



## WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

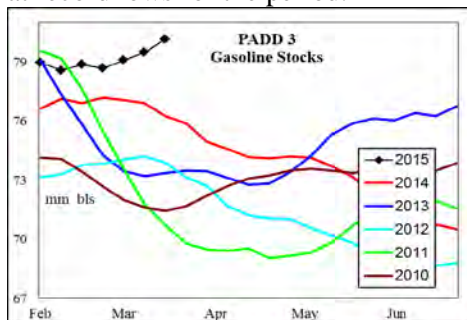
### A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com) Wednesday, March 25, 2015

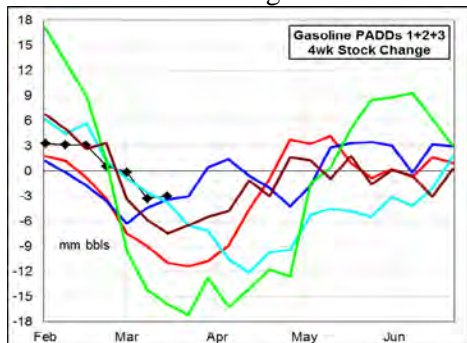


#### Major Fundamental Trends<sup>1</sup>

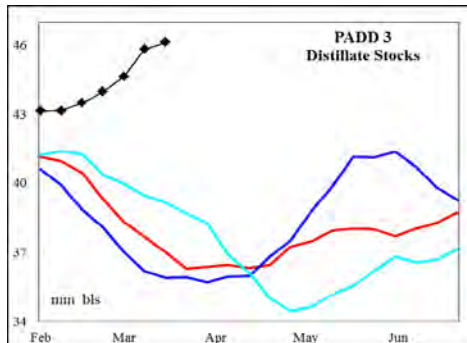
Supply imbalances persisted this week between regional markets for both gasoline and distillate. Gasoline stock levels in the East and Gulf coast regions are each above the 5-yr range while the West Coast saw stock levels at record lows for the period.



Gasoline stocks in markets east of the Rockies have seen a record low rate of draw during the last 4-wks, driven by a high rate of production and a slowdown in demand growth.

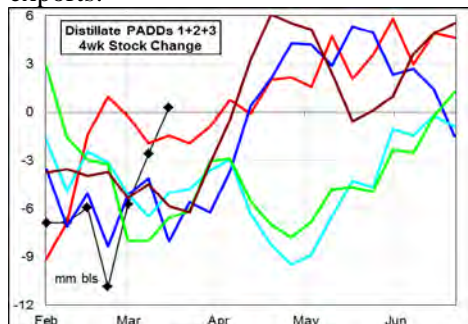


Distillate stock levels in all regions are at or near record highs, except the east Coast.

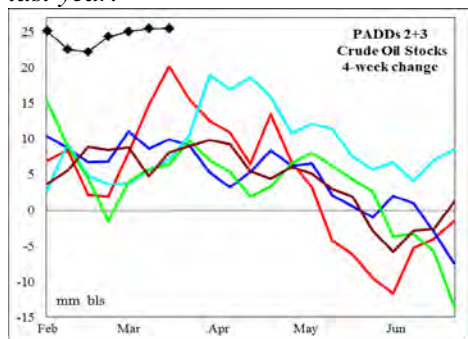


Distillate stocks in markets east of the Rockies have seen a record low rate of

draw during the last 4-wks, driven by a high rate of production and weak exports.



The latest 4-wk crude oil stock build rate in the midwest and gulf regions was +25 million barrels, 3X the historic average. *This record rate has occurred even with crude oil runs in the two regions +386,000 bpd above last year.*



**Wholesale Demand** for fell sharply last week while middle distillates saw increases.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +0.4, distillate increased +4.5%, jet fuel was +8% higher, while residual fuel decreased -36%.

**Stocks forward coverage:** Gasoline demand coverage fell on a -2 million barrel stock draw, partially offset by a drop in demand. Coverage ended the week at a level near 5-yr highs for the period.

Distillate demand coverage was unchanged on a slight decline in stocks for the week. Coverage ended the week at a level that matched the last 2-yrs.

Jet fuel coverage remains below the 5-yr range on a -0.3 million barrel stock draw, and robust demand growth.

Residual fuel oil coverage remains extremely high on a +1.4 million barrel stock build and very low demand.

**Refinery utilization** rates increased on a +94,000 bpd increase in crude oil runs last week. During the latest 4-wk period crude oil input was +284,000 bpd above last year.

Gasoline yield % on crude oil runs fell last week on a -730,000 bpd decline in output compared to the +94,000 increase in crude oil runs. Gasoline yield % on crude oil runs ended the week at a level below the historic range.

Distillate yield % on crude oil runs decreased on a -75,000 bpd drop in output compared to the increase in crude oil runs. The yield % on crude oil runs was near the average of the last 2-yrs.

Jet fuel yield % on crude oil runs increased last week on a +12,000 bpd rise in output compared the increase in crude oil runs. The yield % on crude oil runs matched the 3-yr mid range.

**Petroleum Imports/Exports:** Imports of gasoline fell sharply last week, while distillate imports rebounded from the prior week decline.

During the latest 4-wk period crude oil imports decreased -75,000 bpd compared to a year ago; distillate imports were +74,000 bpd higher; finished gasoline imports were +1,000 bpd higher; gasoline blend stock imports were +126,000 bpd higher, jet fuel imports increased +79,000 bpd, while residual fuel imports were +23,000 bpd higher.

*Exports of distillate for the week ending 20Feb15 were -69,000 bpd below a year ago, gasoline +100,000 bpd higher, jet fuel -17,000 bpd lower and residual fuel oil was unchanged.*

**Crude Oil** stocks increased +8.2 million barrels on the week, including a +4.7 million barrel build in the midwest.

Stocks in Cushing increased +1.9 million barrels on the week. Stock levels in the Gulf region also reached new all time record levels.

<sup>1</sup> Source is latest EIA Weekly Statistics



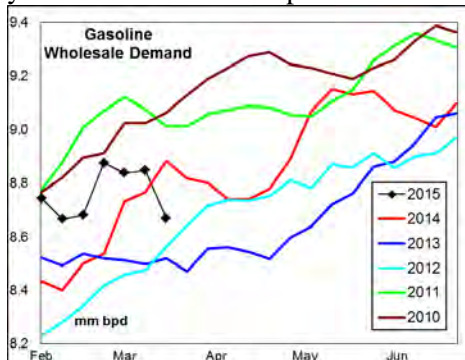
## WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

### A Fundamental Petroleum Trends Weekly Report

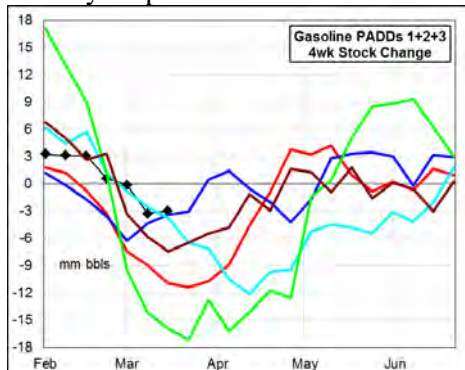
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#### Product Supply-Demand Trends

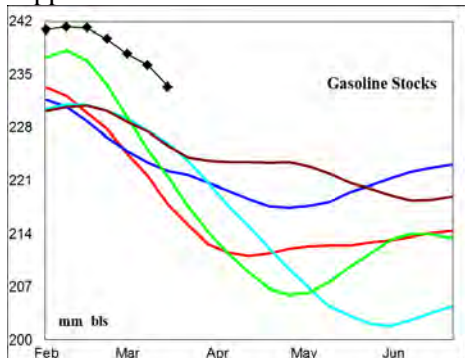
**Gasoline** wholesale demand fell -0.6 million bpd last week. Wholesale demand was +38,000 bpd above last year for the latest 4-wk period.



Supply fell -1 million bpd last week on lower production and imports. Supply for the latest 4-wk period exceeded a year ago by +211,000 bpd on higher refinery output.



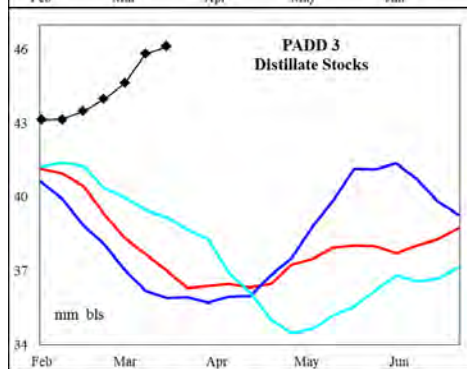
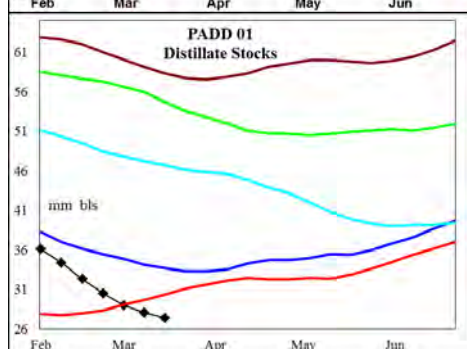
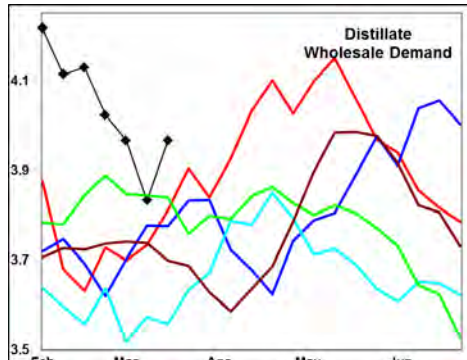
The latest 4-wk stock change matched the lowest draw of the last 5-yr for the period; which combined with record high stock levels points to a well supplied market.



A significant supply imbalance exists between regional markets. The East and Gulf coast regions report stocks at record levels for this time of year, compared to the West coast where stocks are at record lows.

**Distillate** wholesale demand increased +192,000 bpd last week, to a level above the historic range. The latest 4-wk average wholesale demand was +168,000 bpd above last year.

Supply increased +47,000 bpd on higher imports. Stocks were unchanged on the week, with extremely high levels in all regions except the East Coast.

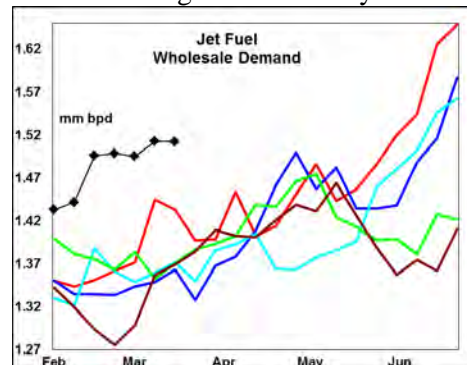


A significant supply imbalance exists between regional markets. East coast stocks are at record lows due to the extended winter in the Northeast, compared to all other regions where stock levels are extremely high.

Weak exports and record production underlie the over supply in most regions.

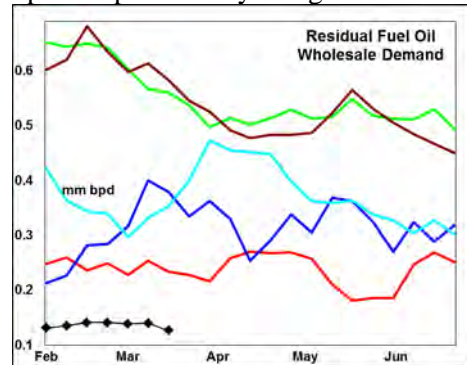
**Jet Fuel** wholesale demand increased +49,000 bpd last week, ending at a level well above the 5-yr range. The latest 4-wk average demand was up +108,000 bpd over a year ago.

Supply decreased -81,000 bpd on lower imports. Stocks decreased -0.3 million barrels on the week, to a level near the average of the last 2-yr.



Look for wholesale demand to see robust year-on-year gains going forward, partially offset by high imports. Look for stock levels to remain near record lows in most regions.

**Residual fuel oil** demand decreased -4,000 bpd last week. Demand for the latest 4-wk period decreased -79,000 bpd compared to a year ago.



Supply (production + imports) increased +95,000 bpd on the week, due to higher production and imports. Stocks increased +1.4 million barrels, a level near historic highs for the period.

Stocks surged +2.1 million barrels in the gulf region, top a new record high. Wholesale demand remains -60% below last year in this key region; leading to extreme over supply.



## WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

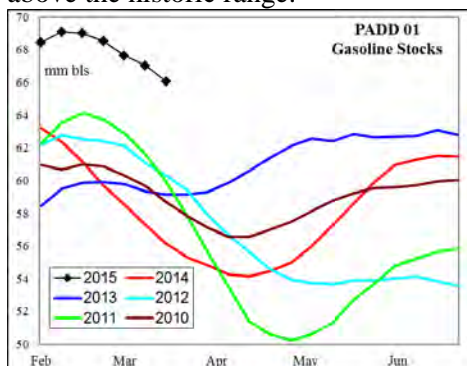
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#### PADD Supply Trends

**PADD 1** refinery crude oil runs increased +35,000 bpd on the week to a level above the historic range. The latest 4-wk average thru put was -28,000 bpd below last year.

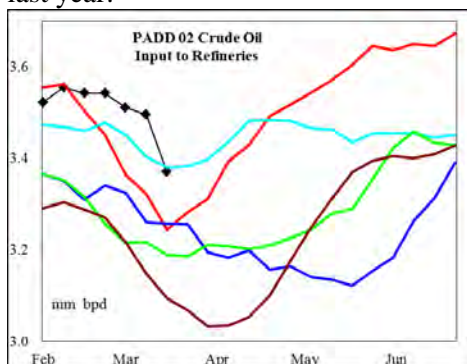
Gasoline supply decreased -189,000 bpd on the week, with the 4-wk average +76,000 bpd above last year. Stocks fell -1 million barrels last week, although the level remains well above the historic range.



Distillate supply increased +59,000 bpd last week, on higher imports. Stocks decreased -0.4 million barrels, to a new record low level.

Jet fuel supply decreased -19,000 bpd lower imports. Stocks decreased -0.3 million barrels on the week, to a level below the 3-yr mid range.

**PADD 2** crude oil refinery runs fell -192,000 bpd on the week. The latest 4-wk average was +179,000 bpd above last year.



Crude oil stocks increased +4.7 million barrels last week, to a new record high level. Cushing saw a +1.9 million barrel stock build on the week.

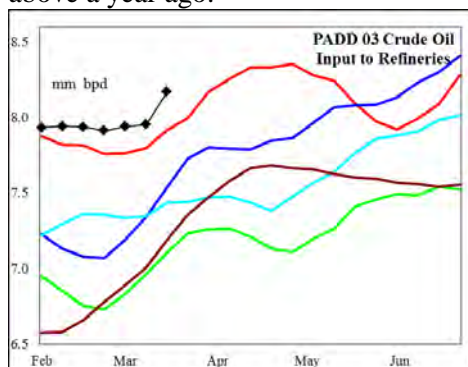
Gasoline supply decreased -25,000 bpd on the week. Production for the most recent 4-wk period was +39,000

bpd above a year ago. Stocks fell -2.1 million barrels on the week, to a level below the 3-yr mid range.

Distillate supply fell -104,000 bpd on the week, to a level comparable to last year. Stocks were unchanged on the week, at a level that matched 5-yr highs.

Jet fuel supply was a record high for the week, although stock levels remain below the historic range.

**PADD 3** refinery runs increased +299,000 bpd on the week, to a level above the 5-yr range. During the latest 4-wk period, runs were +207,000 above a year ago.



Crude oil stocks increased +1.6 million barrels last week, limited by a -0.2 million bpd drop in imports and the increase in refinery runs. Crude oil stocks are now +30 million barrels (+15%) above the prior high for the period.

Gasoline supply increased +31,000 bpd last week, with the latest 4-wk average +61,000 bpd above a year ago. Stocks increased +1.6 million barrels on the week, to a new record high.

Distillate supply increased +85,000 bpd on the week, with the latest 4-wk average supply +38,000 bpd above a year ago. Stocks increased +0.1 million barrels on the week, to a level +29% above last year.

Jet fuel production increased +8,000 bpd on the week, with the level -30,000 bpd below last year for the latest 4-wk period. Stocks were nearly unchanged on the week, at a level below the 3-yr mid range.

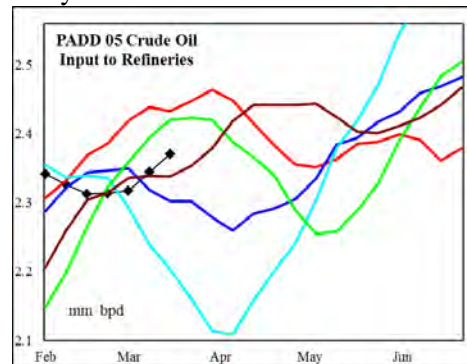
**PADD 4** refinery crude runs fell -61,000 bpd last week, to a level at 3-yr

lows for the week. The latest 4-wk average was +26,000 bpd above a year ago.

Gasoline production declined -16,000 bpd last week, to a level just below last year's record high. The latest 4-wk average production was +1,000 bpd above a year ago. Stock levels ended the week +7% above last year.

Distillate supply decreased -36,000 bpd last week, with the latest 4-wk average production +19,000 above last year. Stock levels ended the week near 5-yr highs for the period.


**PADD 5** crude oil refinery runs increased +13,000 bpd on the week, to a level above the 3-yr mid range. The 4-wk run rate was -98,000 bpd below last year.



Gasoline supply increased +13,000 bpd on the week, with the latest 4-wk average +43,000 bpd above last year. Stocks decreased -0.1 million barrels on the week, ending at a fresh record low level for this time of year. Significant refinery upsets and fire at the ExxonMobil plant has kept cash basis above the historic range.

Distillate supply increased +41,000 bpd on the week, driven by higher production. The 4-wk average supply was +10,000 bpd above a year ago, driven by a +30,000 bpd increase in imports. Stock levels ended the week +11% above the 5-yr range for this time of year.

Record high jet fuel imports have kept stock levels above the 3-yr mid range.



FUNDAMENTAL

PETROLEUM TRENDS

PETROLEUM: Graph Link and Weekly Summary

A Fundamental Petroleum Trends Weekly Report

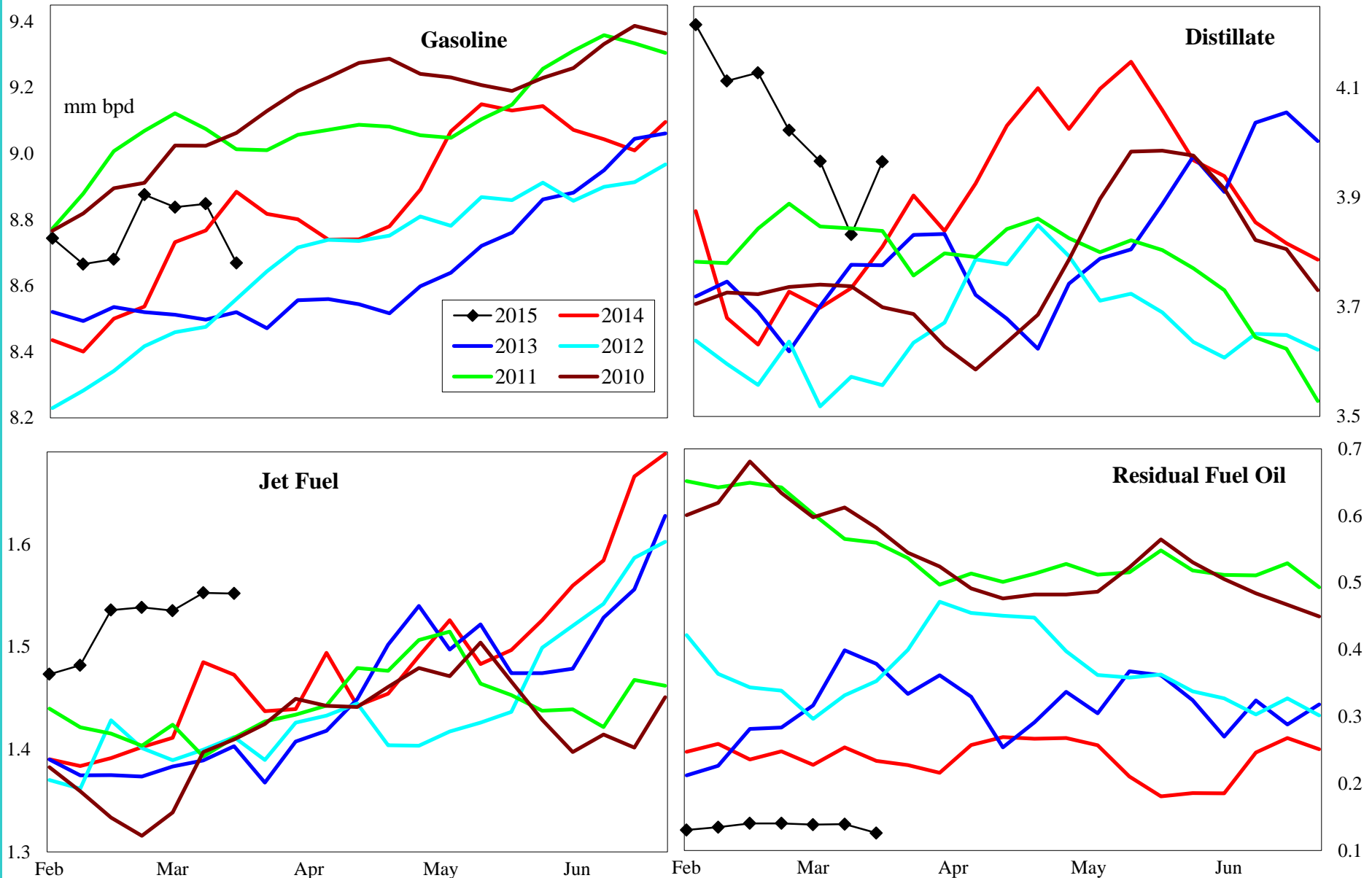
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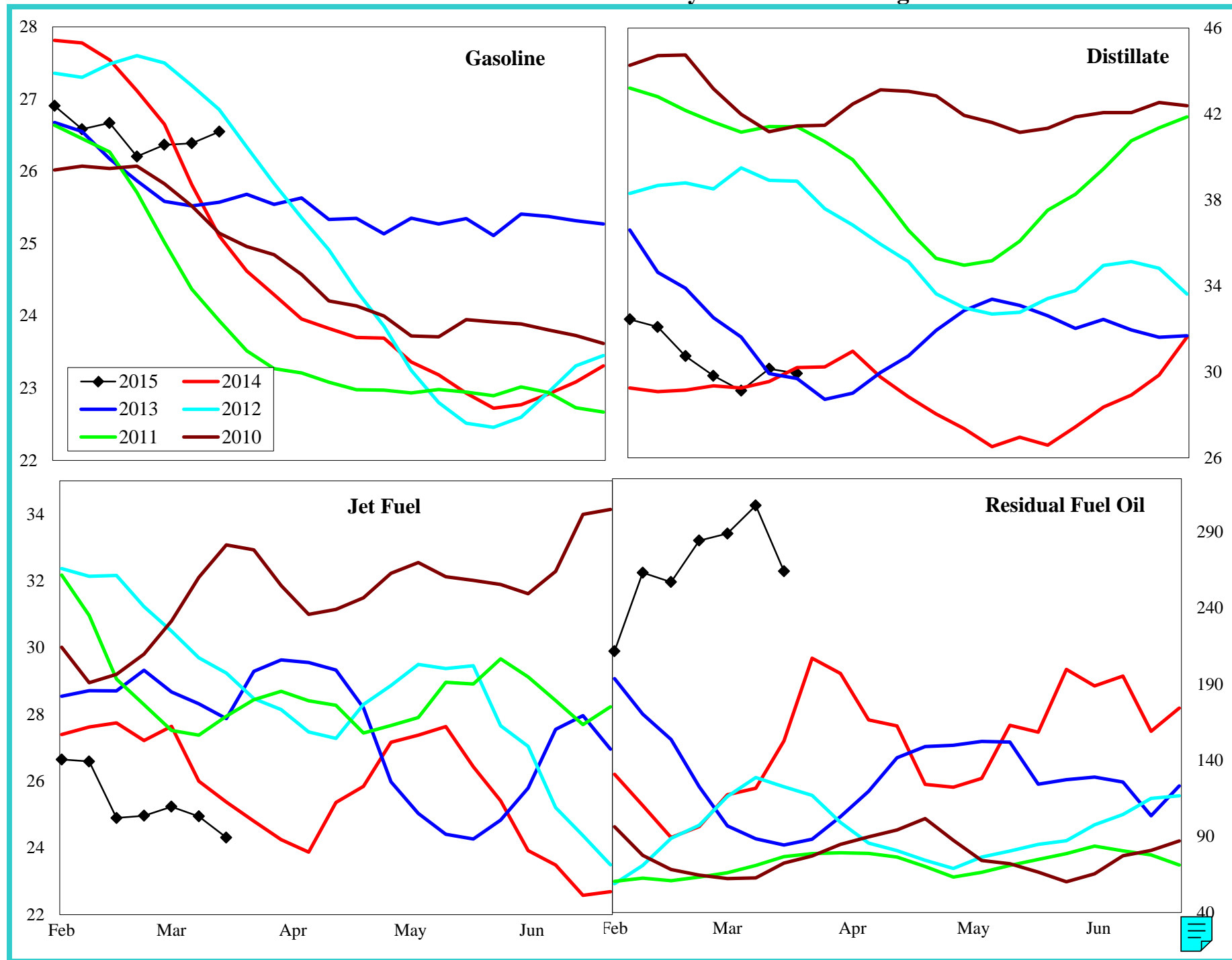
Fundamental Trends	<a href="#">Wholesale Demand</a>	<a href="#">Stocks Days Fwd Coverage</a>	<a href="#">Refinery Utilization</a>		<a href="#">Product Yield %</a>		<a href="#">Imports</a>
Supply/Demand Trends	20-Mar-15	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
<a href="#">Crude Oil</a>	Stocks	8,170	-630	4,697	1,562	929	1,613
	Imports	-104	-303	46	-203	-46	402
	Input	94	35	-192	299	-61	13
	% Utilization	0.90					
<a href="#">Gasoline</a>	Stocks	-2,014	-978	-2,119	1,550	-363	-104
	Production	-730	20	-15	31	-16	13
	Imports	-221	-209	-10	0	-2	0
	Supplied	-641					
<a href="#">Distillate</a>	Stocks	-34	-415	9	75	-112	409
	Production	-75	-34	-106	58	-35	40
	Imports	122	93	2	27	-1	1
	Supplied	192					
<a href="#">Jet Fuel</a>	Stocks	-304	-293	162	151	-89	-234
	Production	12	7	16	8	-12	-6
	Imports	-93	-26	0	0	0	-67
	Supplied	49					
<a href="#">Residual Fuel Oil</a>	Stocks	1,397	-680	14	2,137	-8	-66
	Production	67	4	-12	64	0	11
	Imports	28	-88	16	78	0	22
	Supplied	-4					

# United States Wholesale Petroleum Demand

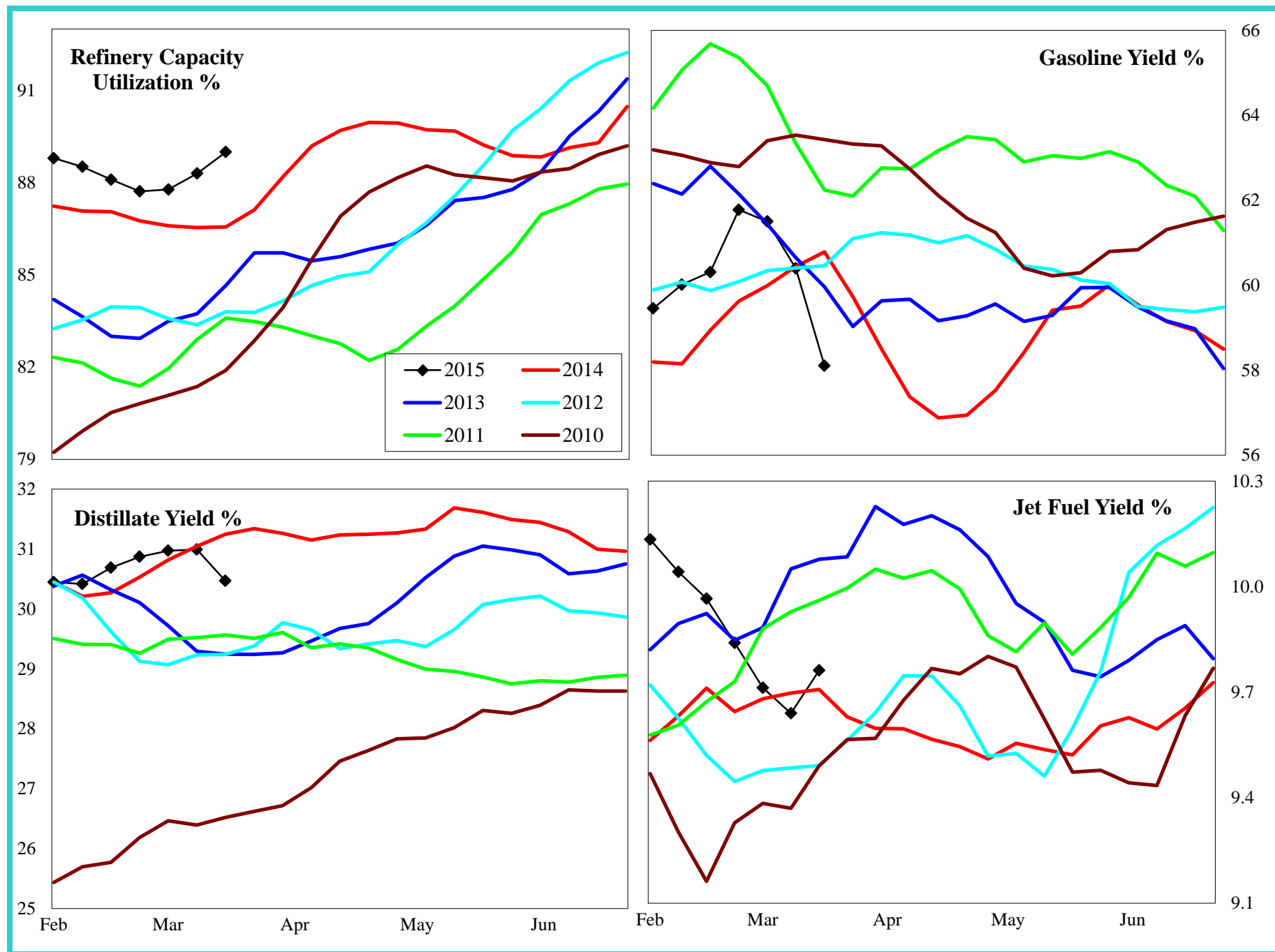


	000 bpd change from prior year				% change from prior year			
	4wk avg	Feb	Jan	Dec	4wk avg	Feb	Jan	Dec
Gasoline	38	-40	592	348	0.4	-0.5	7.2	4.0
Distillate	168	39	-92	185	4.5	0.9	-2.2	4.7
Jet Fuel	108	106	130	117	7.7	7.7	9.5	8.1
Resid	-79	-72	-105	78	-35.9	-34.8	-39.0	35.8

