



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

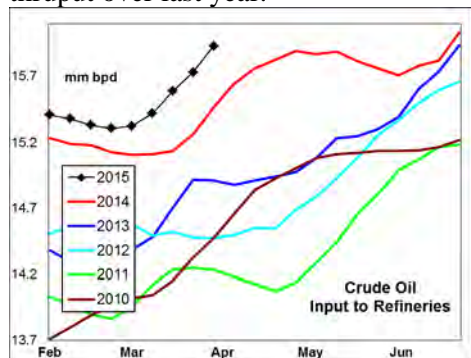
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Sunday, April 12, 2015

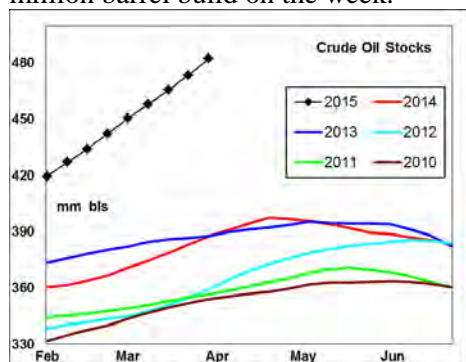


Major Fundamental Trends¹

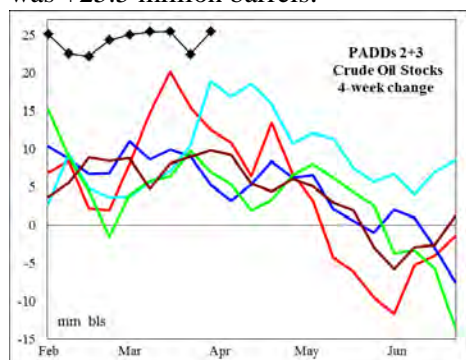
Refiners are returning from winter maintenance, and averaging nearly +0.5 million bpd higher crude oil thruput over last year.



As a result of the return from maintenance, and high runs, imports jumped +0.9 million bpd last week. Crude oil stocks saw a nearly +11 million barrel build on the week.

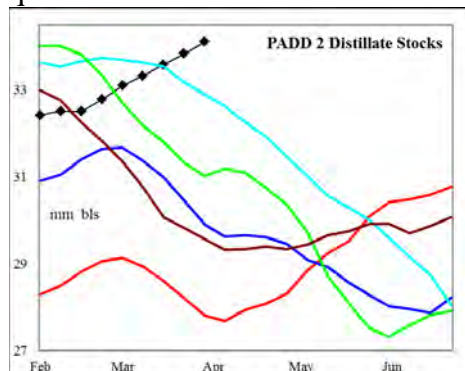


The latest 4-wk crude oil stock build rate in the Midwest and Gulf regions was +25.5 million barrels.



Risk has increased for crude oil stocks to reach storage capacity

limits in both Cushing, Oklahoma and the Gulf region during the next quarter.



The record rate of refinery thruput has led to very high stock levels of distillate in all regional markets except the East Coast, with the midwest seeing a counter seasonal build to all time record levels.

Gasoline stock levels are very high on the East and Gulf Coasts, again driven by high refinery crude oil runs.

Wholesale Demand for gasoline reversed last week's surge, while distillate was sharply higher.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +2%, distillate increased +2.7%, jet fuel was +8% higher, while residual fuel decreased -2%.

Stocks forward coverage: Gasoline demand coverage increased on a +0.8 million barrel stock build, and sharply lower wholesale demand. Coverage ended the week at a level above the historic range.

Distillate demand coverage decreased on a -0.3 million barrel stock draw for the week, and sharply higher wholesale demand. Coverage ended the week at a level comparable with the last 2-yrs.

Jet fuel coverage remains below the 5-yr range on a +0.2 million barrel stock build, offset by very robust demand growth.

Residual fuel oil coverage fell sharply on a -1.1 million barrel stock draw.

Refinery utilization rates increased on a +201,000 bpd increase in crude oil runs last week. During the latest 4-wk period crude oil input was +482,000 bpd above last year.

Gasoline yield % on crude oil runs fell last week on a -586,000 bpd drop in output compared to the +201,000 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 increased on a +140,000 bpd rise in output compared to the increase in crude oil runs. The yield % on crude oil runs matched historic highs.

Jet fuel yield % on crude oil runs increased last week on a +23,000 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 crude oil and middle distillates were higher last week while gasoline fell.

During the latest 4-wk period crude oil imports increased +346,000 bpd compared to a year ago; distillate imports were +23,000 bpd higher; finished gasoline imports were -13,000 bpd lower; gasoline blend stock imports were +78,000 bpd higher, jet fuel imports increased +58,000 bpd, while residual fuel imports were +26,000 bpd higher.

Exports of distillate for the week ending 20Mar15 were -58,000 bpd below a year ago, gasoline +103,000 bpd higher, jet fuel -23,000 bpd lower and residual fuel oil was unchanged.

Crude Oil stocks increased +10.9 million barrels on the week, driven by a +0.9 million bpd rise in imports.

Stocks in Cushing increased +1.2 million barrels on the week, with the level at 85% of capacity.

¹ Source is latest EIA Weekly Statistics



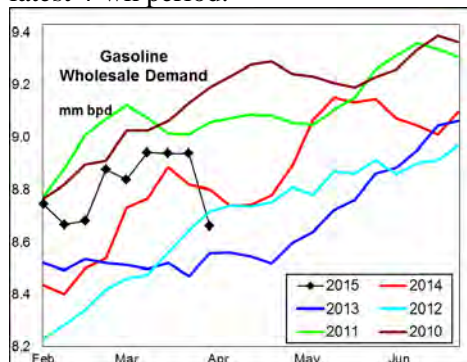
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Product Supply-Demand Trends

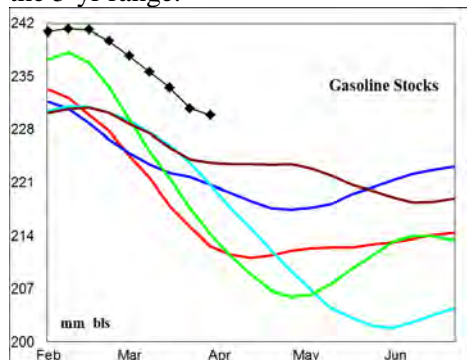
Gasoline wholesale reversed the prior week surge, falling -0.8 million bpd last week. Wholesale demand was +175,000 bpd above last year for the latest 4-wk period.



Supply fell -0.8 million bpd last week on lower production and imports. Supply for the latest 4-wk period exceeded a year ago by +239,000 bpd on higher refinery output.



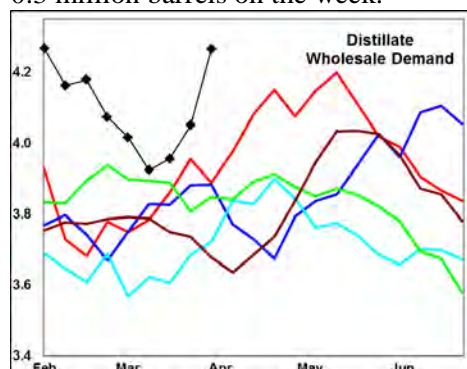
The latest 4-wk stock change East of the Rockies matched the 3-yr mid range. Stock levels remain well above the 5-yr range.



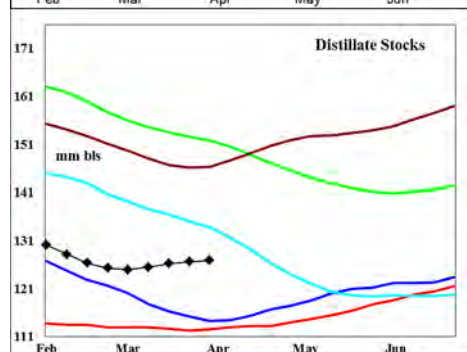
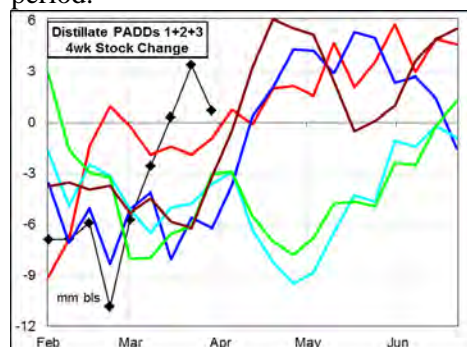
A significant supply imbalance exists between regional markets. The East and Gulf coast regions report stocks at record levels for this time of year, compared to the West coast and midwest with stocks below average.

Distillate wholesale demand jumped +0.4 million bpd last week, to a level well above the historic range. The latest 4-wk average wholesale demand was +105,000 bpd above last year.

Supply increased +170,000 bpd on higher production. Stocks decreased -0.3 million barrels on the week.



Combined markets East of the Rockies have seen a +0.7 million barrel build, compared to a -5 million barrel average draw during the latest 4-wk period.



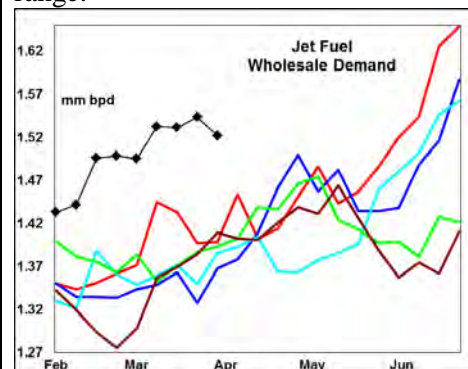
Stocks increased +1.6 million barrels in the East Region last week; beginning the seasonal build, and drawing down stocks in the Gulf by -2.4 million barrels.

Weak exports and record production underlies the over supply in all regions except the East

Coast.

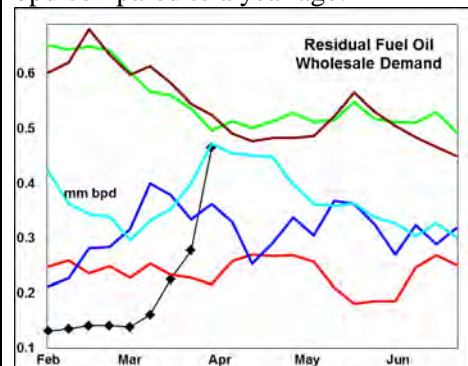
Jet Fuel wholesale demand decreased -75,000 bpd last week, ending at a level well above the 5-yr range. The latest 4-wk average demand was +112,000 bpd over a year ago.

Supply increased +128,000 bpd on higher imports. Stocks increased +0.2 million barrels on the week, although the level remains below the historic range.



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 increased +224,000 bpd last week. Demand for the latest 4-wk period decreased -6,000 bpd compared to a year ago.



Supply (production + imports) increased +95,000 bpd on the week, due to higher imports. Stocks decreased -1.1 million barrels, to a level that matched the last 2-ys.

Stock levels remain extremely high in the Gulf and West Coast regions. Wholesale demand saw the lowest year on year decline of -6,000 bpd since last summer.



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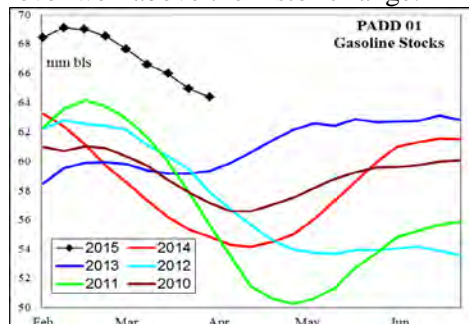
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PADD Supply Trends

PADD 1 refinery crude oil runs decreased -12,000 bpd on the week to a level that matched the 3-yr high for the period. The latest 4-wk average thru put was +73,000 bpd above last year.

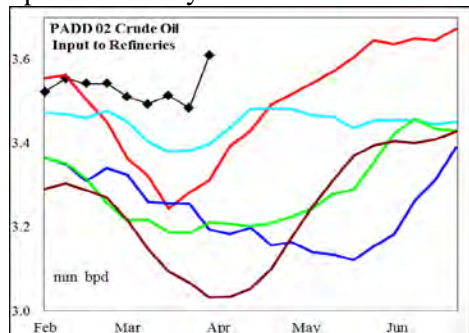
Gasoline supply fell -151,000 bpd on the week, with the 4-wk average +33,000 bpd above last year. Stocks were unchanged last week, with the level well above the historic range.



Distillate supply increased +46,000 bpd last week, on higher production. Stocks increased +1.6 million barrels, beginning the stock build season.

Jet fuel supply increased +92,000 bpd on record imports and production. Stocks ended the week at a record low level for the period.

PADD 2 crude oil refinery runs increased +138,000 bpd on the week. The latest 4-wk average was +269,000 bpd above last year.



Crude oil stocks decreased -0.6 million barrels last week, driven by a drop in imports. Cushing saw a +1.2 million barrel stock build on the week.

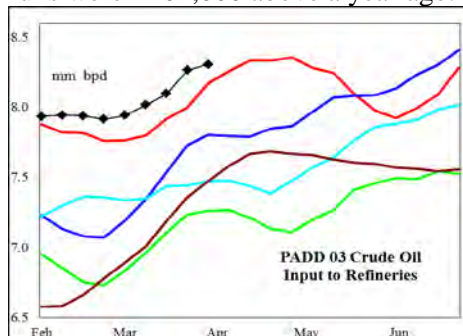
Gasoline supply increased +39,000 bpd on the week. Production for the most recent 4-wk period was -10,000 bpd below a year ago. Stocks decreased -0.3 million barrels on the

week, to a level below the 3-yr mid range.

Distillate supply increased +19,000 bpd on the week, to a level sharply above the historic range. The latest 4-wk average production was +92,000 bpd above last year and a record for this time of year. Stocks increased +0.4 million barrels on the week, ending at new all time high.

Jet fuel supply increased +61,000 bpd last week to a record weekly high. Stocks fell -0.5 million barrels to a new record low for the spring quarter.

PADD 3 refinery runs were unchanged on the week, at a level above the 5-yr range. During the latest 4-wk period, runs were +202,000 above a year ago.



Crude oil stocks increased +7.8 million barrels last week, driven by a +0.6 million bpd jump in imports. Crude oil stocks are now +33 million barrels (+16%) above the prior high for the period.

Gasoline supply decreased -138,000 bpd last week, with the latest 4-wk average +70,000 bpd above a year ago. Stocks increased +0.7 million barrels on the week, with the level a record high for this time of year.

Distillate supply increased +108,000 bpd on the week, with the latest 4-wk average supply +63,000 bpd above a year ago. Stocks fell -2.4 million barrels on the week, to a level +21% above last year.

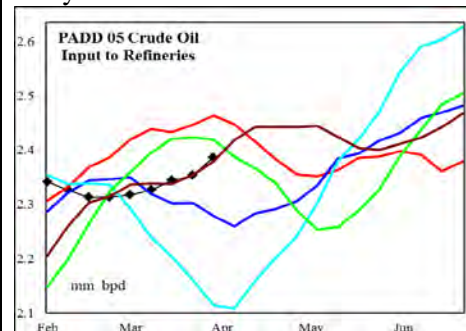
Jet fuel production decreased -16,000 bpd on the week, with the level -40,000 bpd below last year for the latest 4-wk period. Stocks were nearly unchanged on the week, at a level below the 3-yr mid range.

PADD 4 refinery crude runs decreased -3,000 bpd last week, to a level that matched the 3-yr mid range. The latest 4-wk average was +25,000 bpd above a year ago.

Gasoline supply increased +2,000 bpd last week, to a level above the 3-yr mid range. The latest 4-wk average production was -33,000 bpd below a year ago. Stock levels ended the week at the historic mid range.

Distillate supply decreased -3,000 bpd last week, with the latest 4-wk average production +16,000 above last year. Stock levels ended the week equal to the 5-yr high for the spring season.


PADD 5 crude oil refinery runs increased +85,000 bpd on the week, to a level above the 3-yr mid range. The 4-wk run rate was -87,000 bpd below last year.



Gasoline supply decreased -59,000 bpd on the week, driven by lower imports; with the latest 4-wk average +13,000 bpd above last year. Production remains above the 5-yr range. Stocks increased +0.6 million barrels on the week, a level that matched the latest 2-yr average.

Distillate supply was unchanged on the week. The 4-wk average supply was -49,000 bpd below a year ago, driven by a -47,000 bpd decrease in production. Stock levels ended the week +14% above the 5-yr range for this time of year.

Record high jet fuel production and the recent surge in imports has lifted stocks to a level that matched 3-yr highs for this time of year.



FUNDAMENTAL

PETROLEUM TRENDS

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PETROLEUM: Graph Link and Weekly Summary

A Fundamental Petroleum Trends Weekly Report

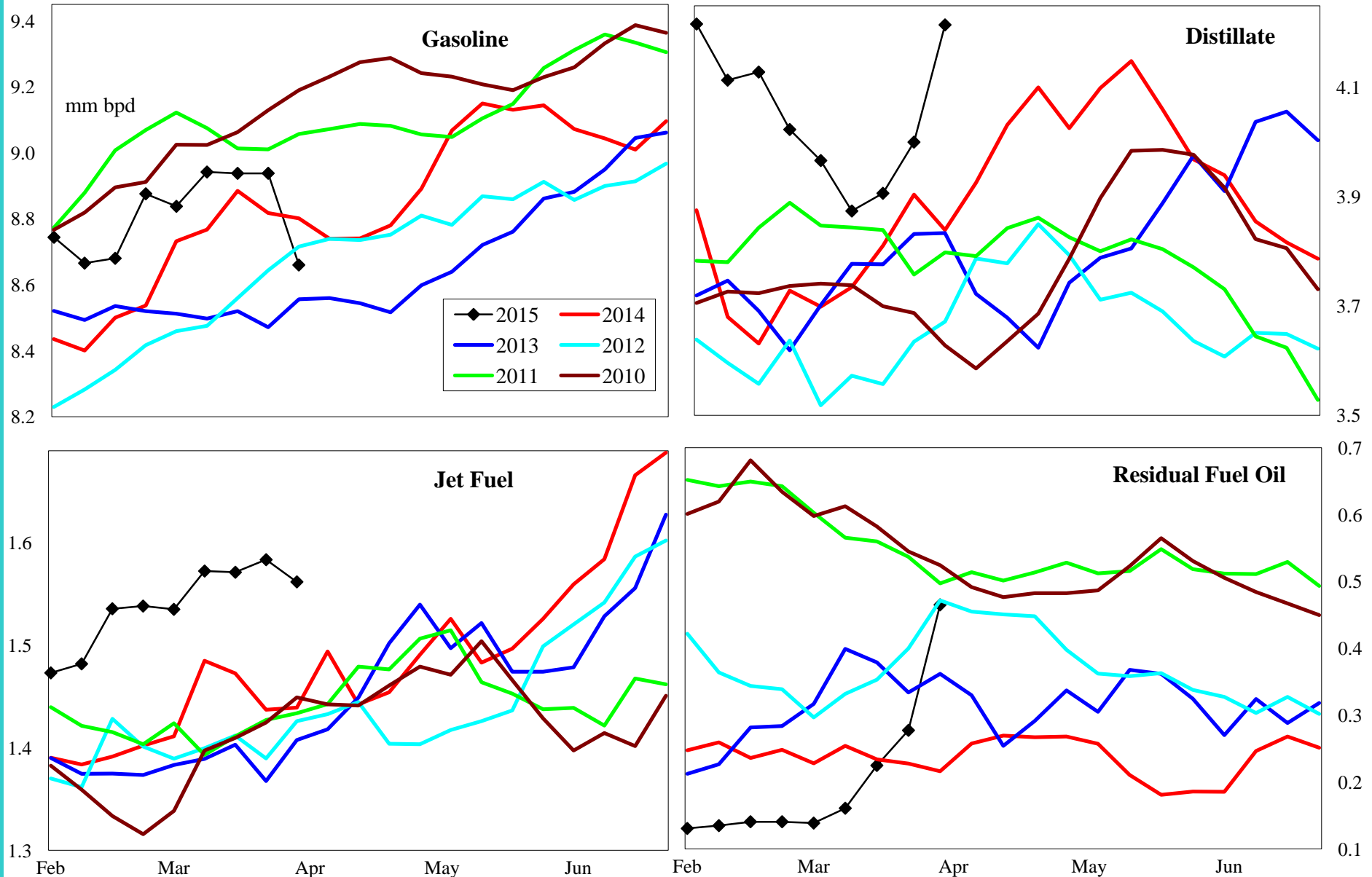
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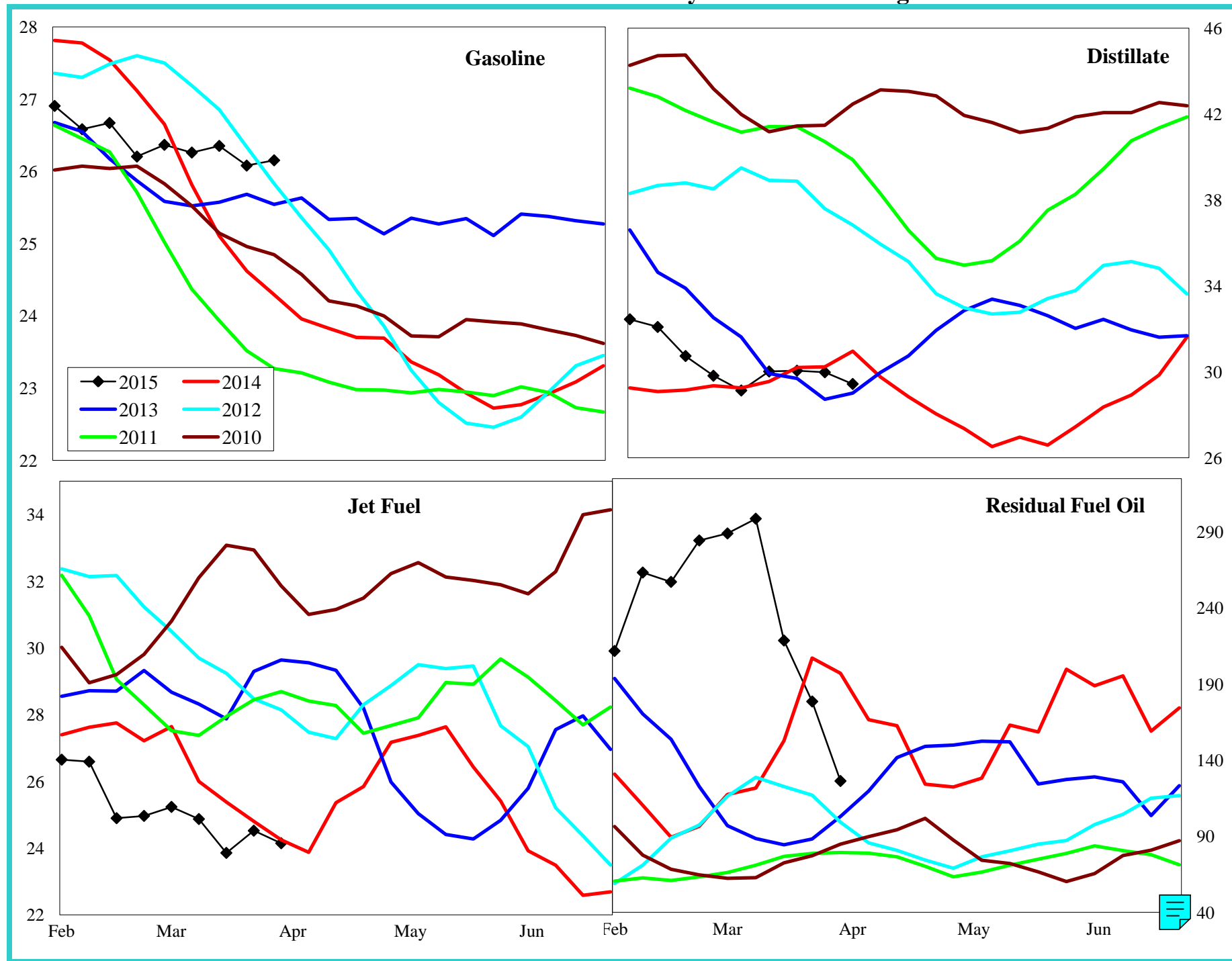
Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization		Imports		
Supply/Demand Trends	3-Apr-15	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
Crude Oil	Stocks	10,949	2,369	-625	7,766	888	551
	Imports	869	46	-127	564	-12	399
	Input	201	-12	138	-6	-3	85
	% Utilization	0.70					
Gasoline	Stocks	817	24	-307	696	-209	613
	Production	-586	-33	33	-138	1	14
	Imports	-183	-118	6	0	1	-73
	Supplied	-825					
Distillate	Stocks	-250	1,589	448	-2,397	-114	225
	Production	140	32	18	92	-3	-1
	Imports	30	14	1	16	0	-1
	Supplied	395					
Jet Fuel	Stocks	187	790	-521	152	-77	-157
	Production	23	-13	61	-16	6	-15
	Imports	105	105	0	0	0	0
	Supplied	-75					
Residual Fuel Oil	Stocks	-1,117	-116	15	-1,027	9	2
	Production	-17	1	16	-30	0	-4
	Imports	112	141	-7	-18	1	-4
	Supplied	224					

United States Wholesale Petroleum Demand

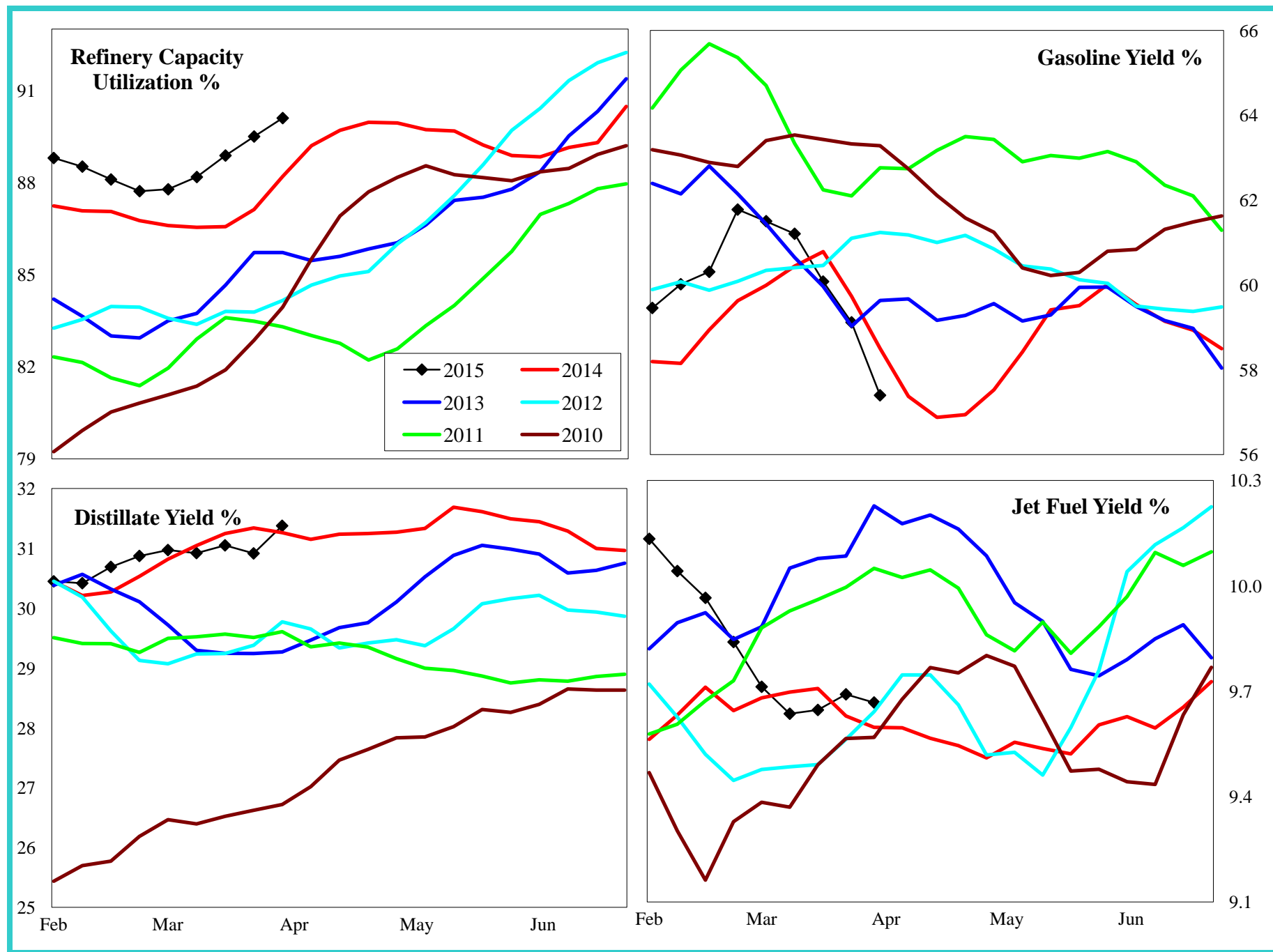


	000 bpd change from prior year				% change from prior year			
	4wk avg	Feb	Jan	Dec	4wk avg	Feb	Jan	Dec
Gasoline	175	-40	592	348	2.0	-0.5	7.2	4.0
Distillate	105	39	-92	185	2.7	0.9	-2.2	4.7
Jet Fuel	112	106	130	117	7.9	7.7	9.5	8.1
Resid	-6	-72	-105	78	-2.2	-34.8	-39.0	35.8

