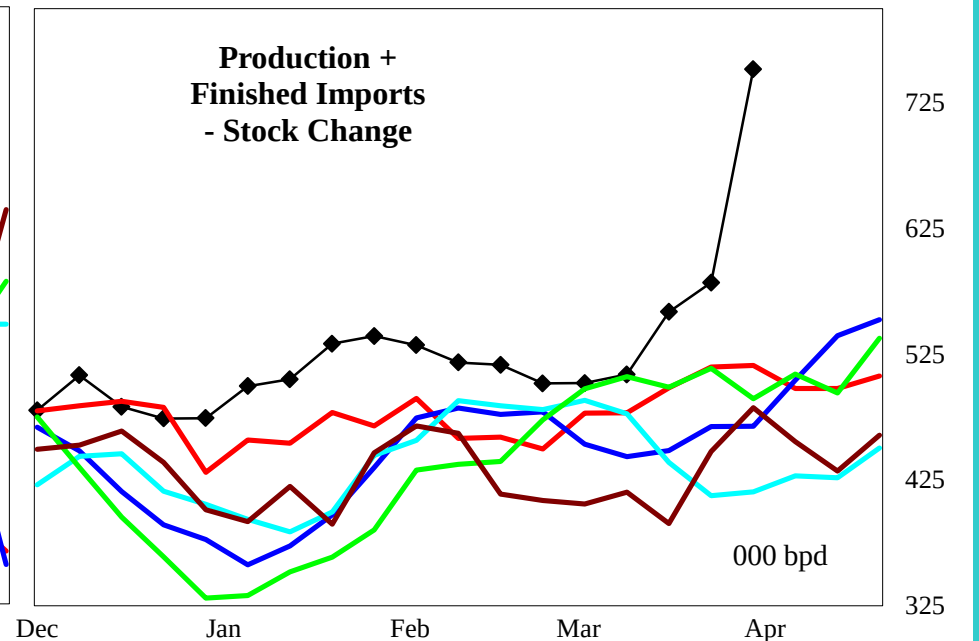
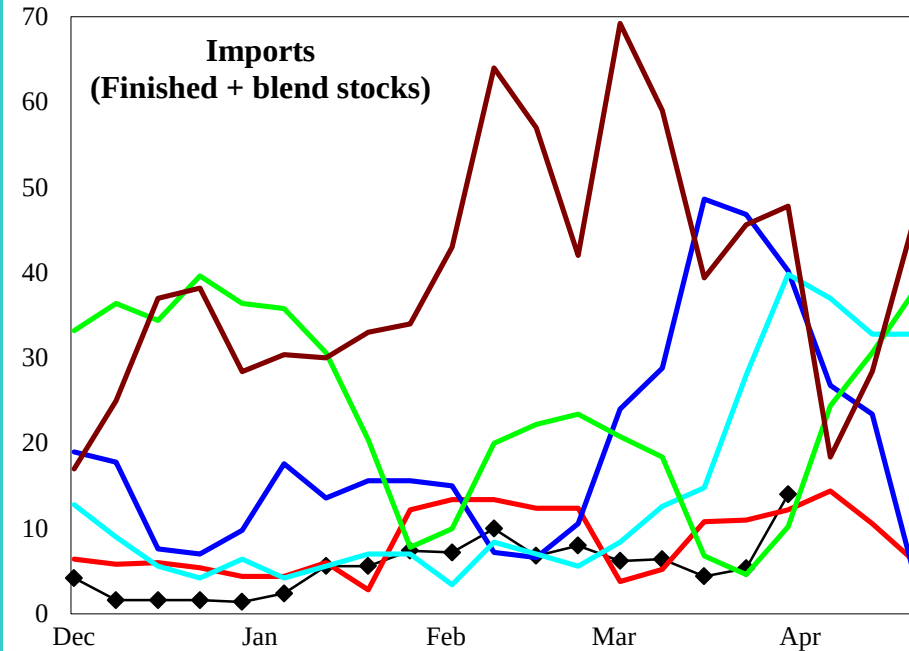