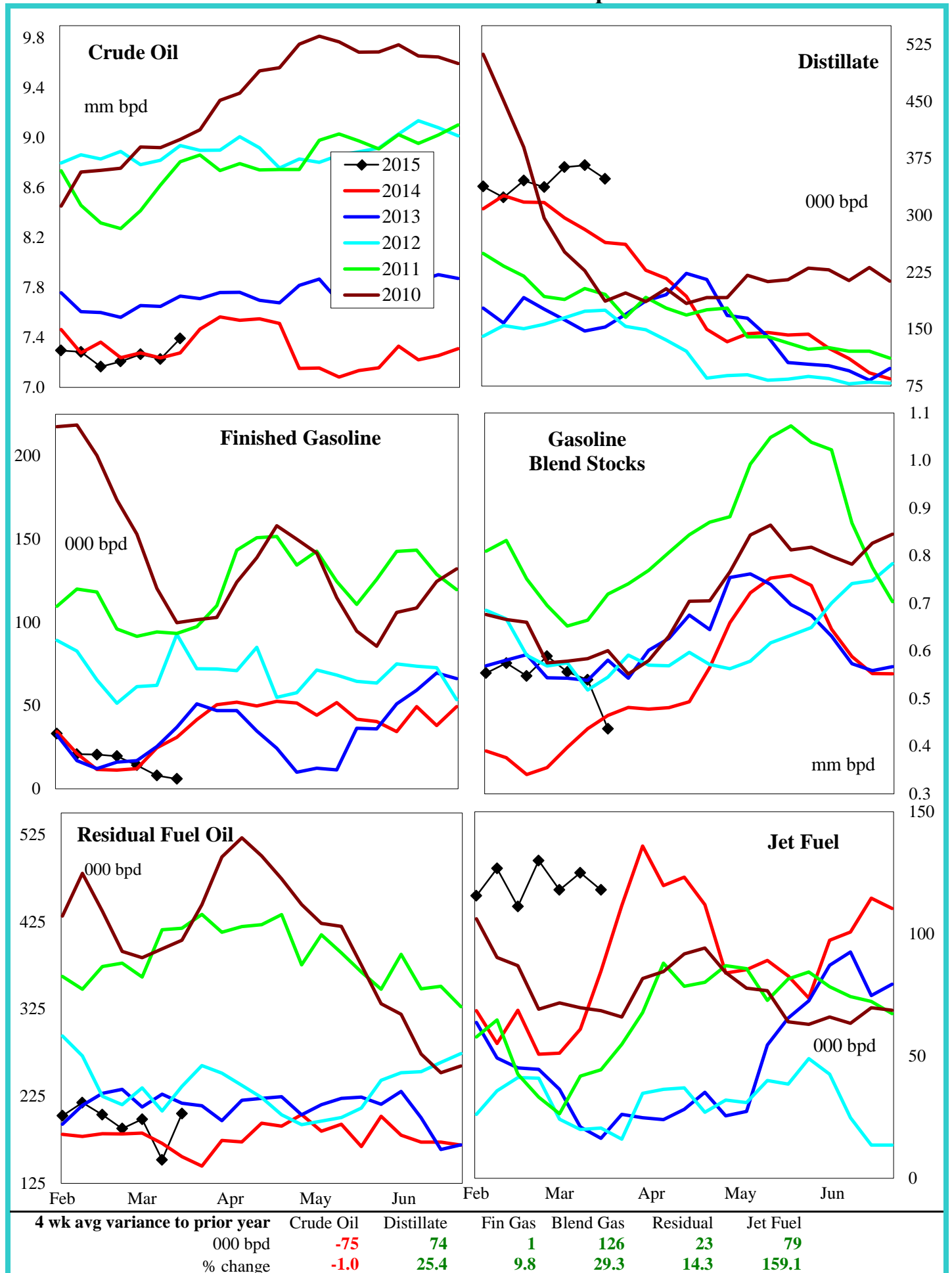


**United States Product Stocks: Days Forward Coverage**

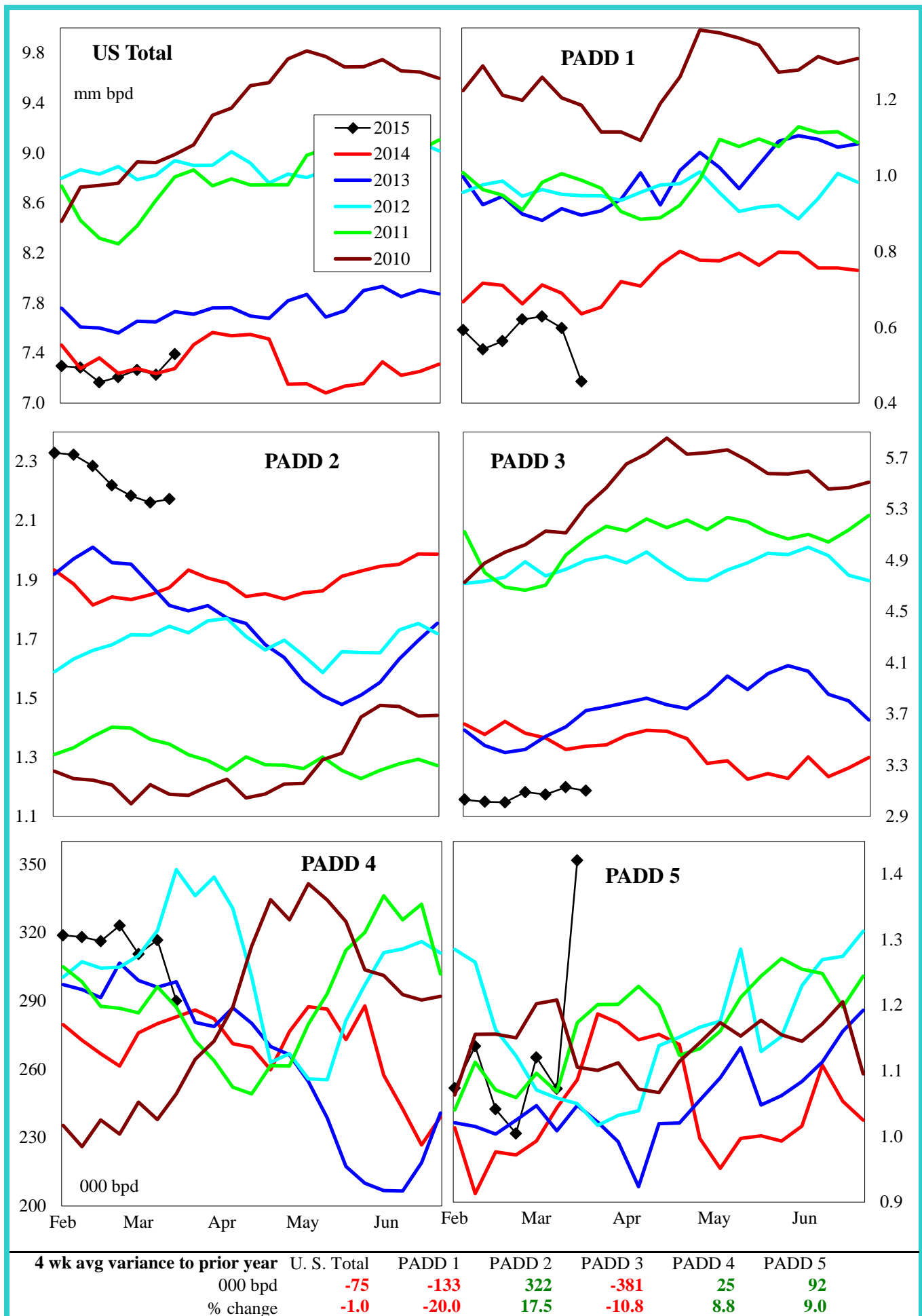
## United States Refinery Percent Utilization Rate and Product Yields



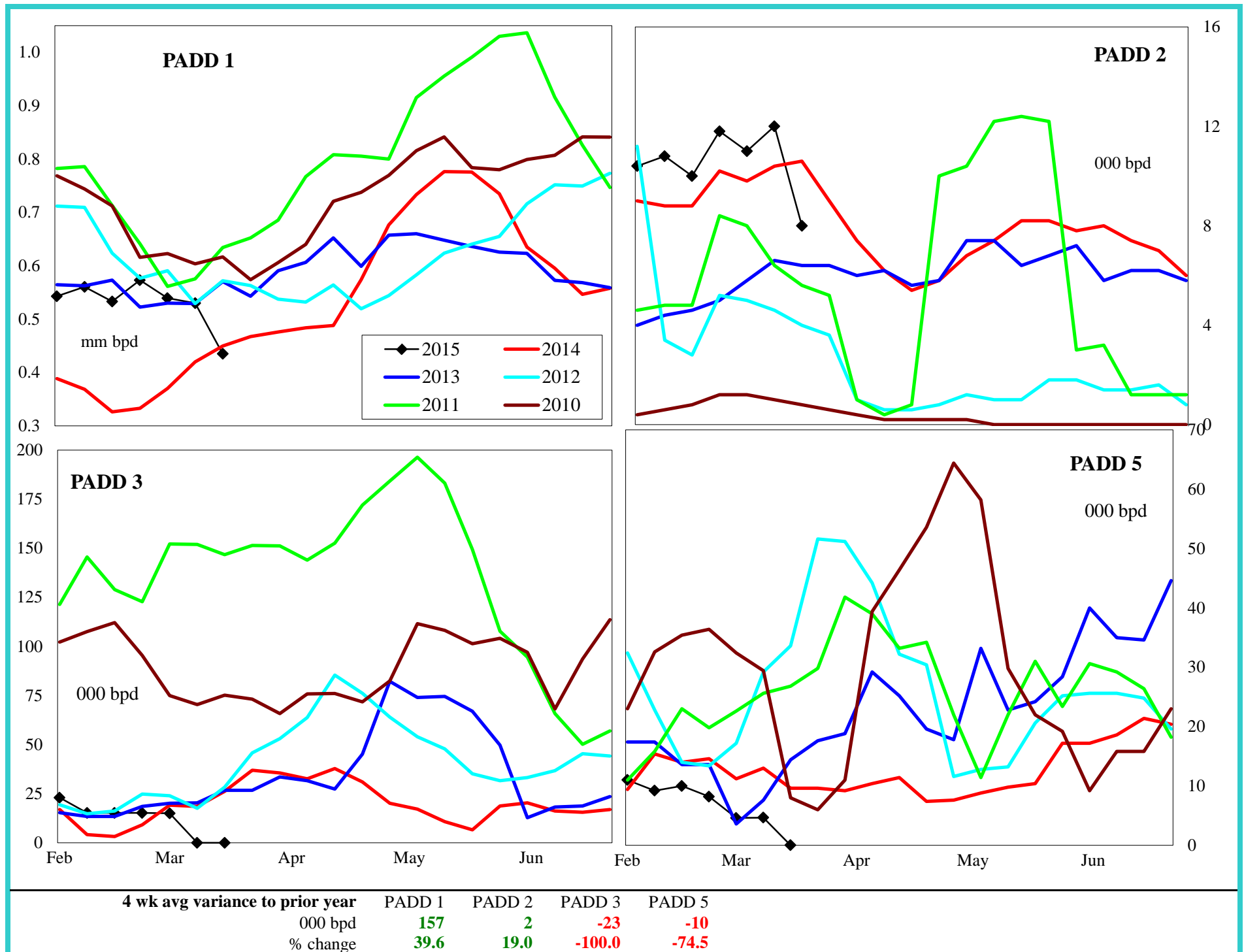
# United States Petroleum Imports



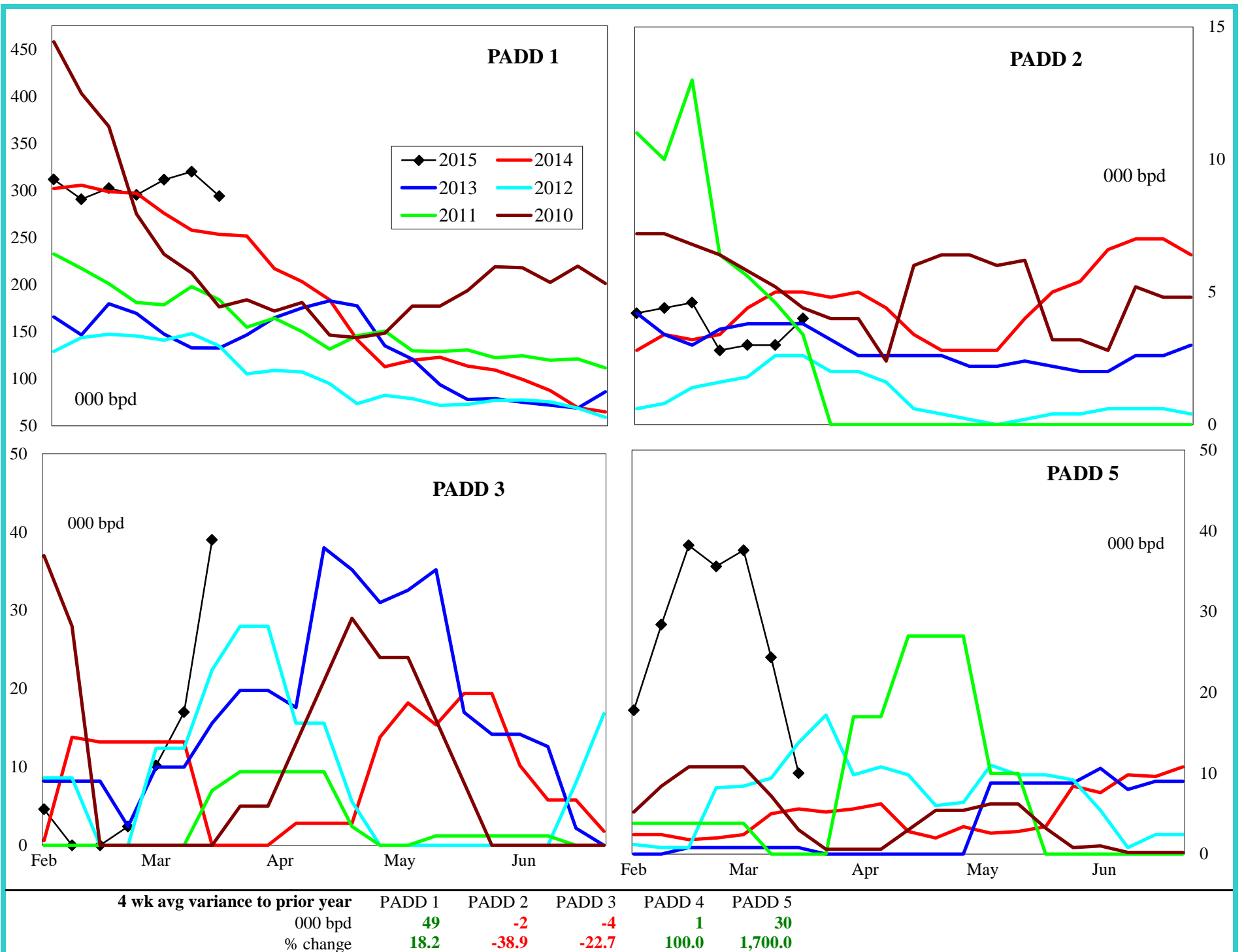
## Crude Oil Imports by PADD



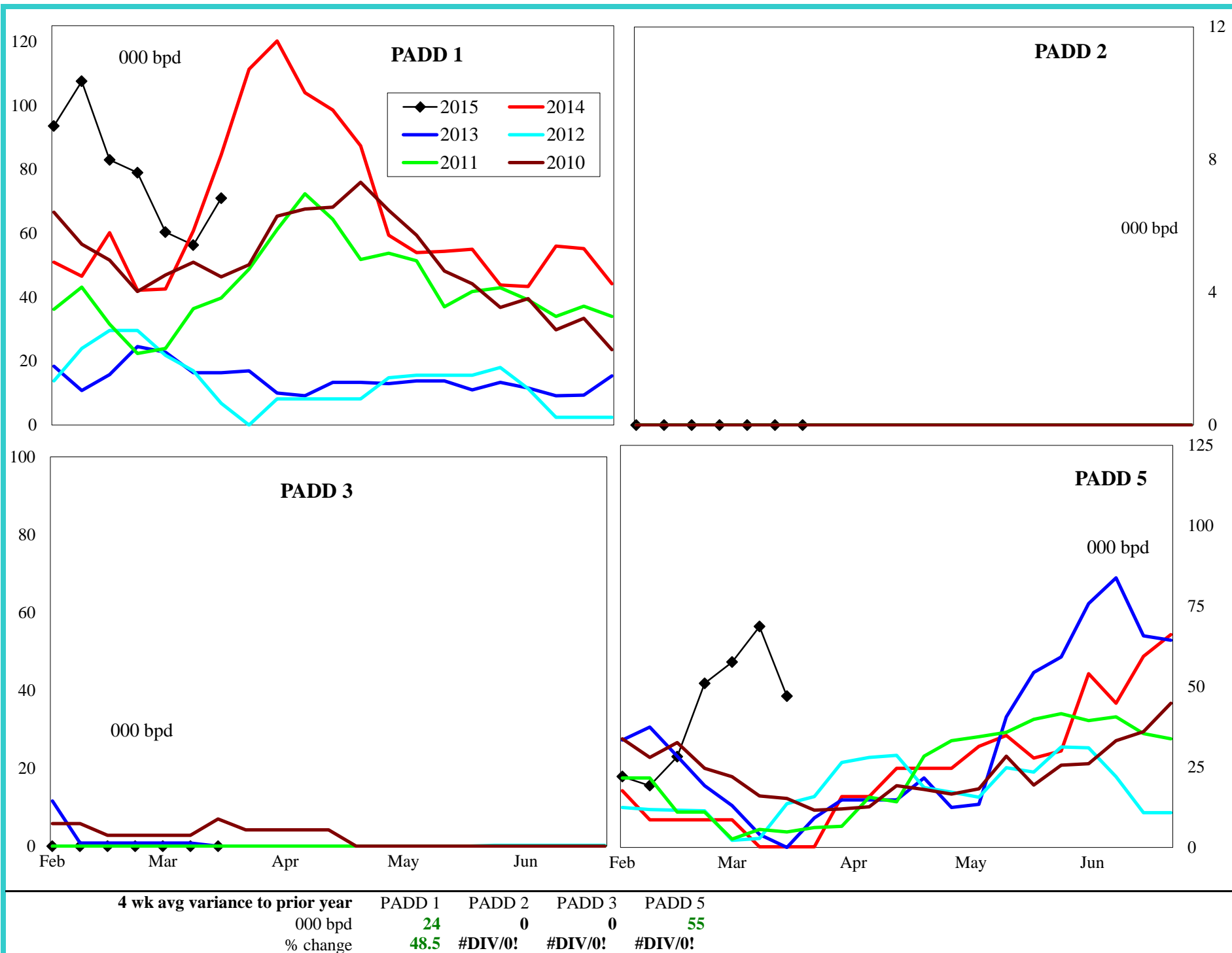
# Gasoline Imports by PADD (Finished + Blend Stocks)



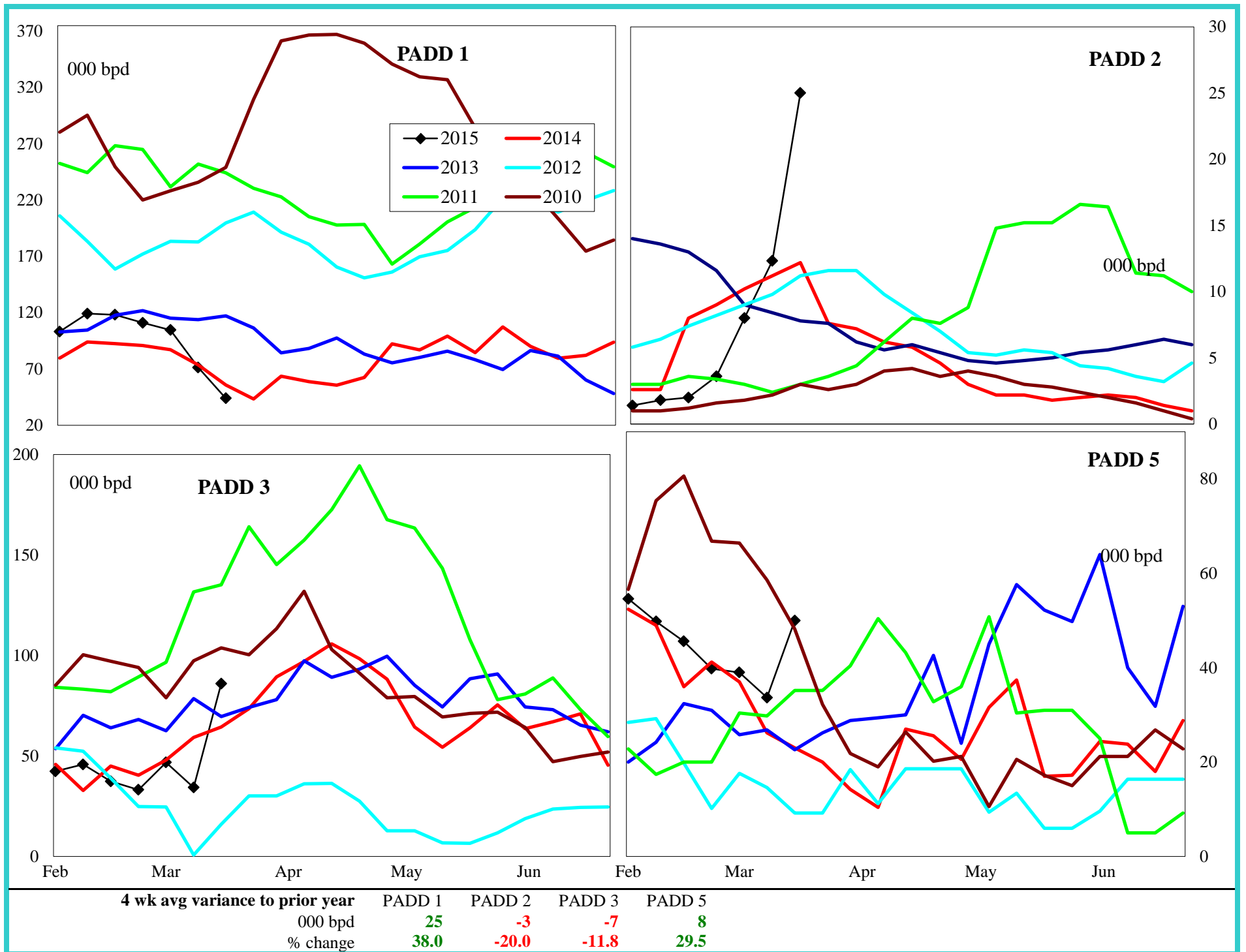
# Distillate Imports by PADD



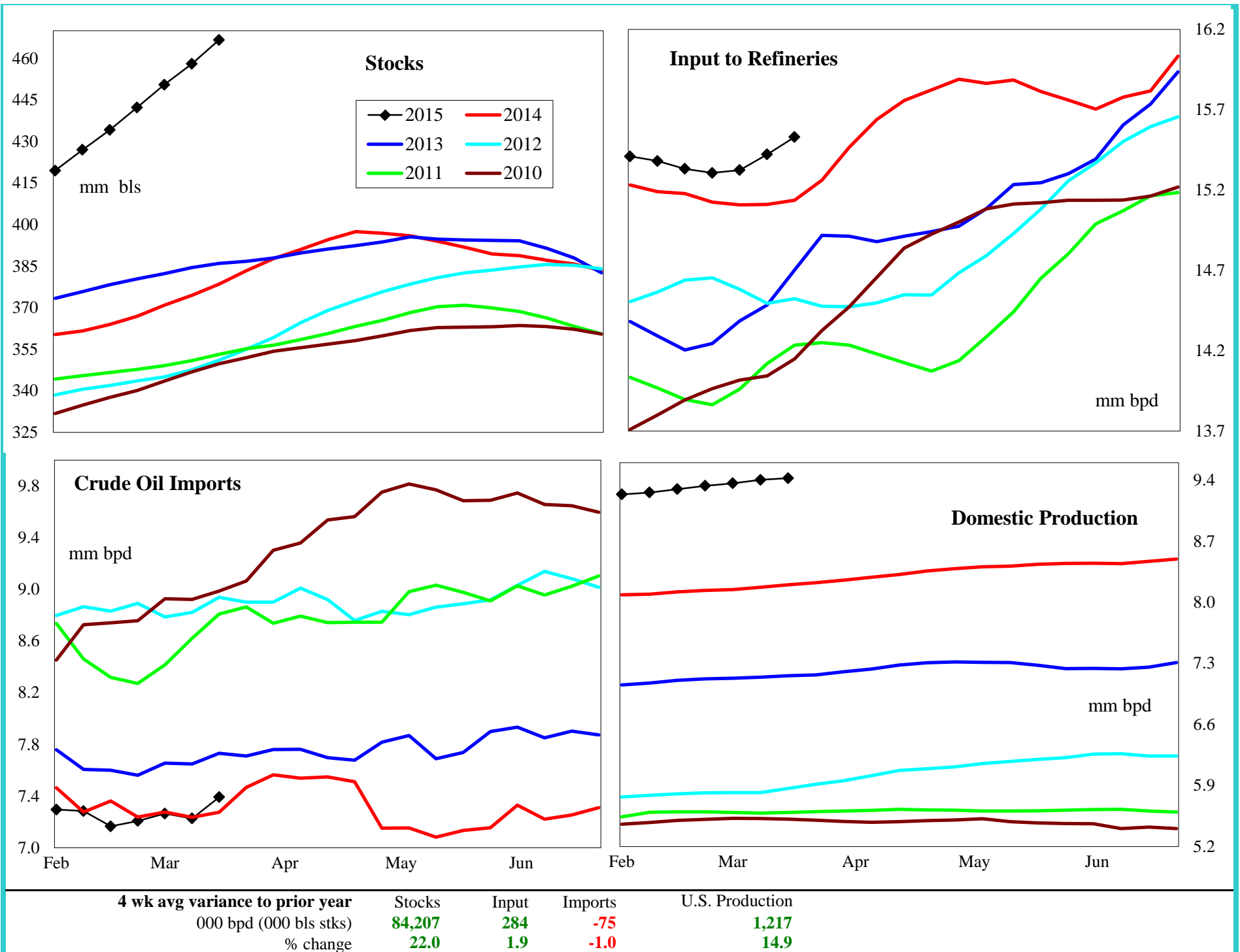
# Jet Fuel Imports by PADD



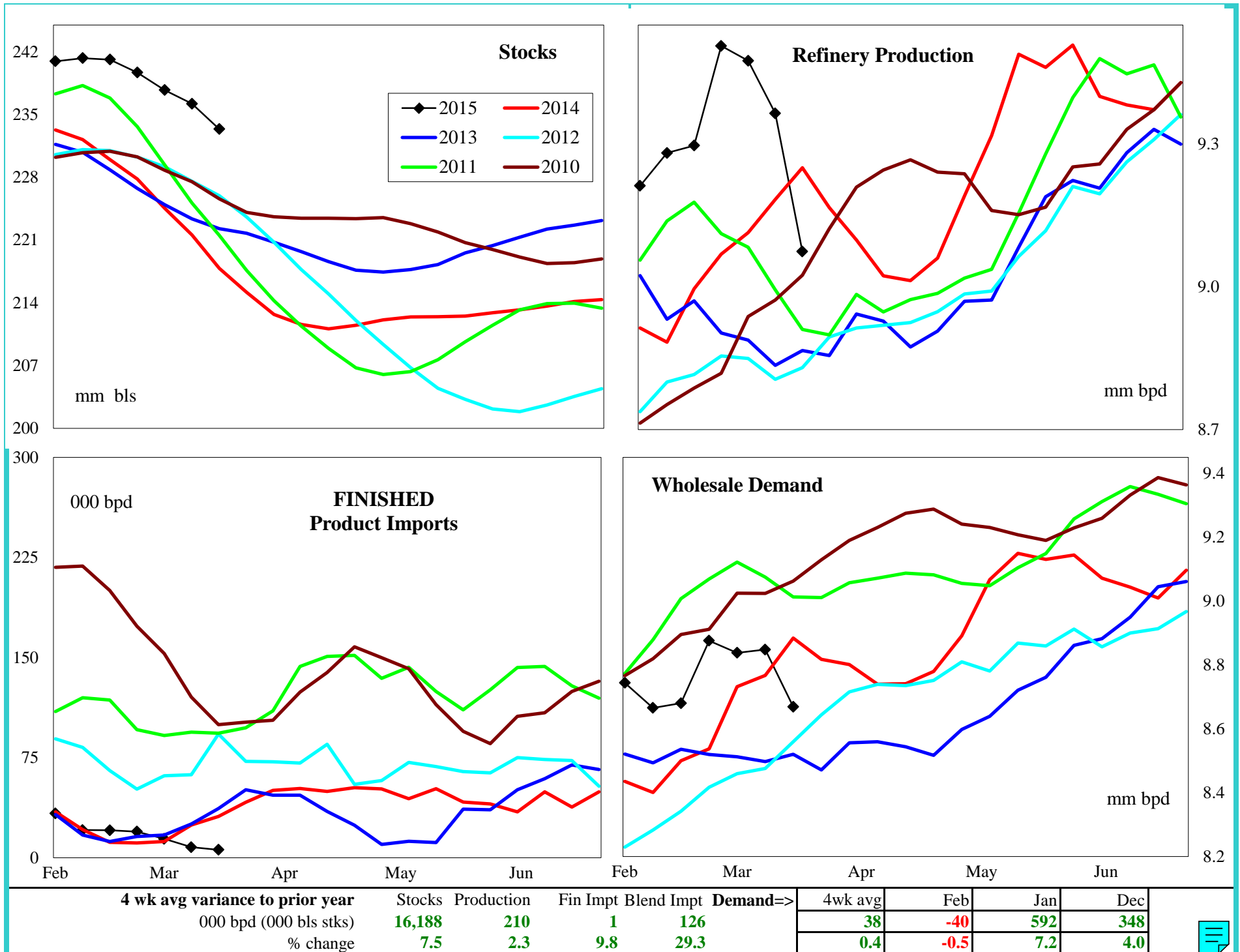
## Residual Fuel Oil Imports by PADD



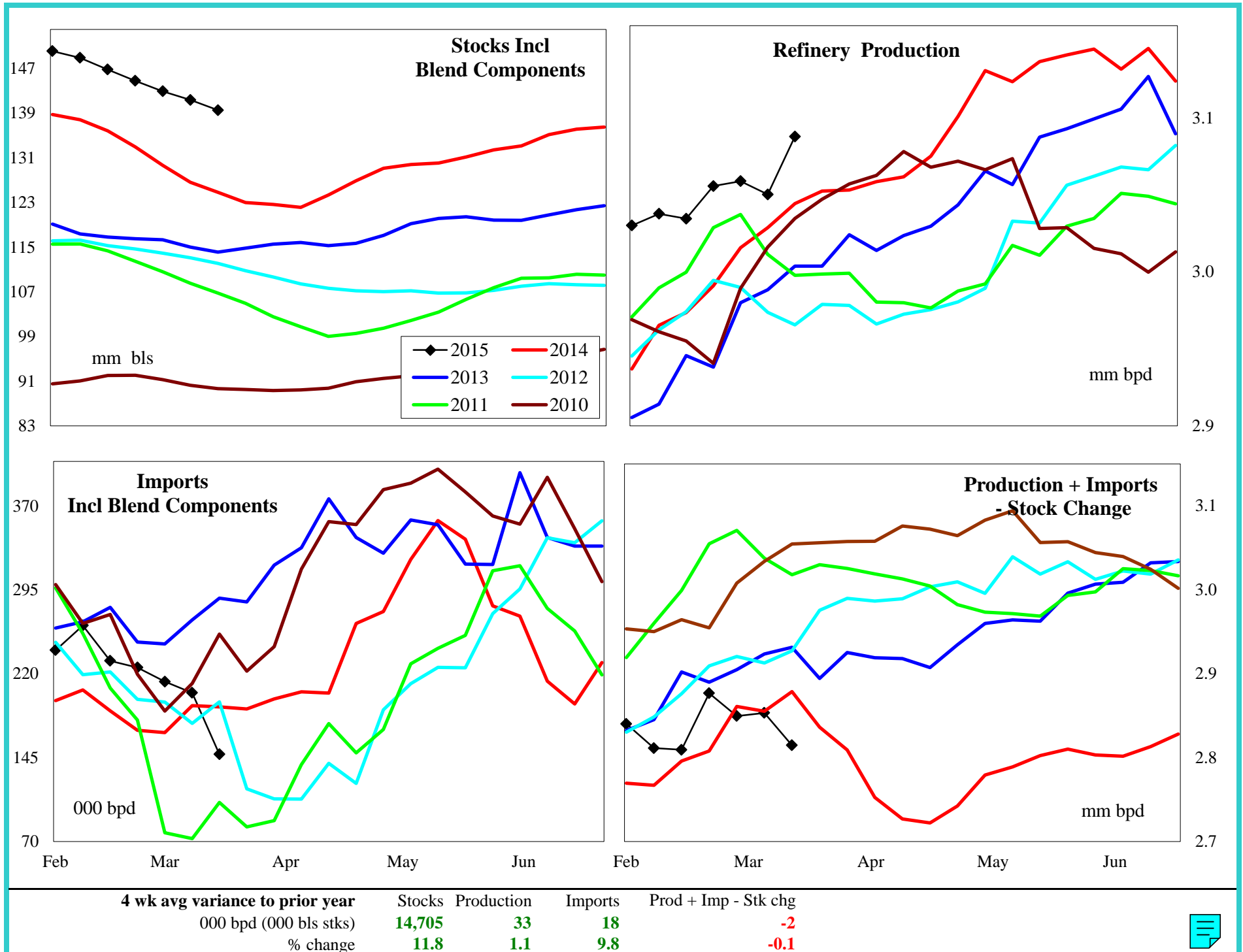
# United States Crude Oil Supply and Demand Balance