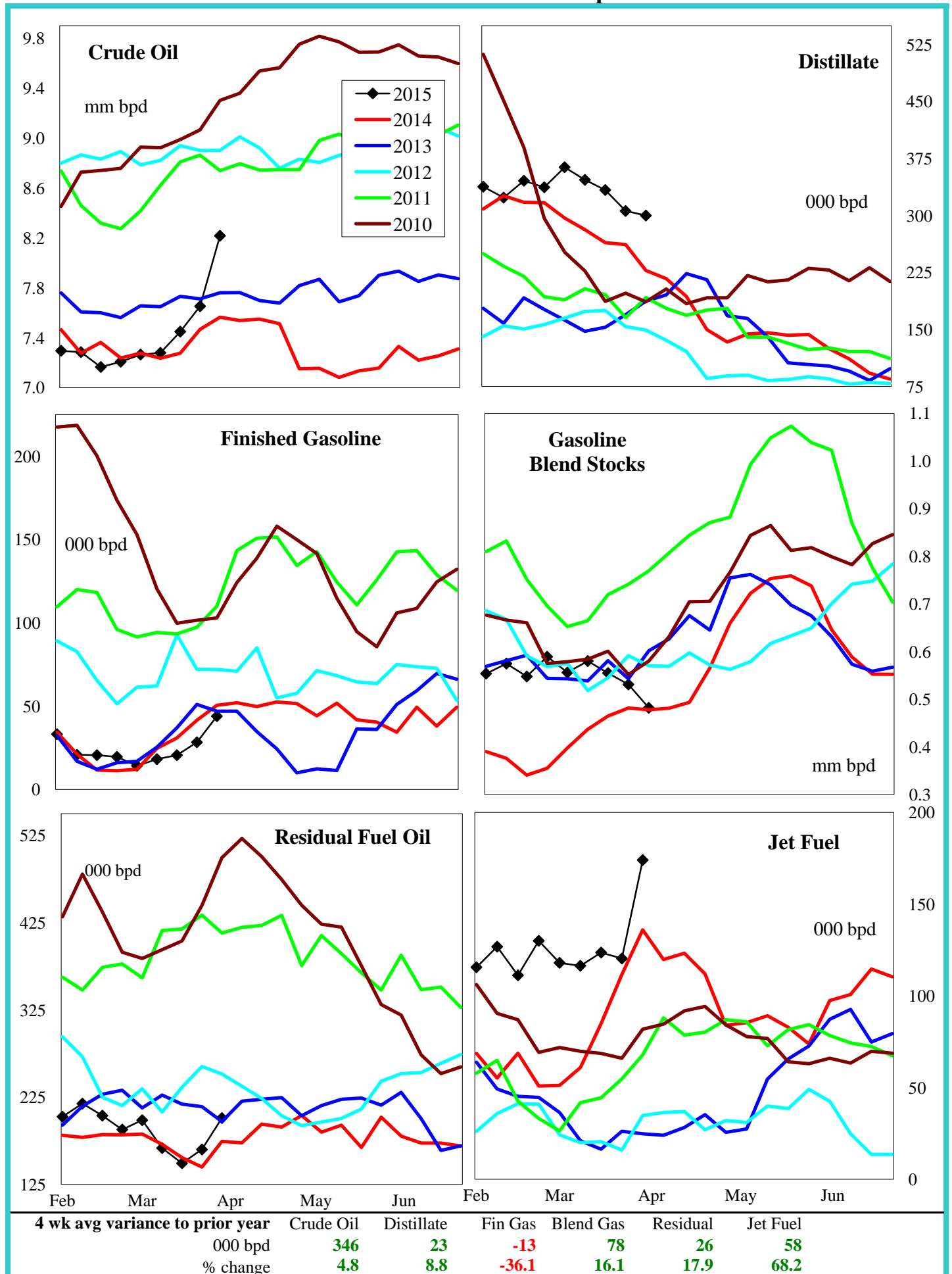


United States Product Stocks: Days Forward Coverage

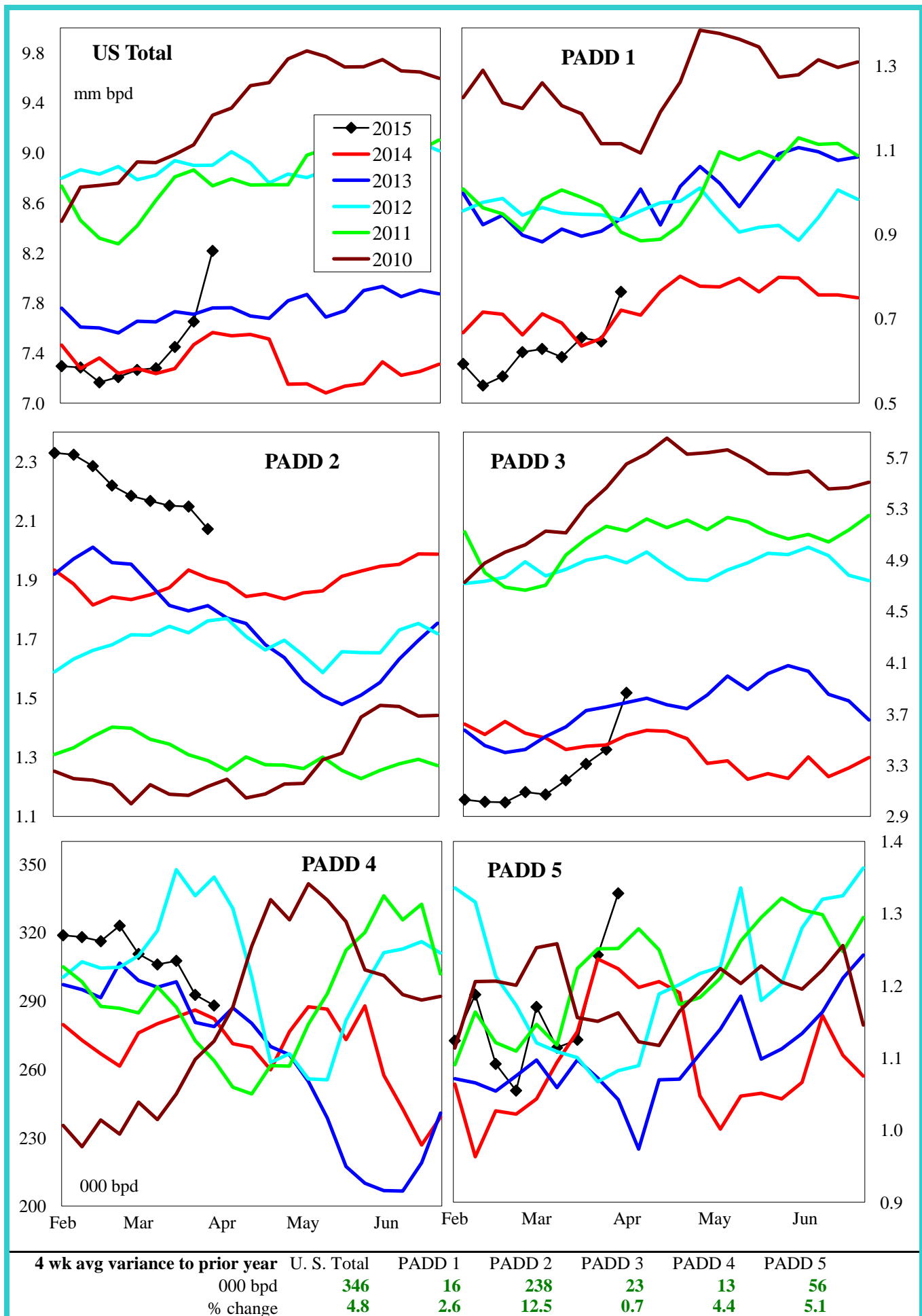
United States Refinery Percent Utilization Rate and Product Yields



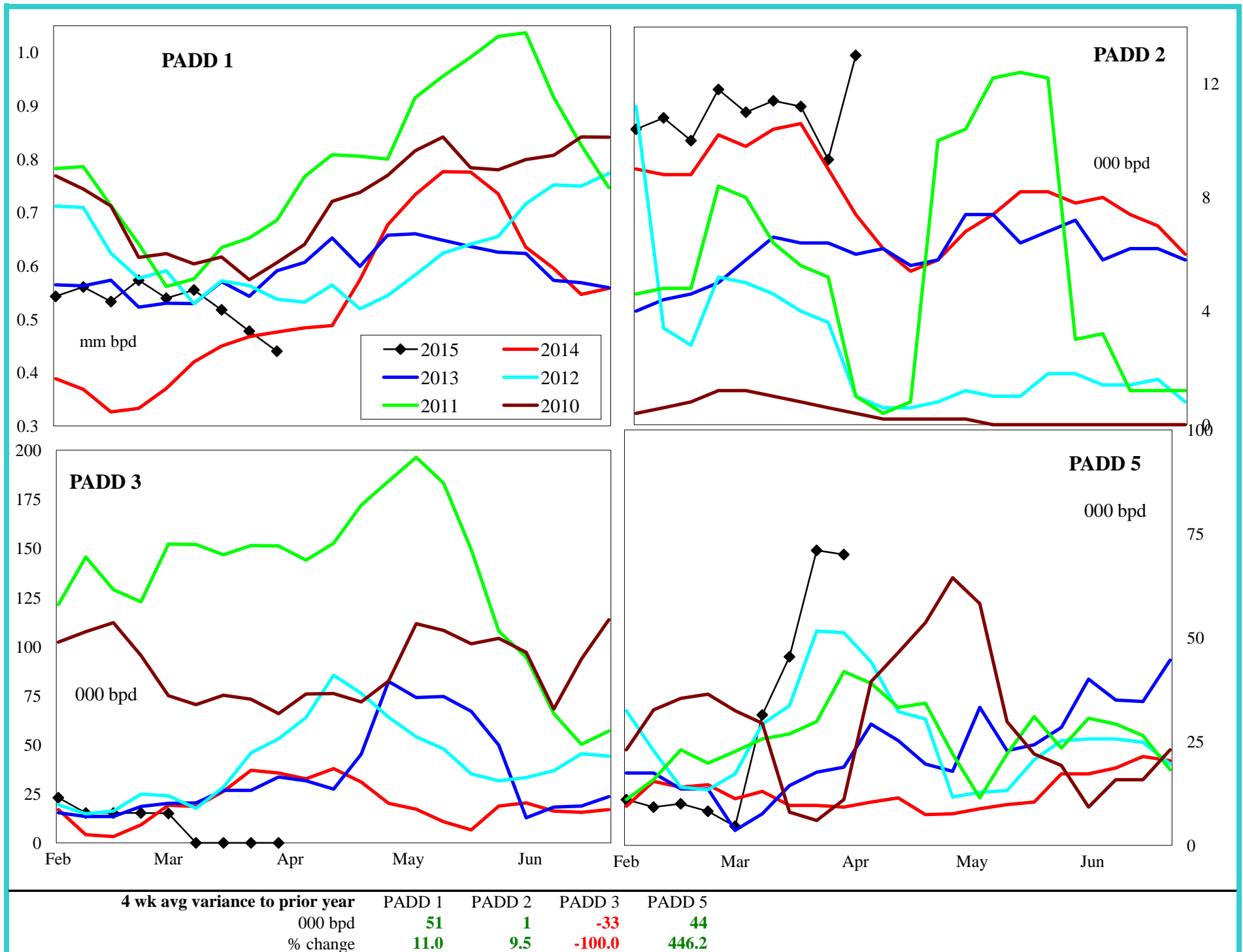
United States Petroleum Imports



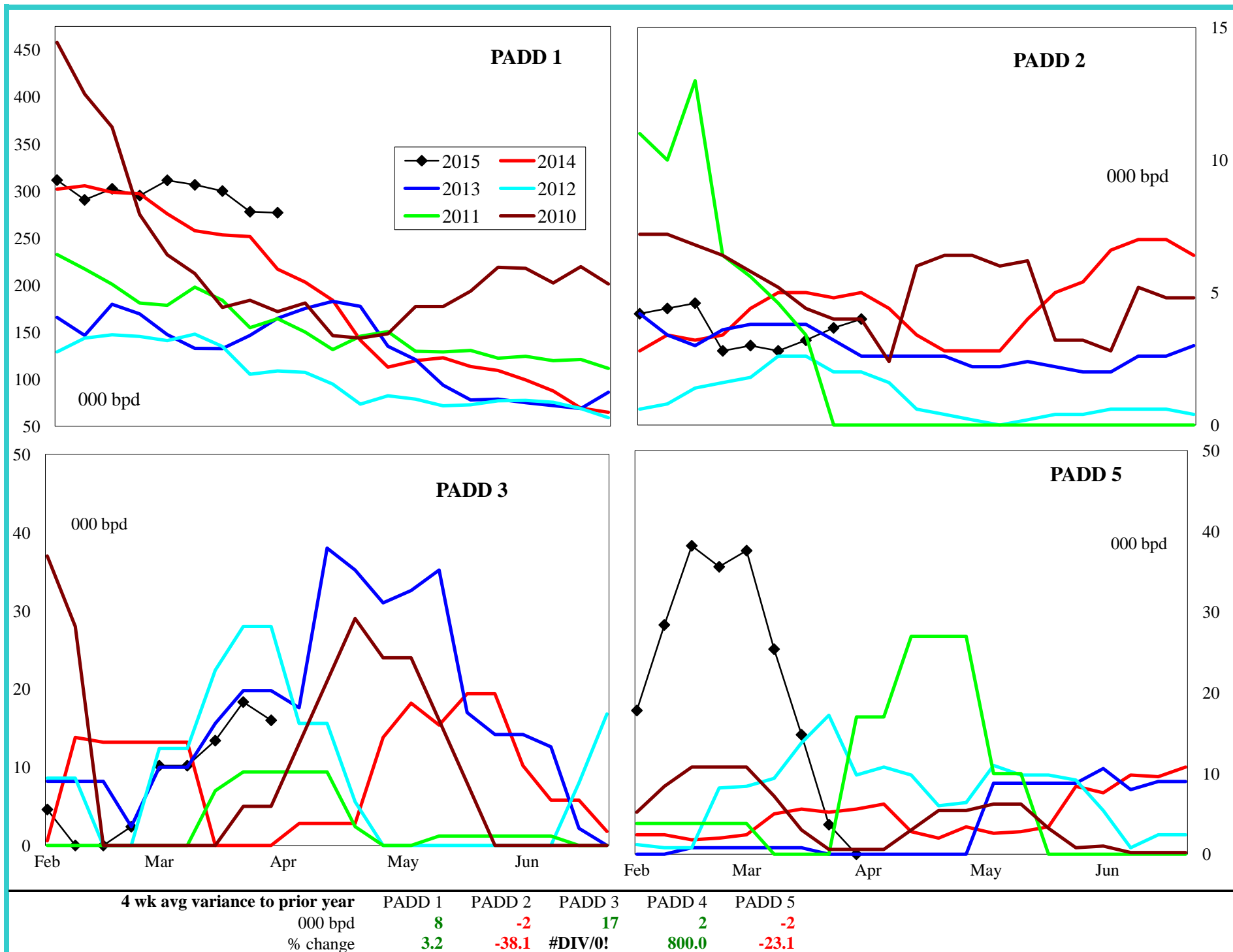
Crude Oil Imports by PADD



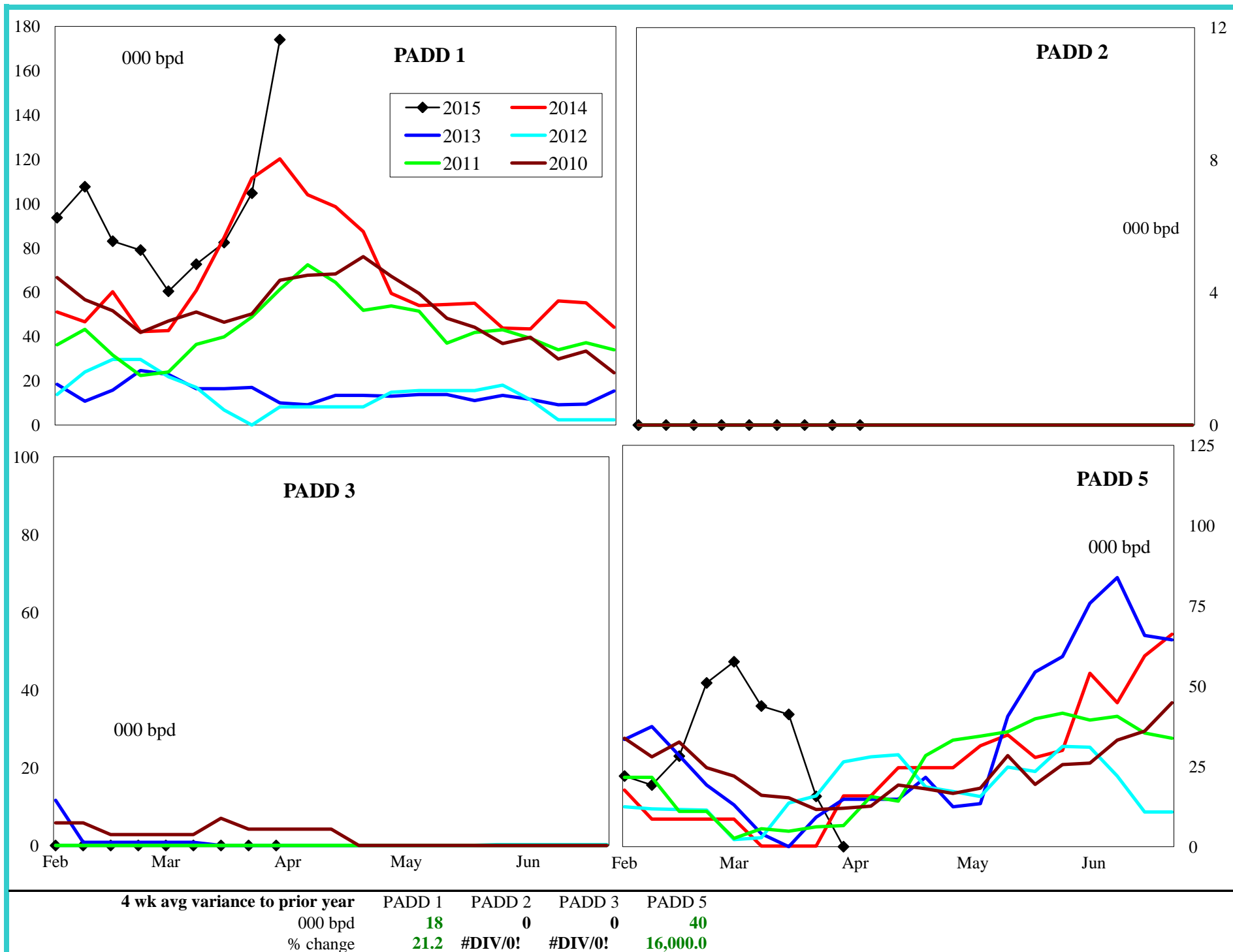
Gasoline Imports by PADD (Finished + Blend Stocks)