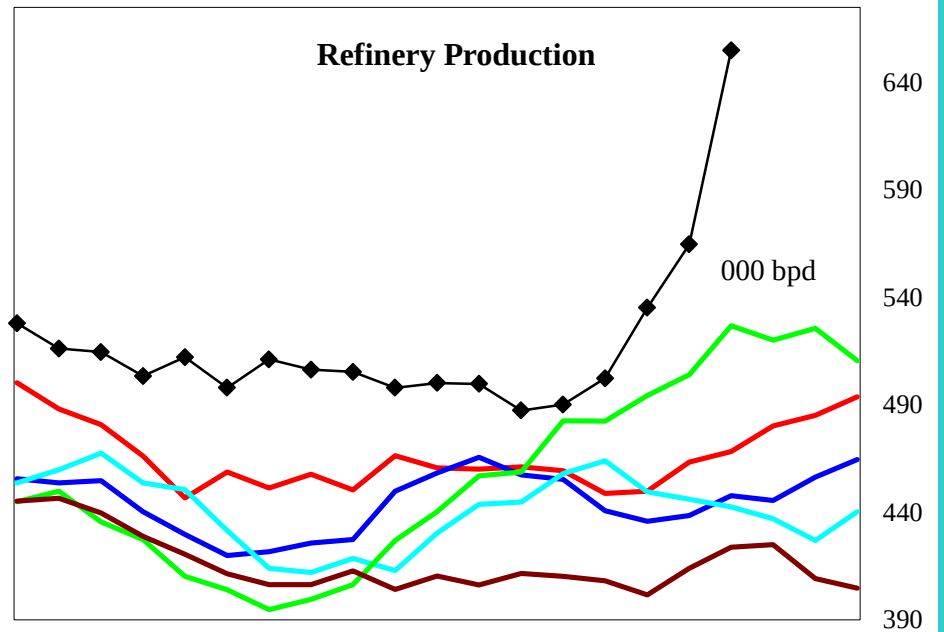
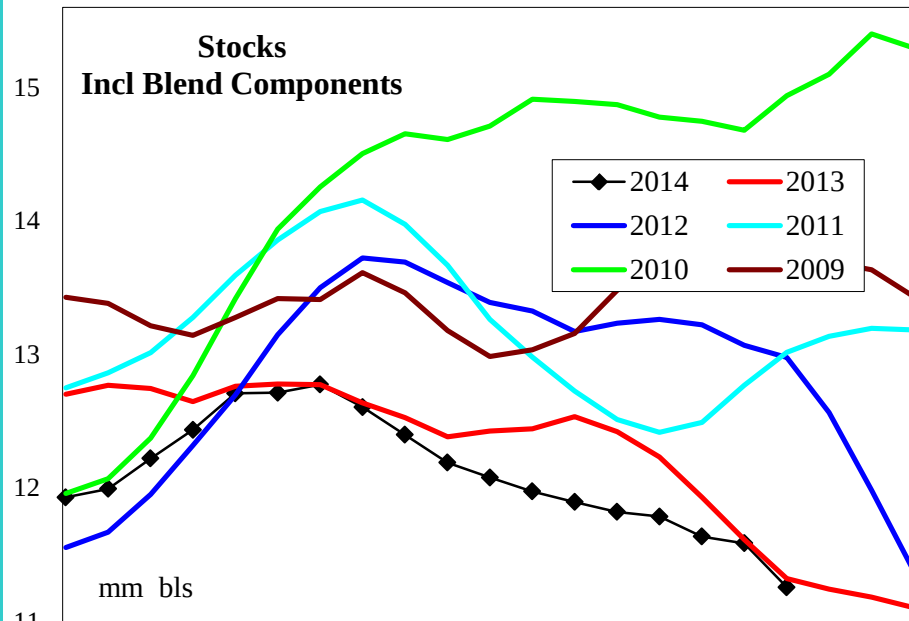
PADD 5 Gasoline Supply