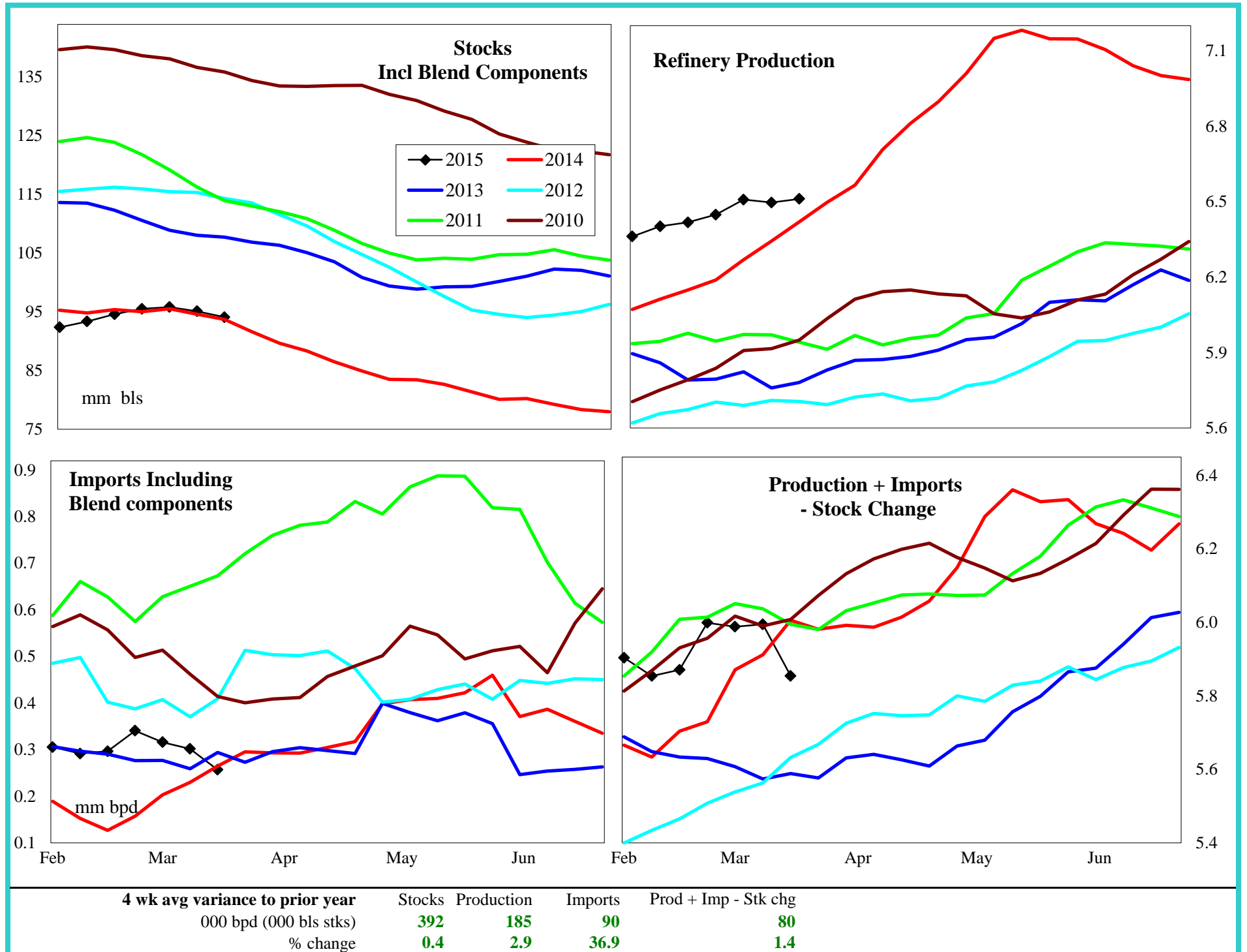
# United States Gasoline Supply and Demand Balance



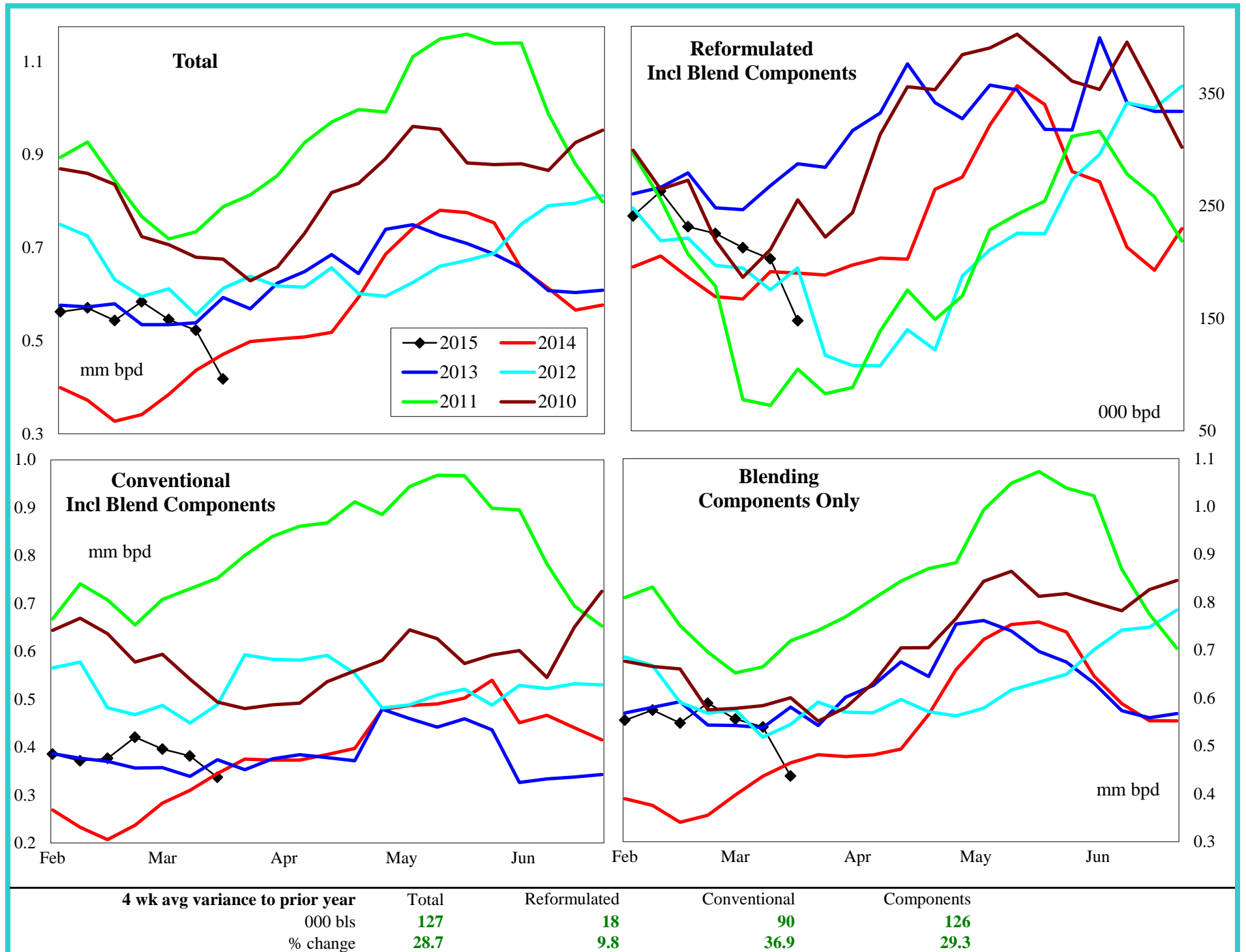
# United States Reformulated Gasoline Supply



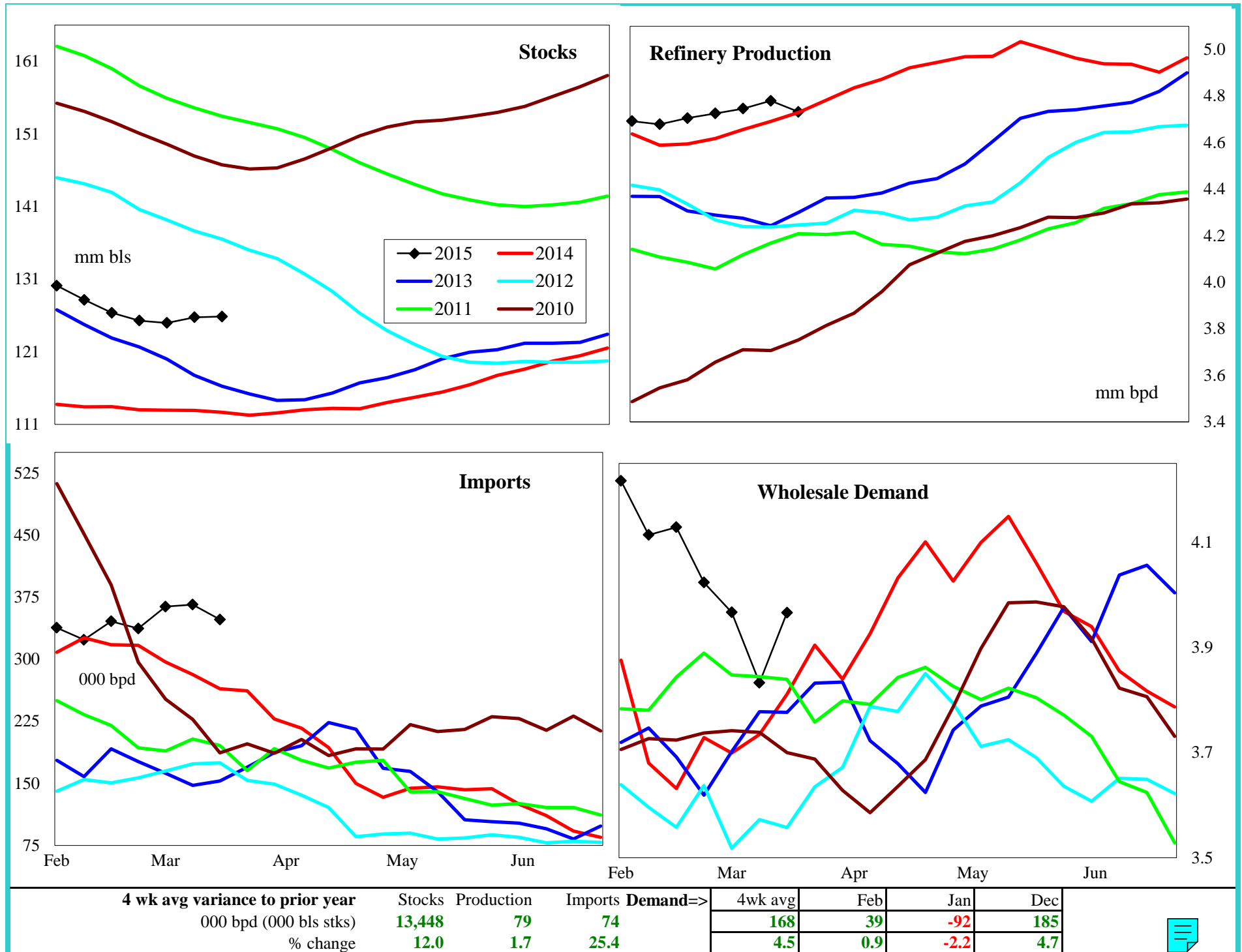
# United States Conventional Gasoline Supply



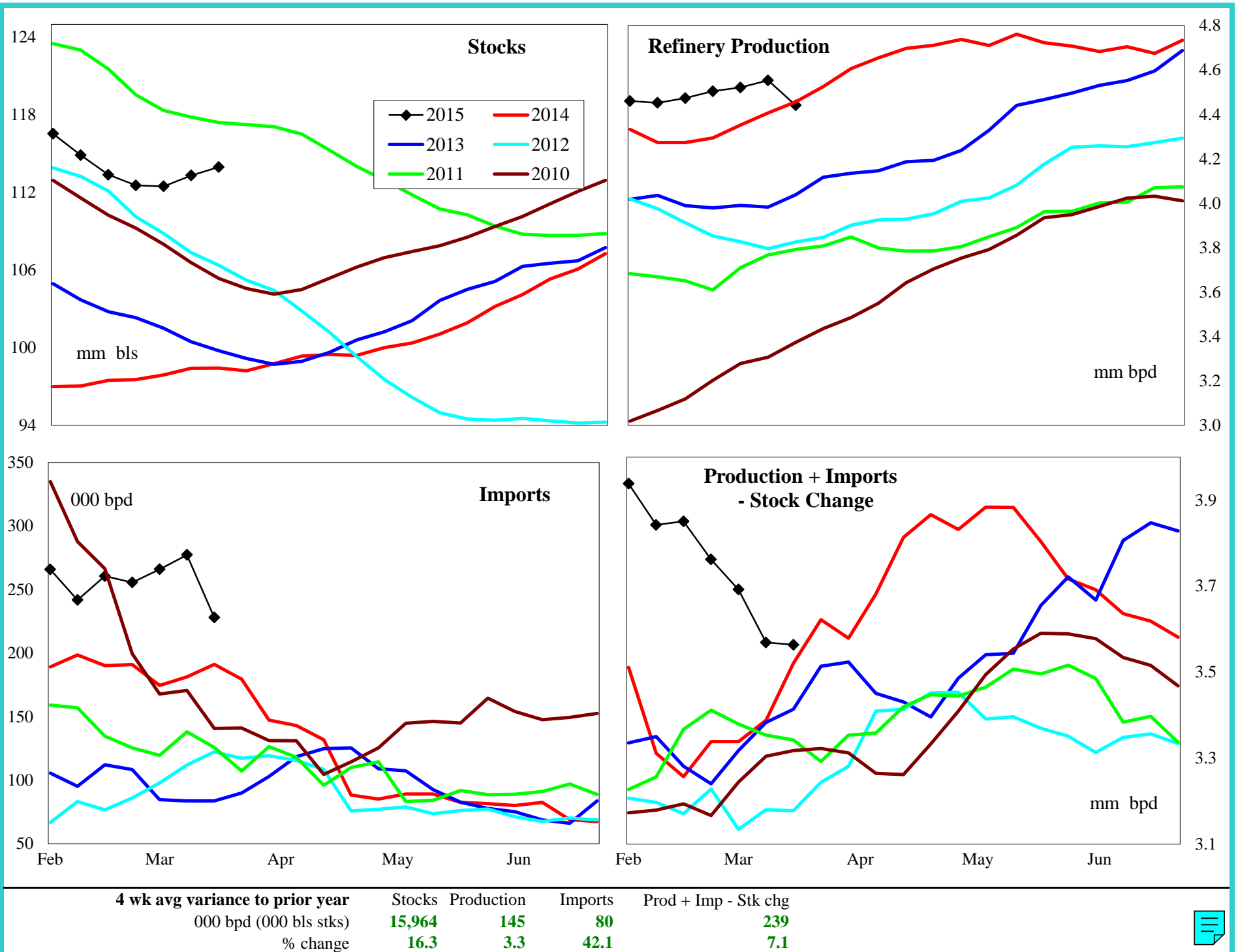
# United States Gasoline Imports by Type



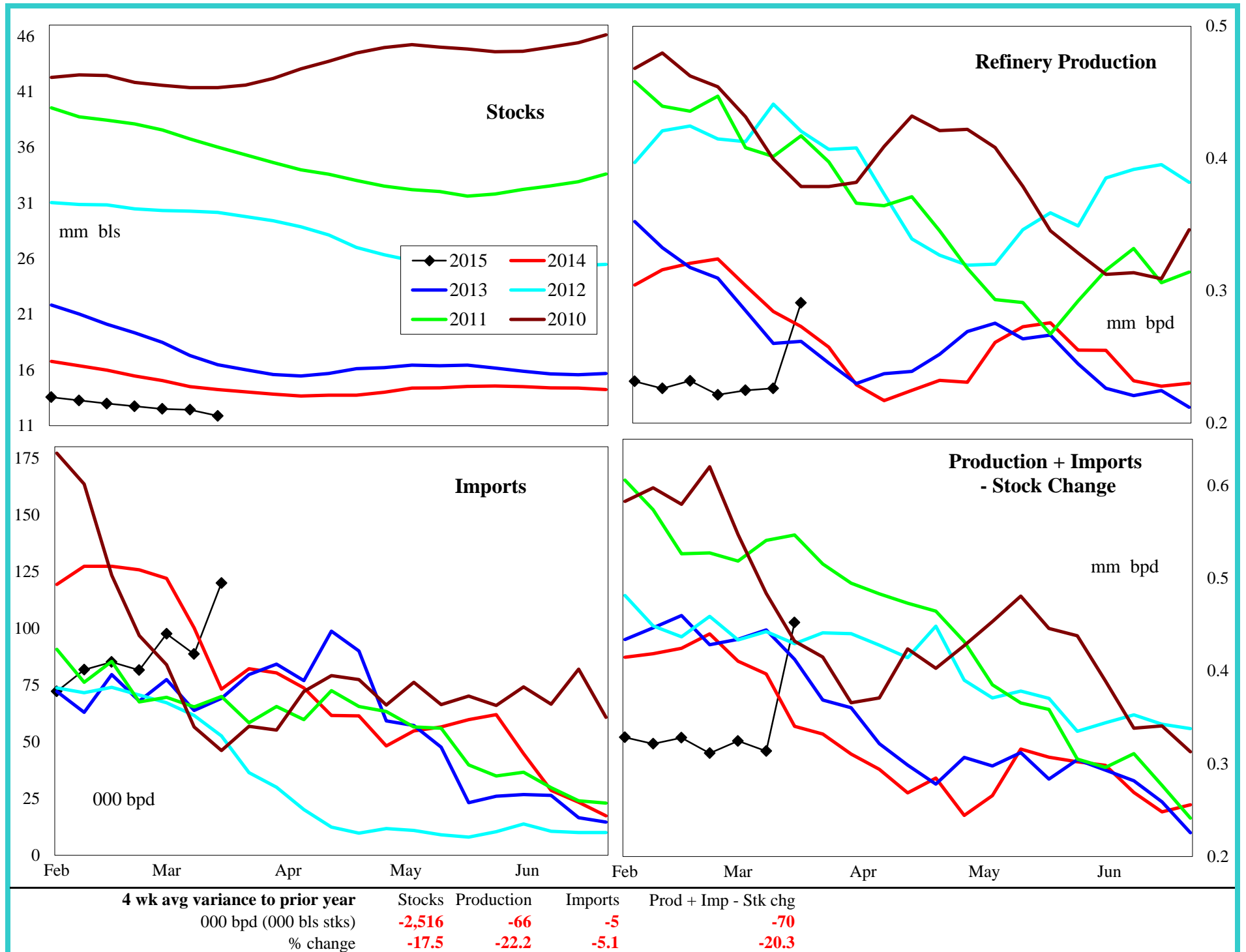
# United States Distillate Supply and Demand Balance



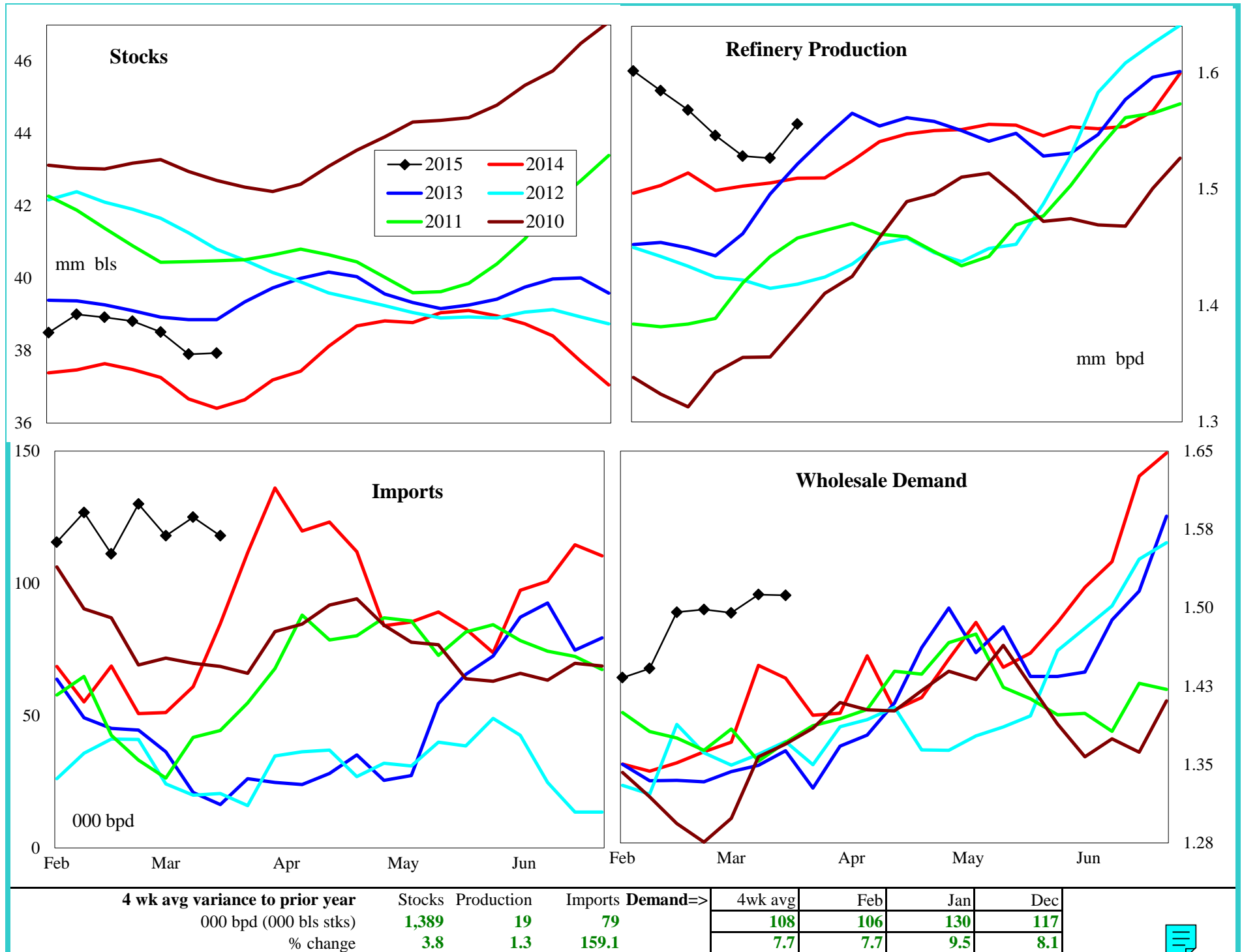
# United States Low Sulfur Distillate Supply



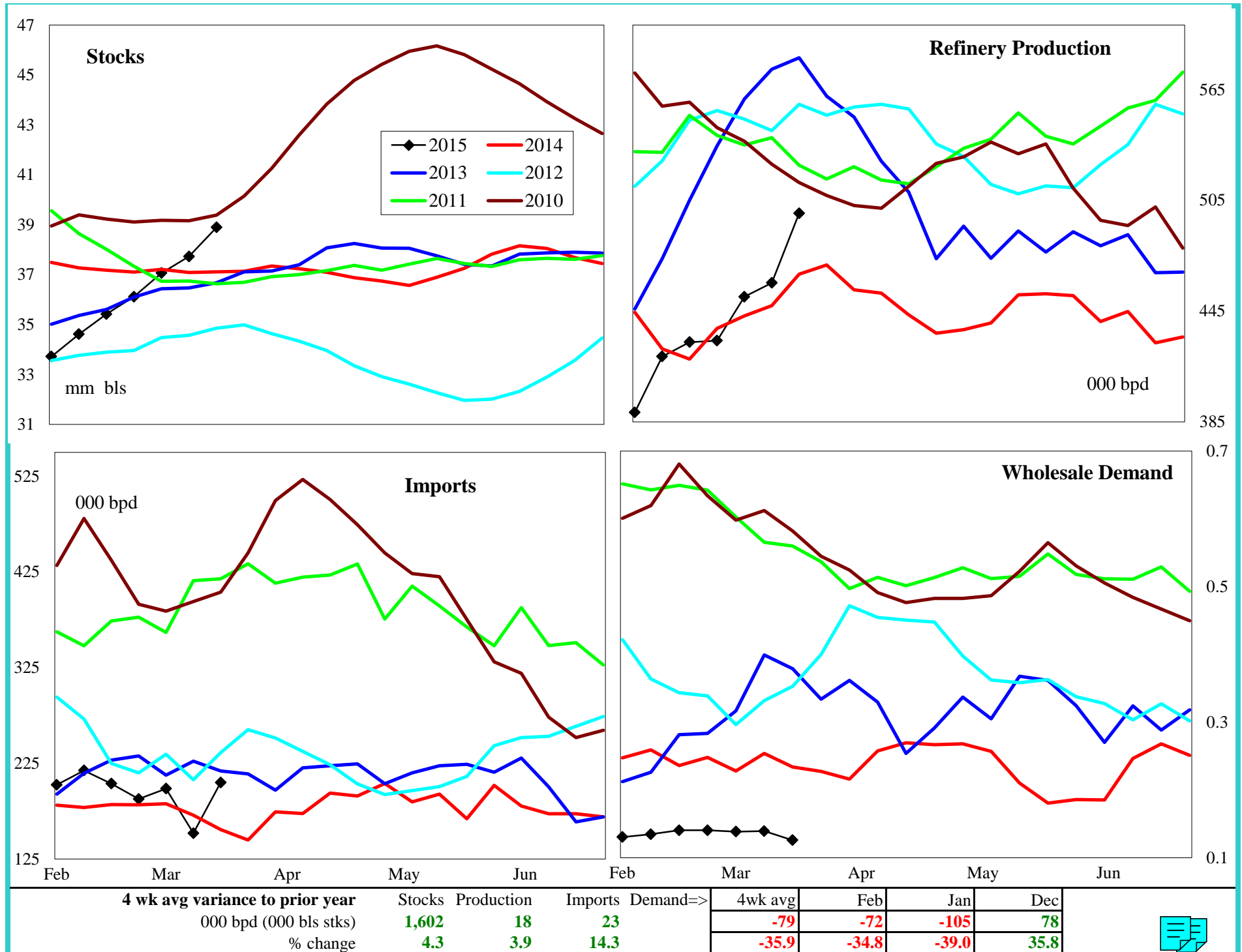
# United States High Sulfur Distillate Supply



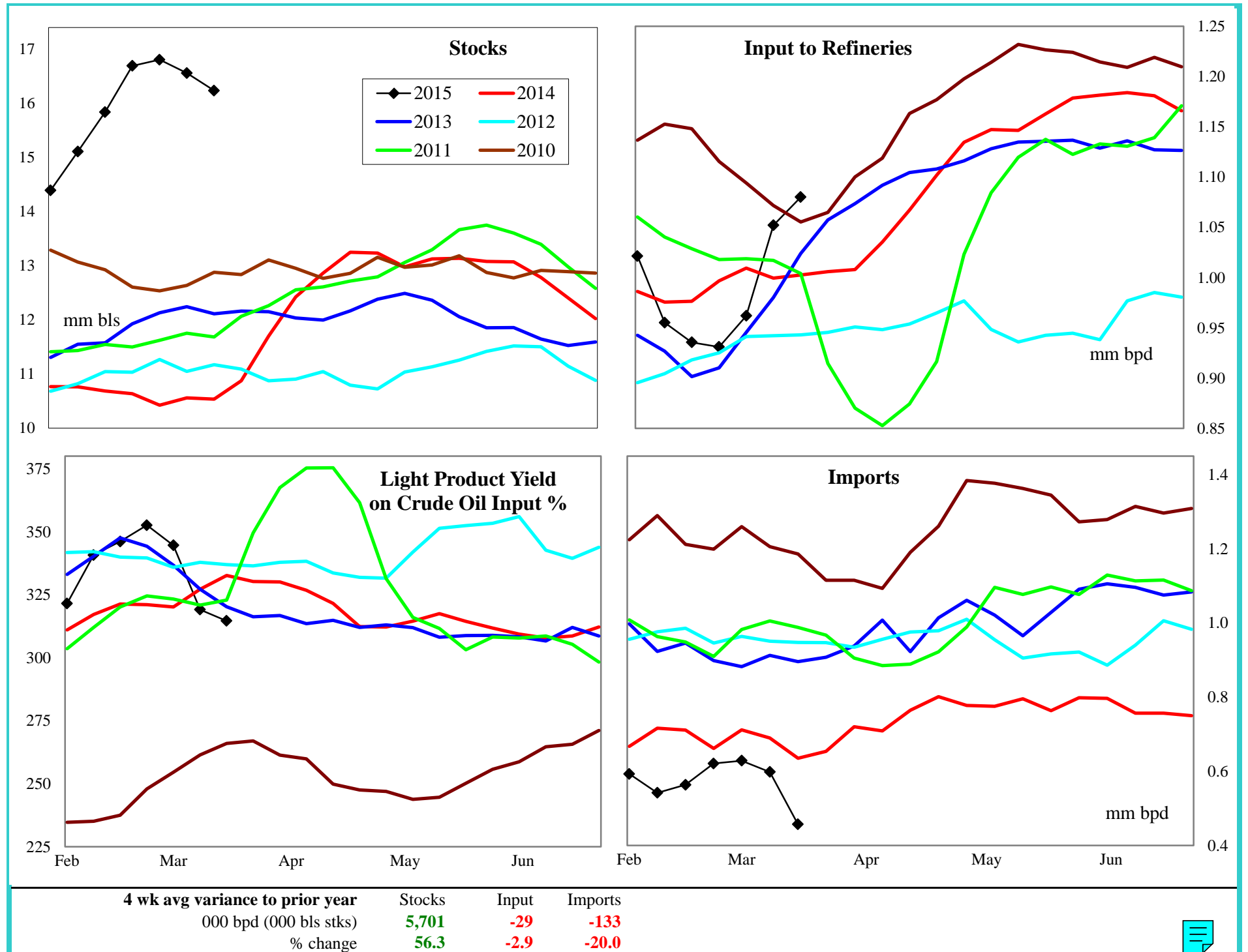
# United States Jet Fuel Supply and Demand Balance