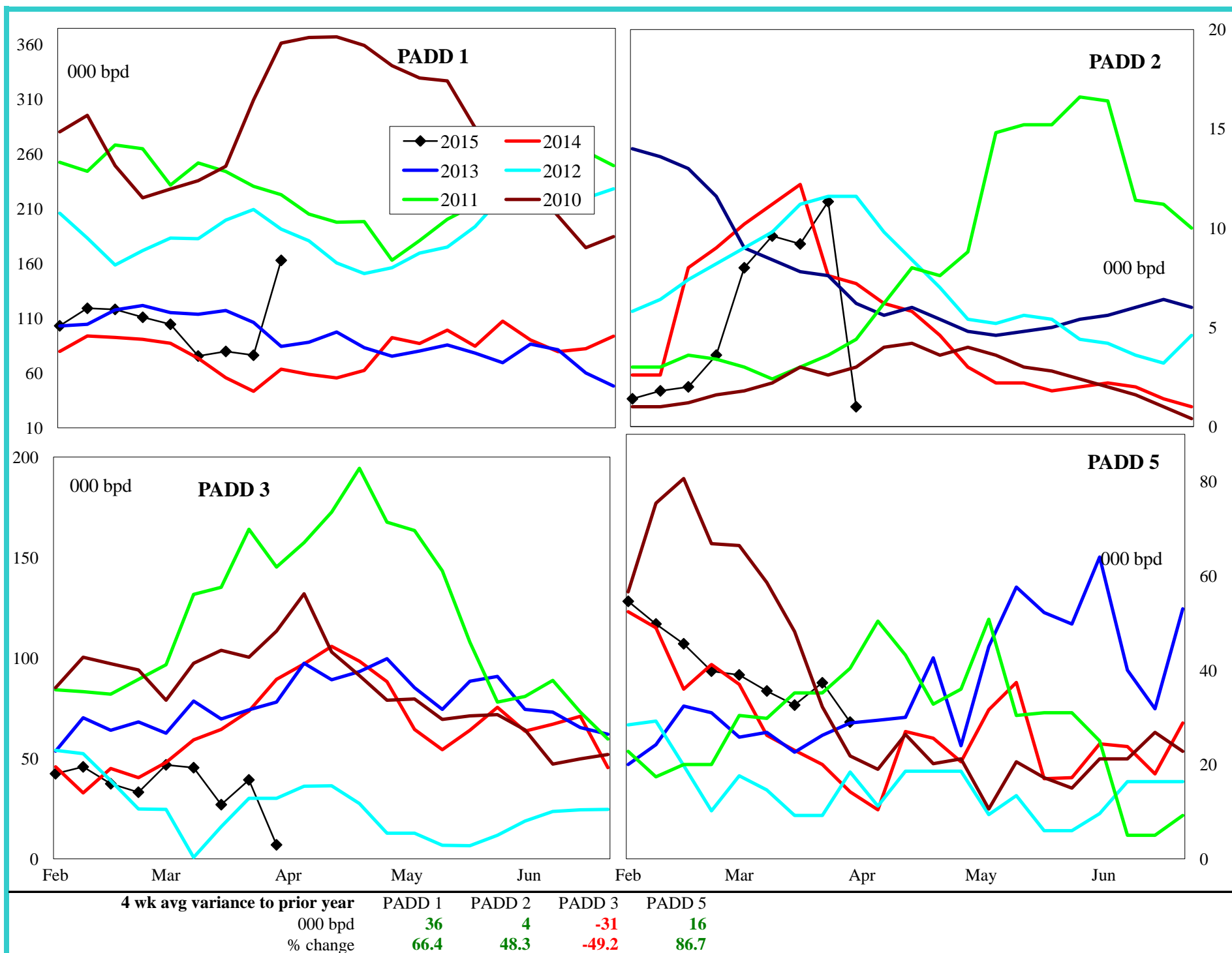
Distillate Imports by PADD



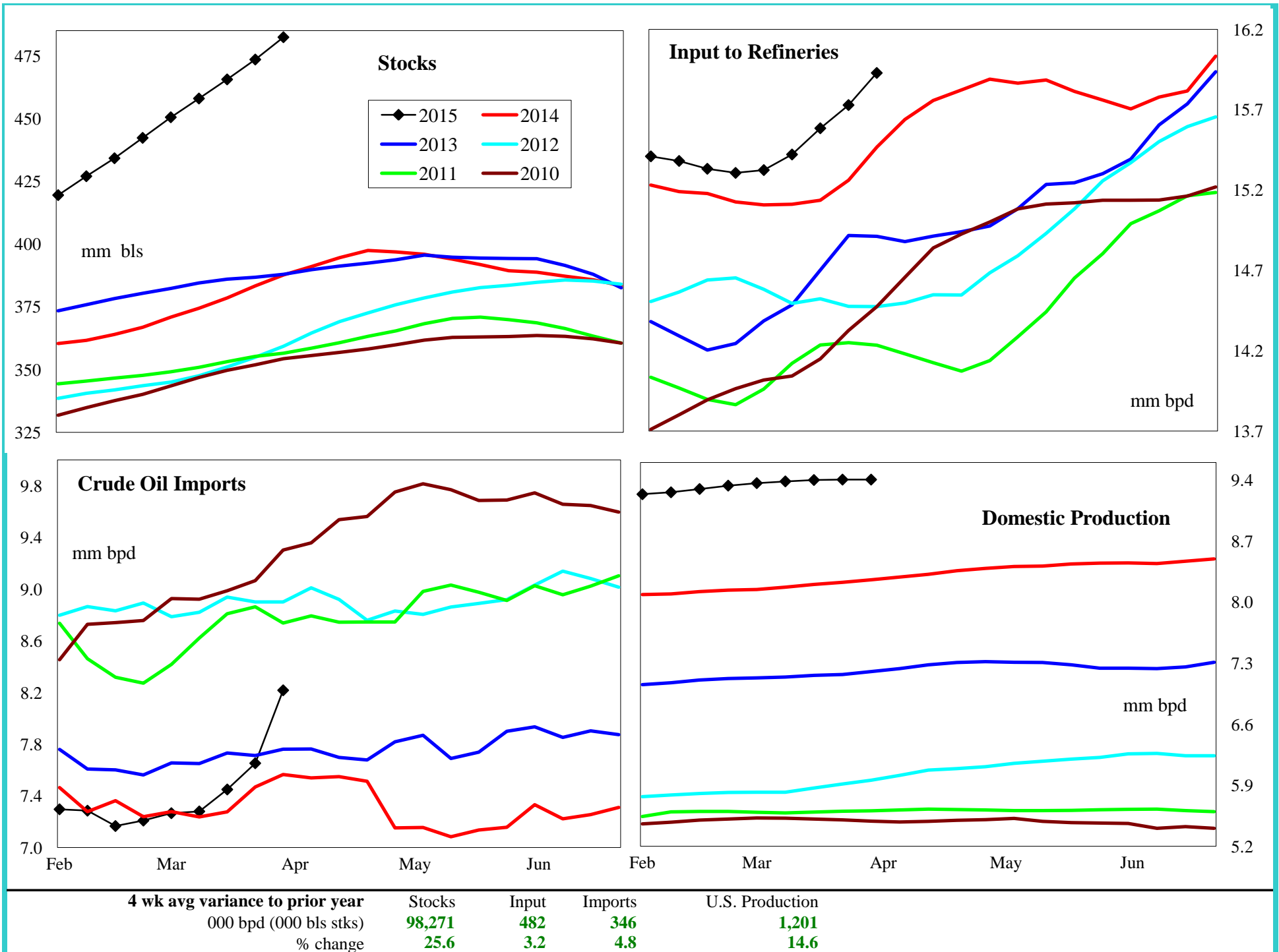
Jet Fuel Imports by PADD



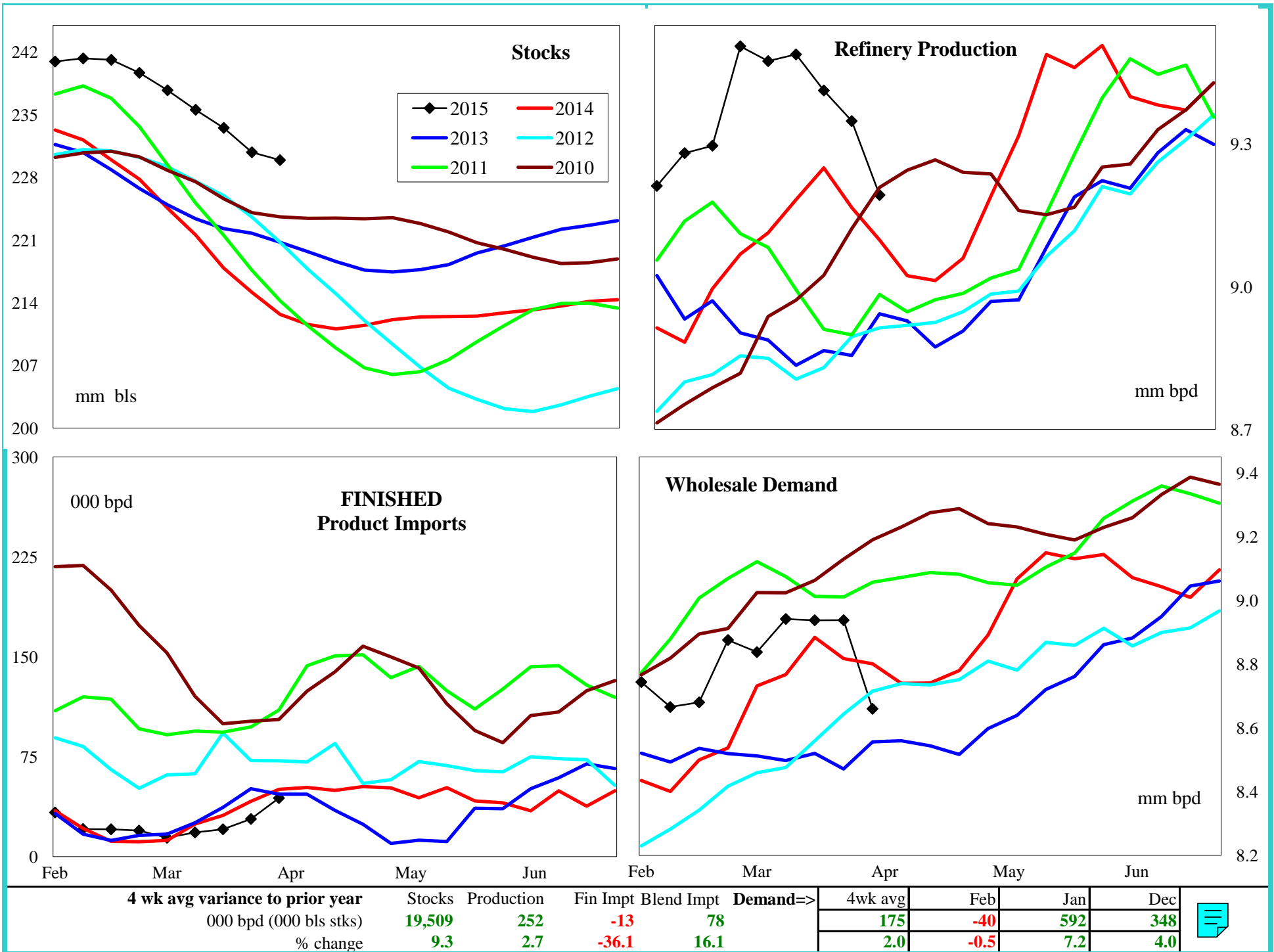
Residual Fuel Oil Imports by PADD



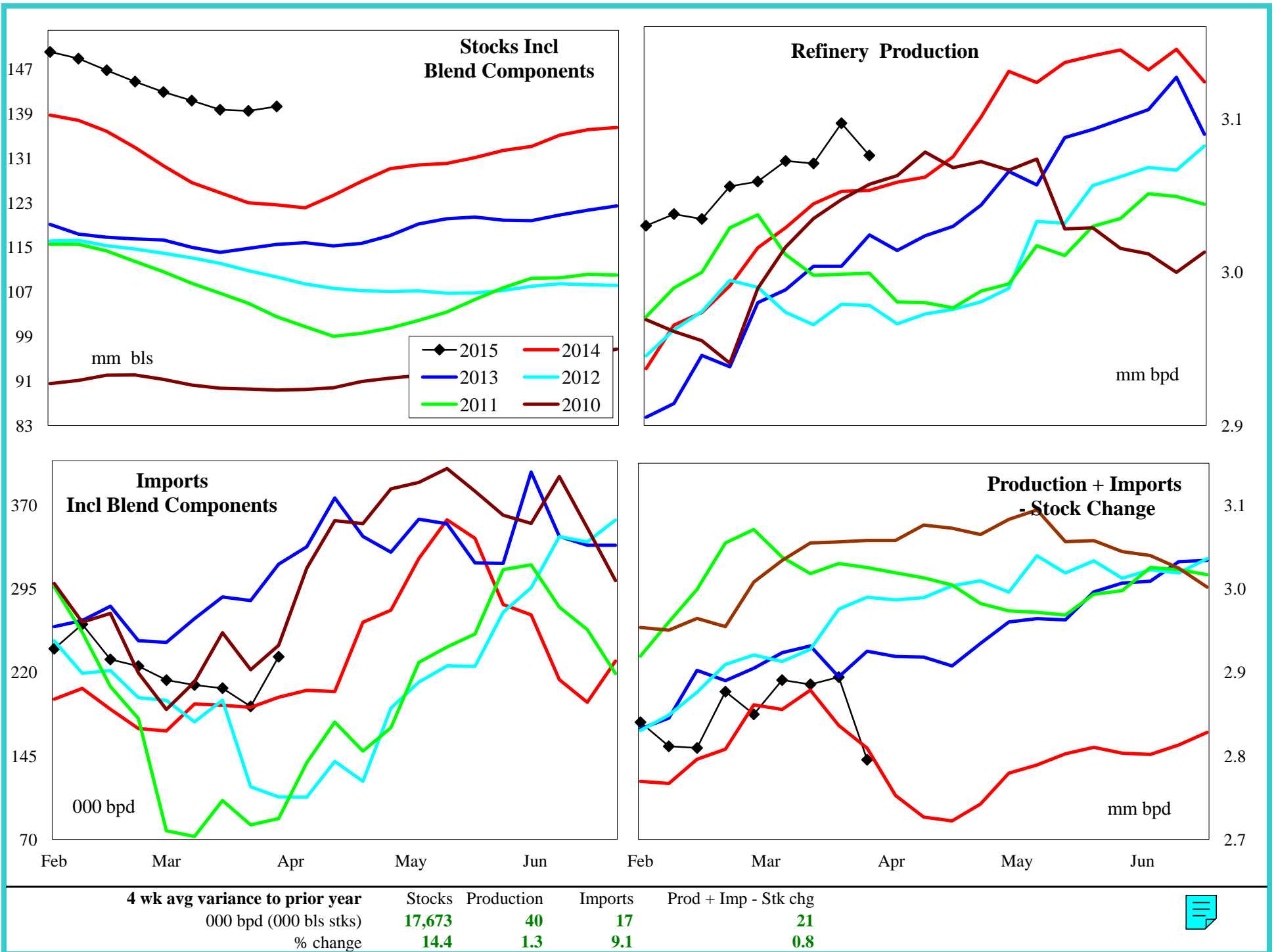
United States Crude Oil Supply and Demand Balance



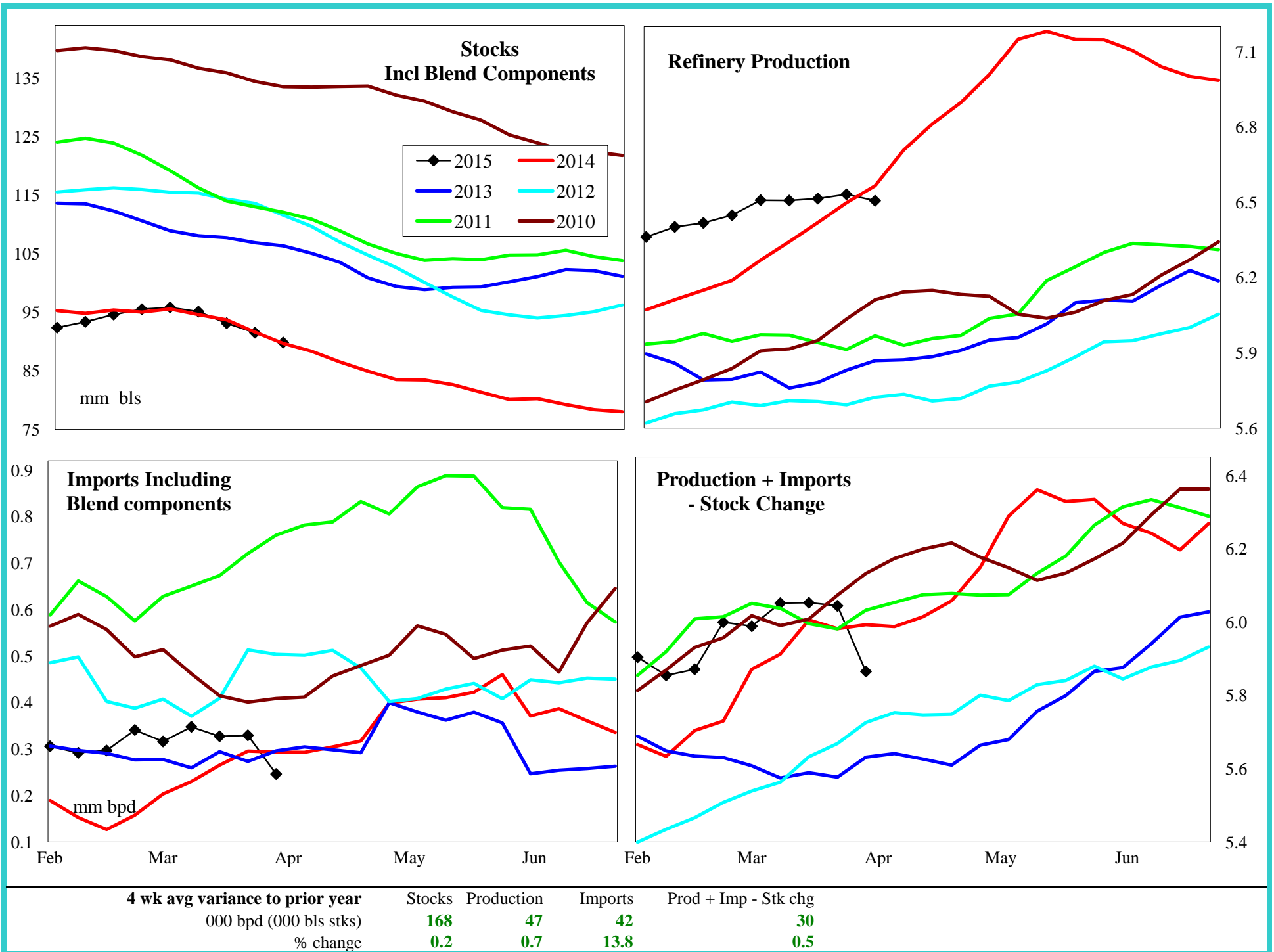
United States Gasoline Supply and Demand Balance



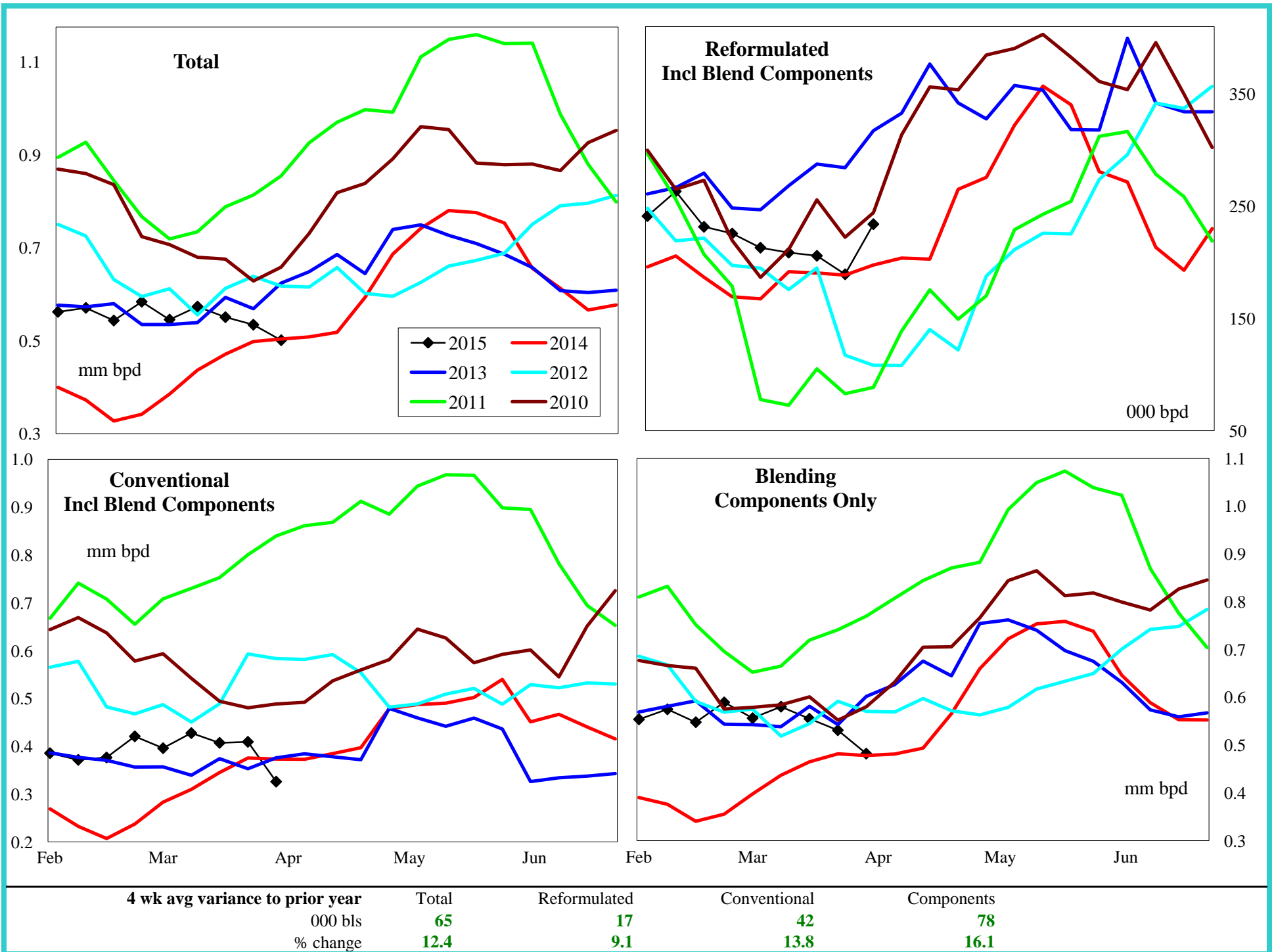
United States Reformulated Gasoline Supply



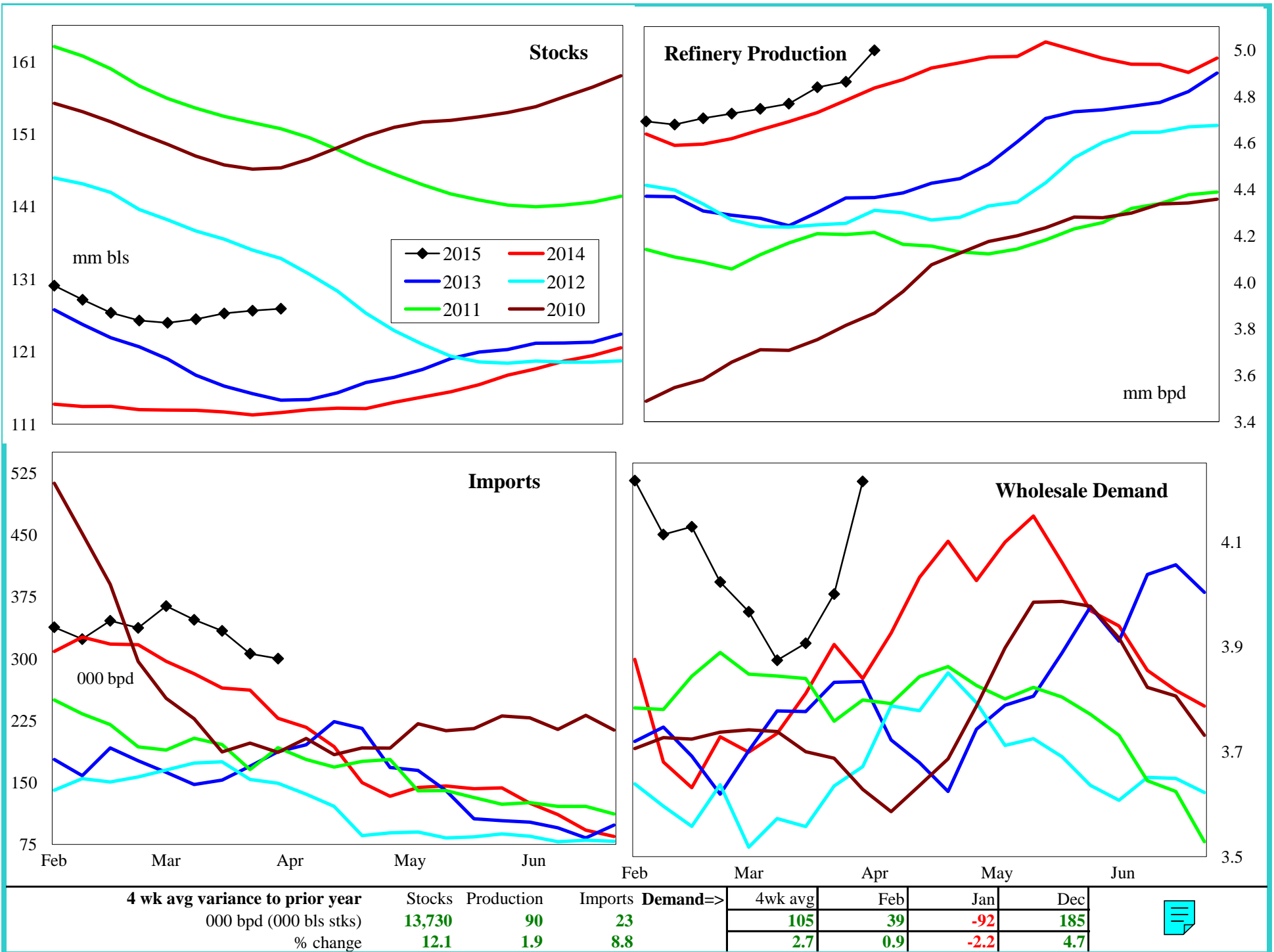
United States Conventional Gasoline Supply



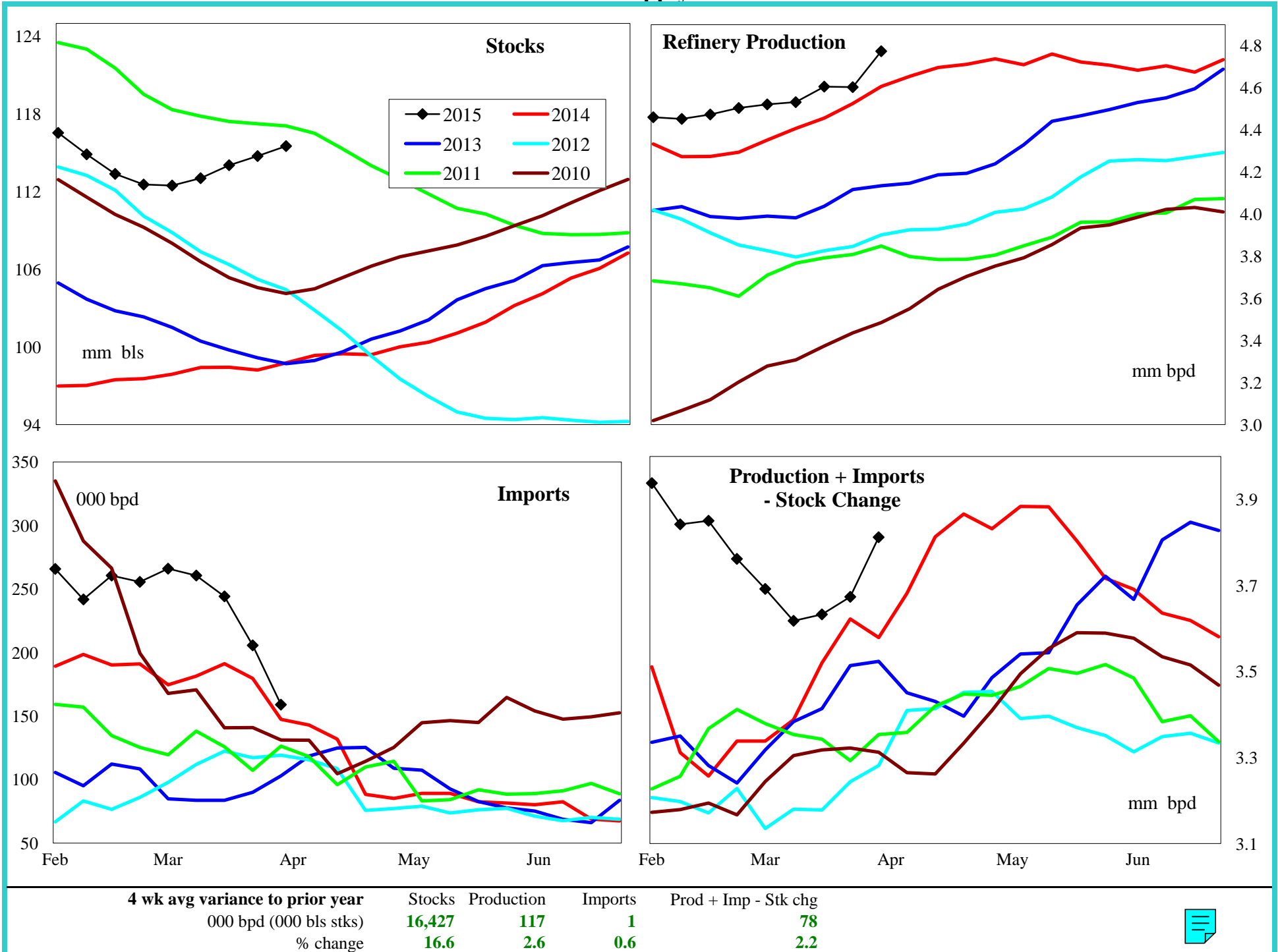
United States Gasoline Imports by Type



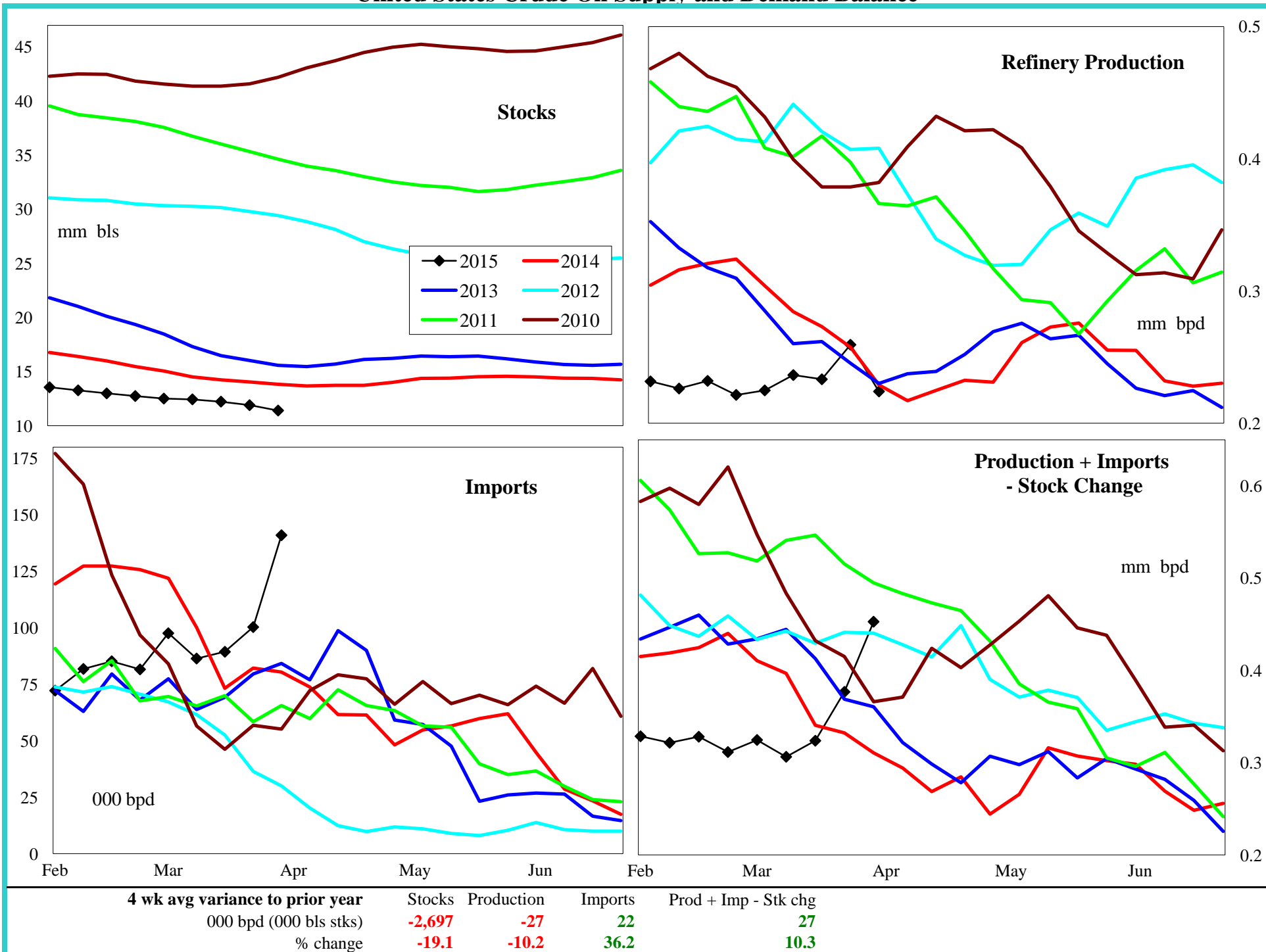
United States Distillate Supply and Demand Balance



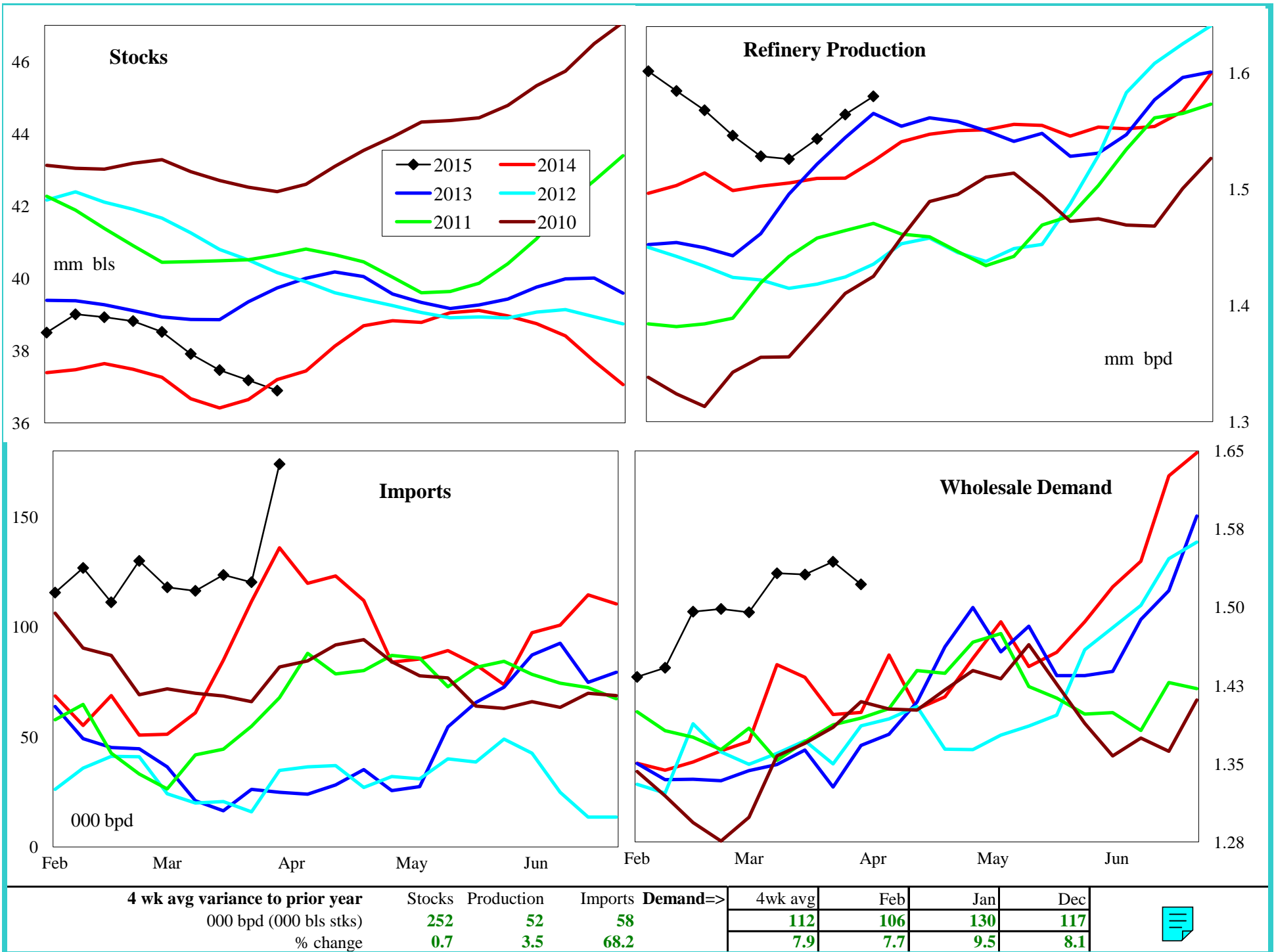
United States Crude Oil Supply and Demand Balance