PADD 5 Reformulated Gasoline Supply



PADD 5 Conventional Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

-105

-0.9

Production

75

16.3

Imports

-7

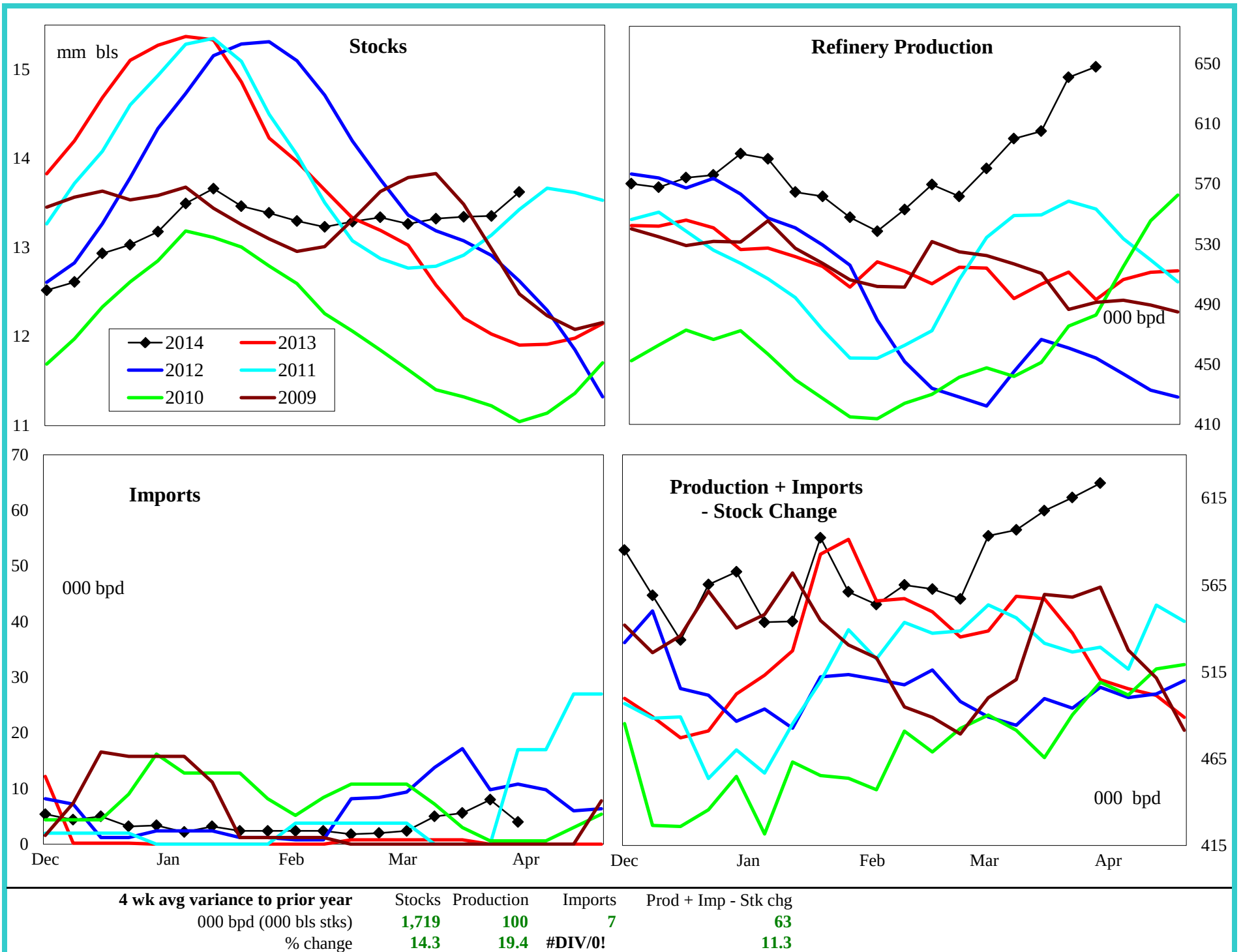