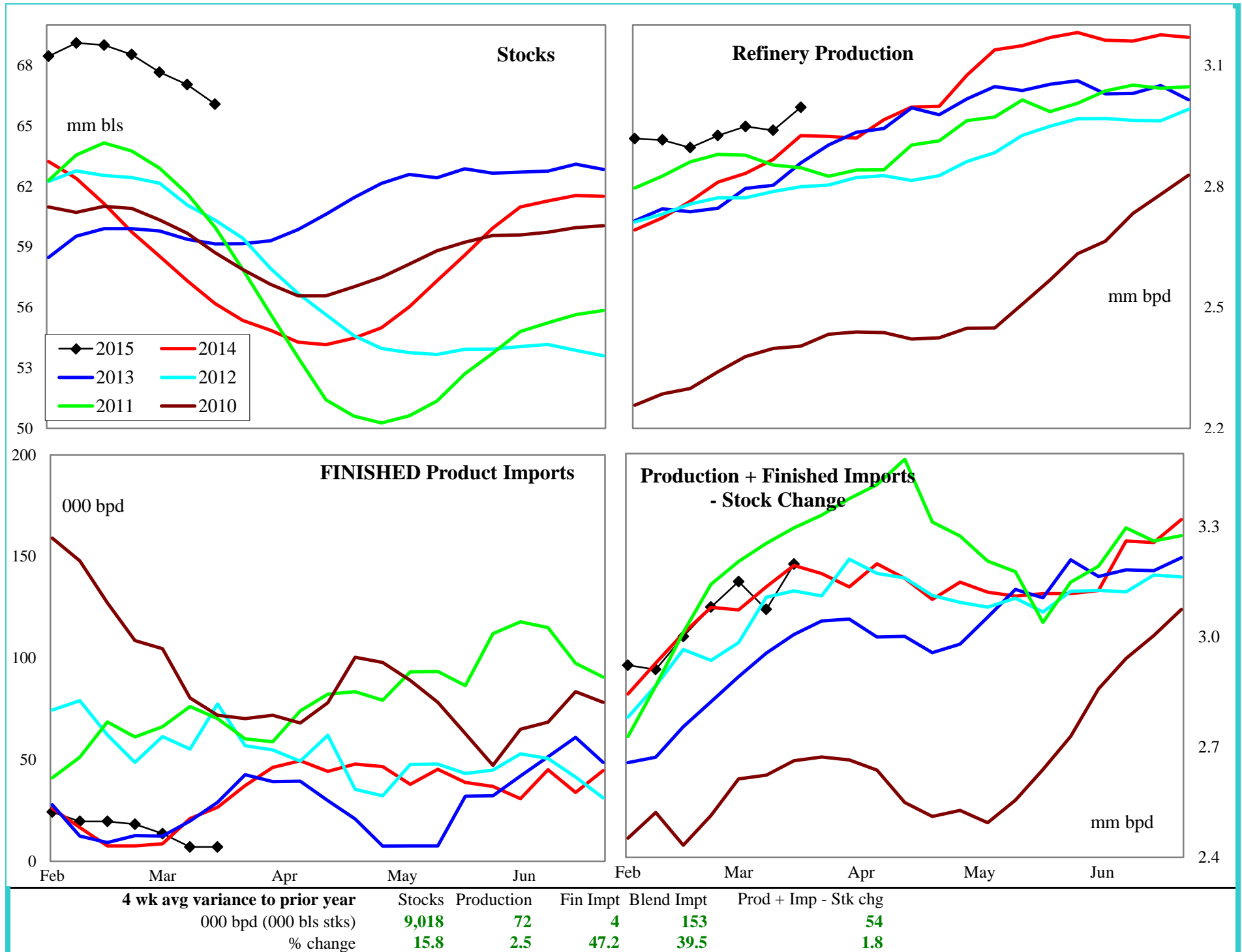
# United States Residual Fuel Oil Supply and Demand Balance