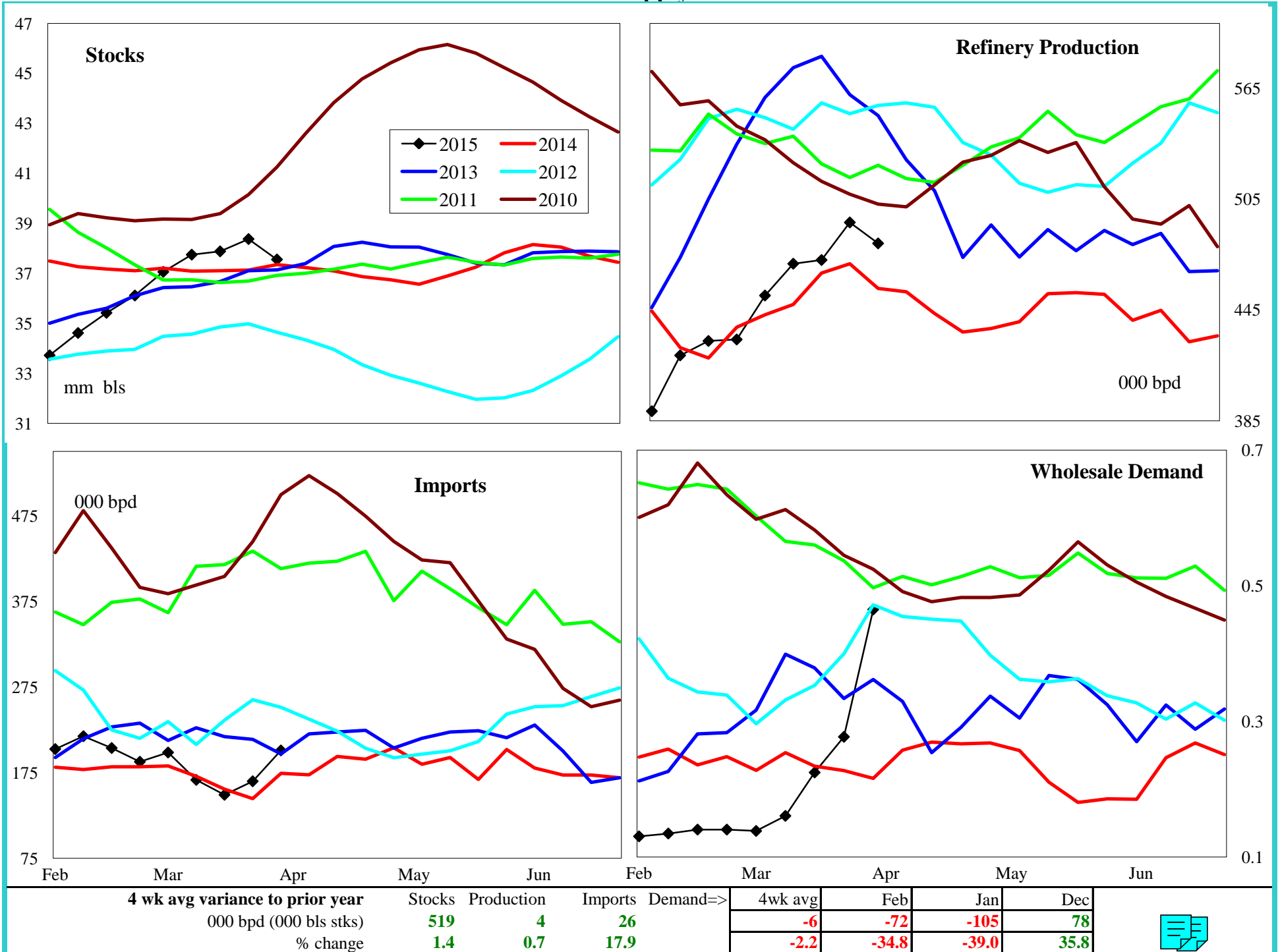
United States Crude Oil Supply and Demand Balance



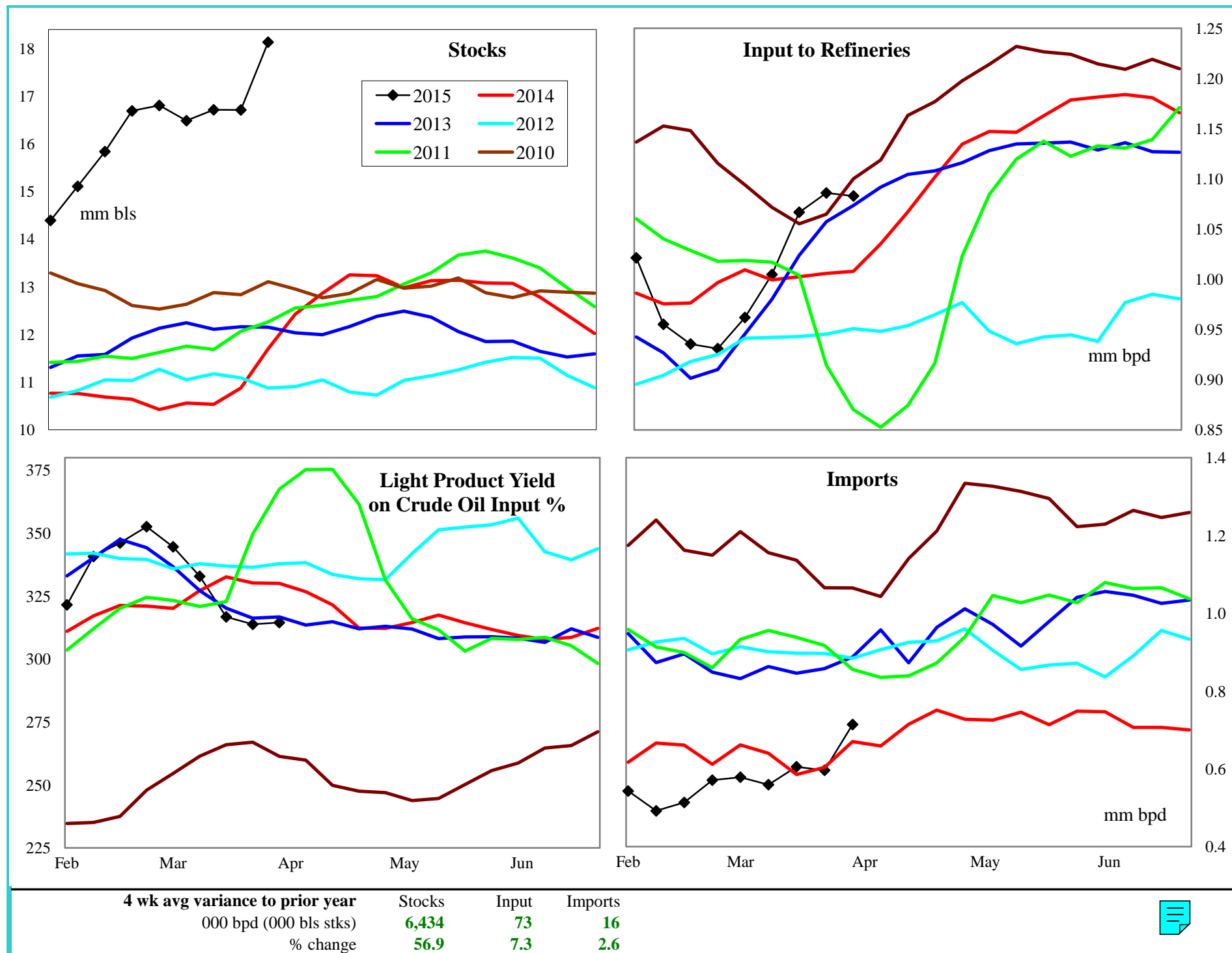
United States Crude Oil Supply and Demand Balance



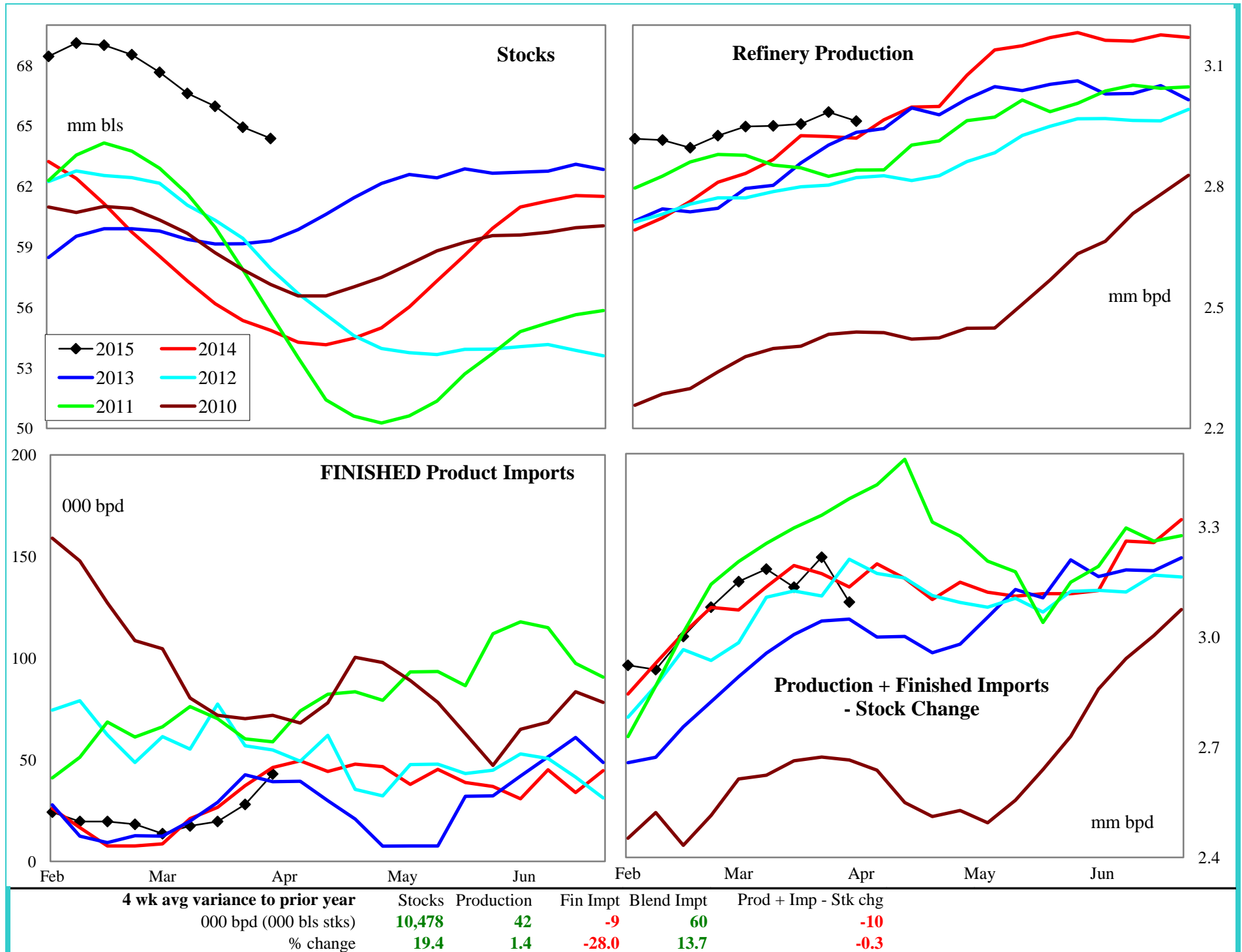
United States Crude Oil Supply and Demand Balance