-56.9

Prod + Imp - Stk chg

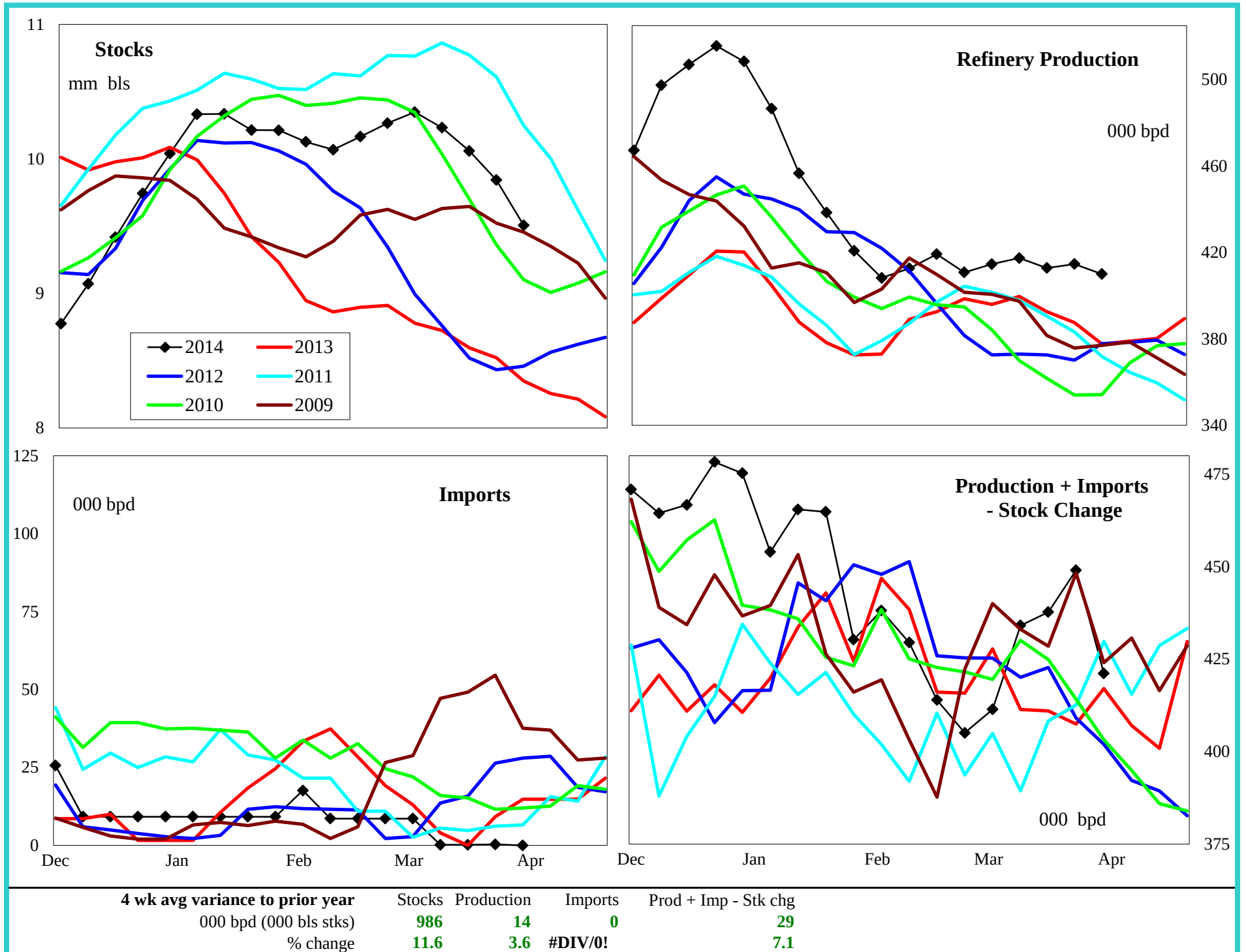
42

8.2

PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply



PADD 5 Residual Fuel Oil Supply