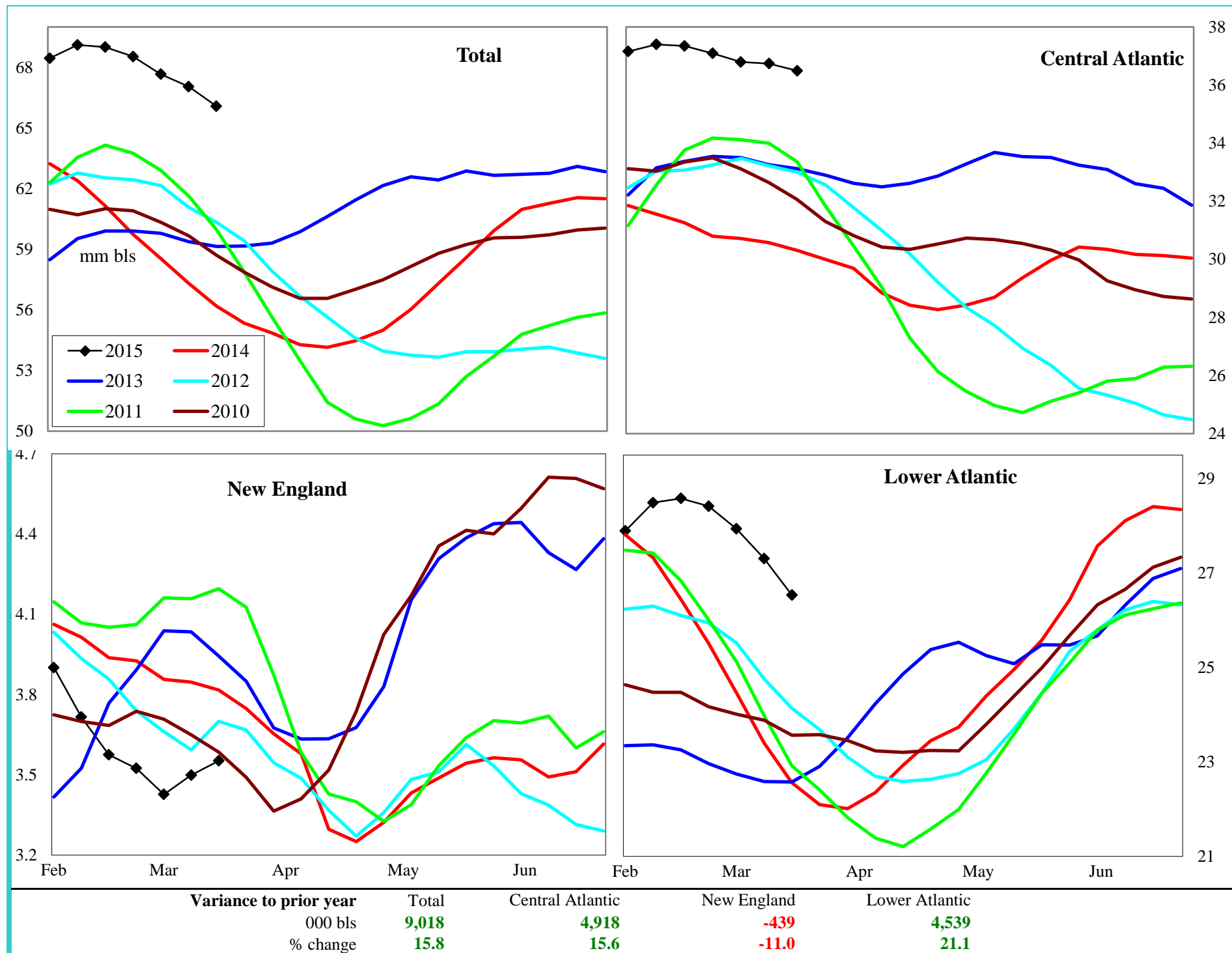
# PADD 1 Crude Oil Supply and Refining



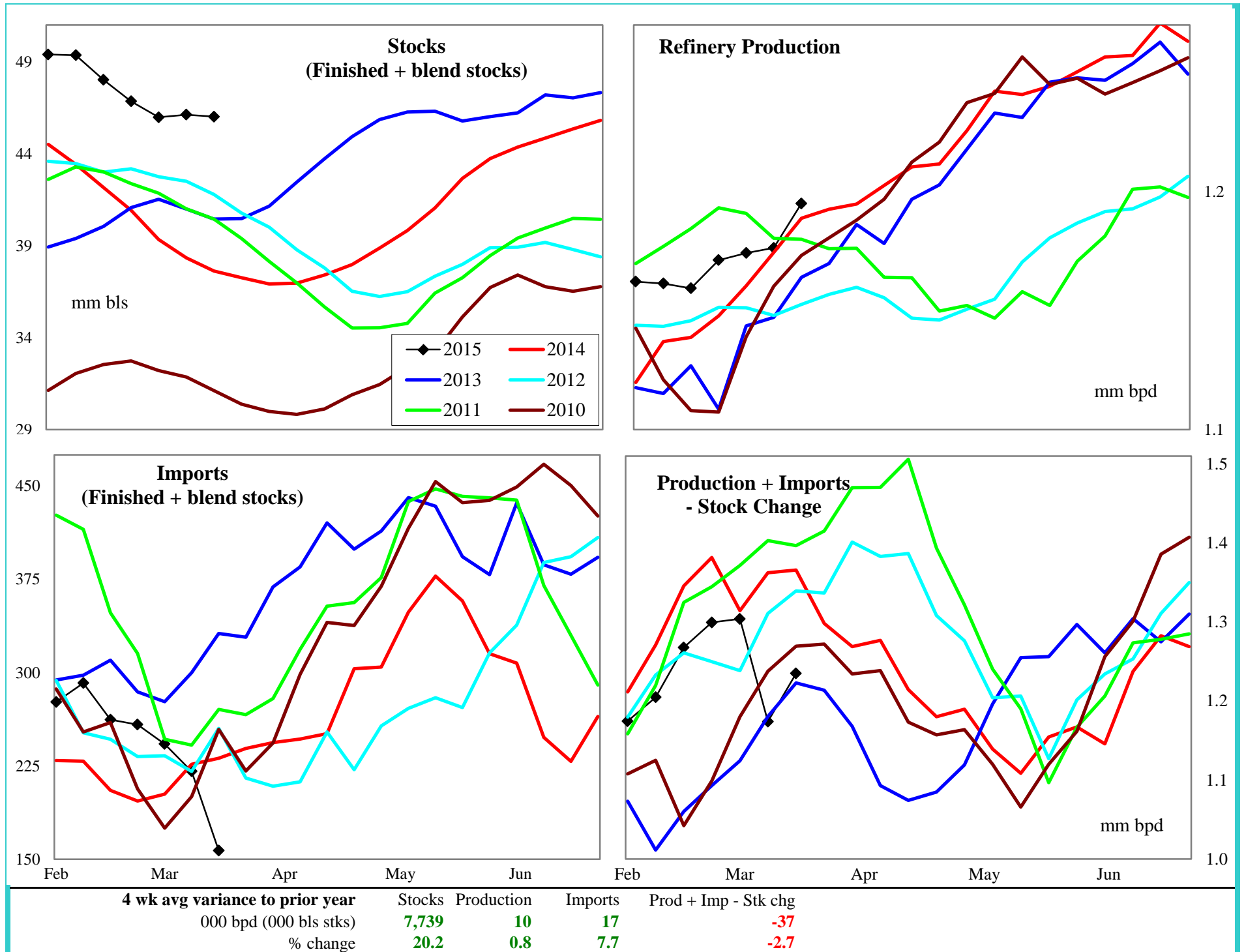
# PADD 1 Gasoline Supply



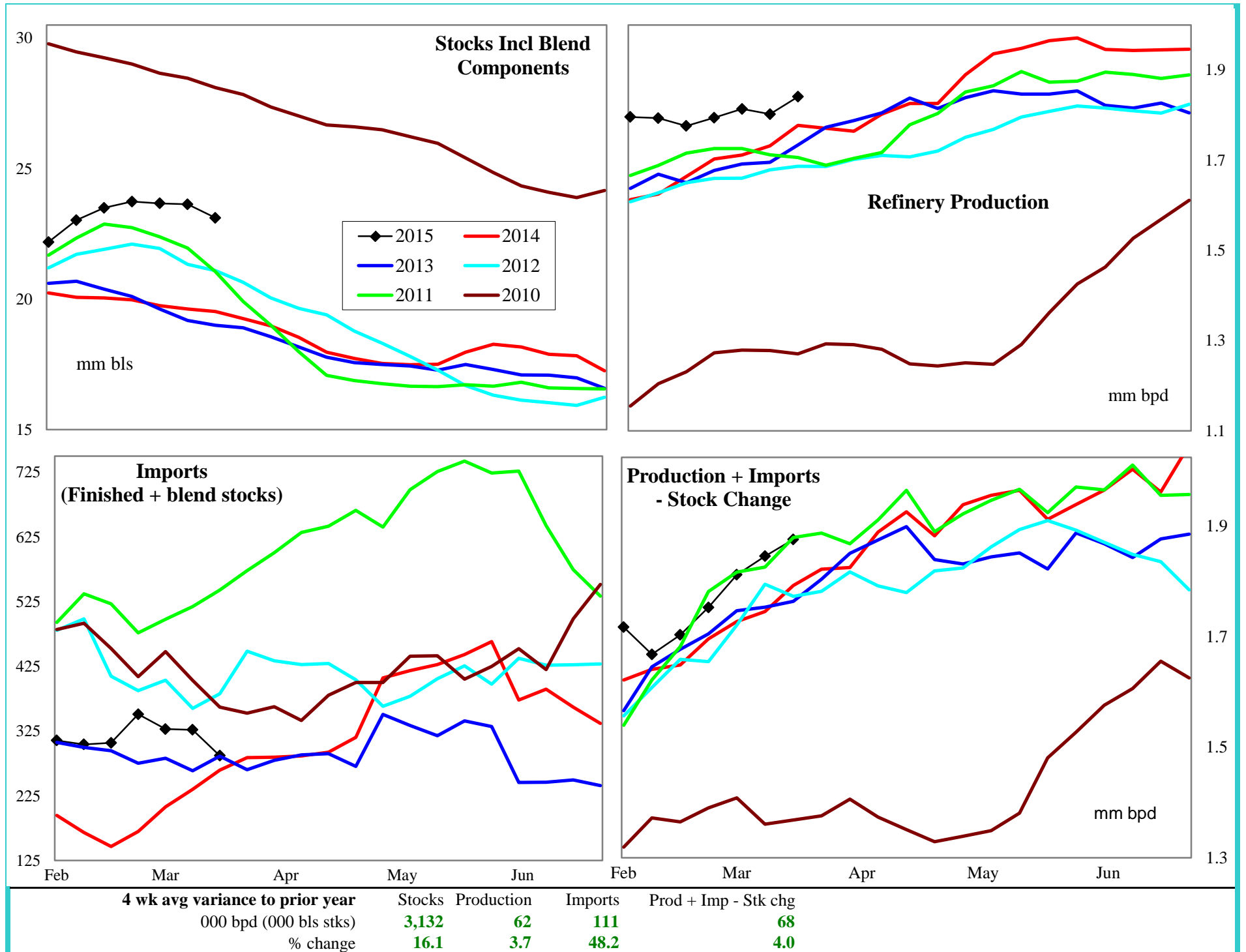
# PADD 1 Gasoline Stocks by Region



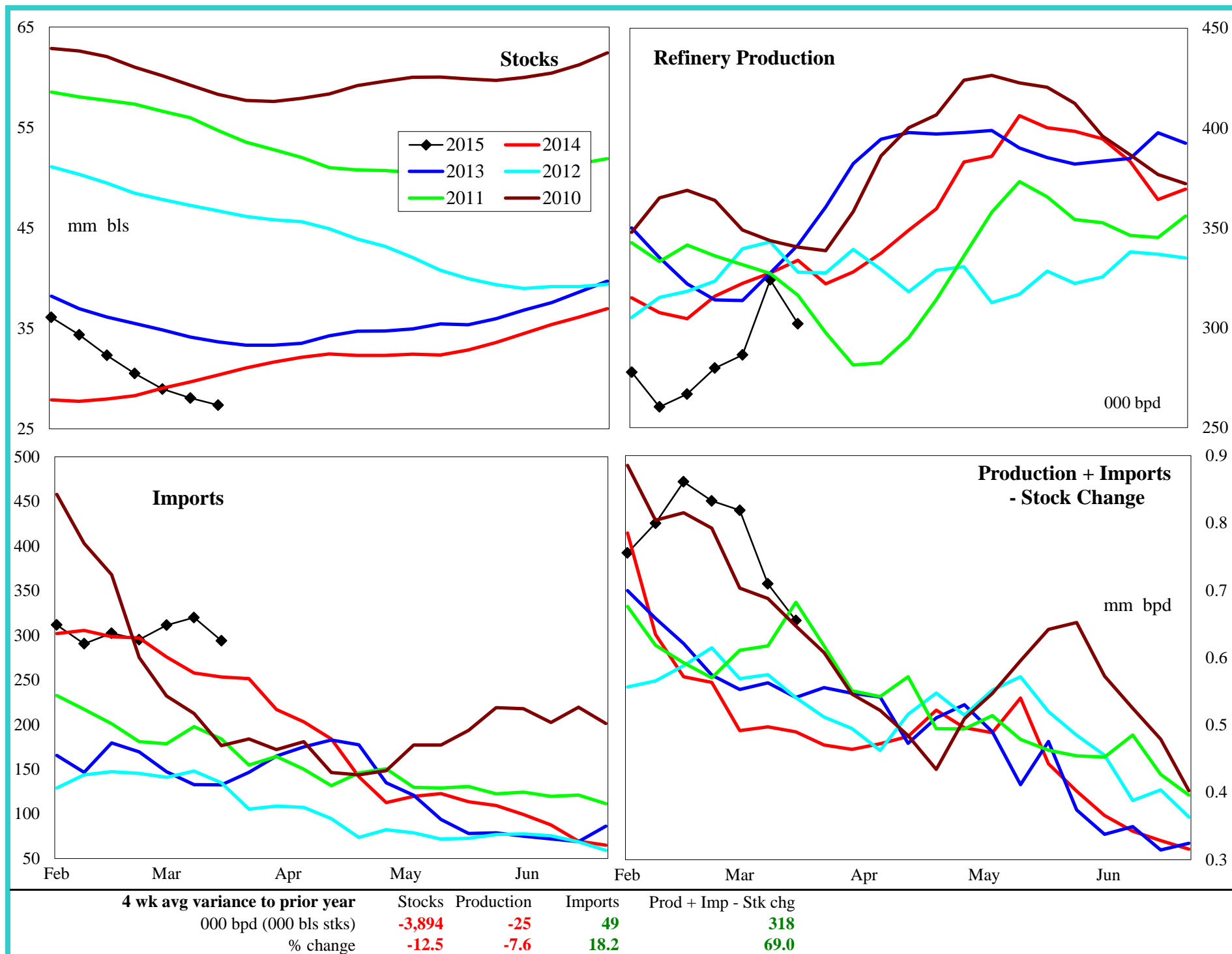
# PADD 1 Reformulated Gasoline Supply



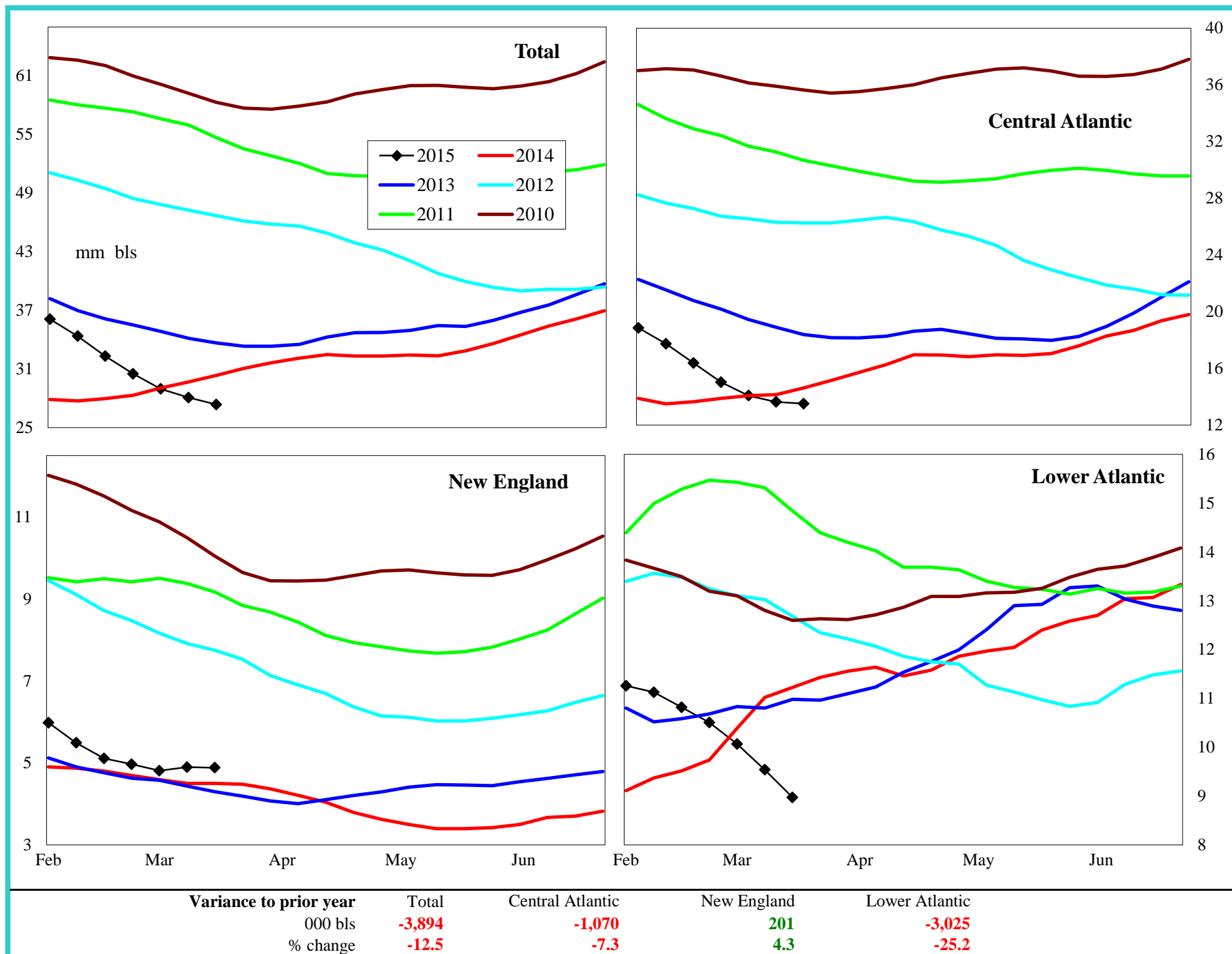
# PADD 1 Conventional Gasoline Supply



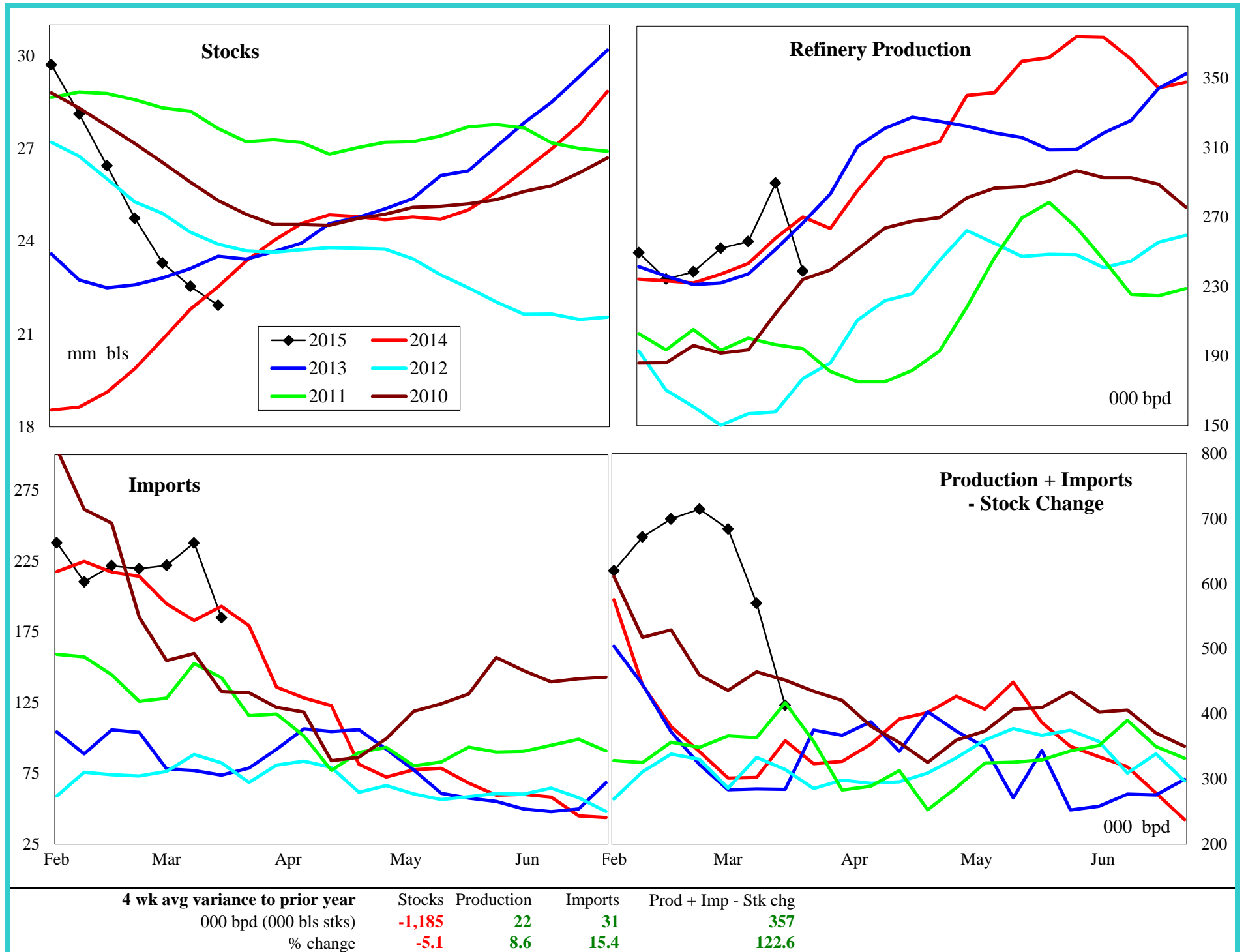
# PADD 1 Distillate Supply



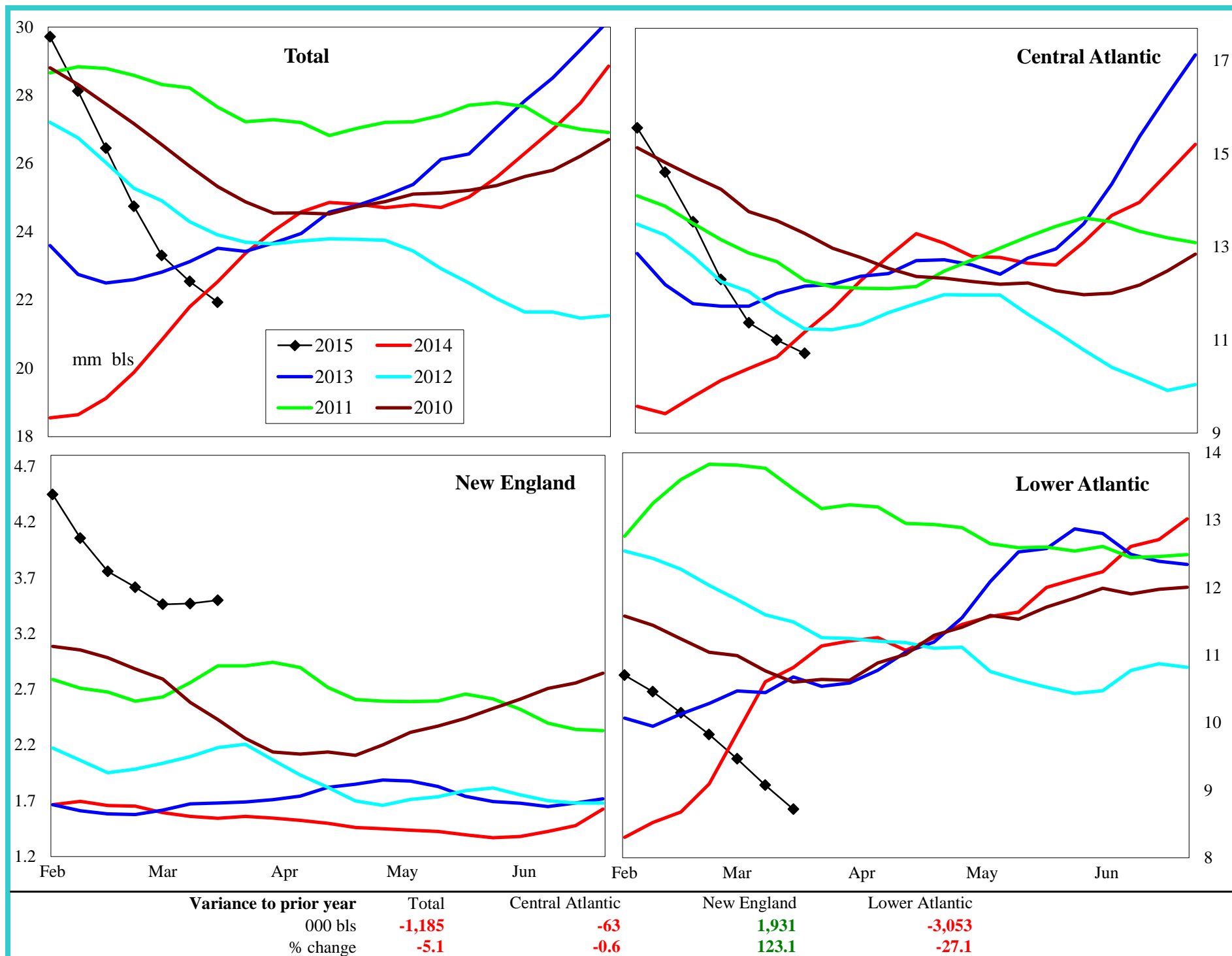
# PADD 1 Distillate Stocks by Region



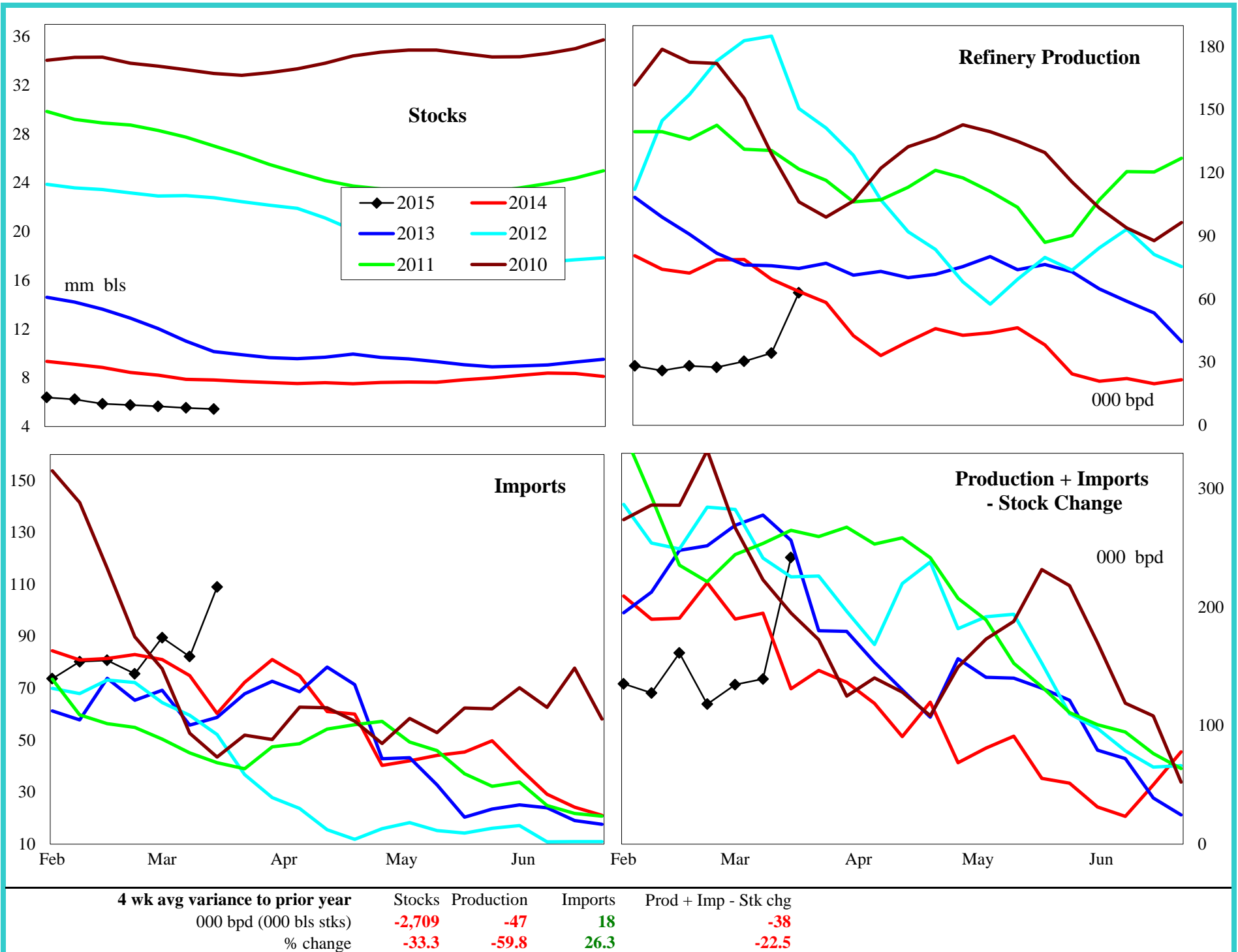
# PADD 1 Low Sulfur Distillate Supply



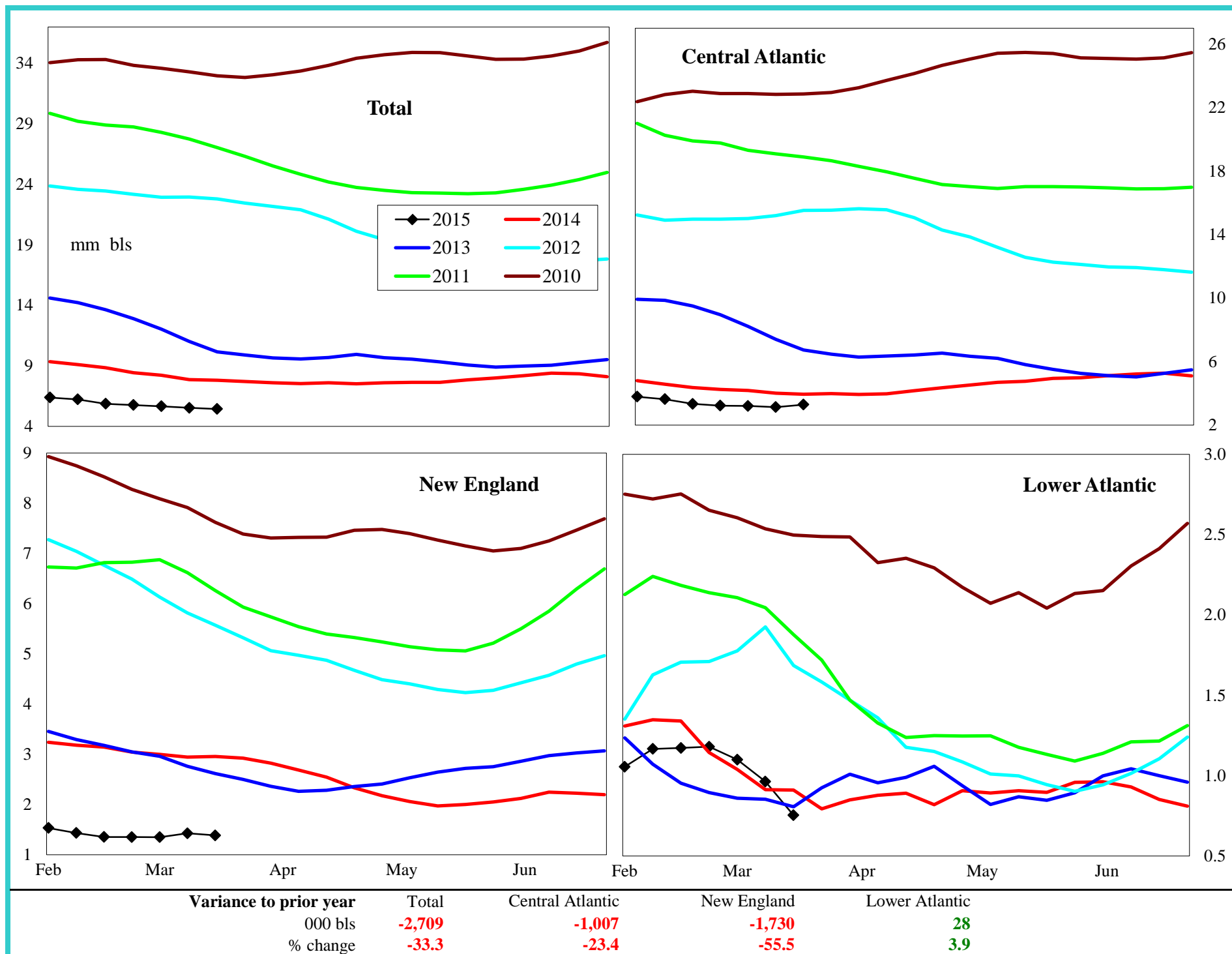
# PADD 1 Low Sulfur Distillate Stocks by Region



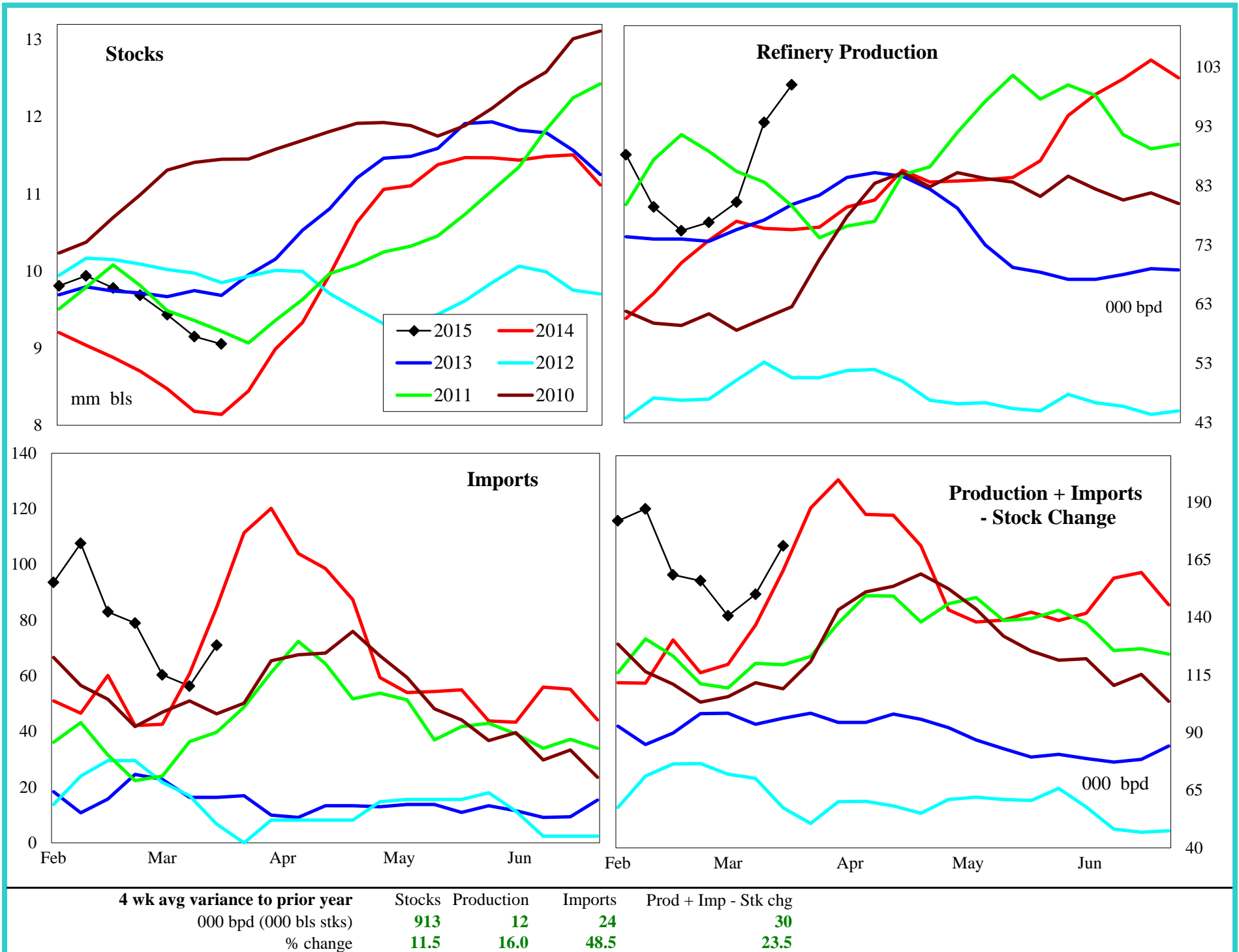
# PADD 1 High Sulfur Distillate Supply



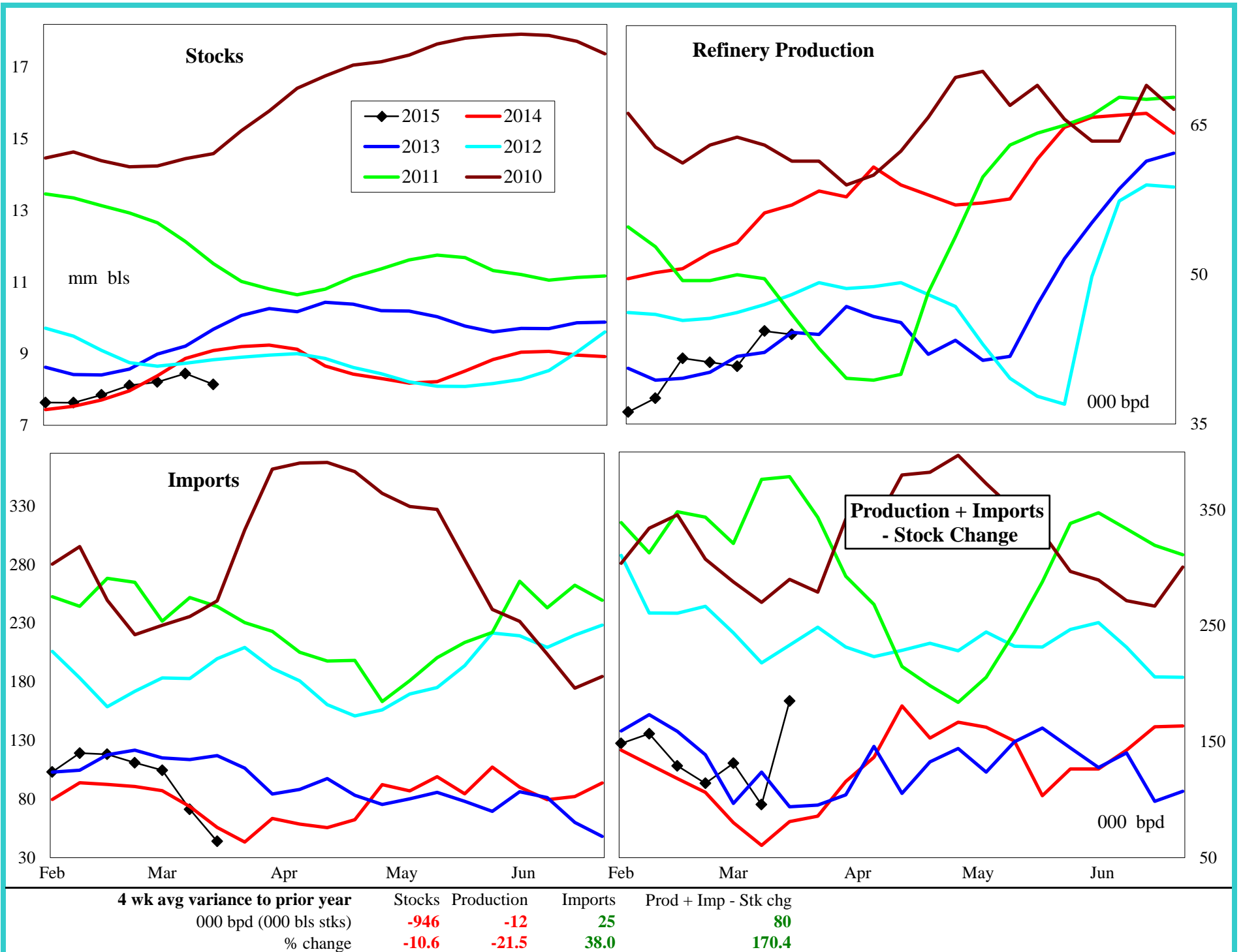
# PADD 1 High Sulfur Distillate Stocks by Region