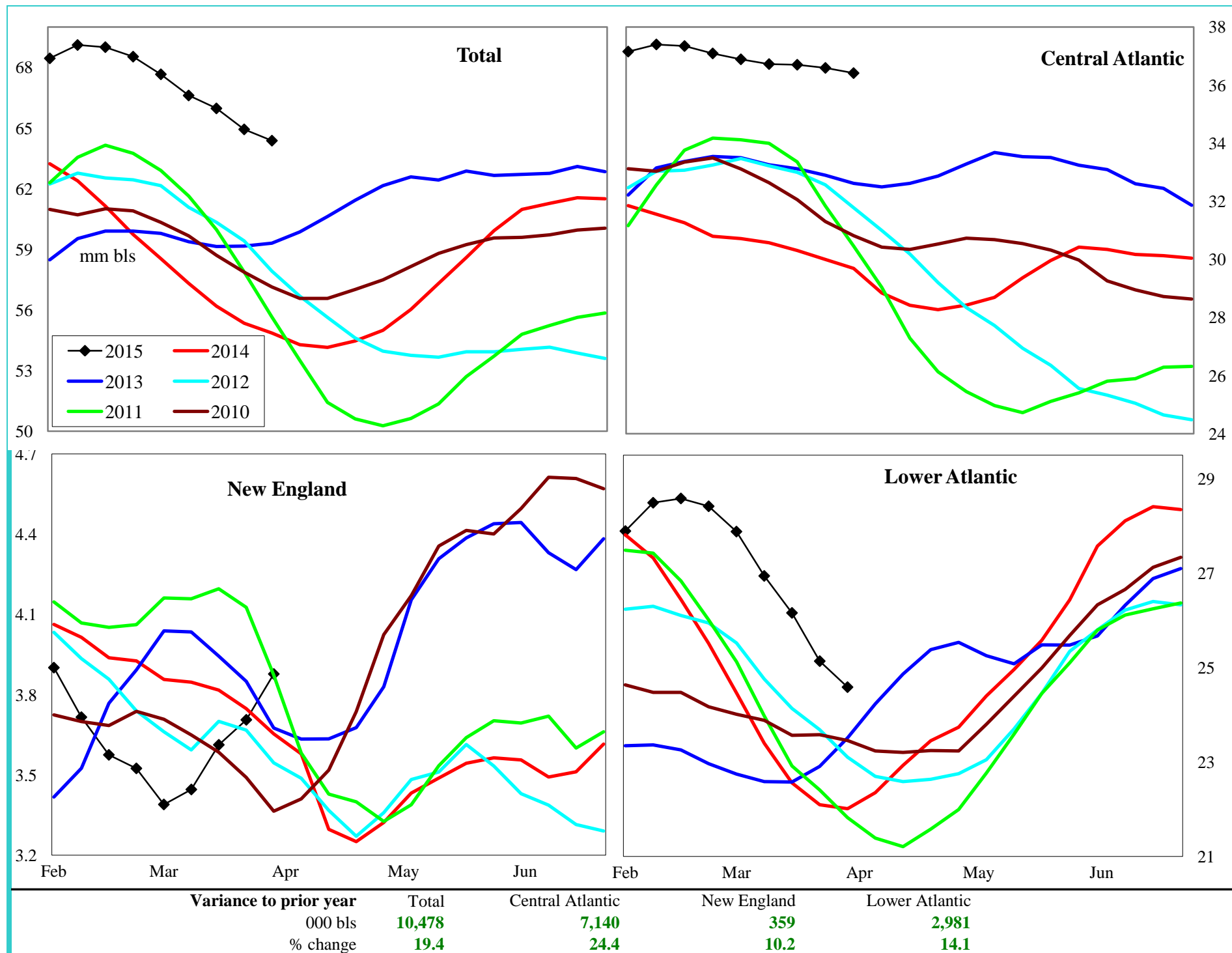
PADD 1 Crude Oil Supply and Refining



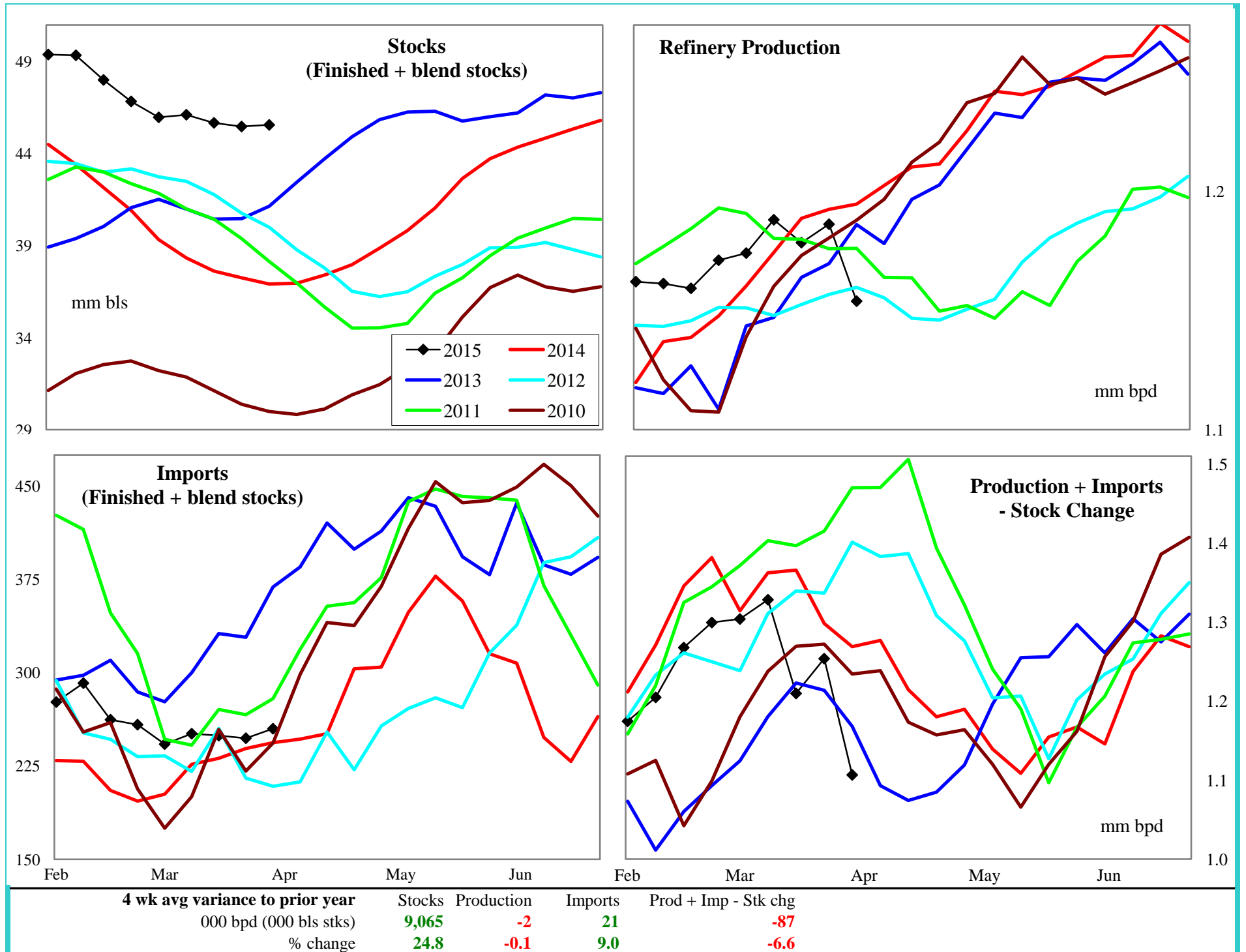
PADD 1 Gasoline Supply



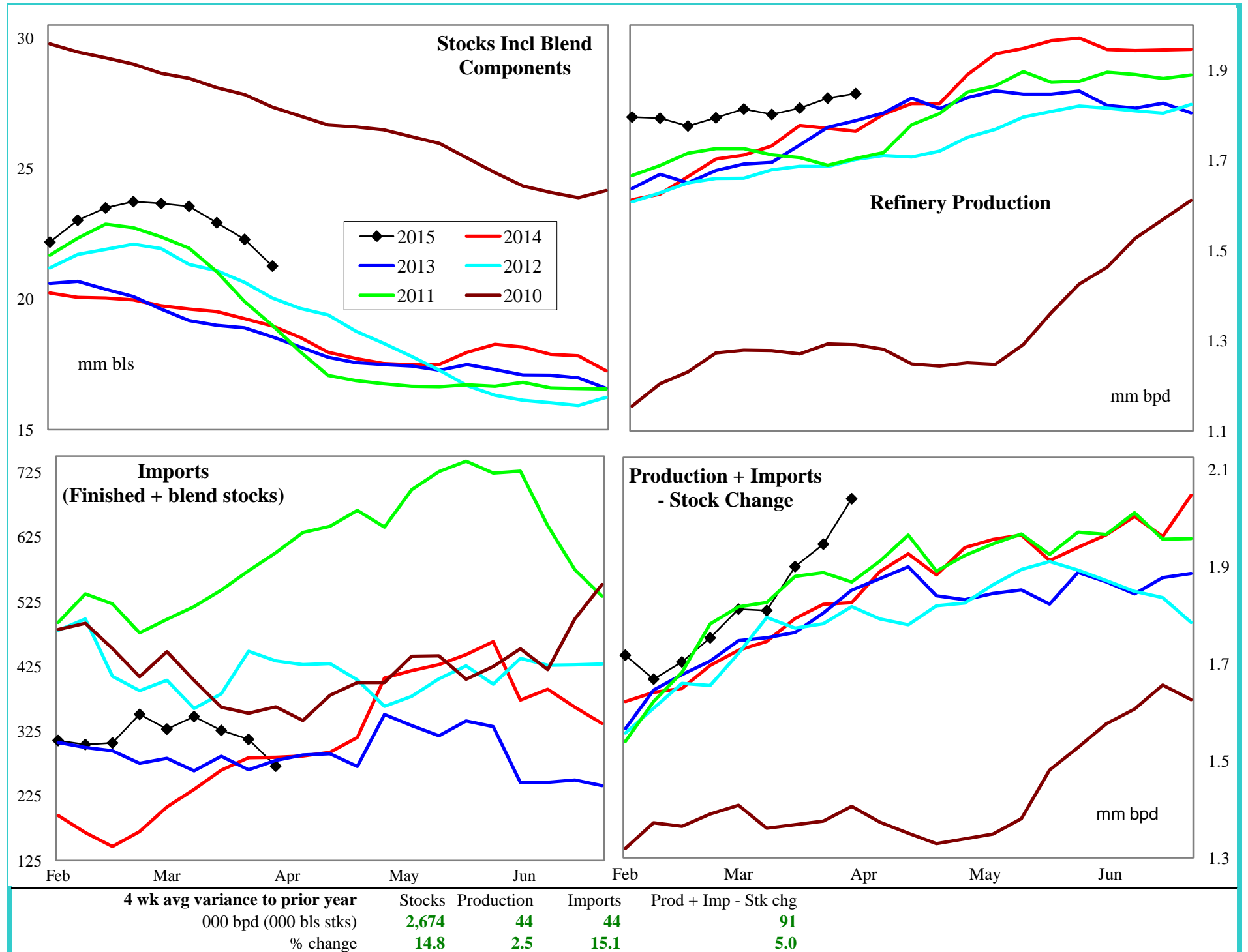
PADD 1 Gasoline Stocks by Region



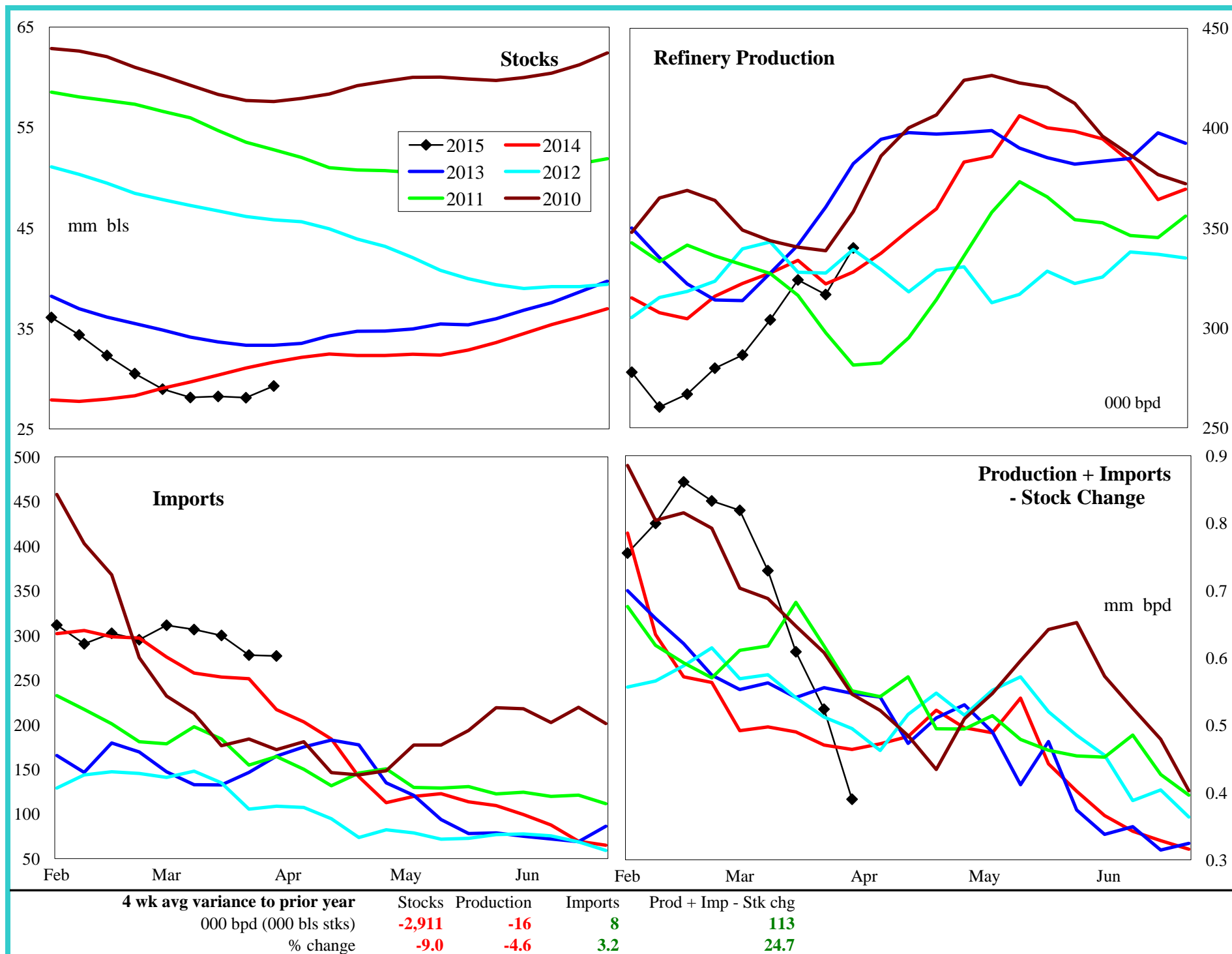
PADD 1 Reformulated Gasoline Supply



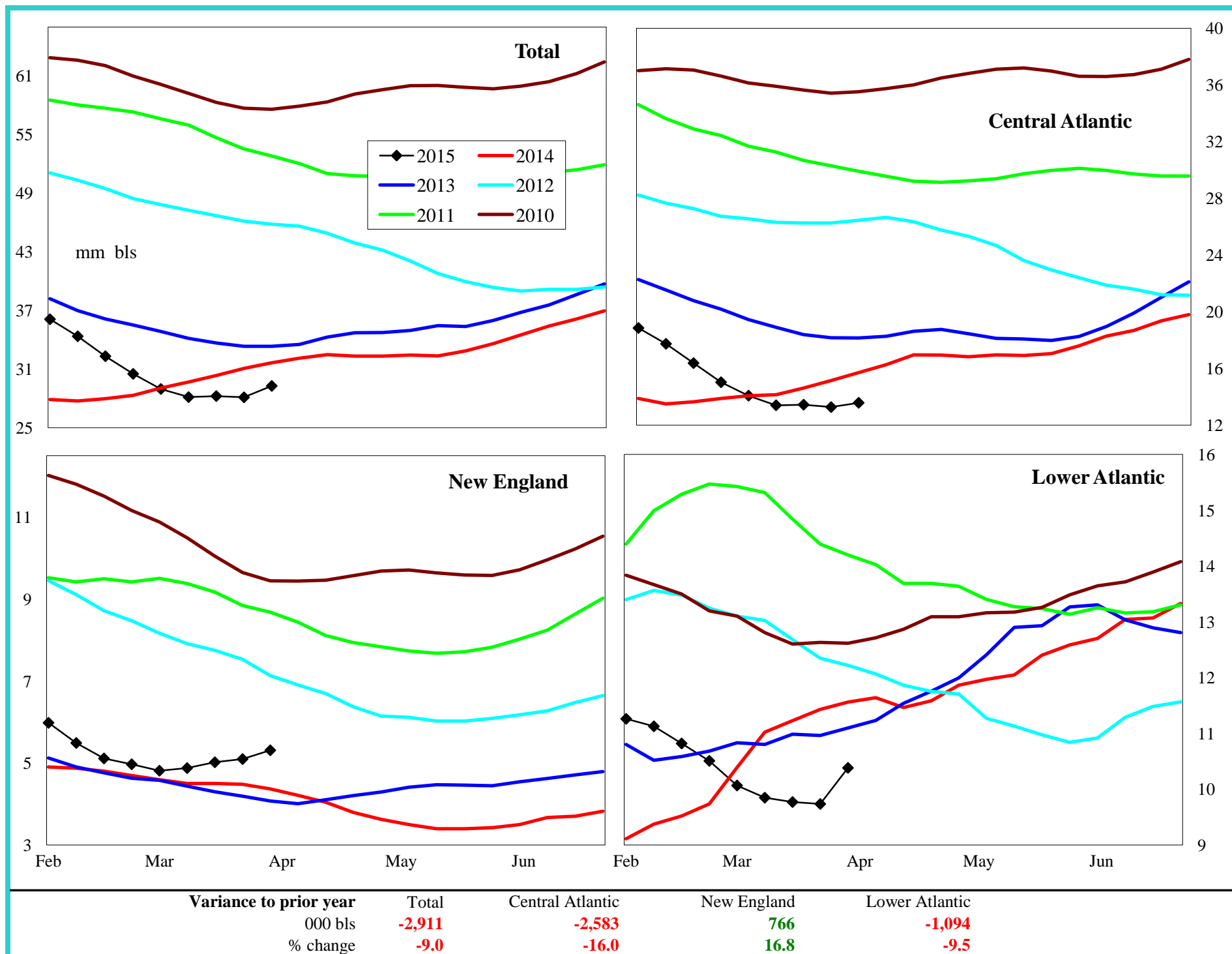
PADD 1 Conventional Gasoline Supply



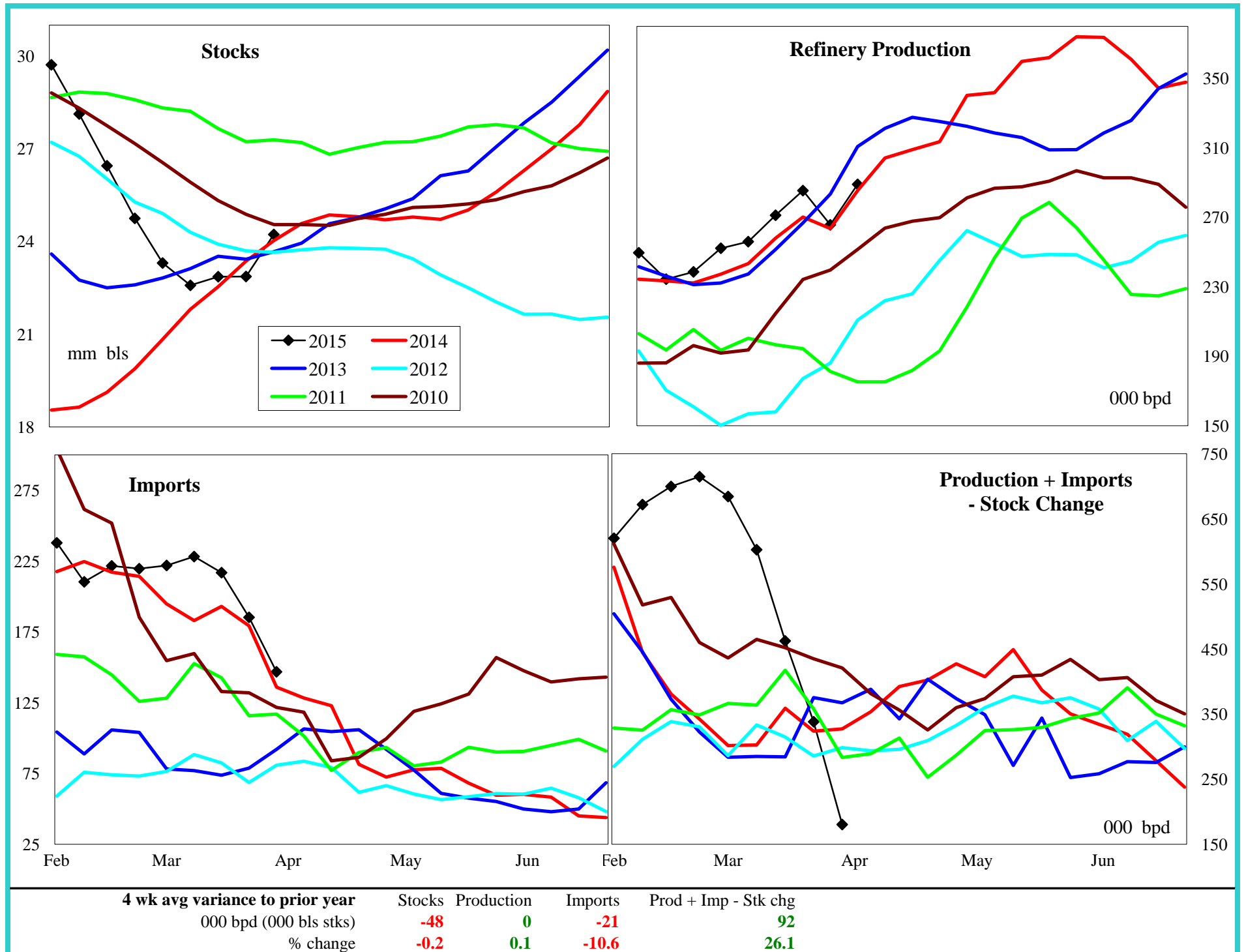
PADD 1 Distillate Supply



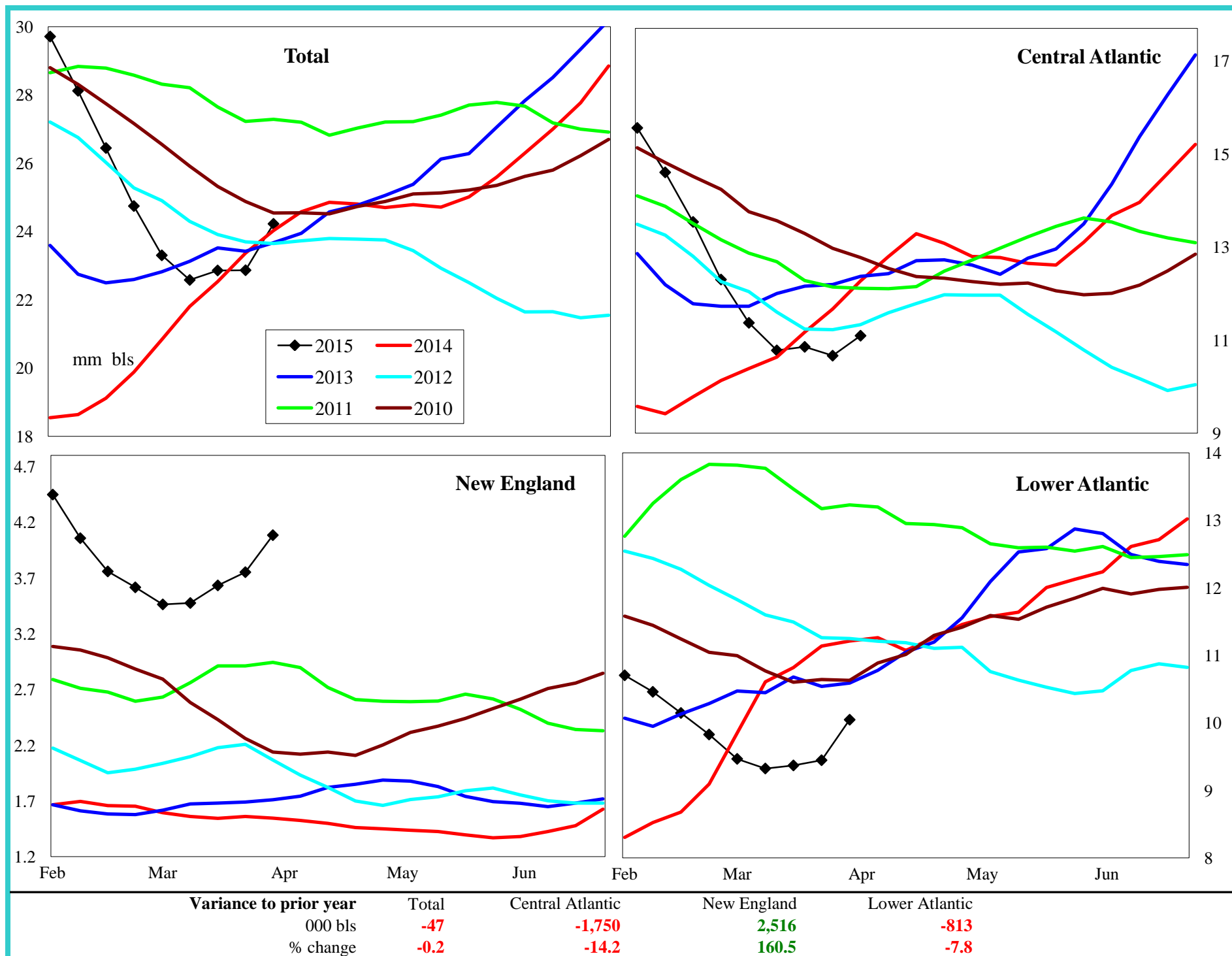
PADD 1 Distillate Stocks by Region



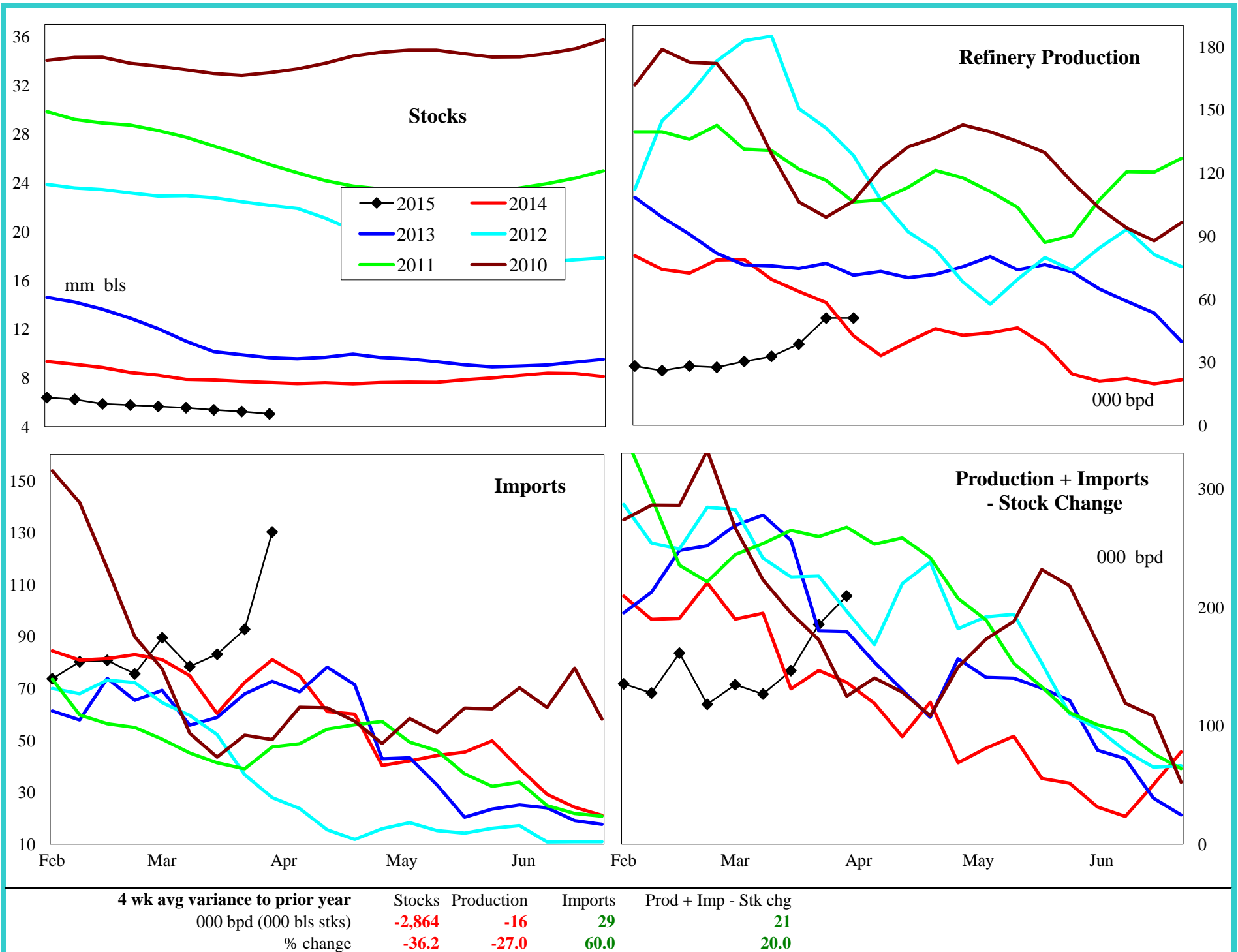
PADD 1 Low Sulfur Distillate Supply



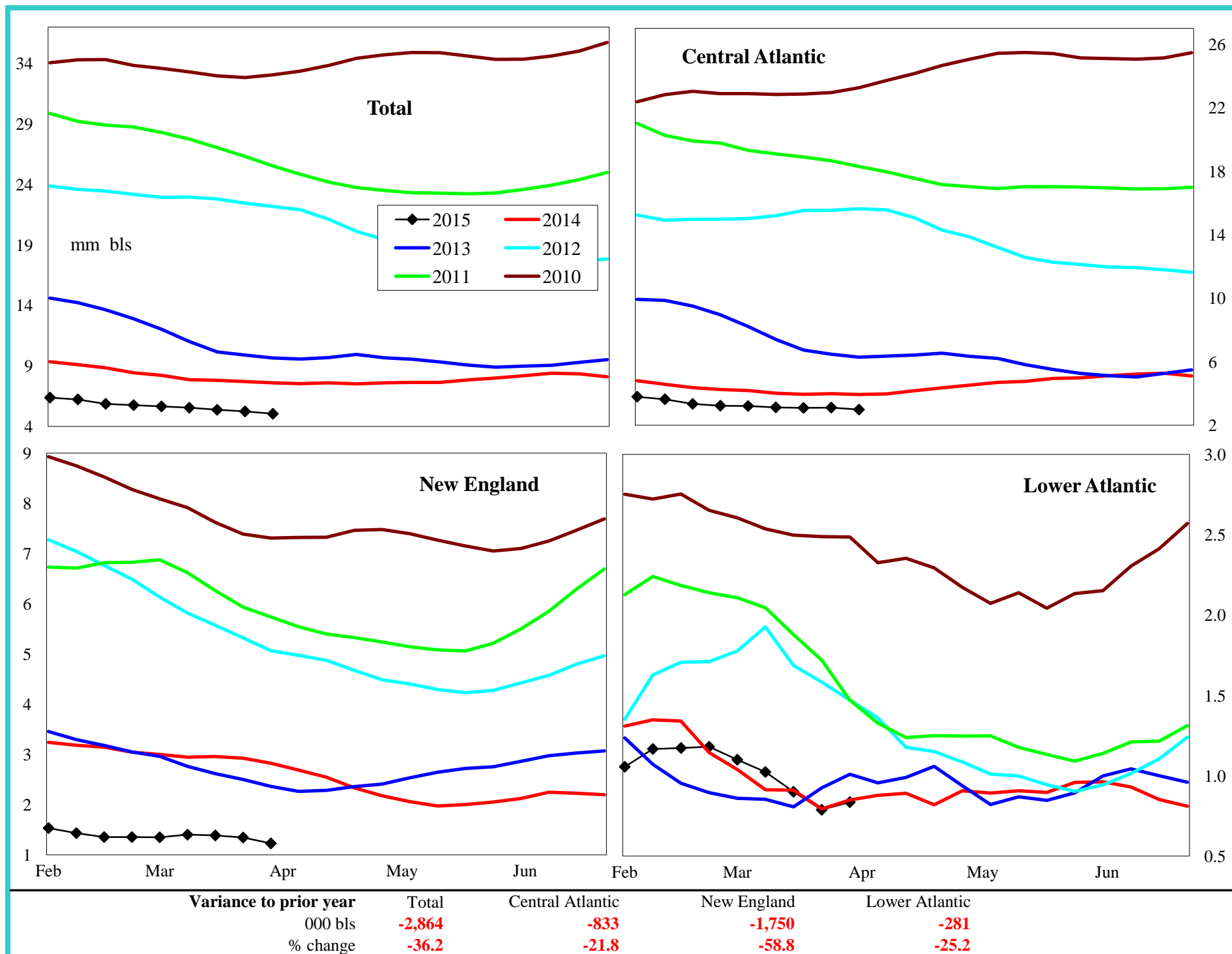
PADD 1 Low Sulfur Distillate Stocks by Region



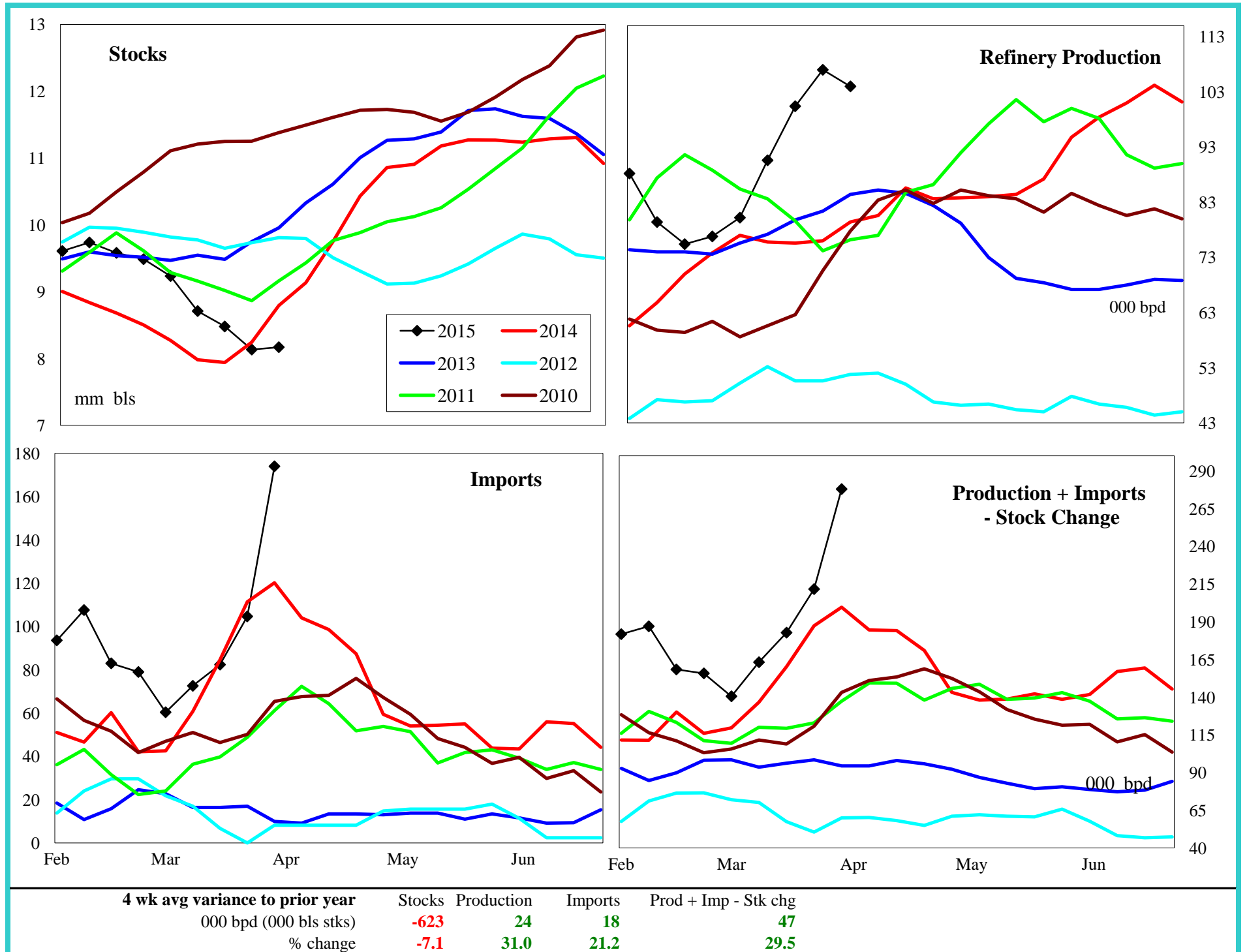
PADD 1 High Sulfur Distillate Supply



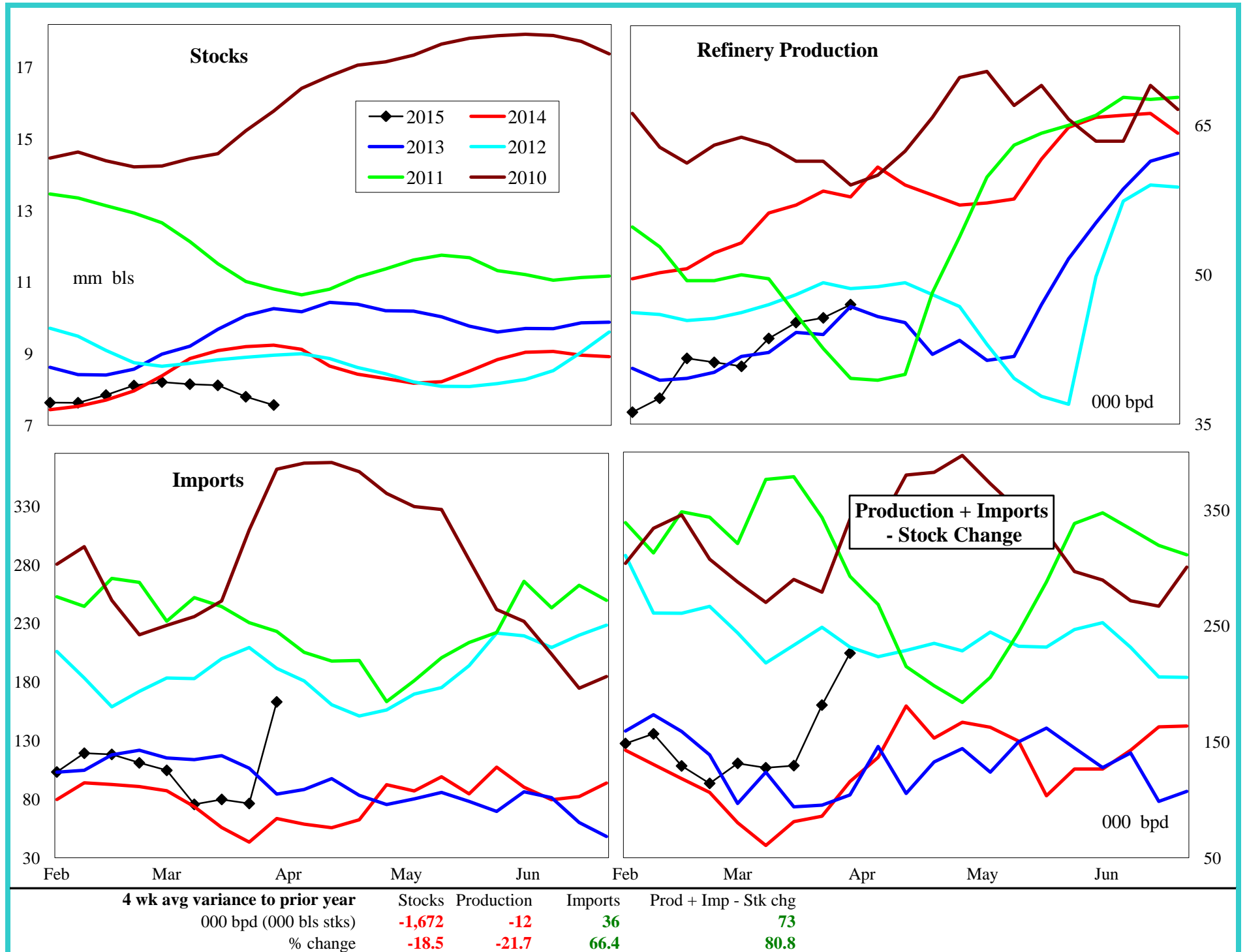
PADD 1 High Sulfur Distillate Stocks by Region



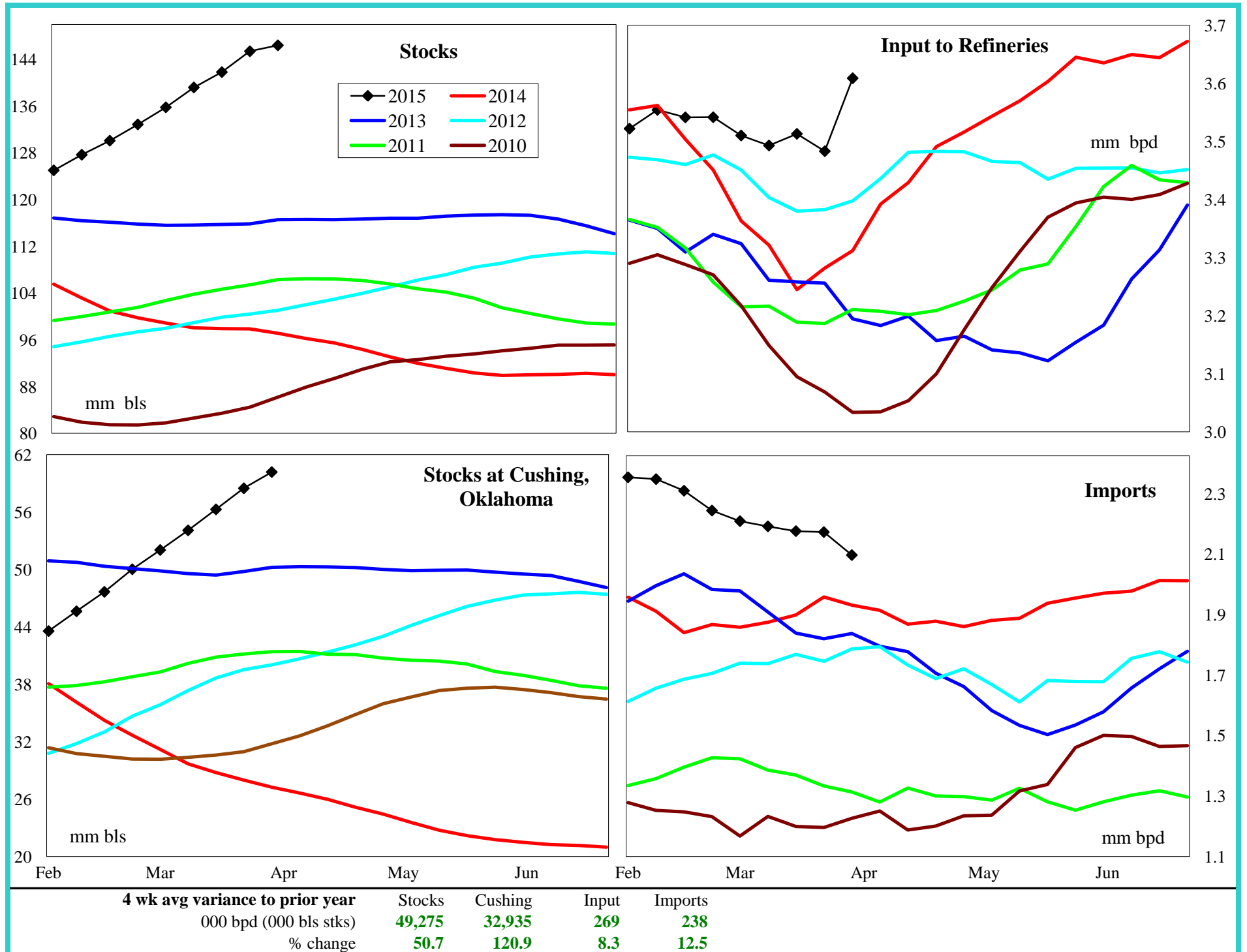
PADD 1 Jet Fuel Supply



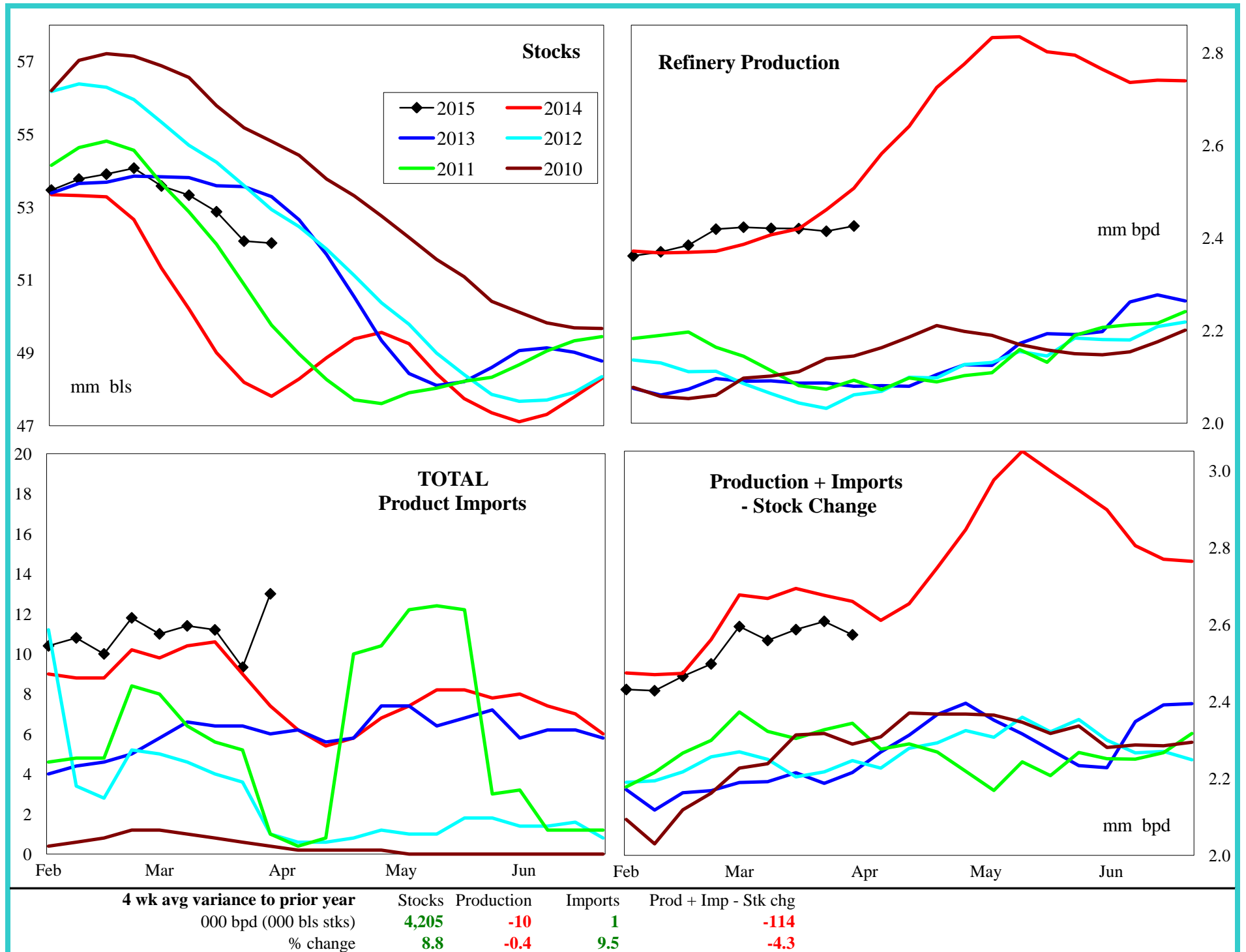
PADD 1 Residual Fuel Oil Supply



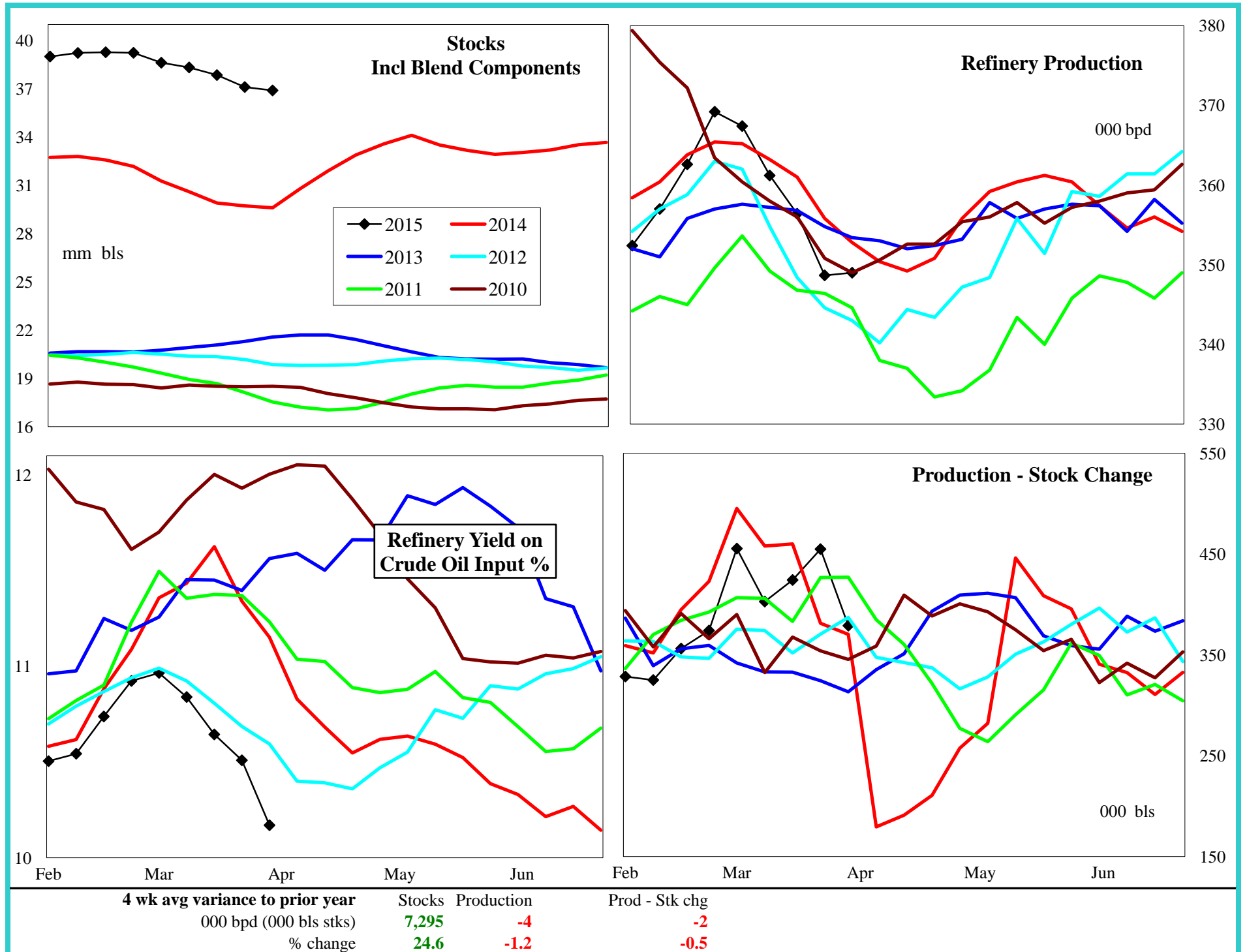
PADD 2 Crude Oil Supply and Refining



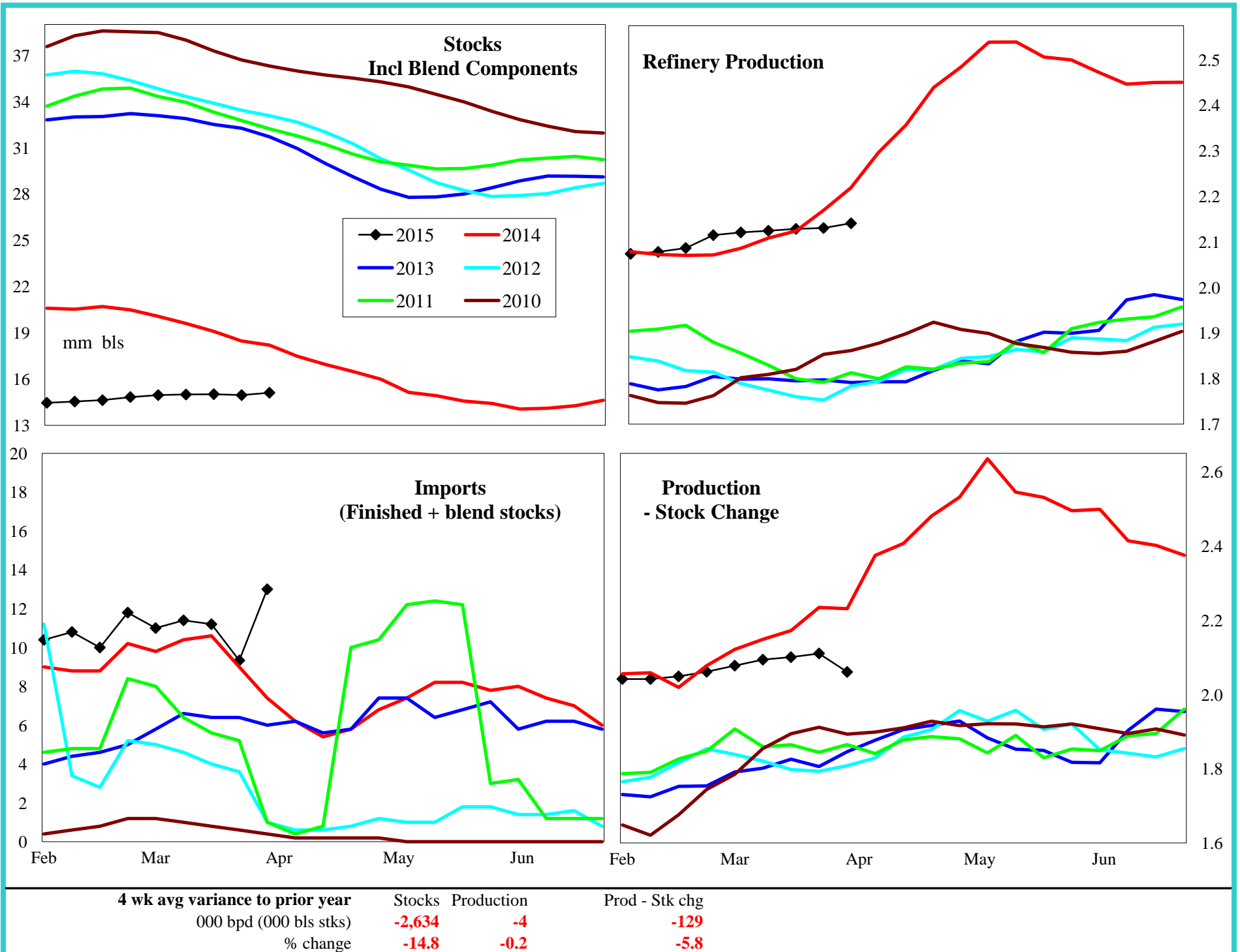
PADD 2 Gasoline Supply



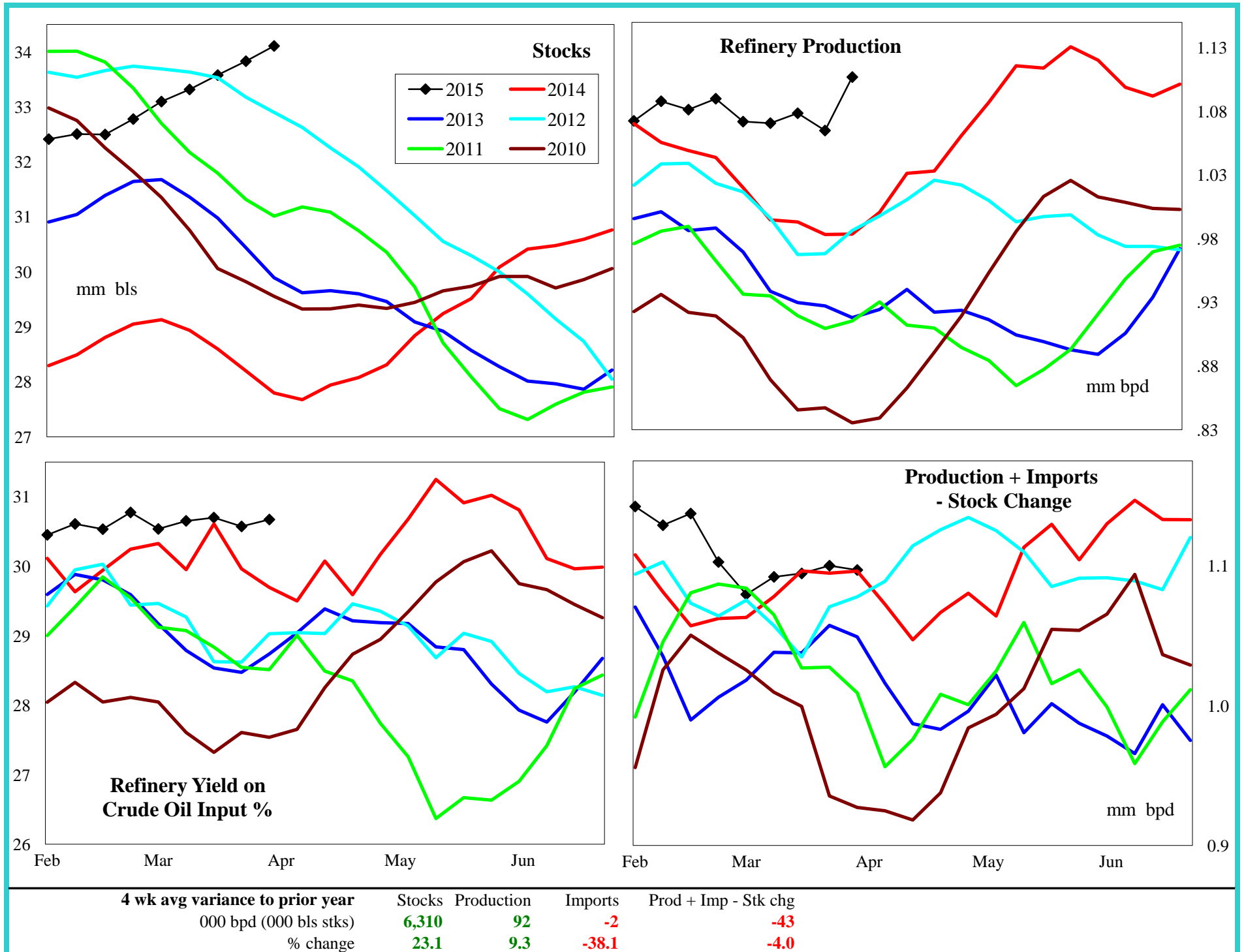
PADD 2 Reformulated Gasoline Supply



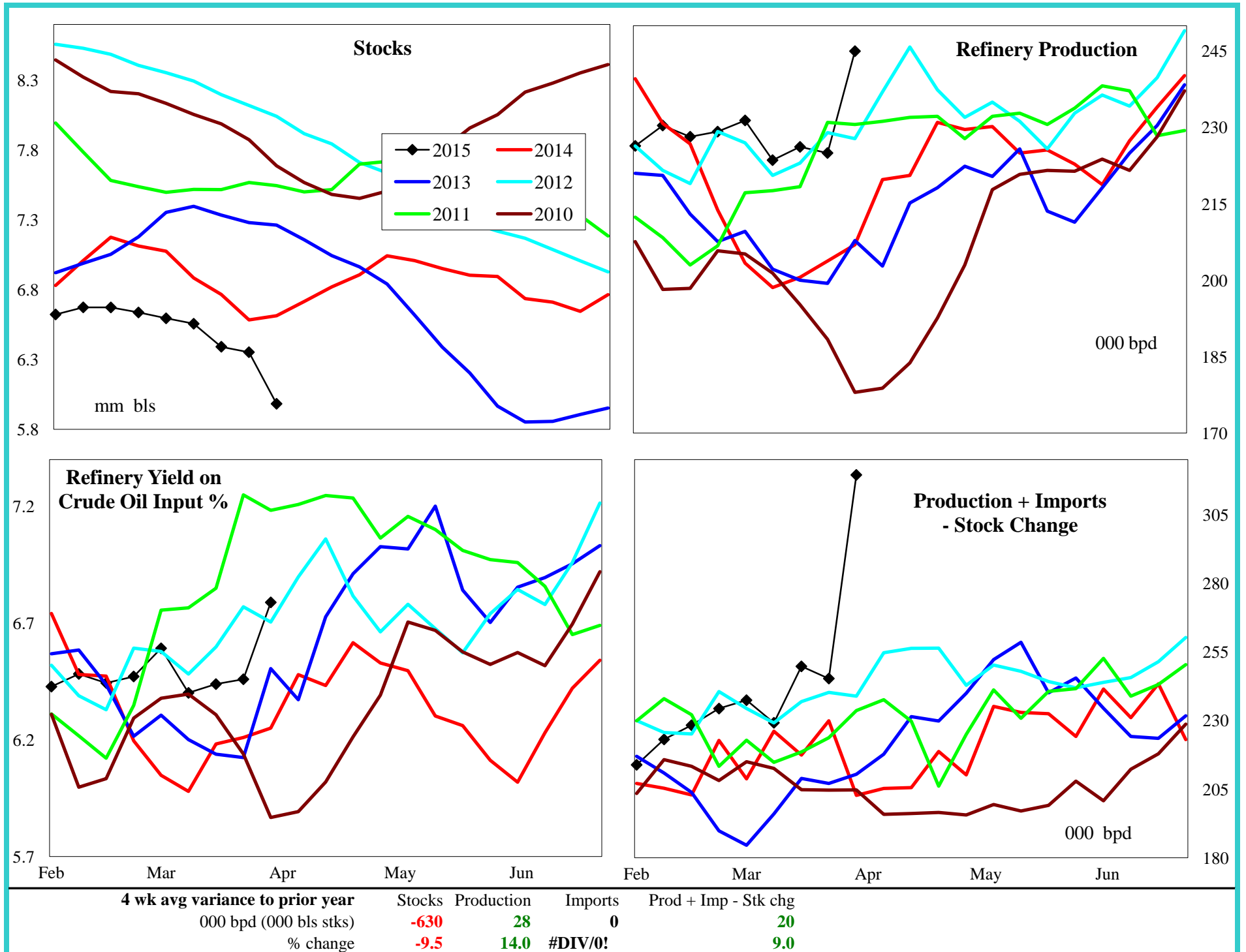
PADD 2 Conventional Gasoline Supply



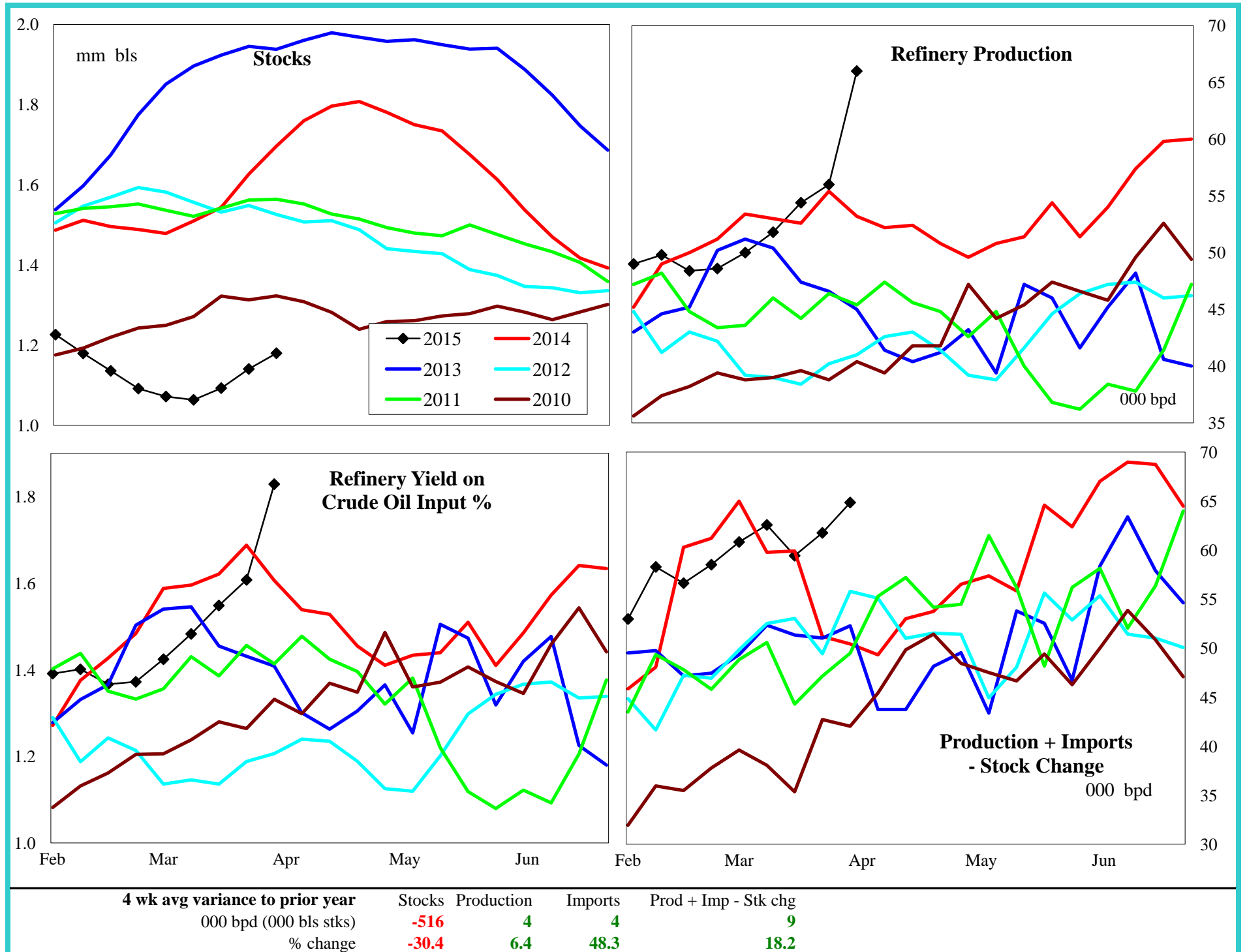
PADD 2 Distillate Supply



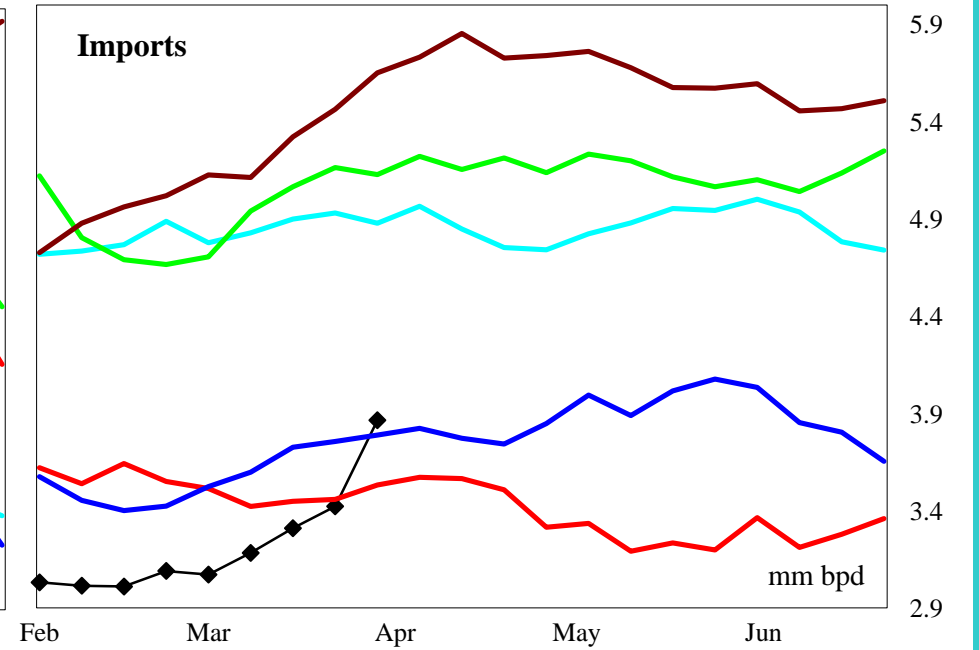
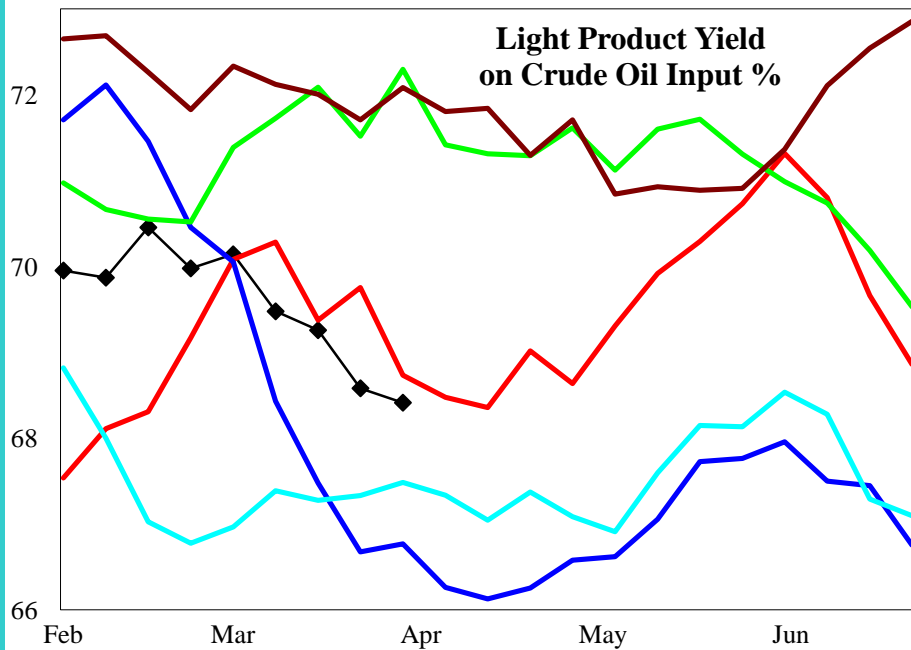
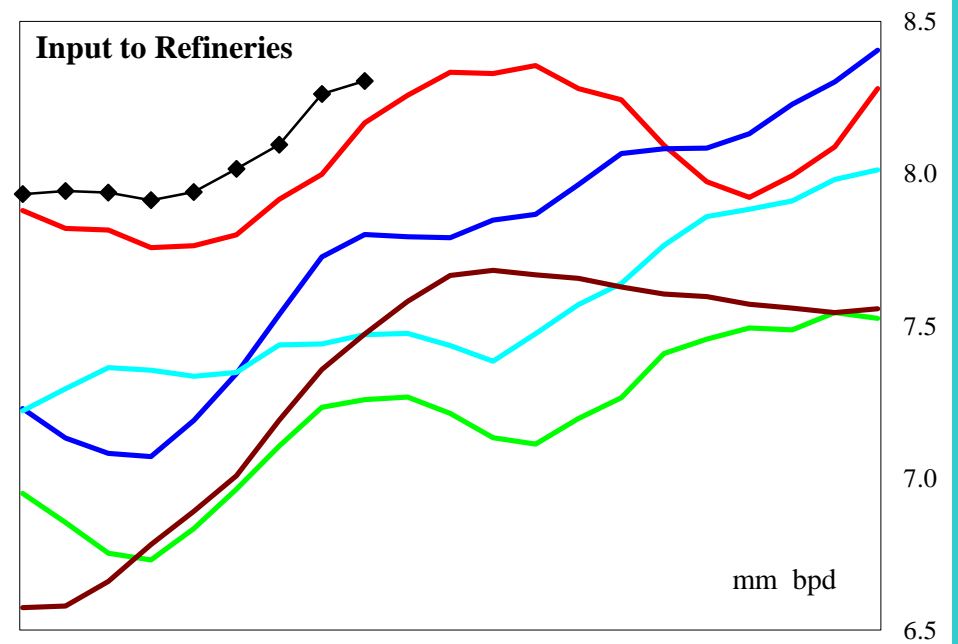
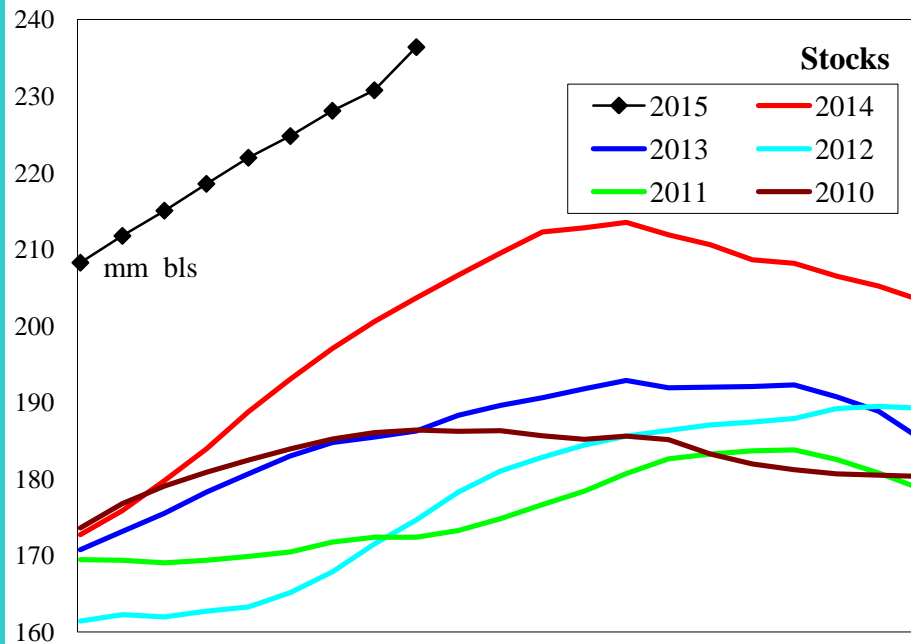
PADD 2 Jet Fuel Supply