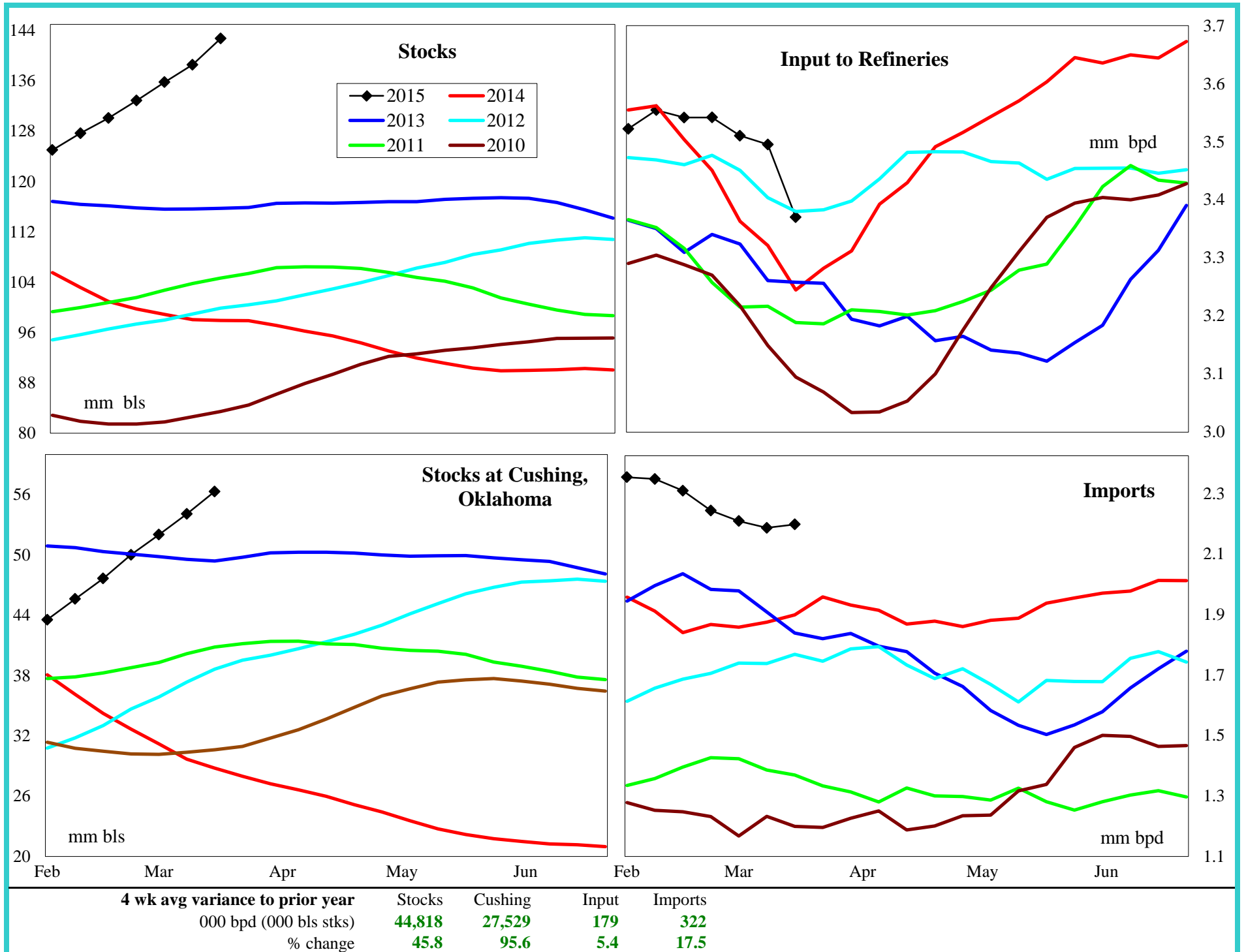
# PADD 1 Jet Fuel Supply



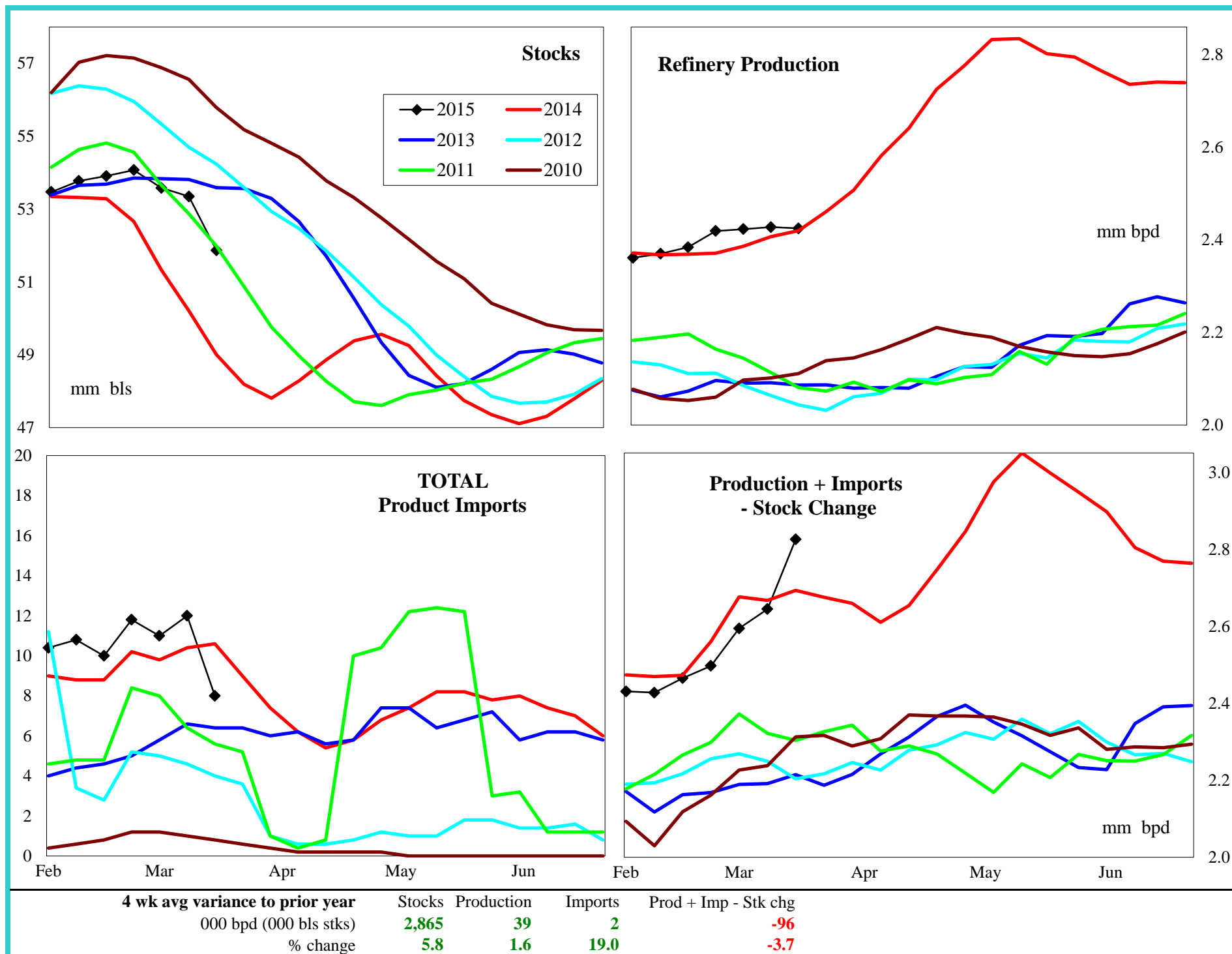
# PADD 1 Residual Fuel Oil Supply



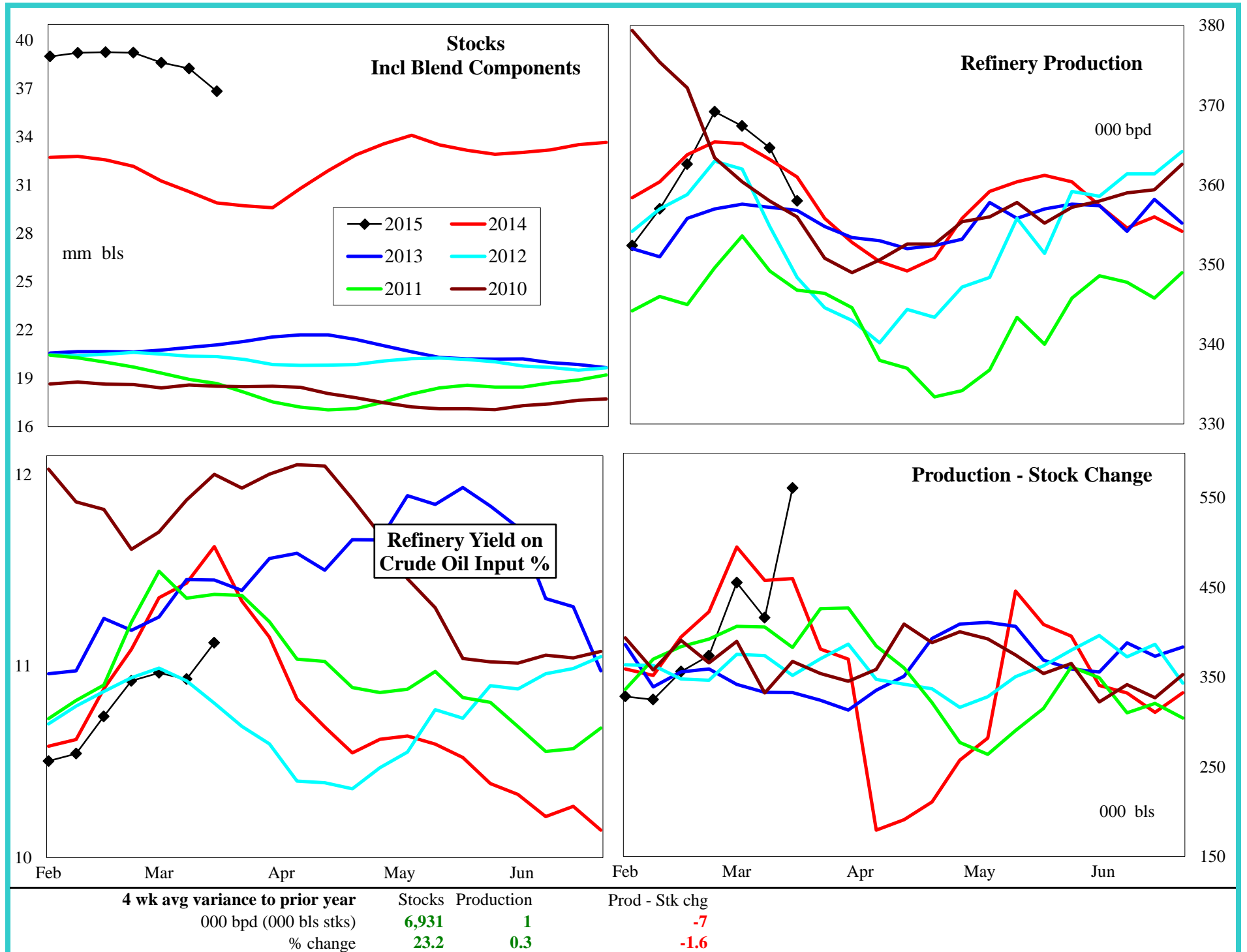
# PADD 2 Crude Oil Supply and Refining



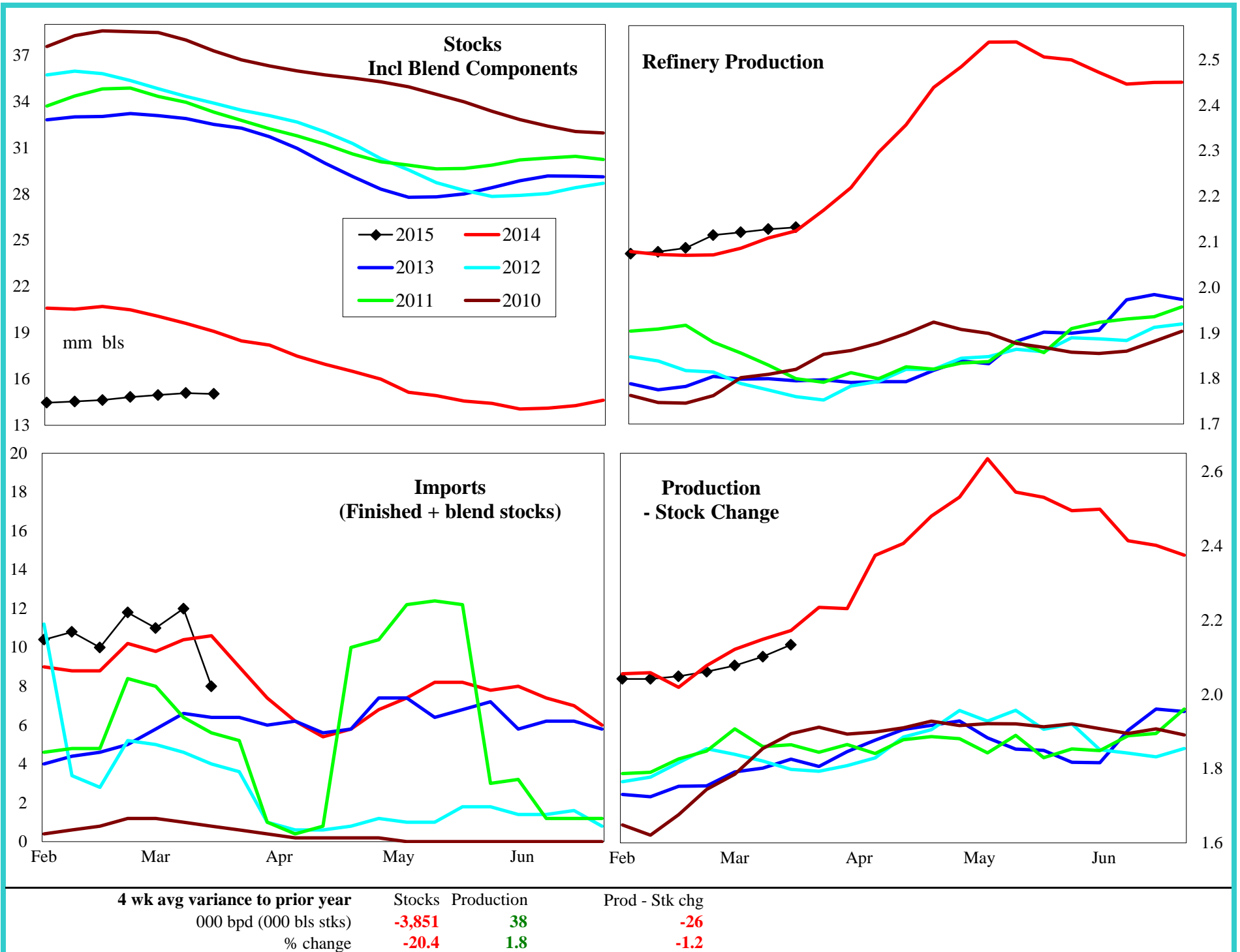
## PADD 2 Gasoline Supply



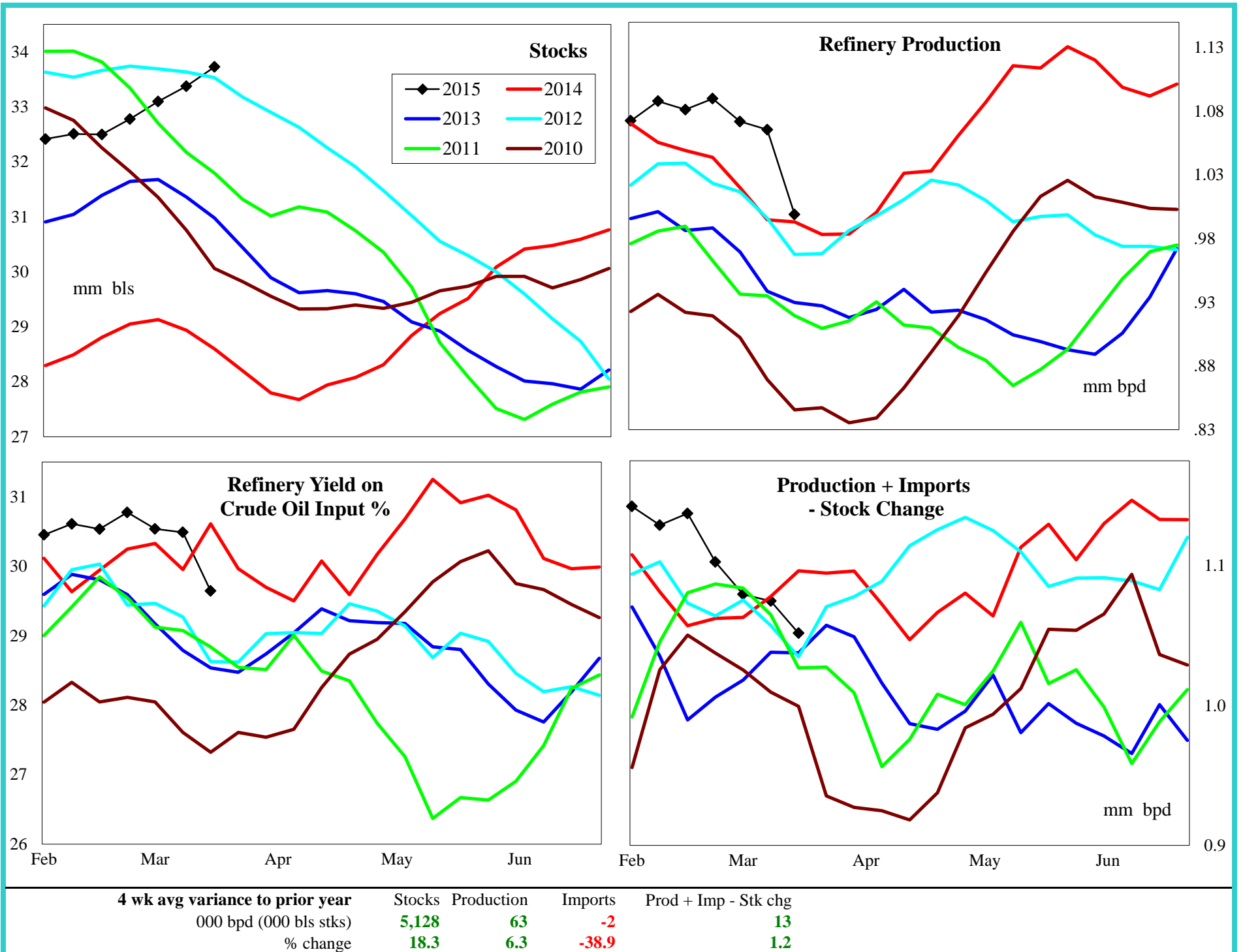
# PADD 2 Reformulated Gasoline Supply



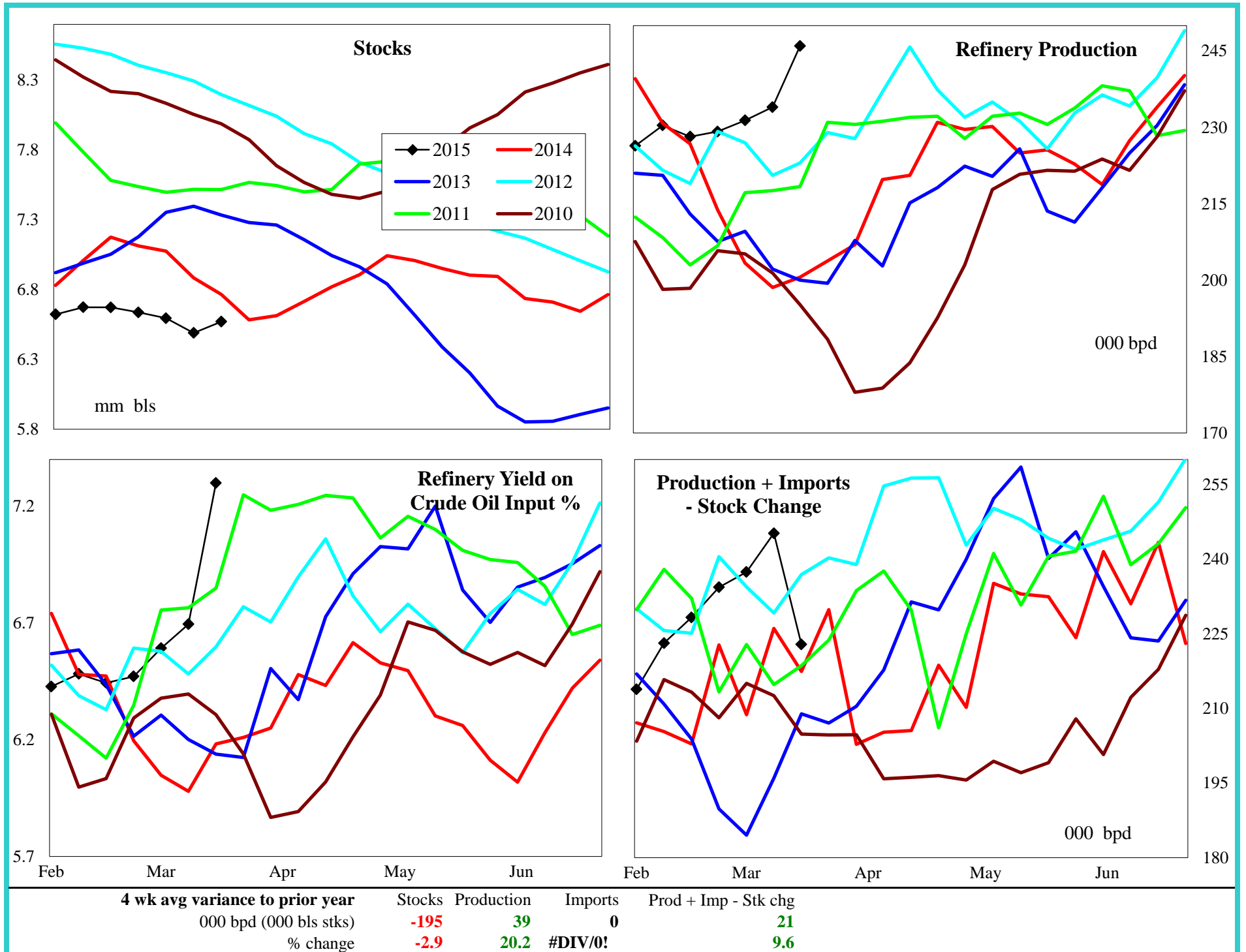
# PADD 2 Conventional Gasoline Supply



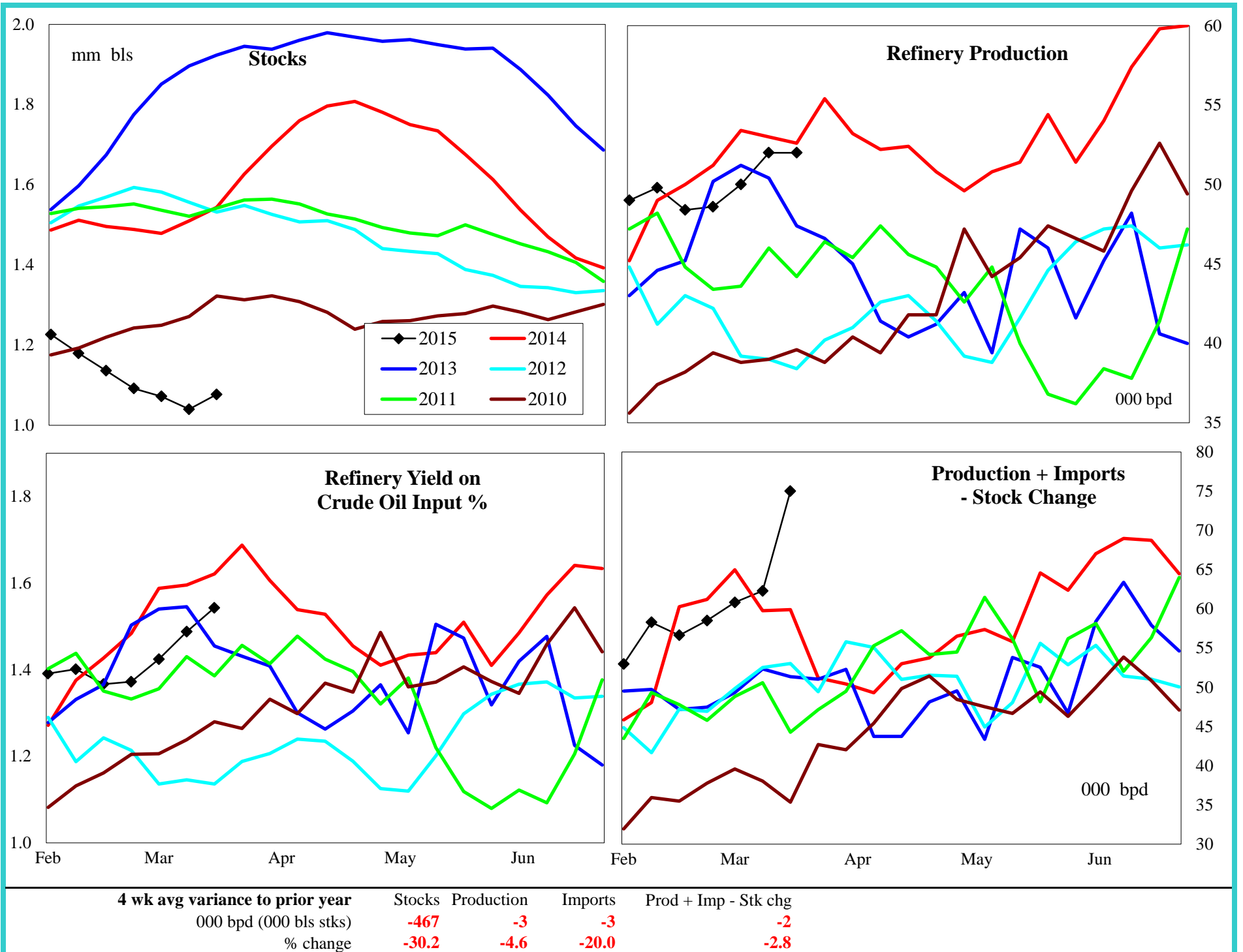
# PADD 2 Distillate Supply



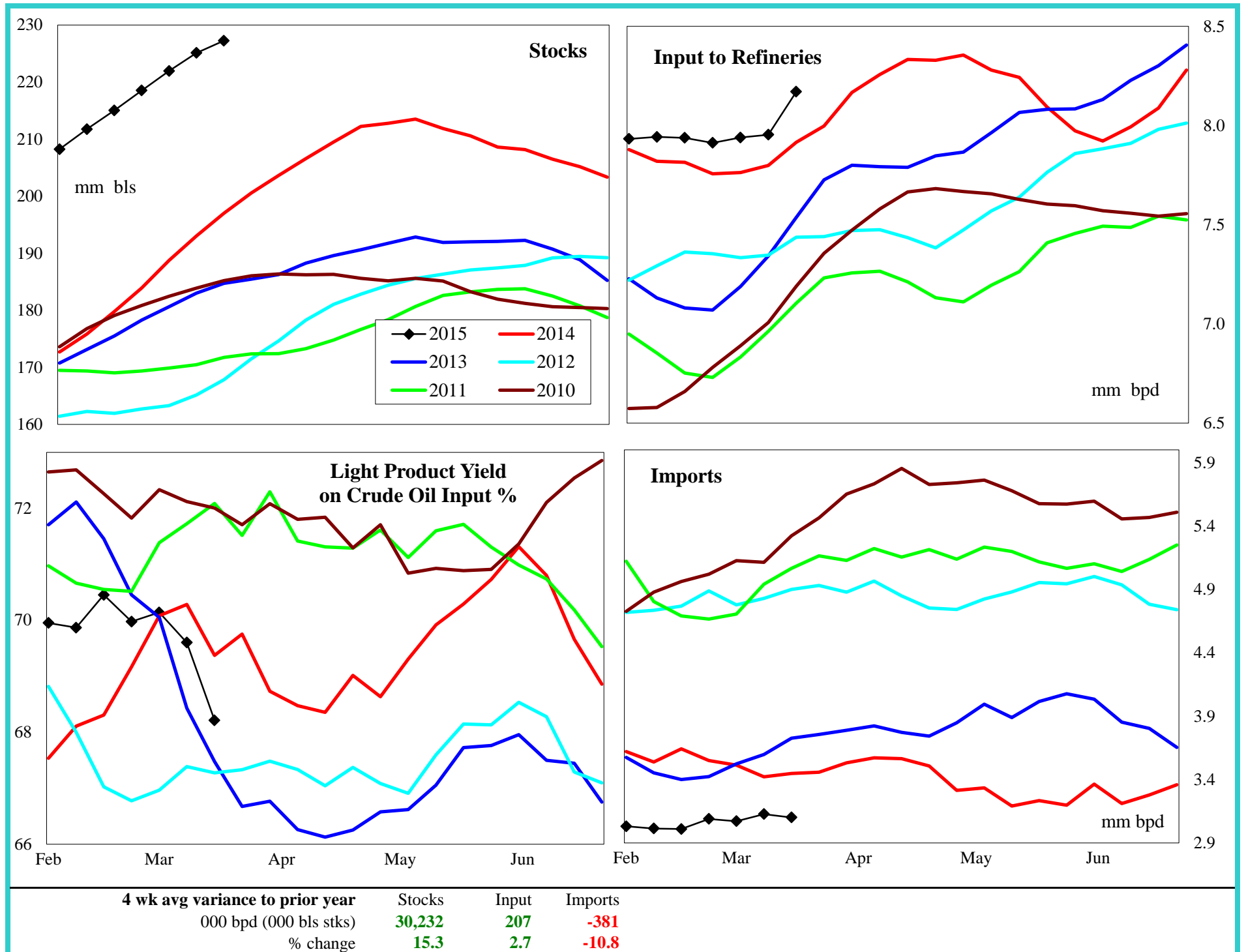
# PADD 2 Jet Fuel Supply



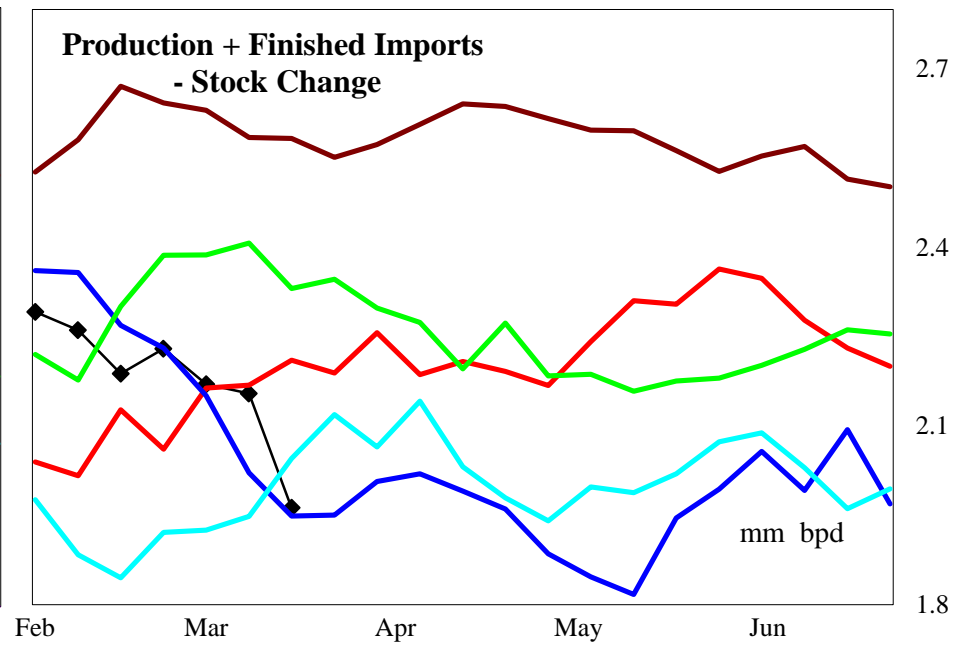
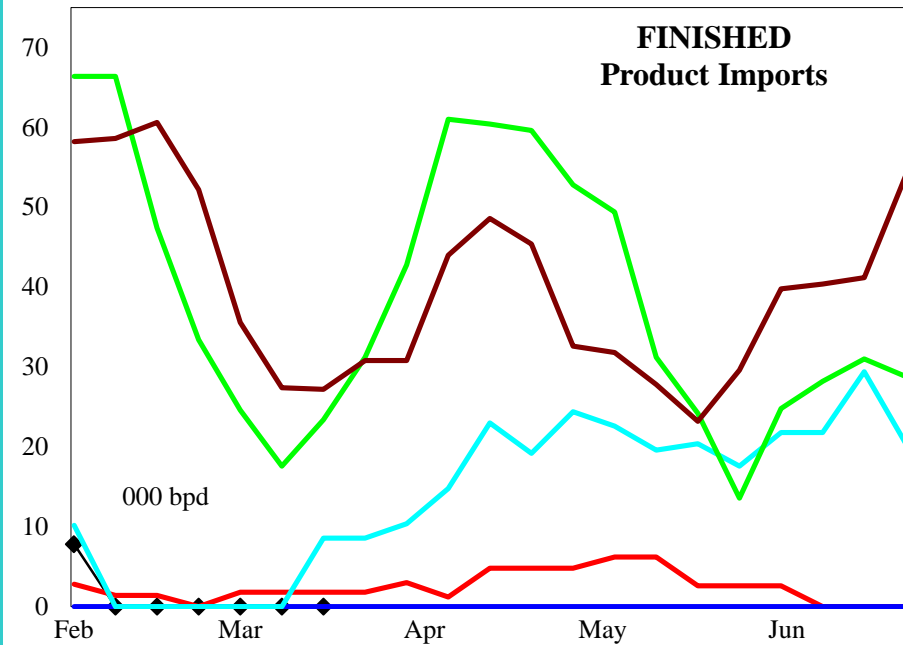
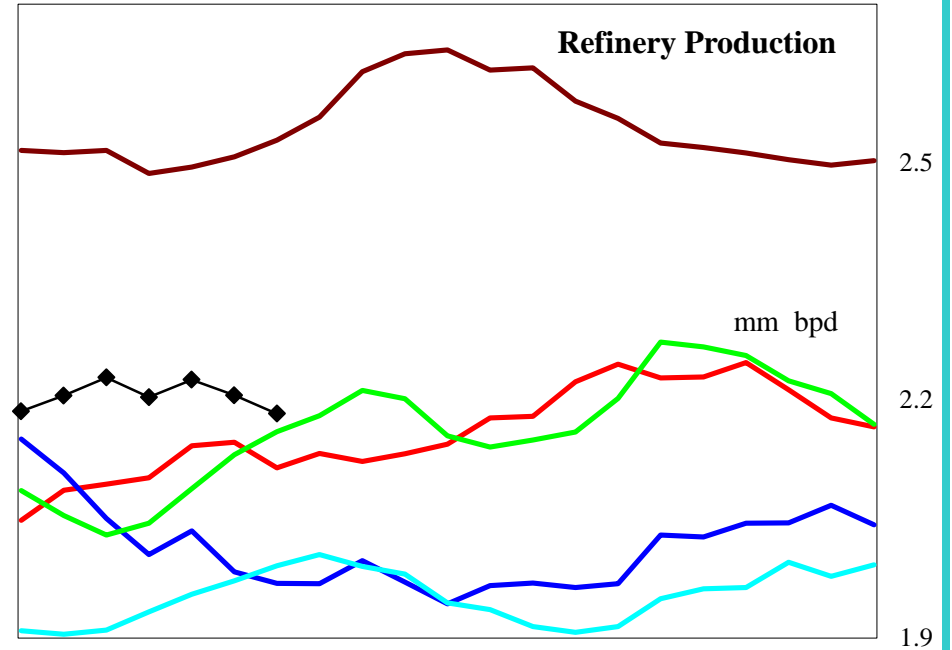
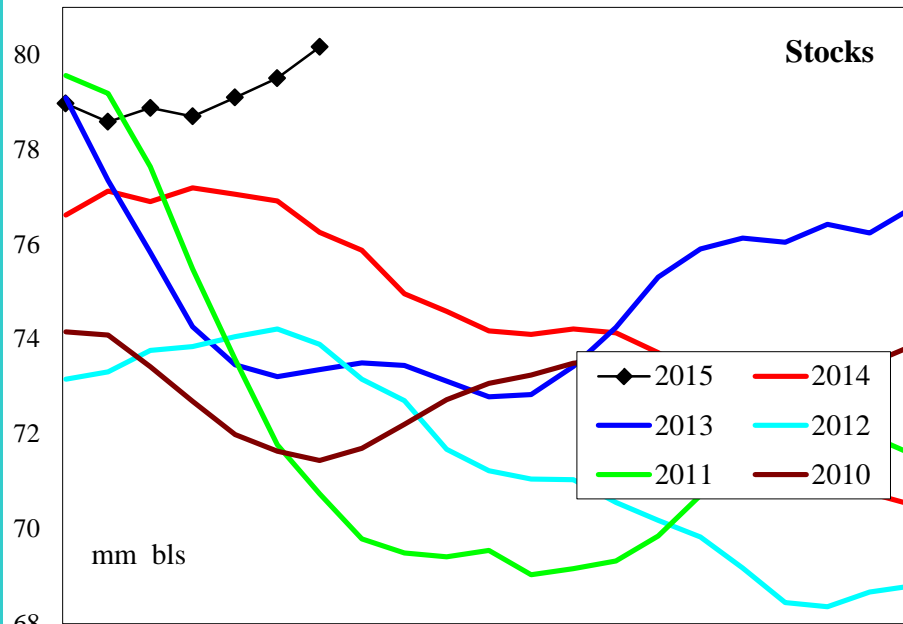
# PADD 2 Residual Fuel Oil Supply



# PADD 3 Crude Oil Supply and Refining



# PADD 3 Gasoline Supply



**4 wk avg variance to prior year**

000 bpd (000 bls stks)

% change

Stocks

3,858

5.1

Production

63

2.9

Fin Impt

-2

-100.0

Blend Impt

-21

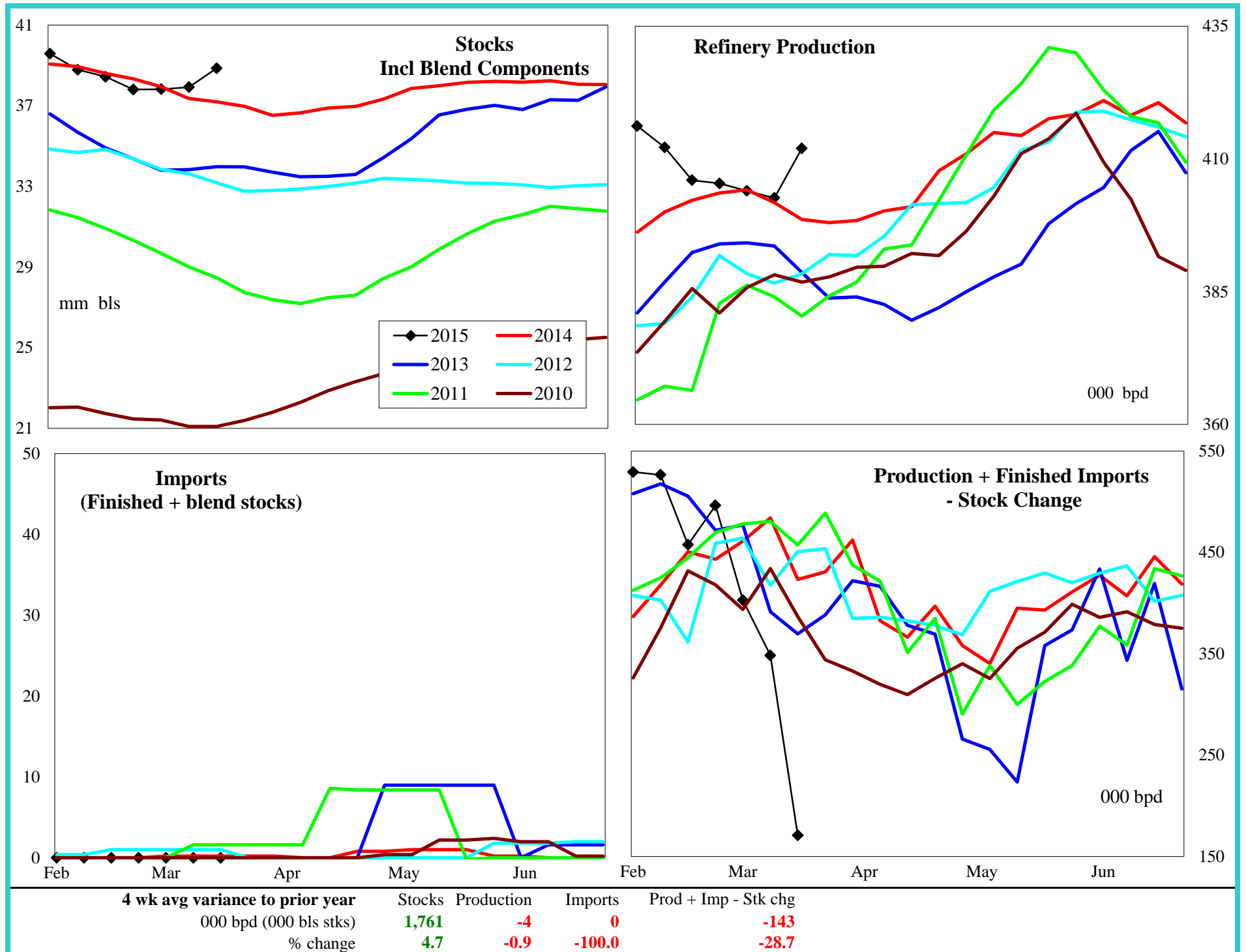
-100.0

Prod + Imp - Stk chg

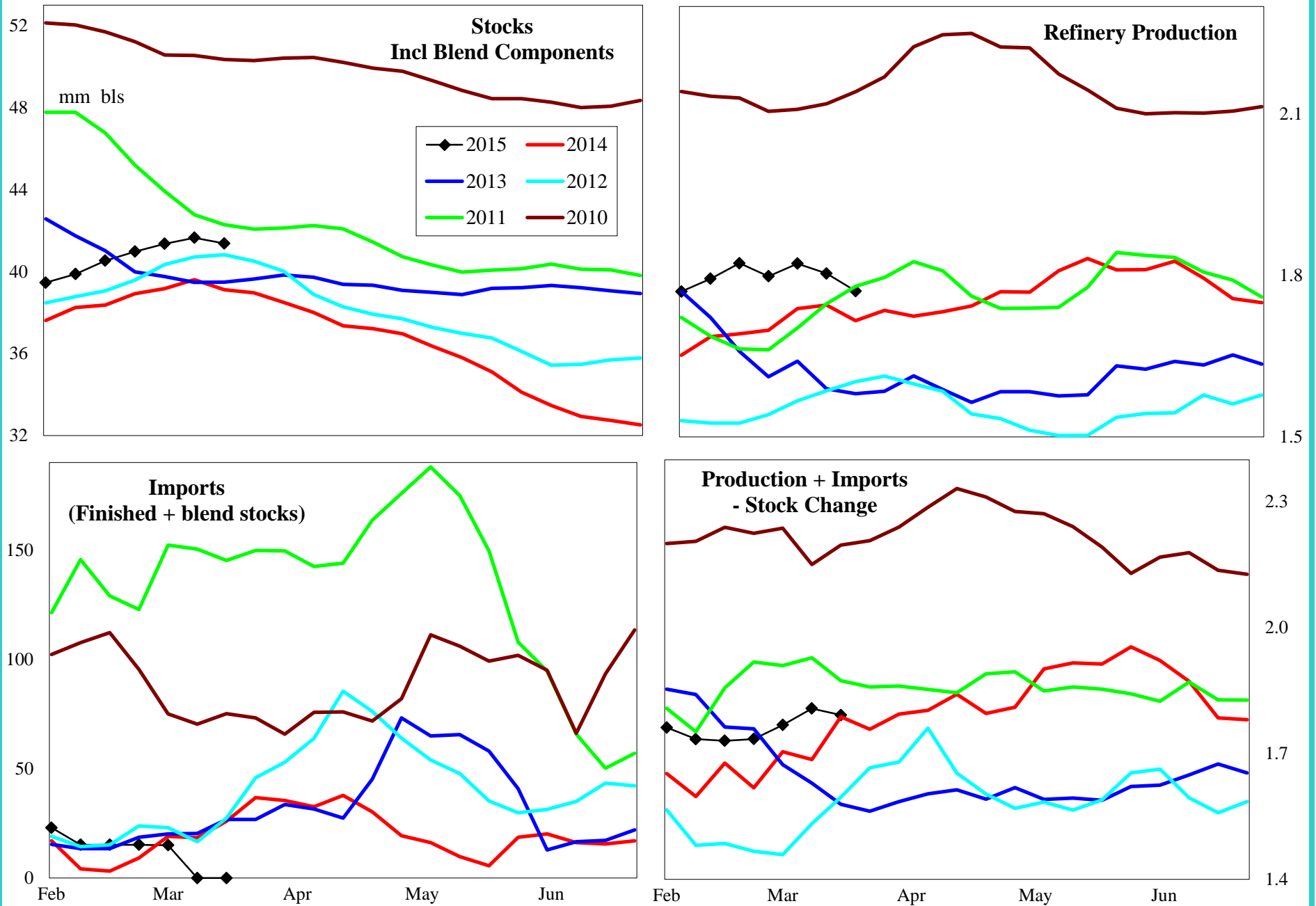
-62

-2.8

# PADD 3 Reformulated Gasoline Supply



# PADD 3 Conventional Gasoline Supply



**4 wk avg variance to prior year**

000 bpd (000 bbls stks)