PADD 2 Residual Fuel Oil Supply



PADD 3 Crude Oil Supply and Refining



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

32,767

16.1

Input

202

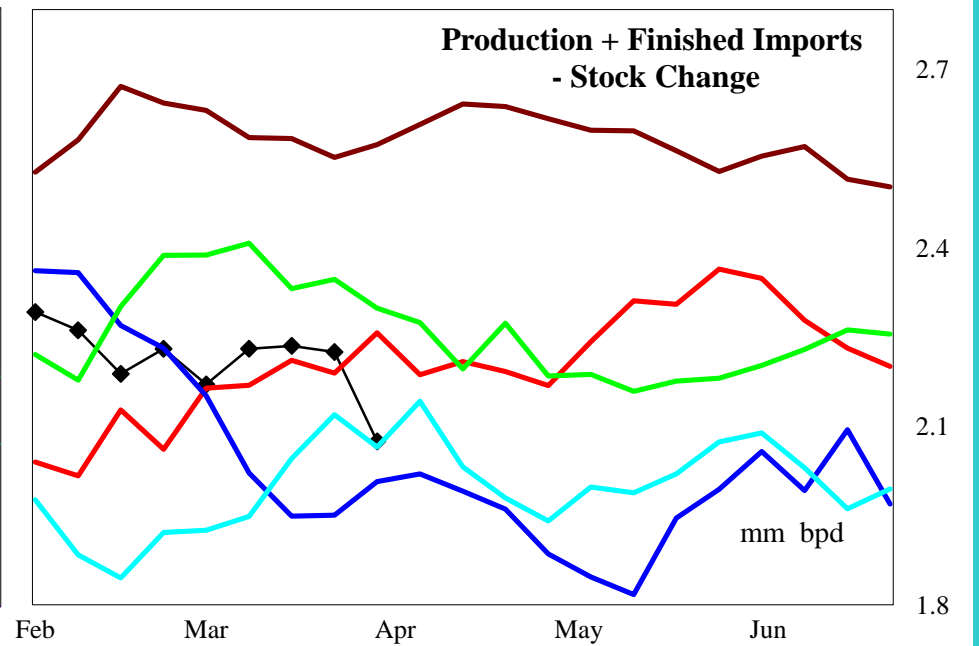
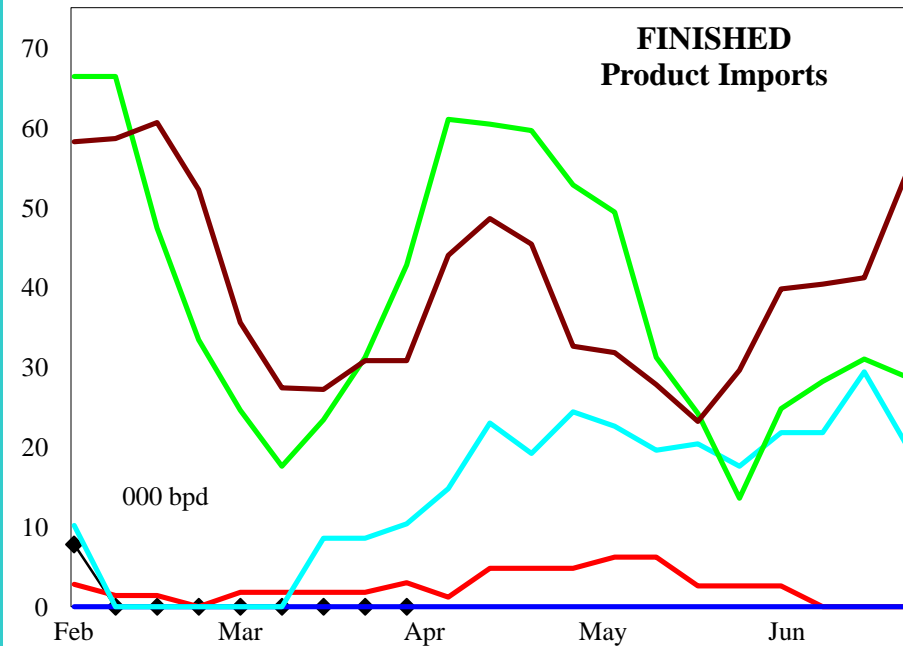
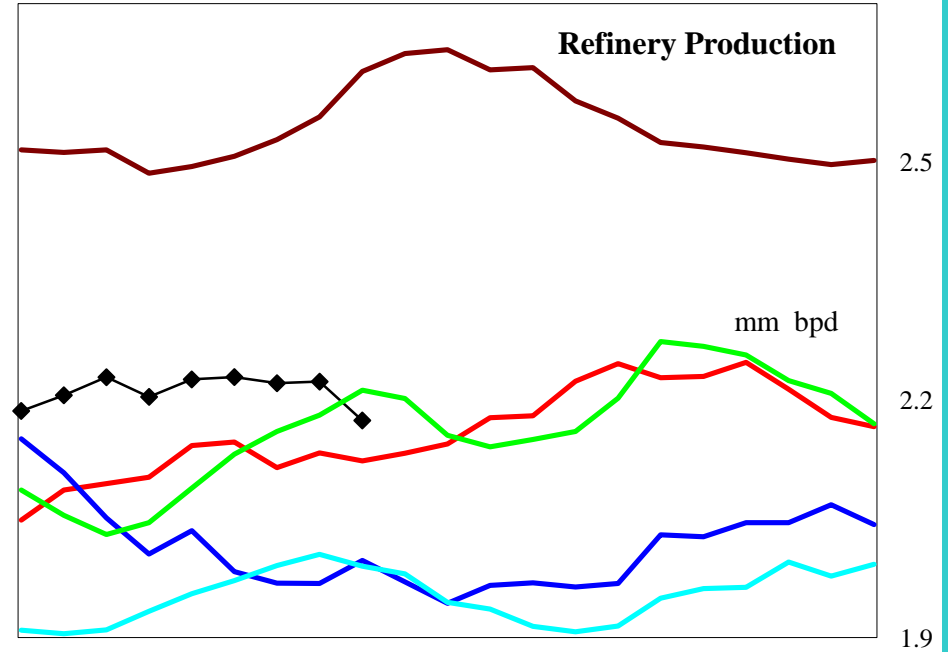
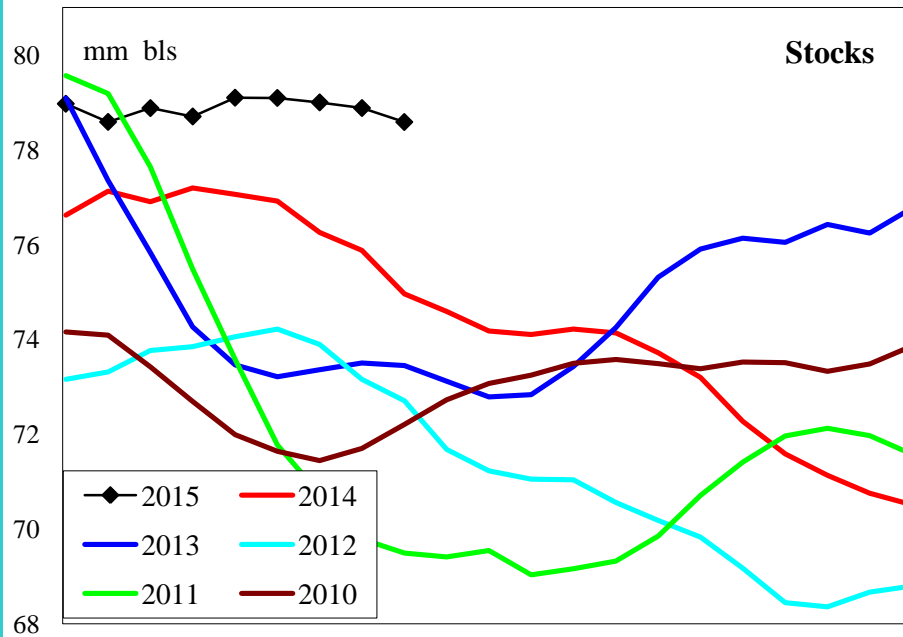
2.5

Imports

23

0.7

PADD 3 Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

4,044

5.4

Production

72

3.4

Fin Impt

-2

-100.0

Blend Impt

-31

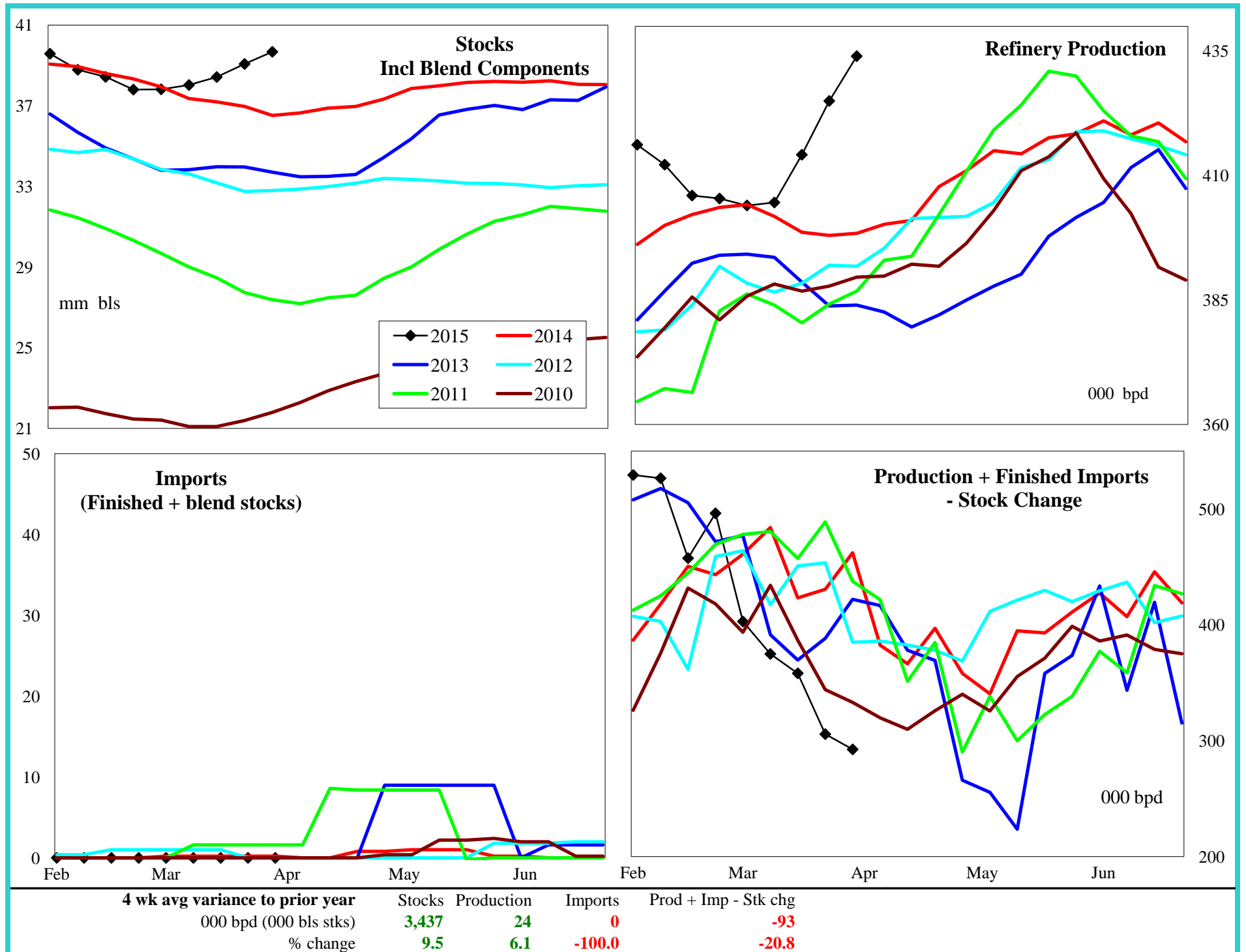
-100.0

Prod + Imp - Stk chg

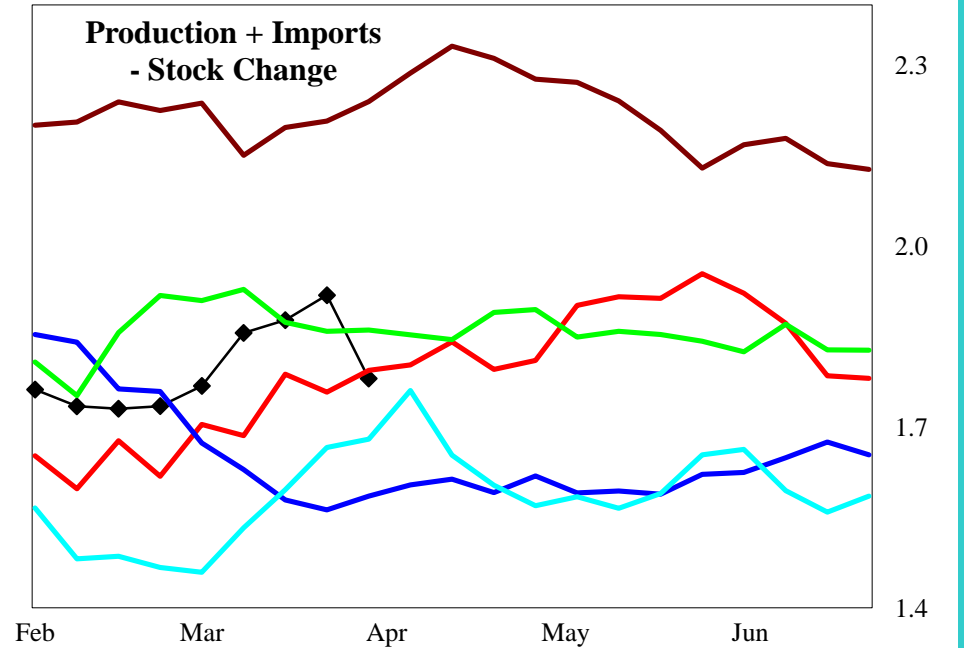
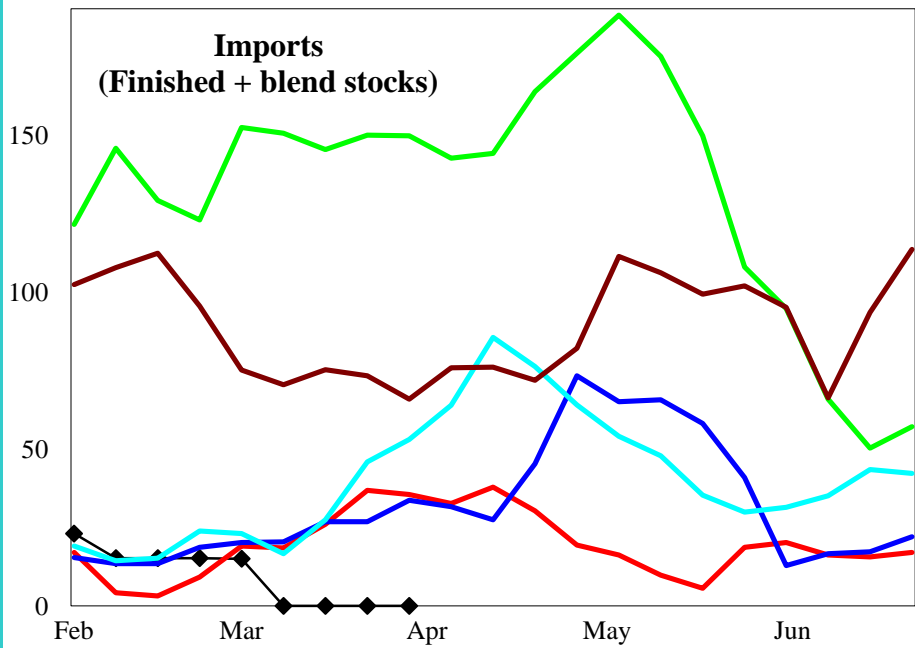
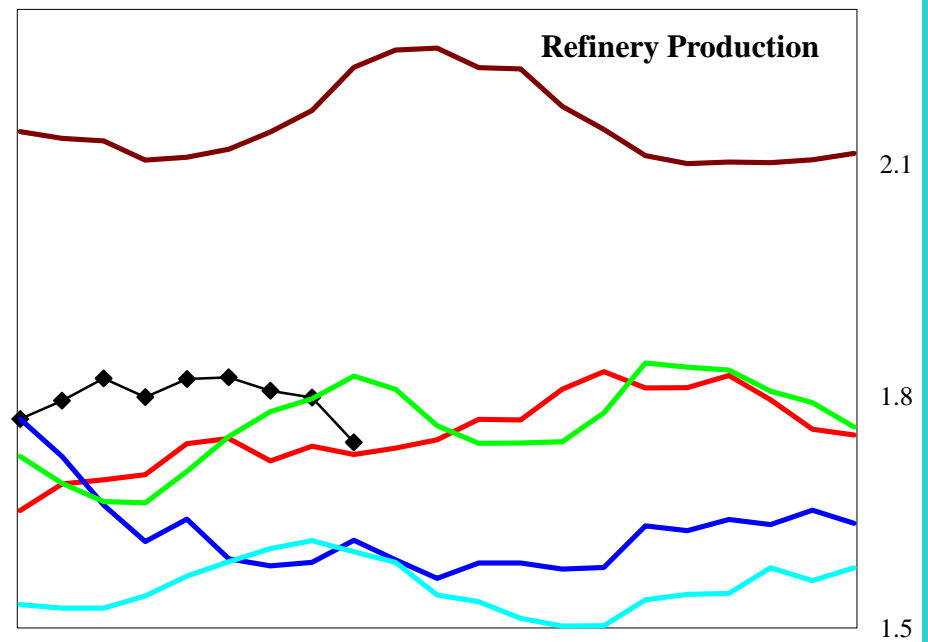
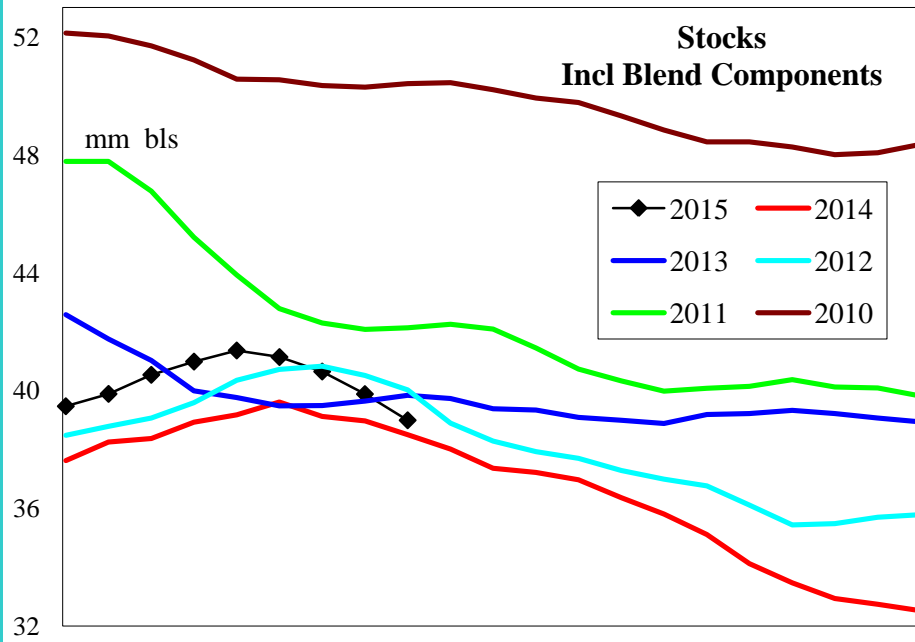
71