% change

Stocks

2,122

5.4

Production

67

3.8

Imports

-23

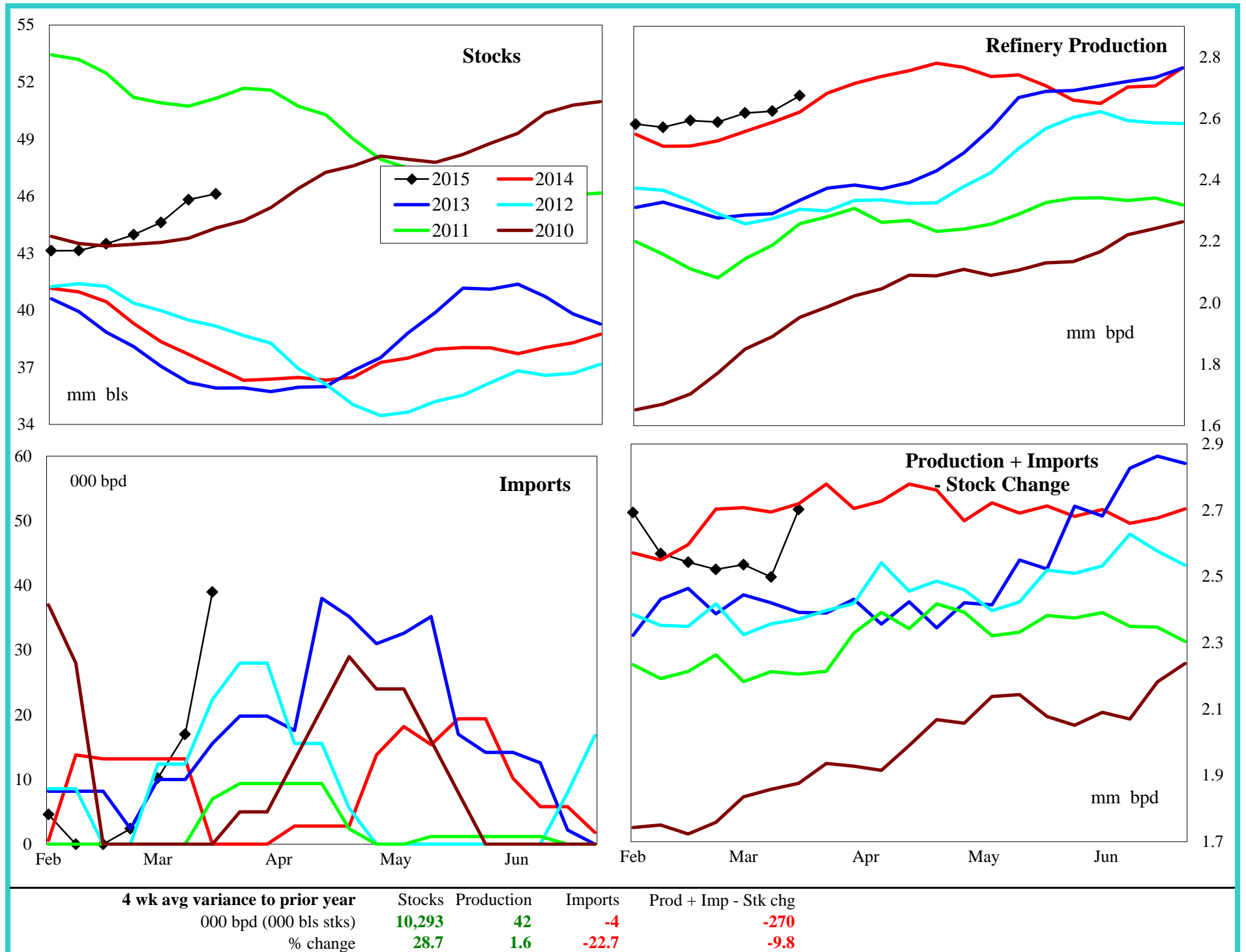
-100.0

Prod + Imp - Stk chg

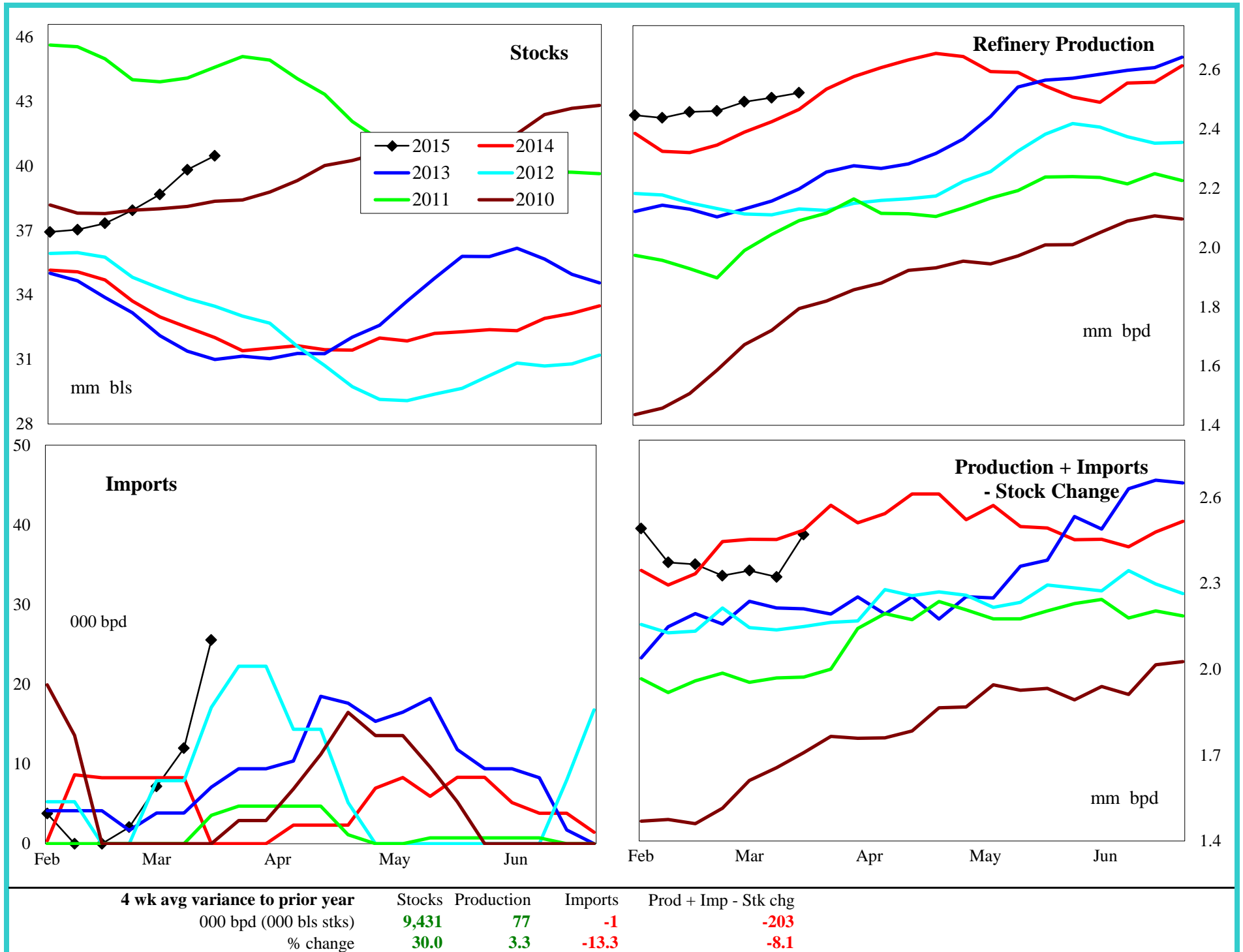
81

4.8

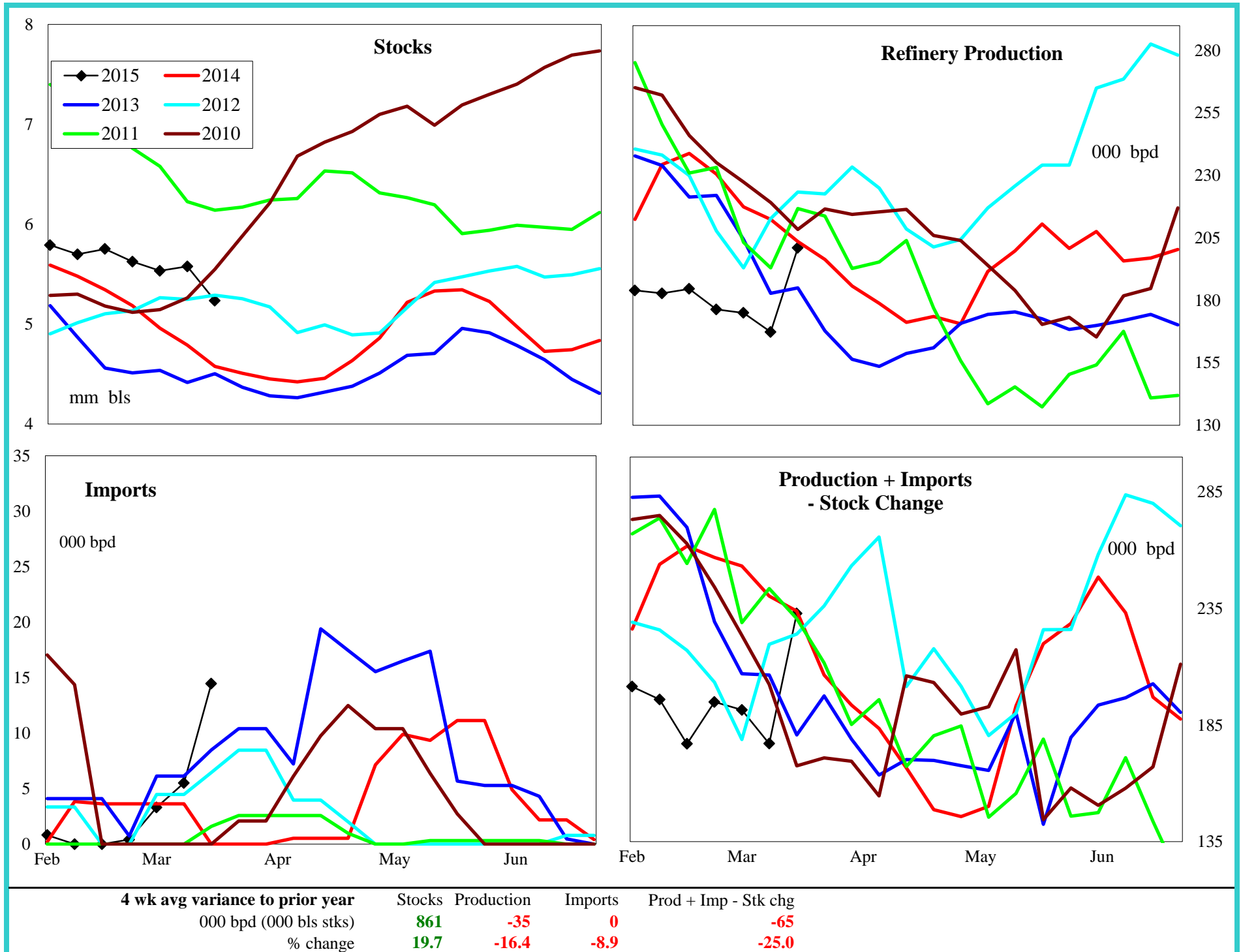
# PADD 3 Distillate Supply



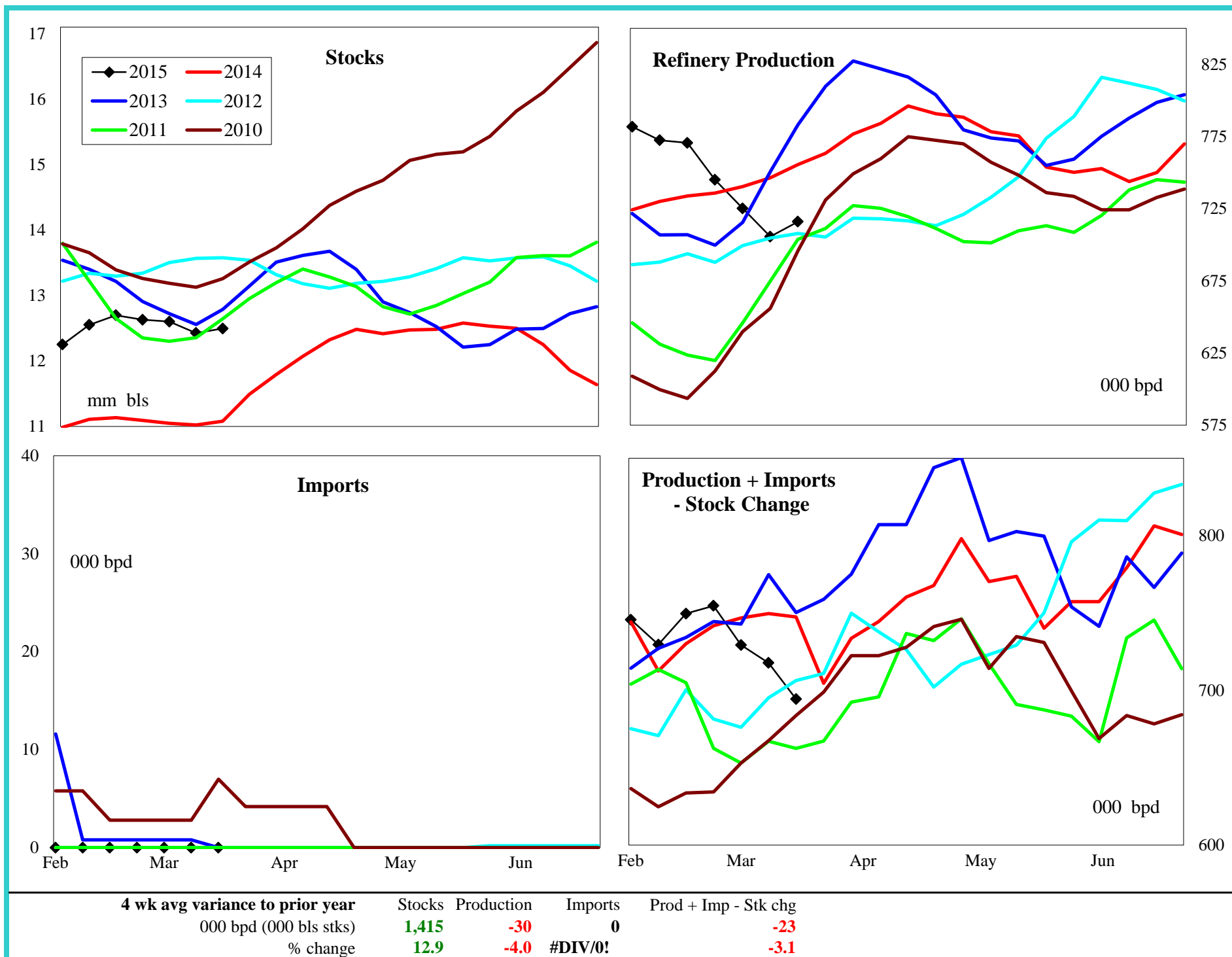
# PADD 3 Low Sulfur Distillate Supply



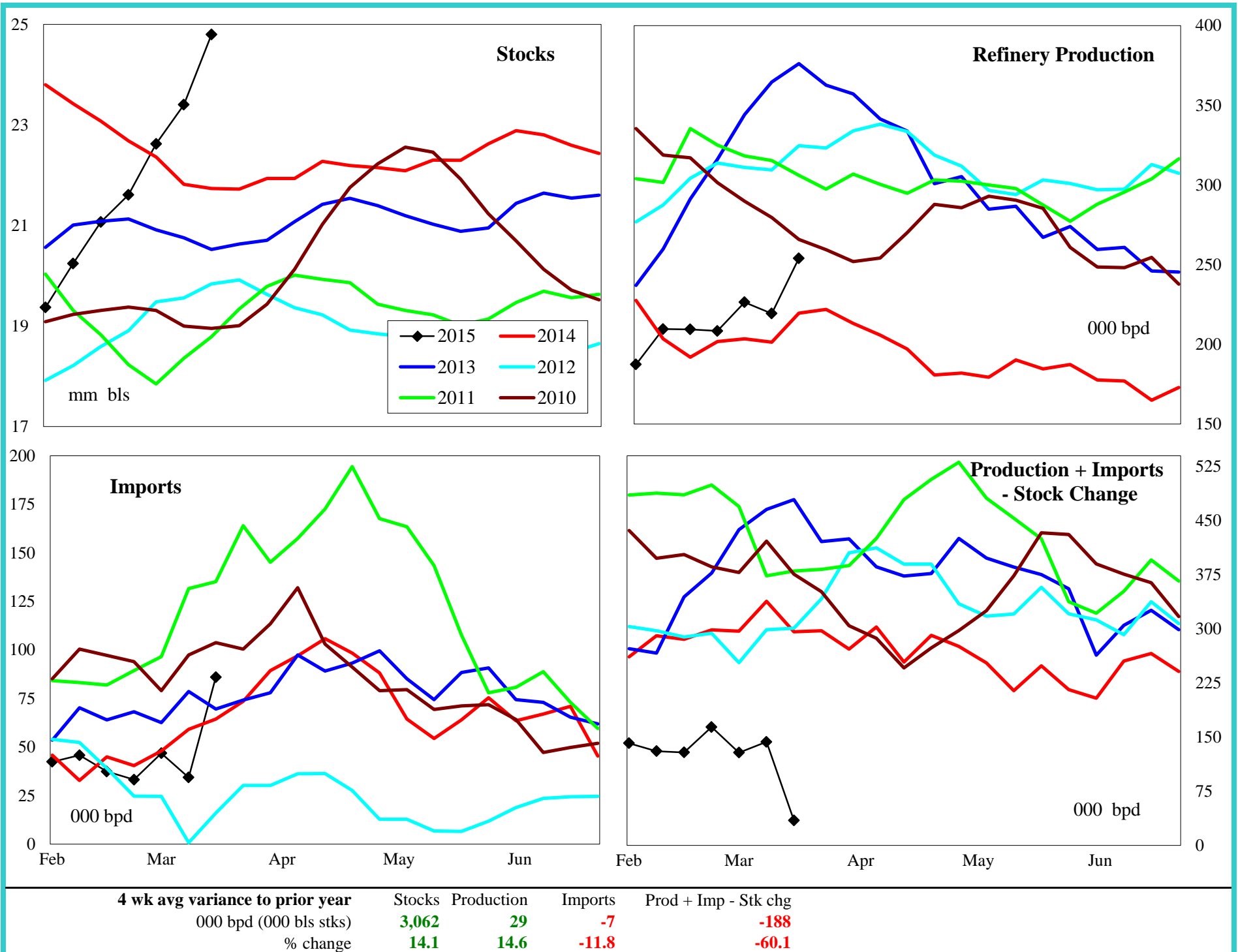
# PADD 3 High Sulfur Distillate Supply



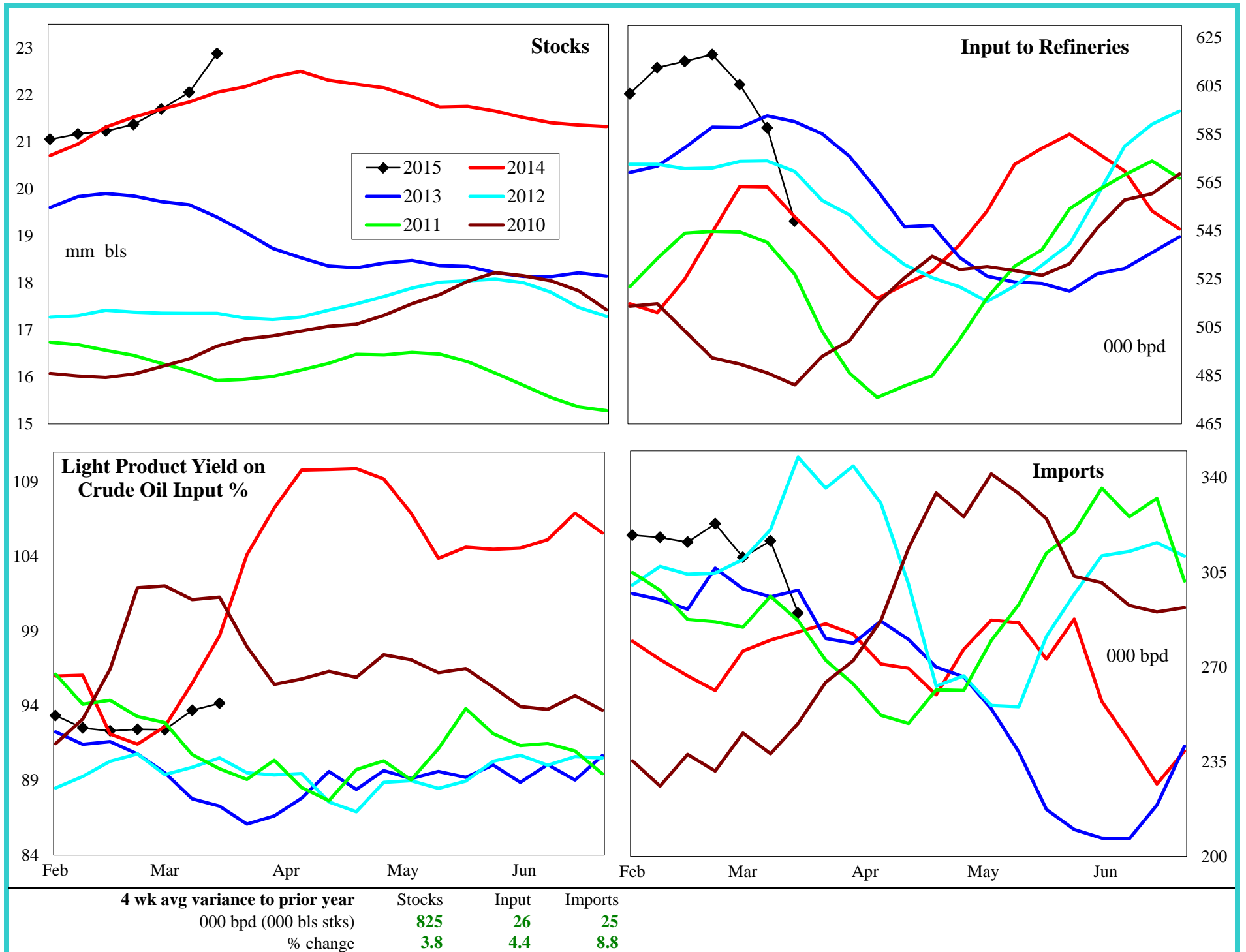
## PADD 3 Jet Fuel Supply



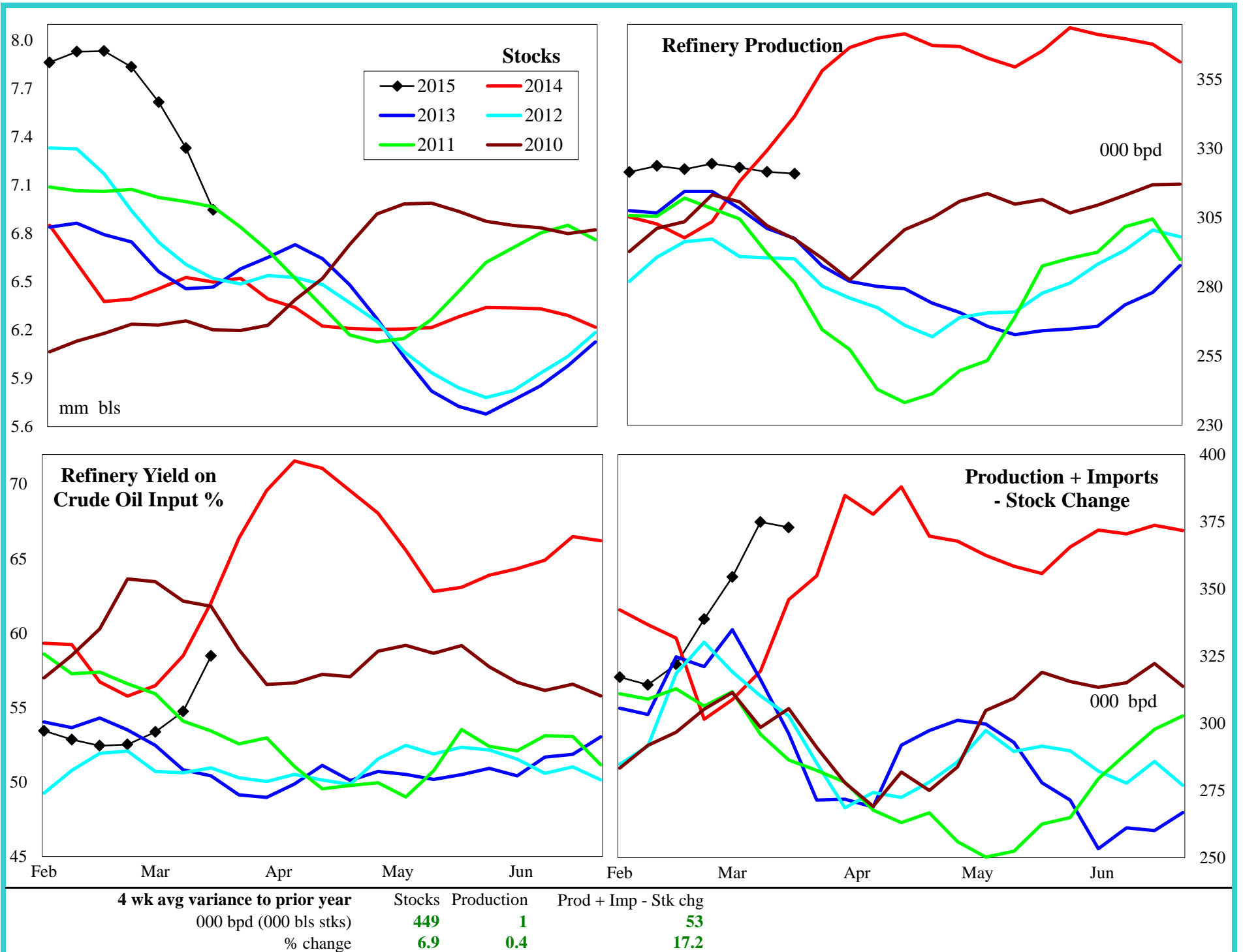
# PADD 3 Residual Fuel Oil Supply



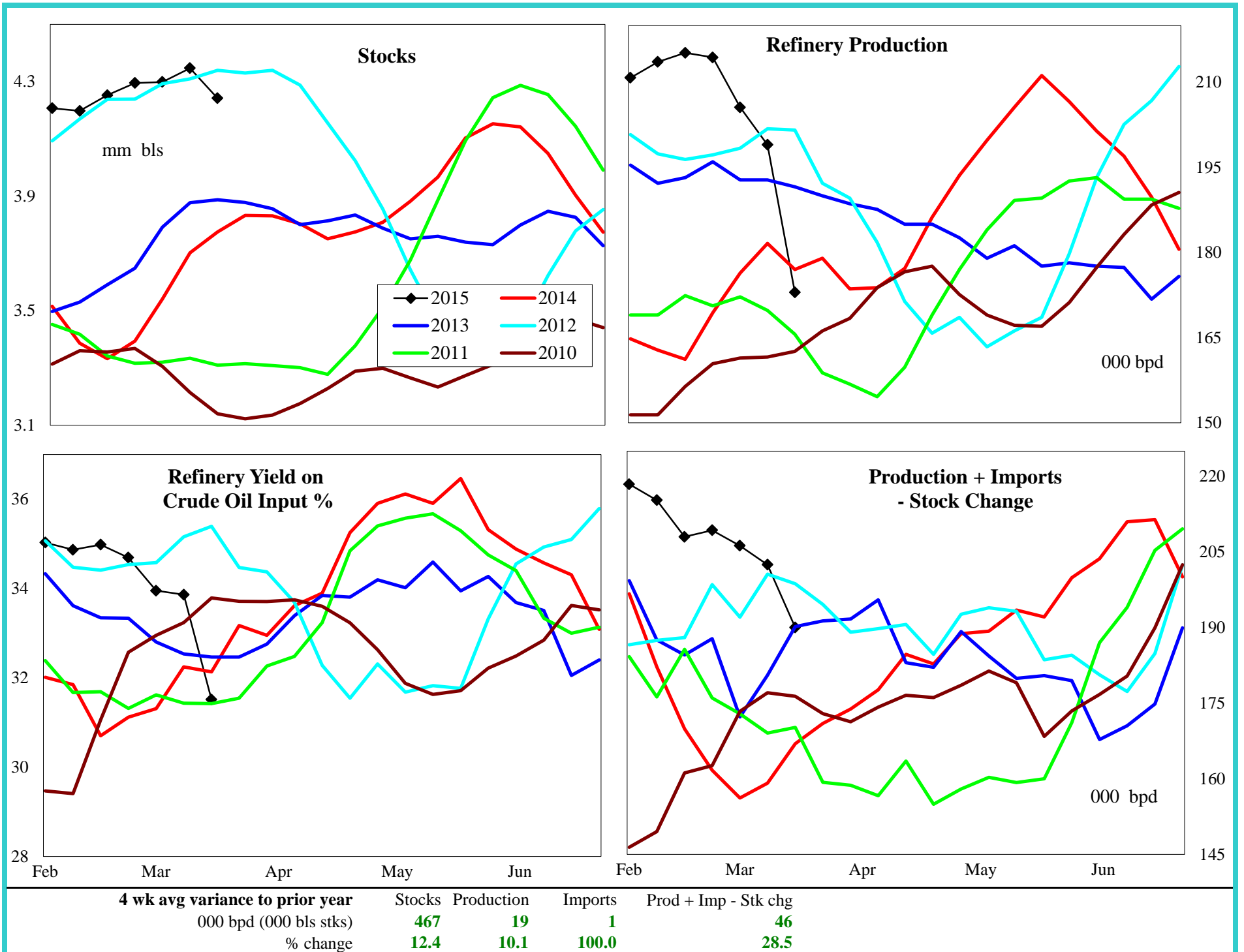
# PADD 4 Crude Oil Supply and Refining



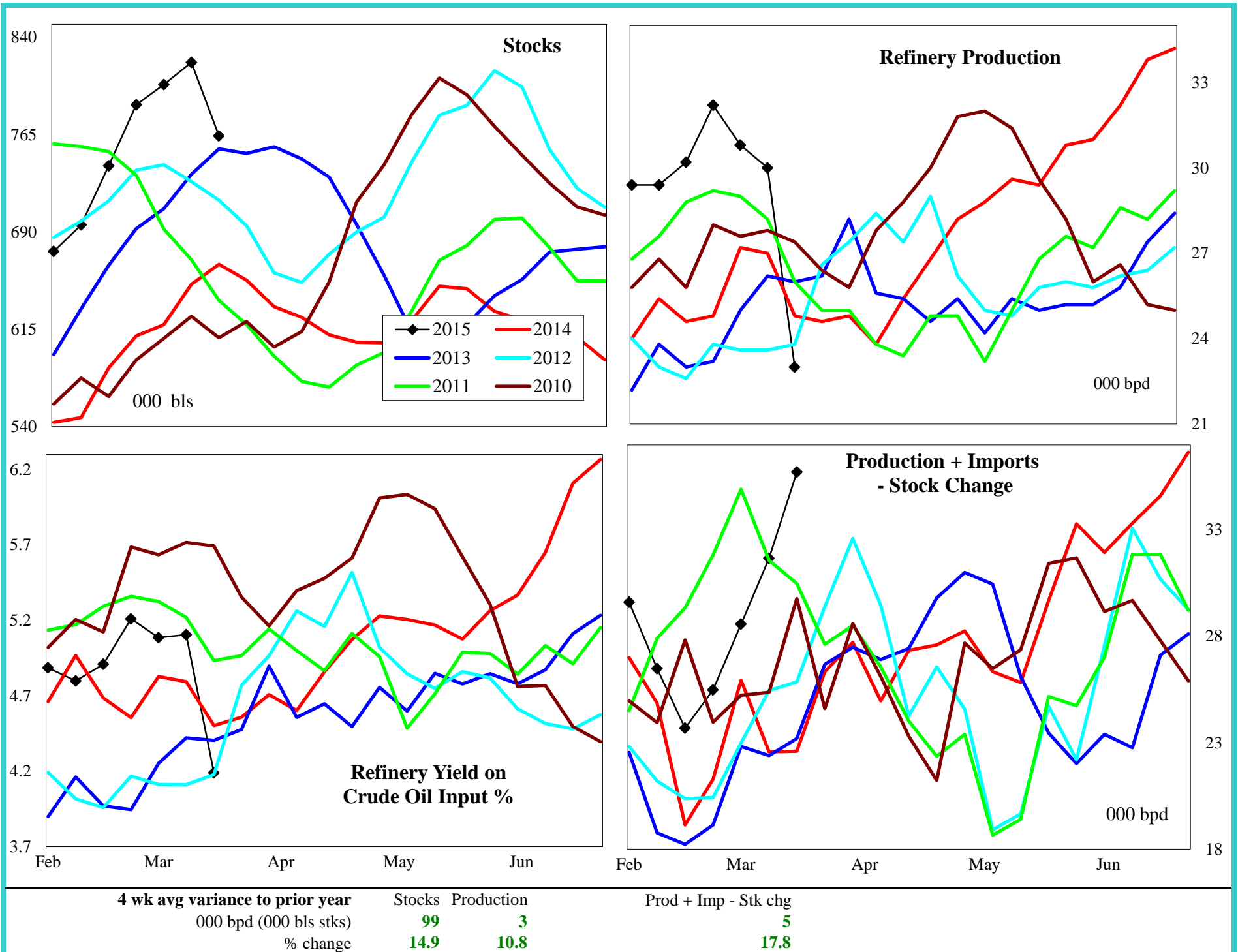
# PADD 4 Gasoline Supply



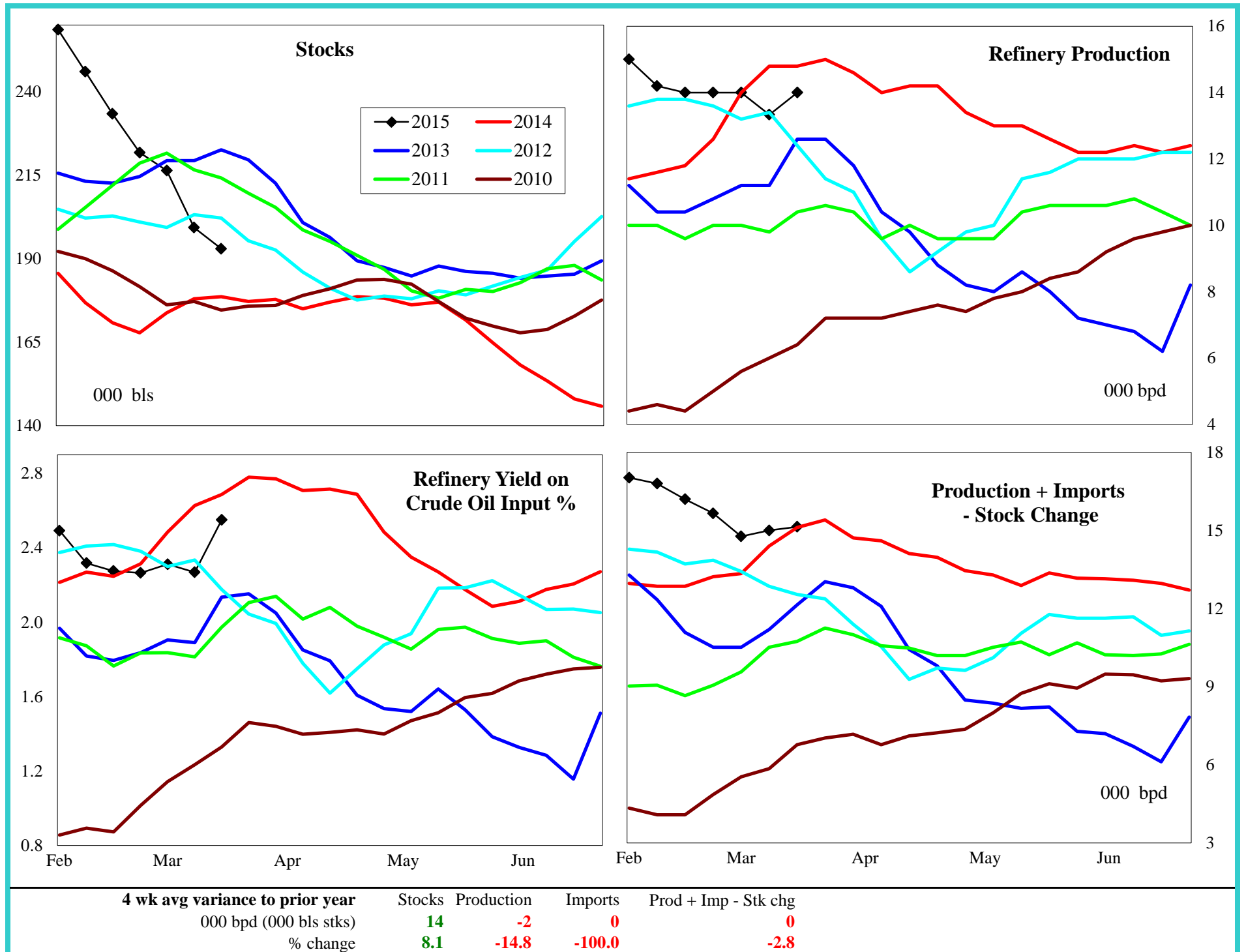
# PADD 4 Distillate Supply



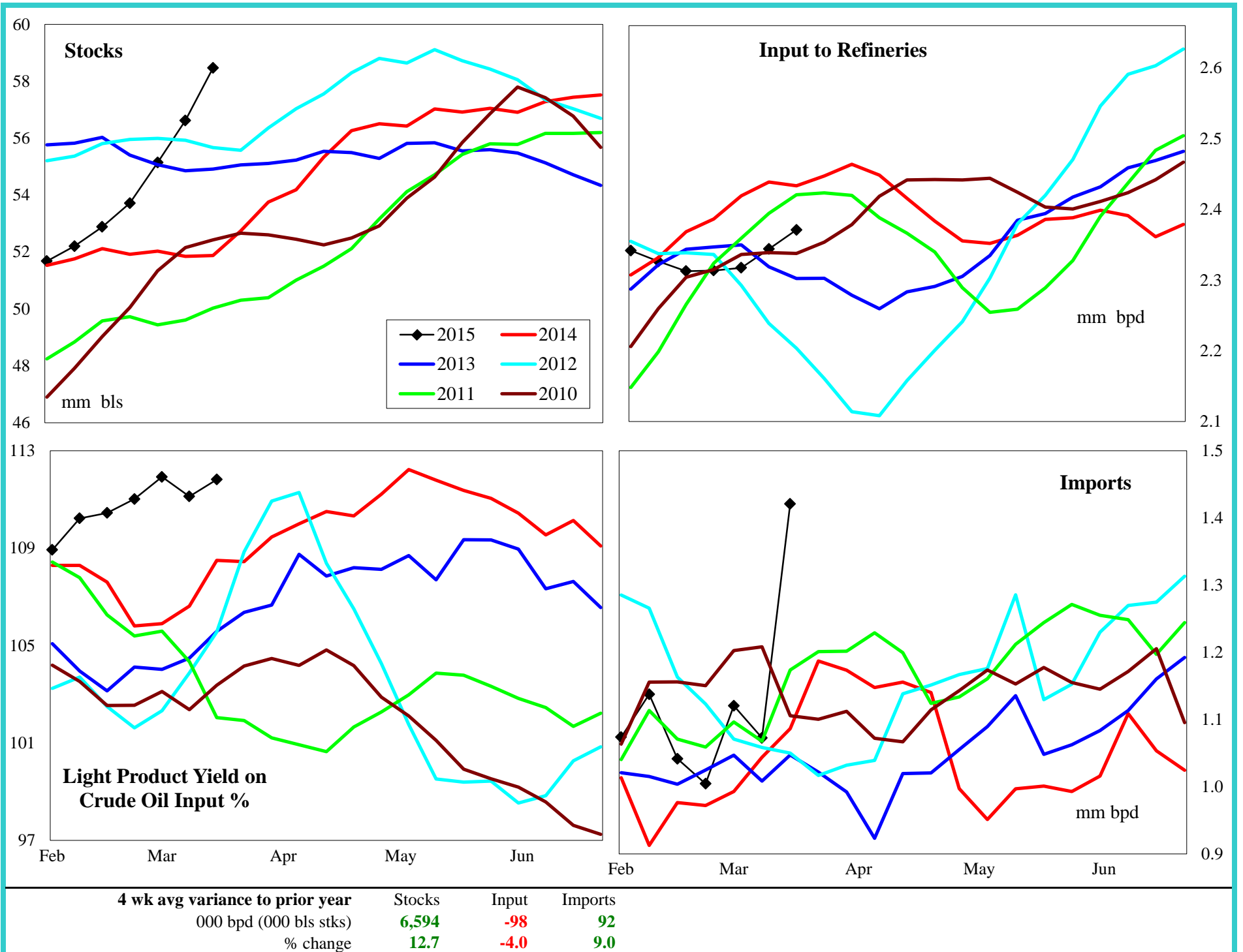
## PADD 4 Jet Fuel Supply



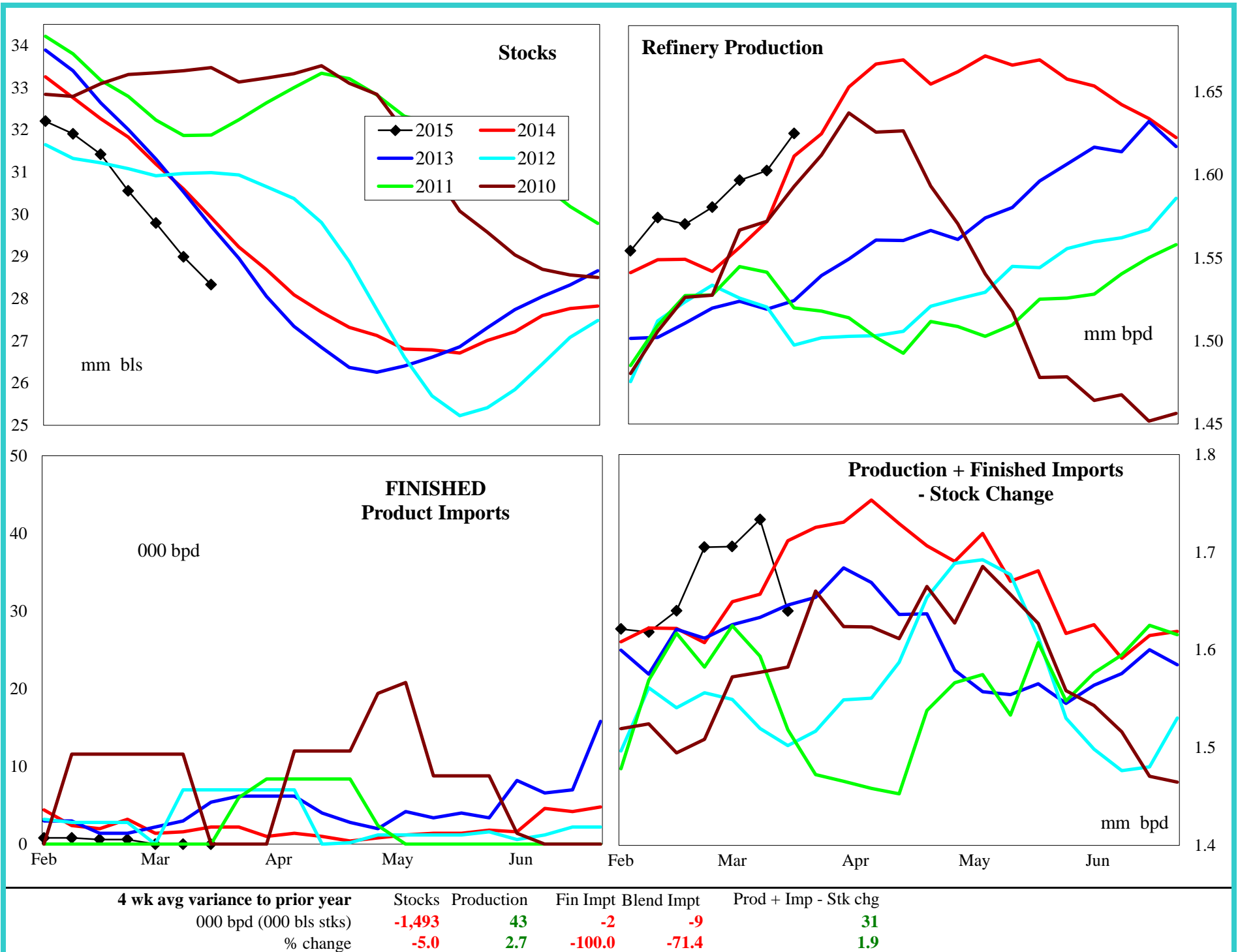
# PADD 4 Residual Fuel Oil Supply



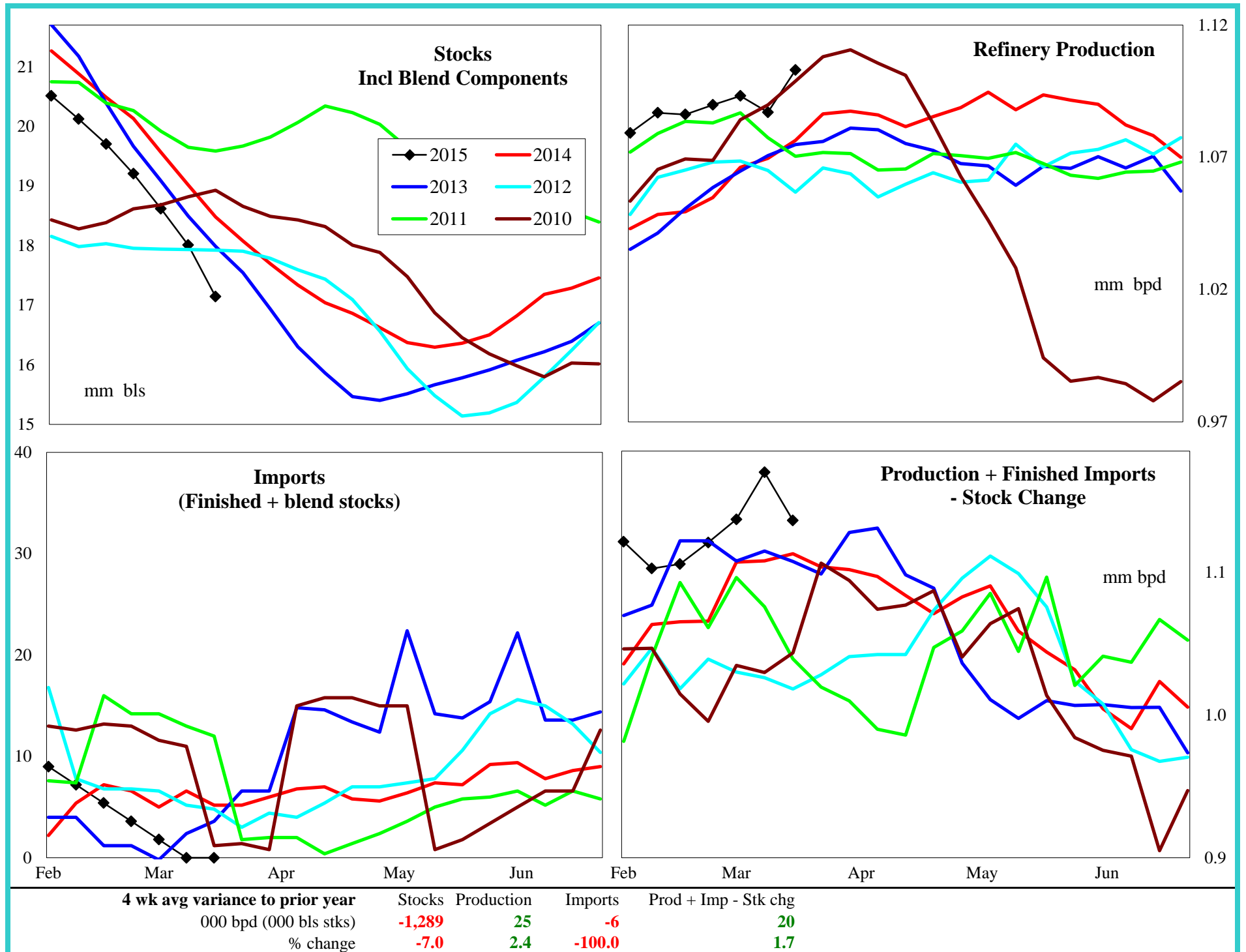
# PADD 5 Crude Oil Supply and Refining



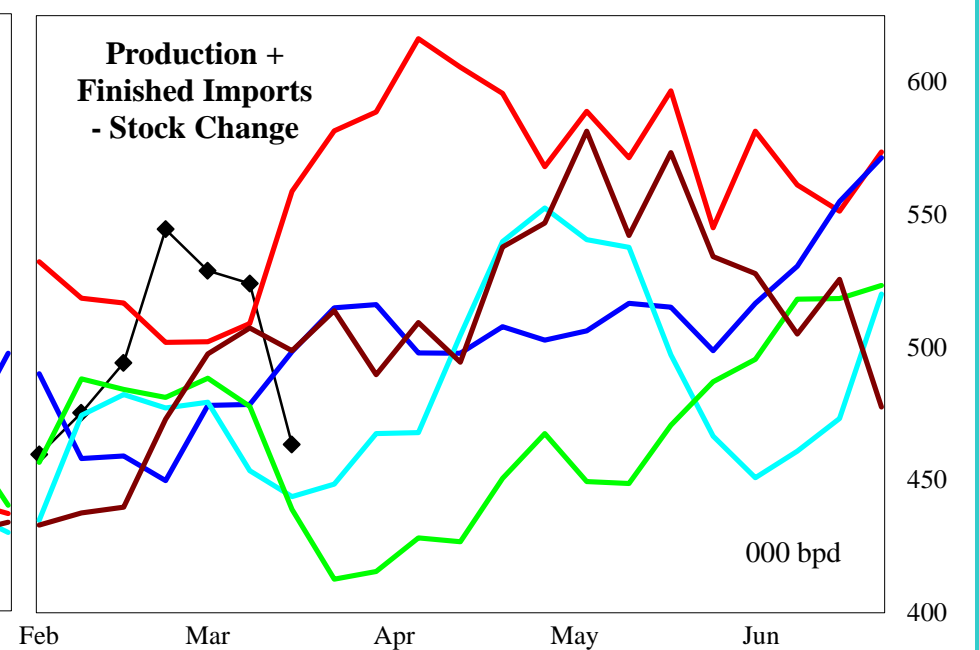
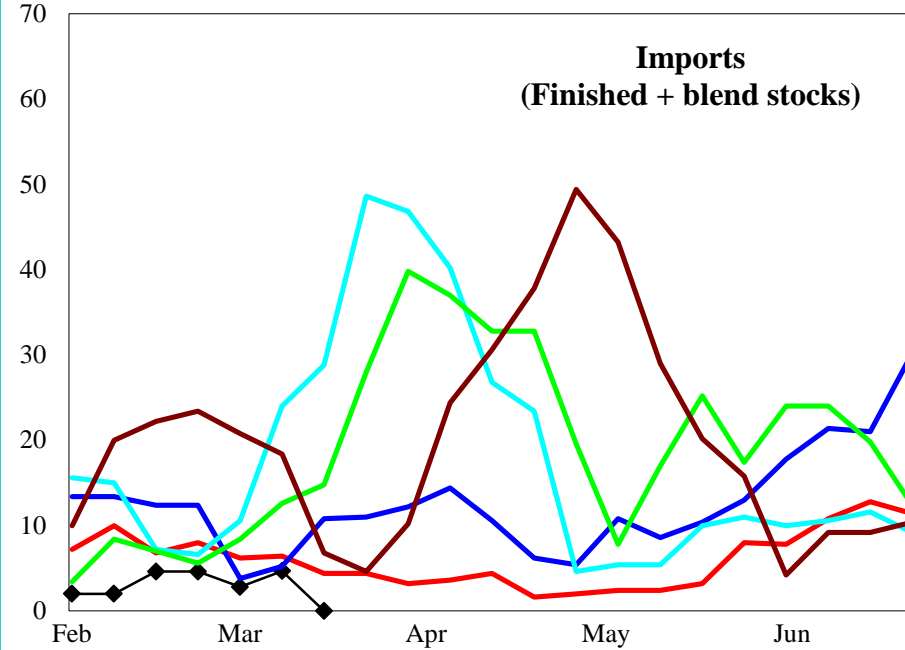
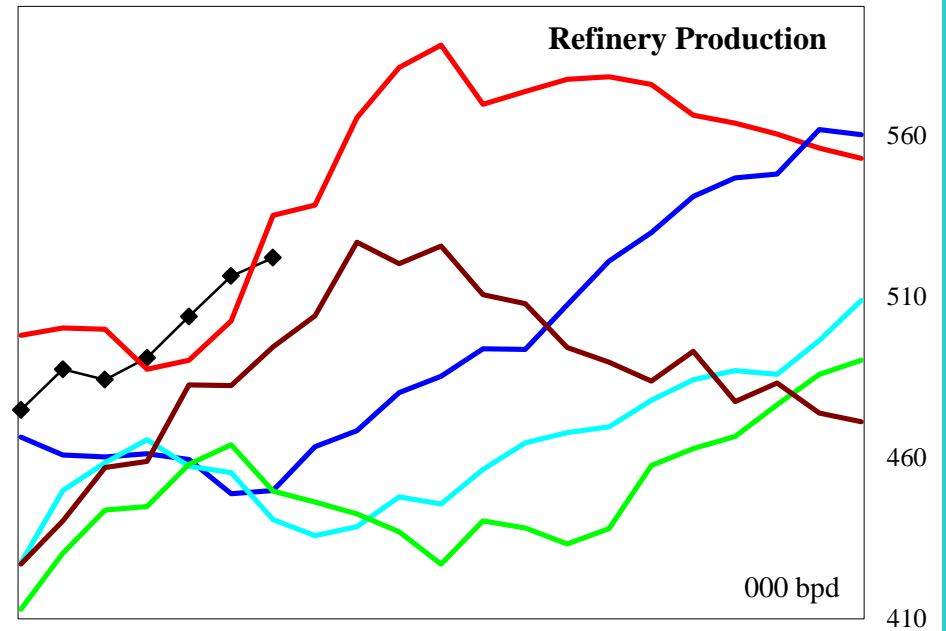
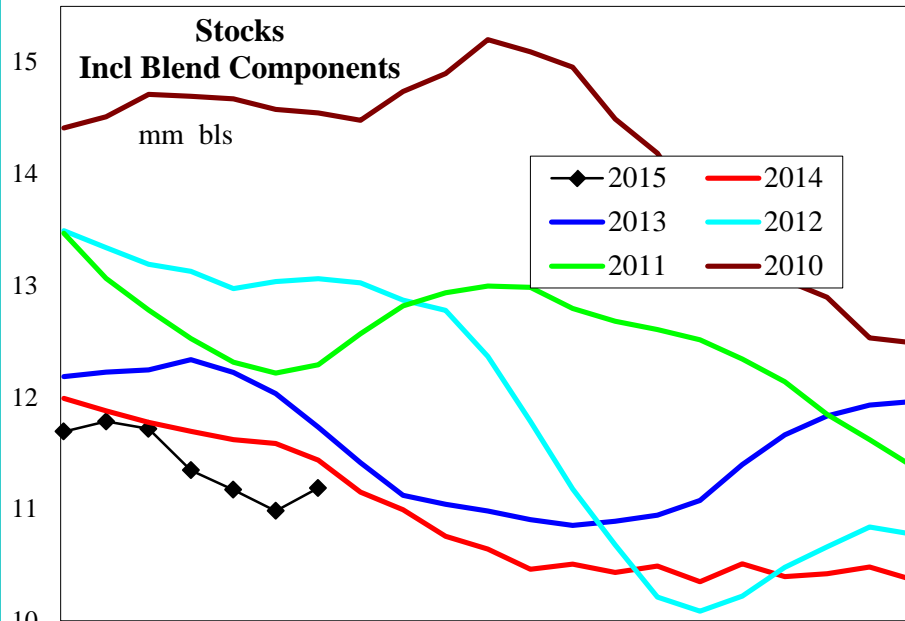
# PADD 5 Gasoline Supply



# PADD 5 Reformulated Gasoline Supply



# PADD 5 Conventional Gasoline Supply



**4 wk avg variance to prior year**

000 bpd (000 bls stks)

% change

Stocks

-204

-1.8

Production

18

3.6

Imports

-4

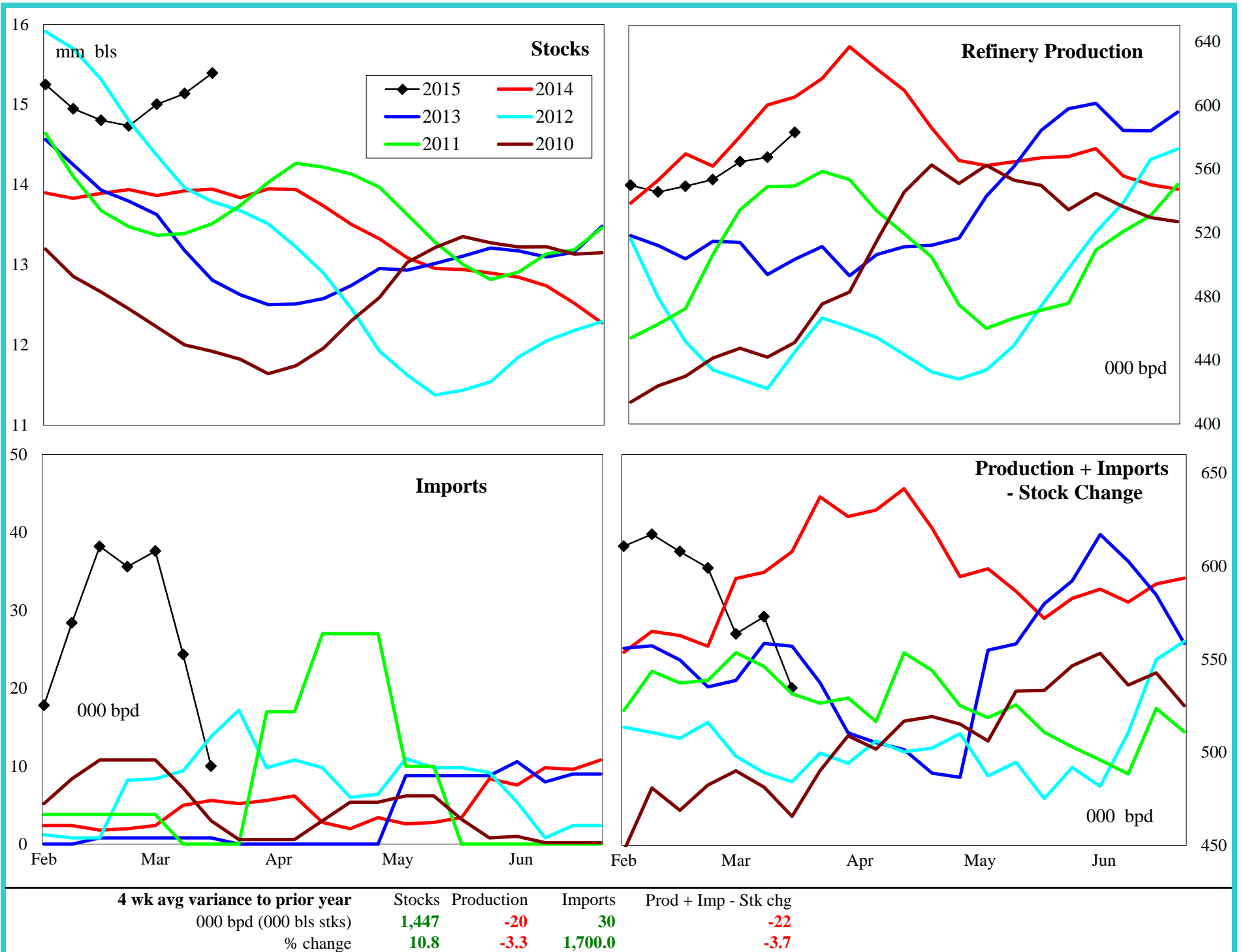
-53.3

Prod + Imp - Stk chg

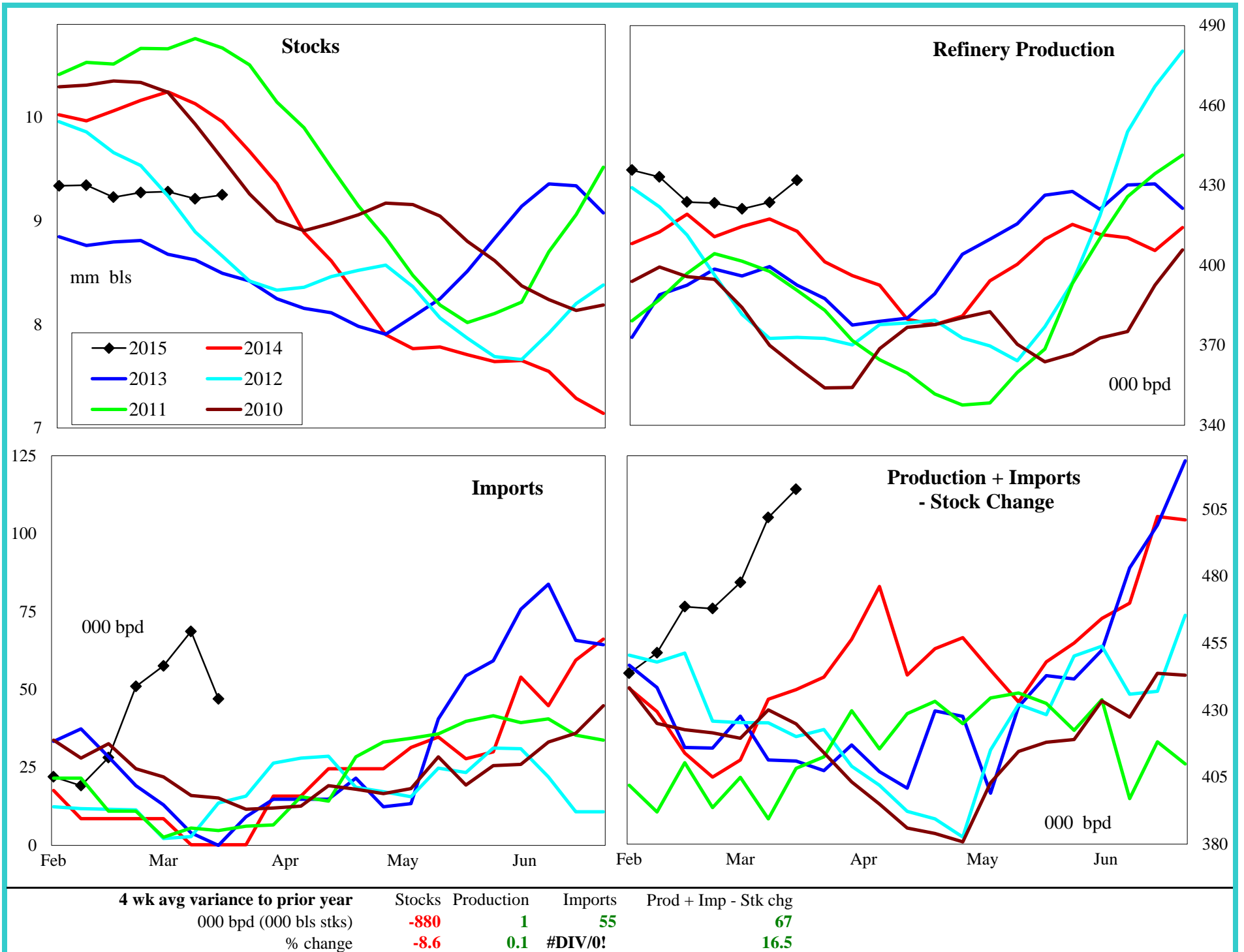
12

2.3

# PADD 5 Distillate Supply



## PADD 5 Jet Fuel Supply



# PADD 5 Residual Fuel Oil Supply