3.2

PADD 3 Reformulated Gasoline Supply



PADD 3 Conventional Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

611

48

-33

164

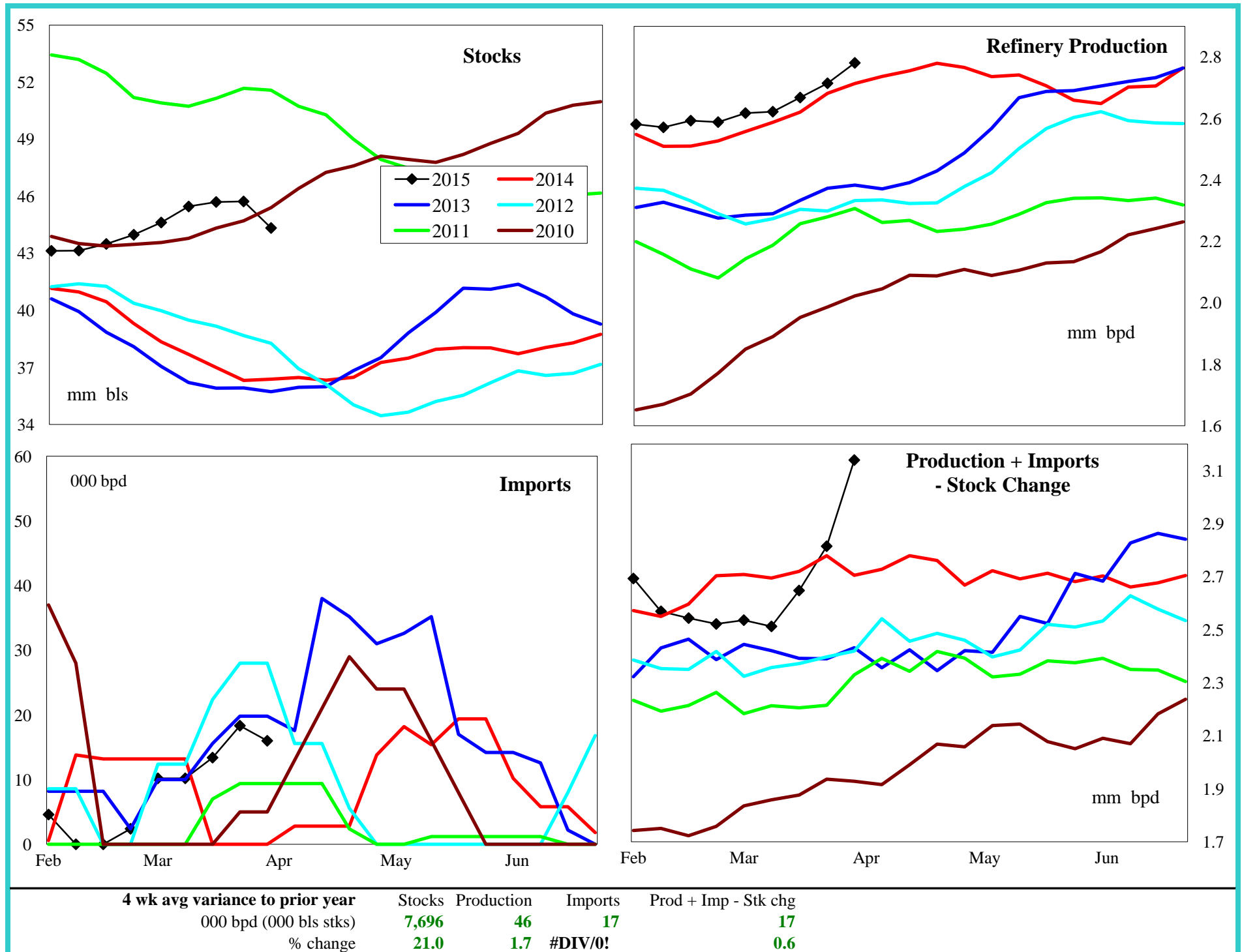
1.6

2.8

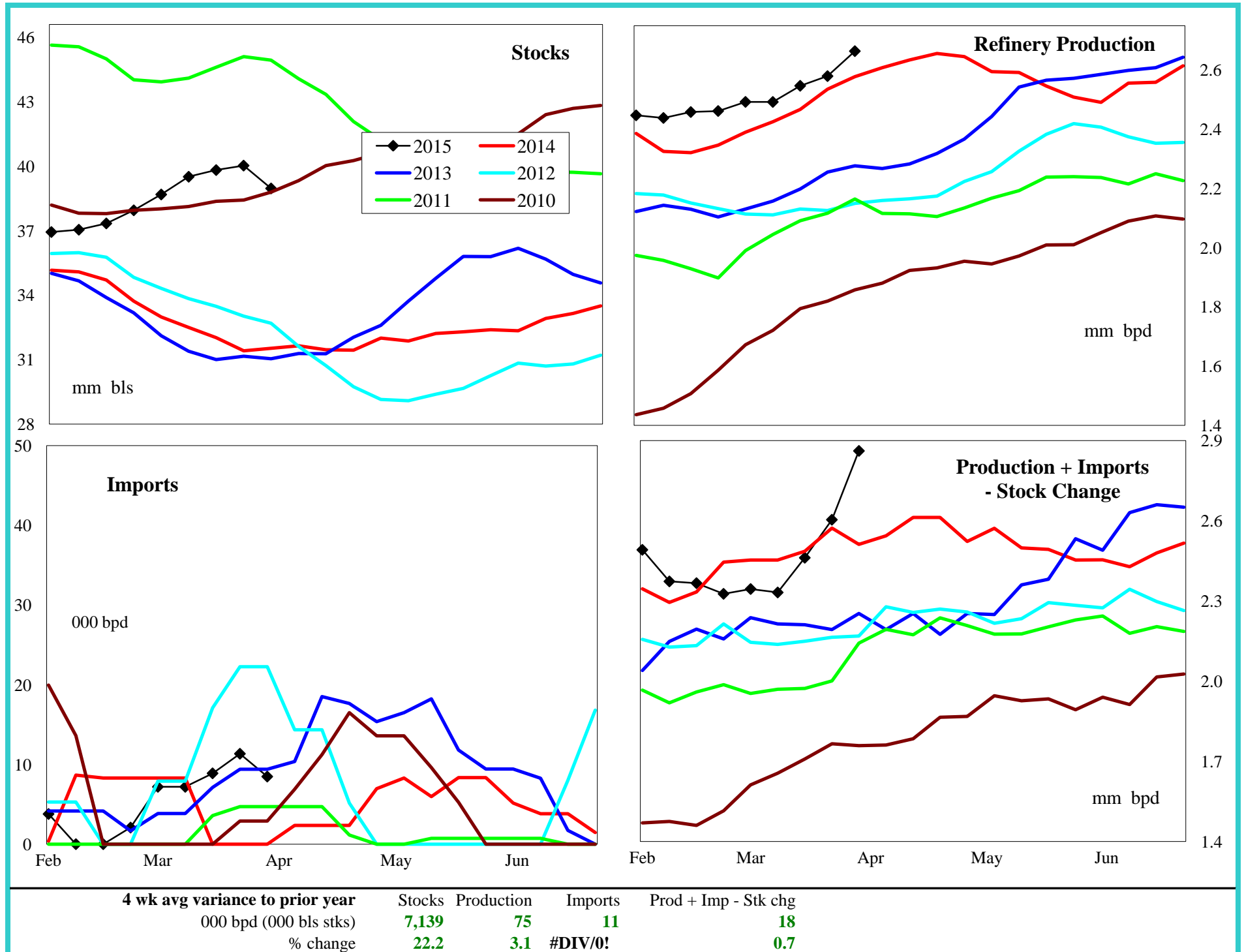
-100.0

9.5

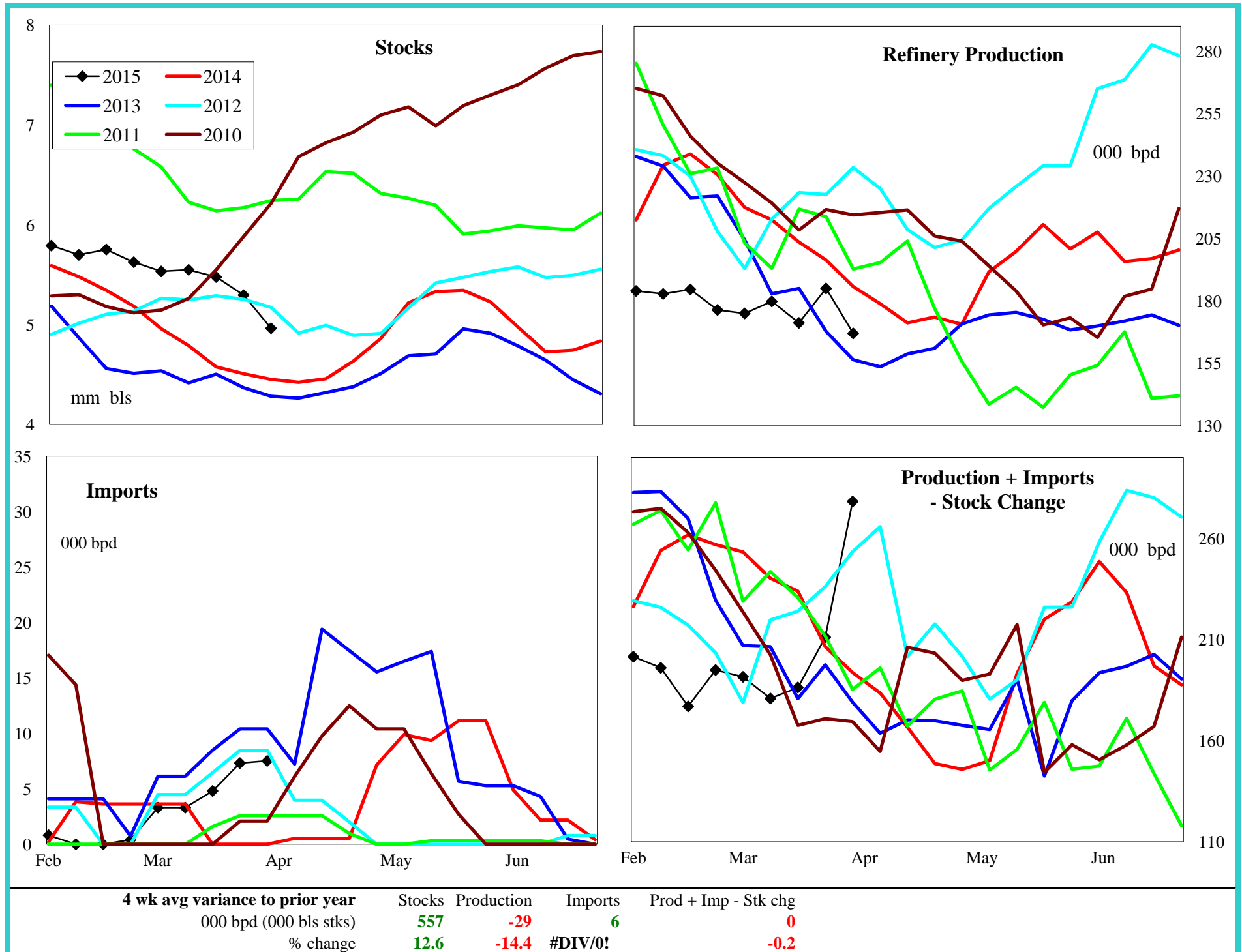
PADD 3 Distillate Supply



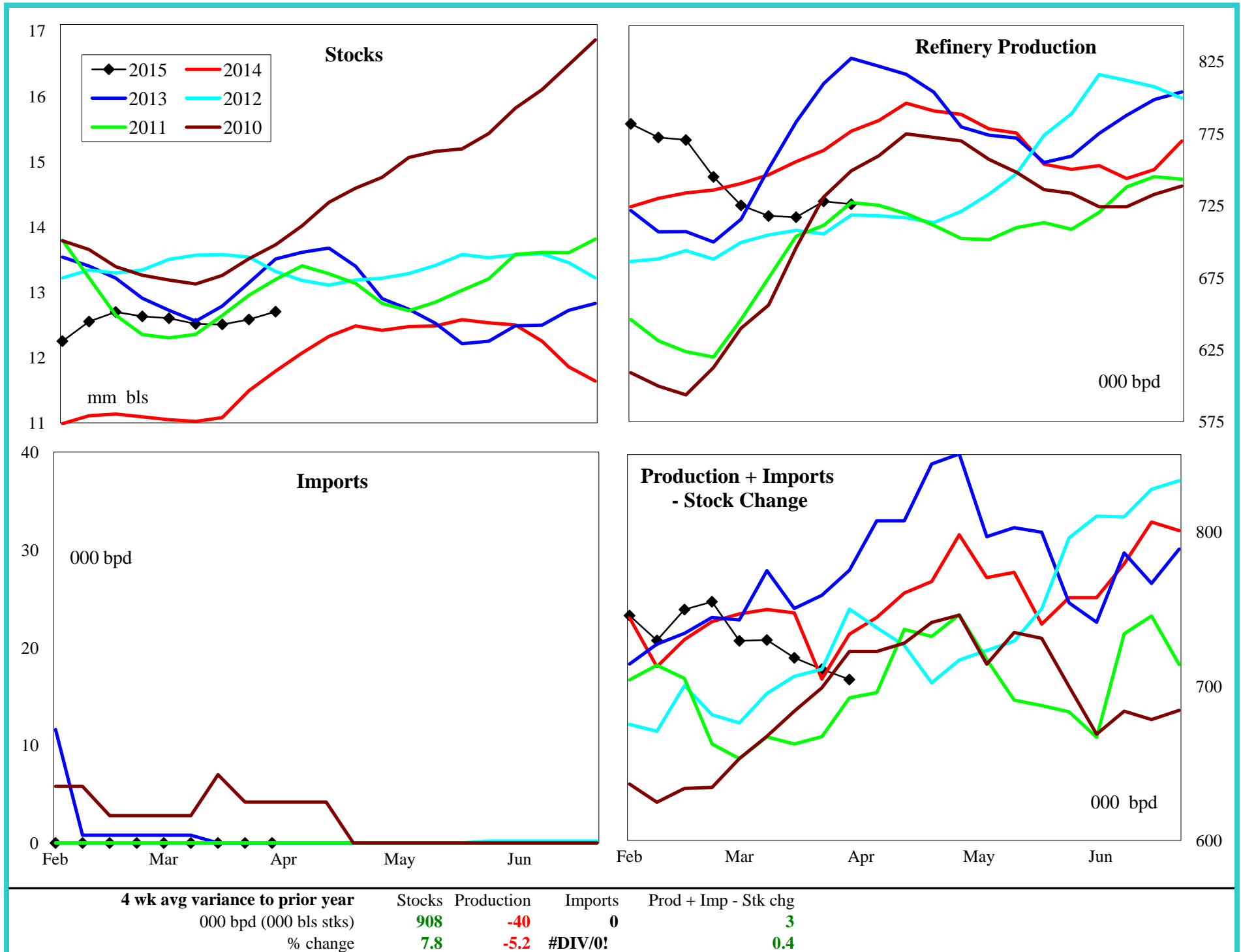
PADD 3 Low Sulfur Distillate Supply



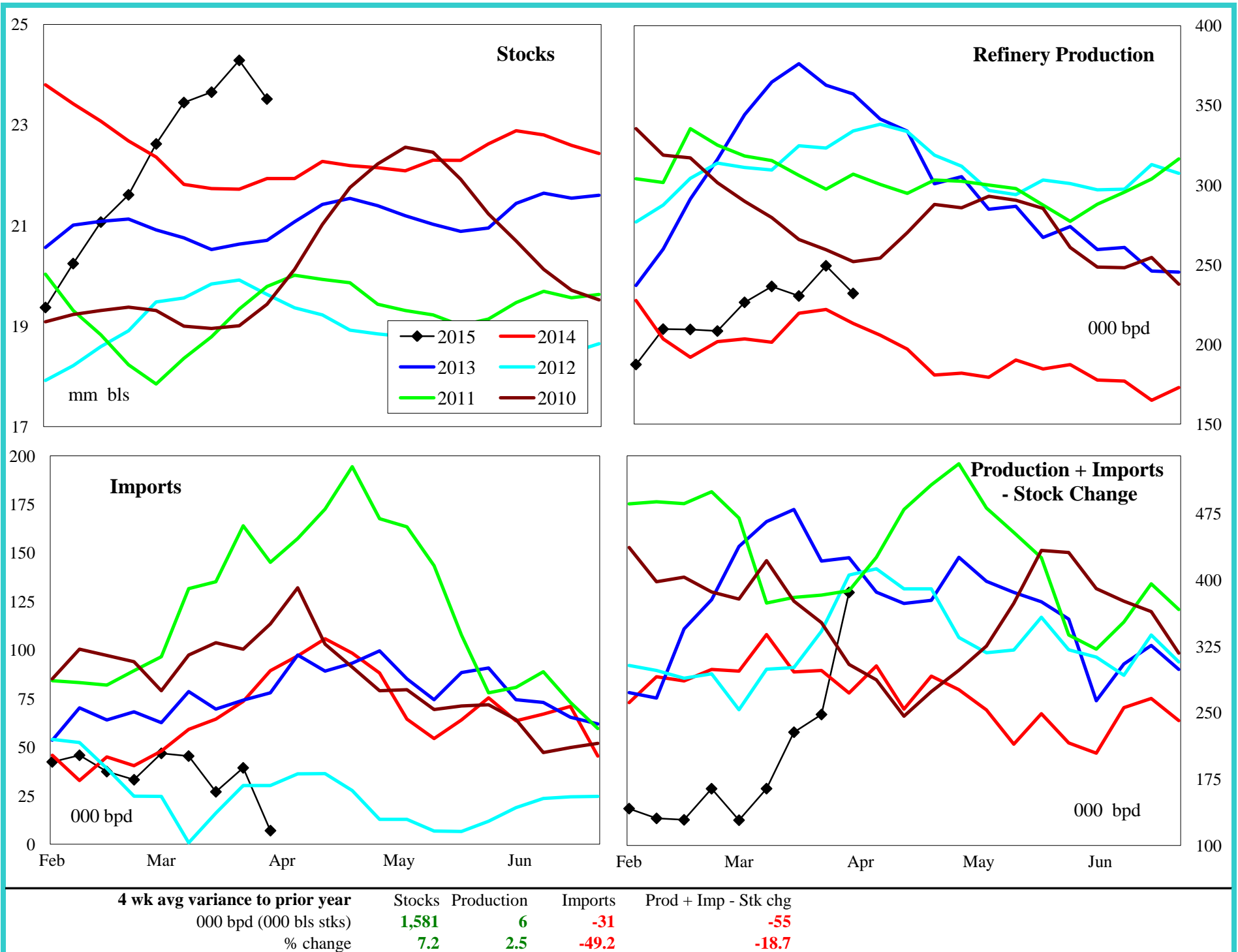
PADD 3 High Sulfur Distillate Supply



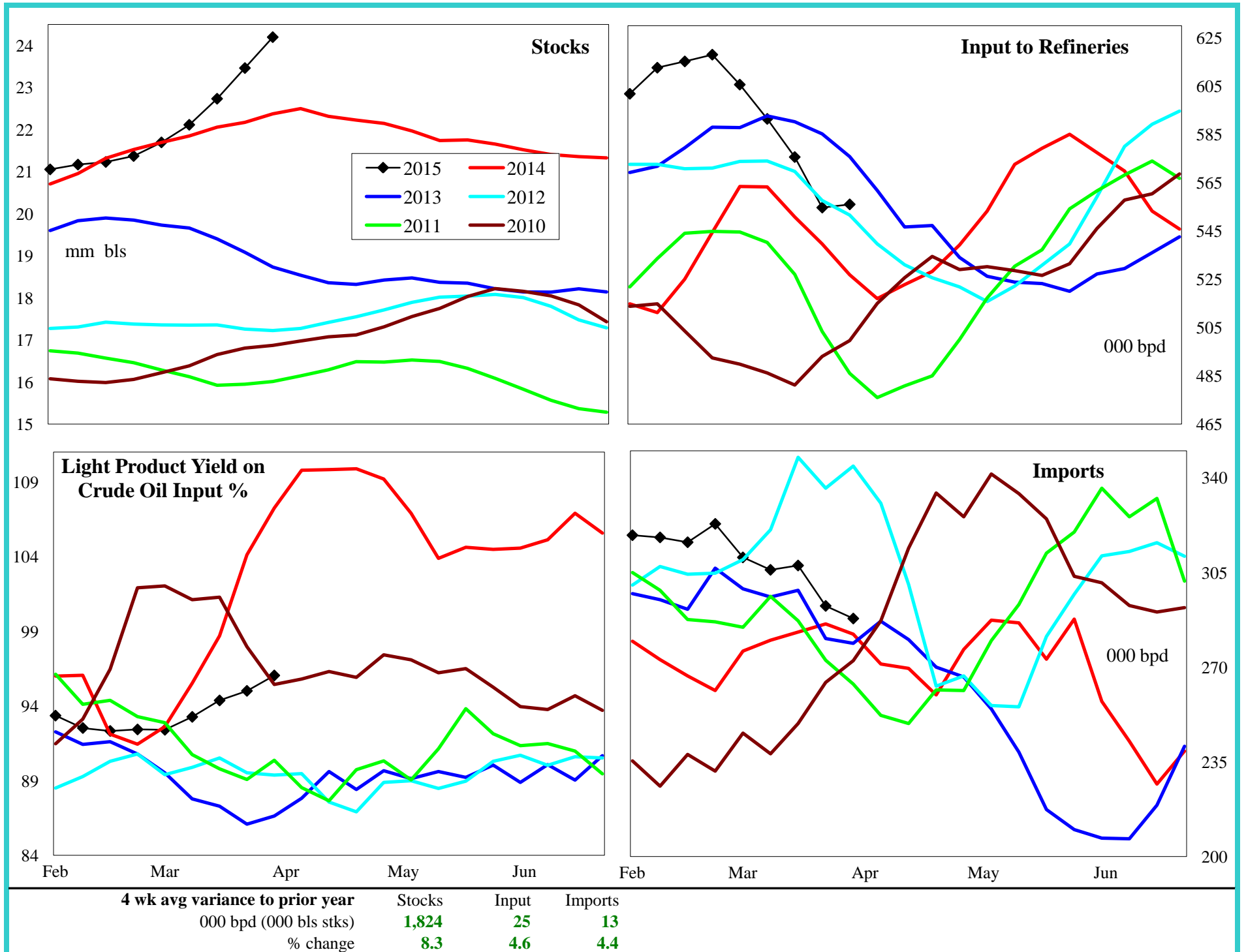
PADD 3 Jet Fuel Supply



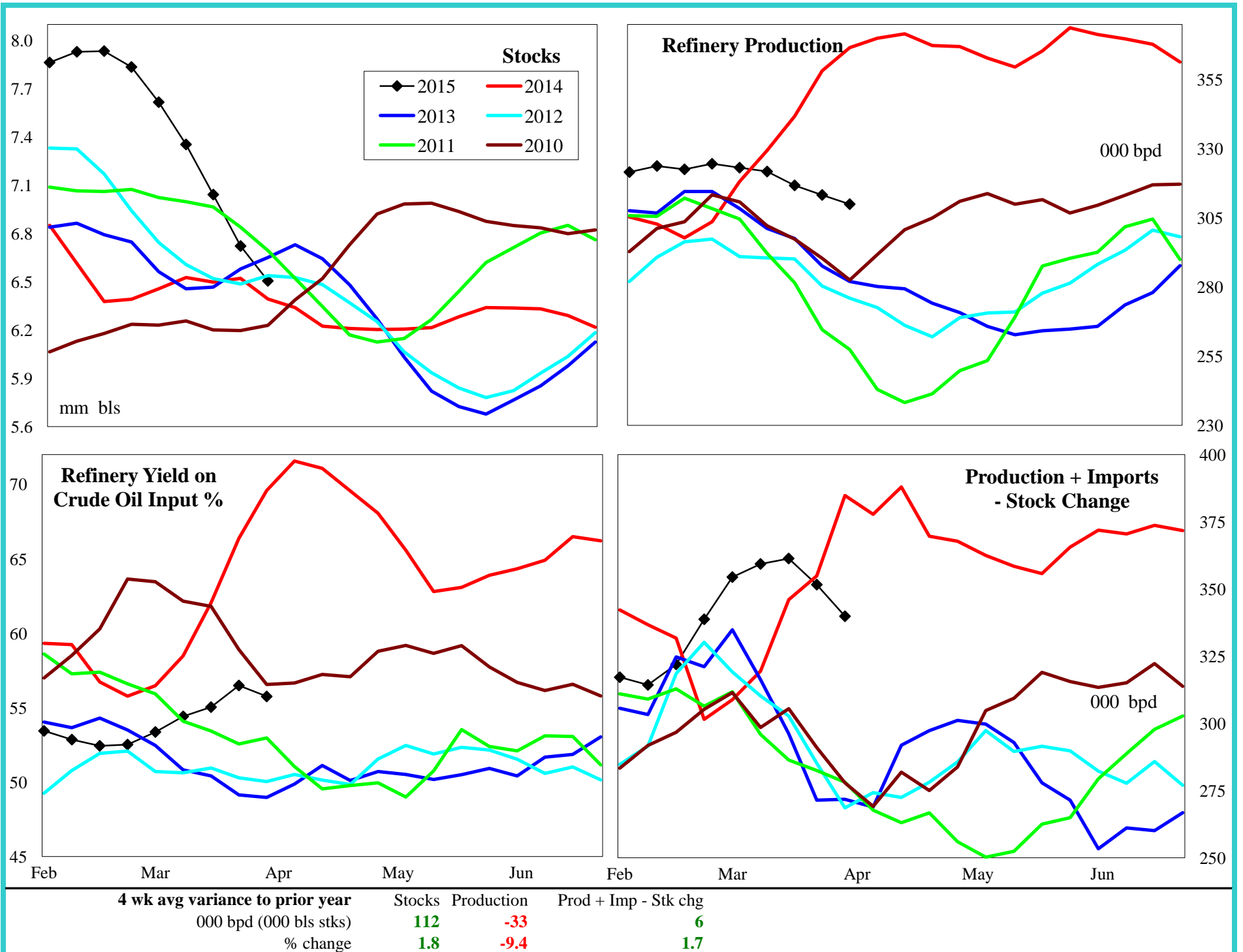
PADD 3 Residual Fuel Oil Supply



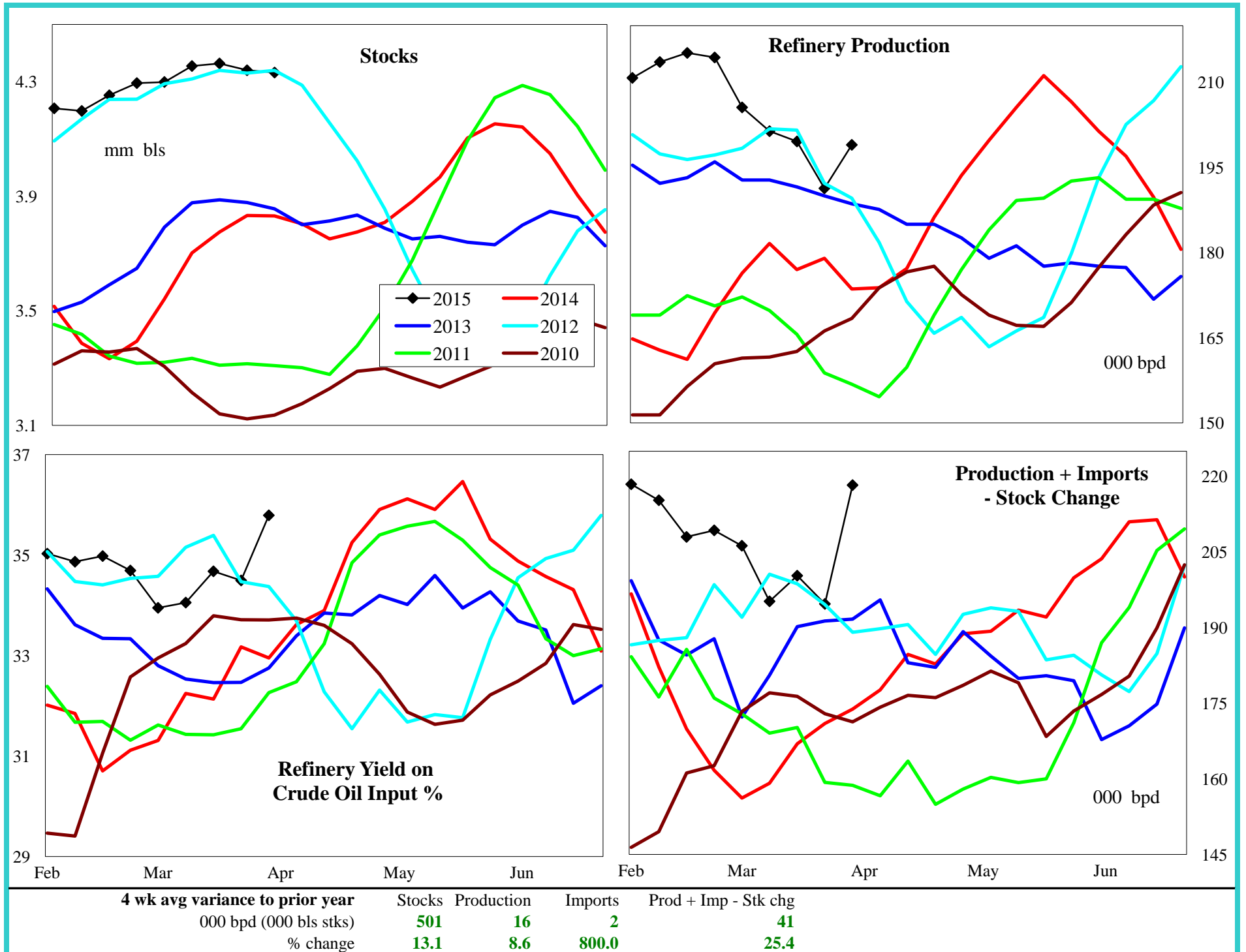
PADD 4 Crude Oil Supply and Refining



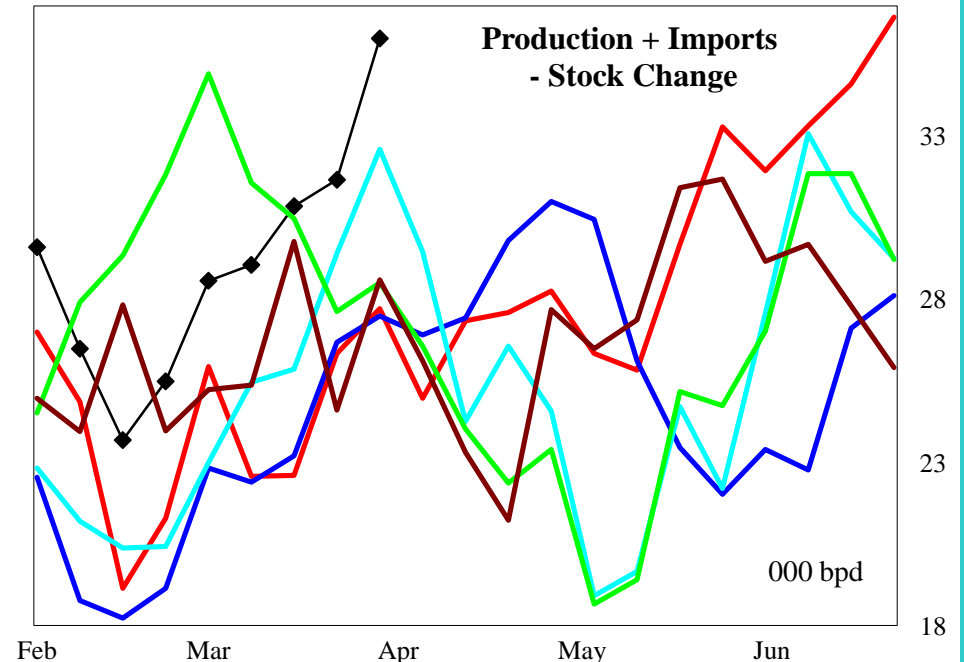
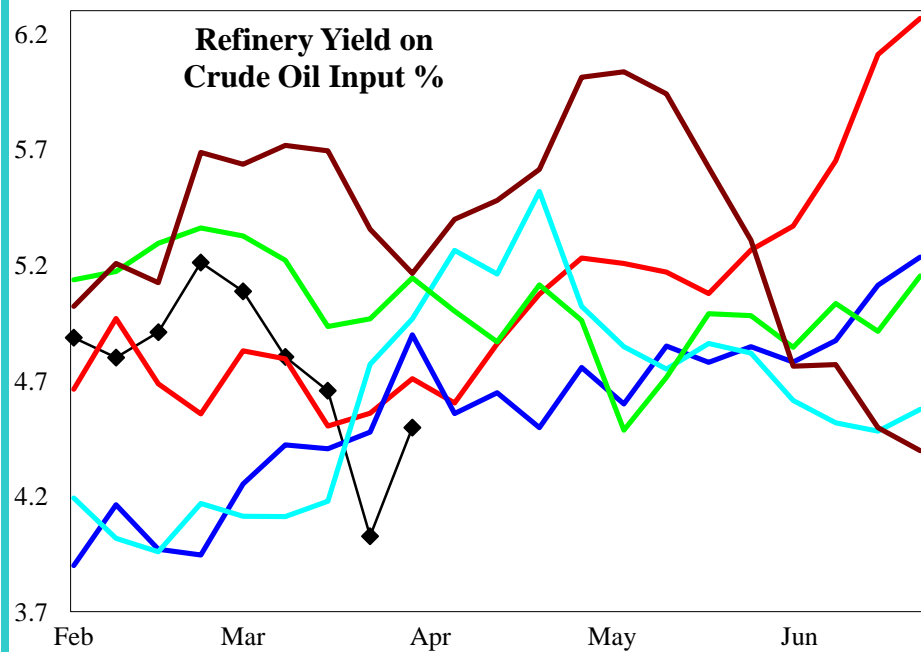
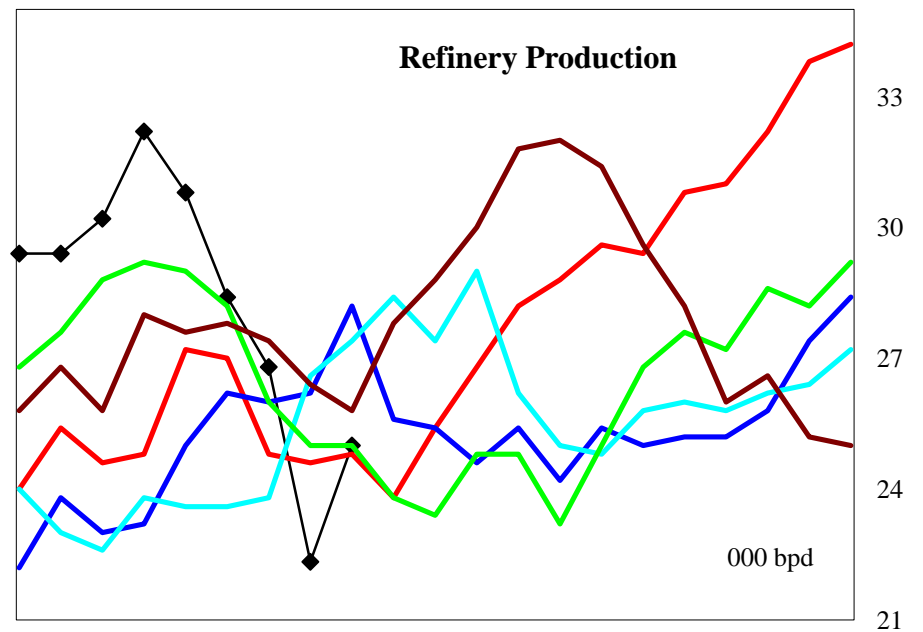
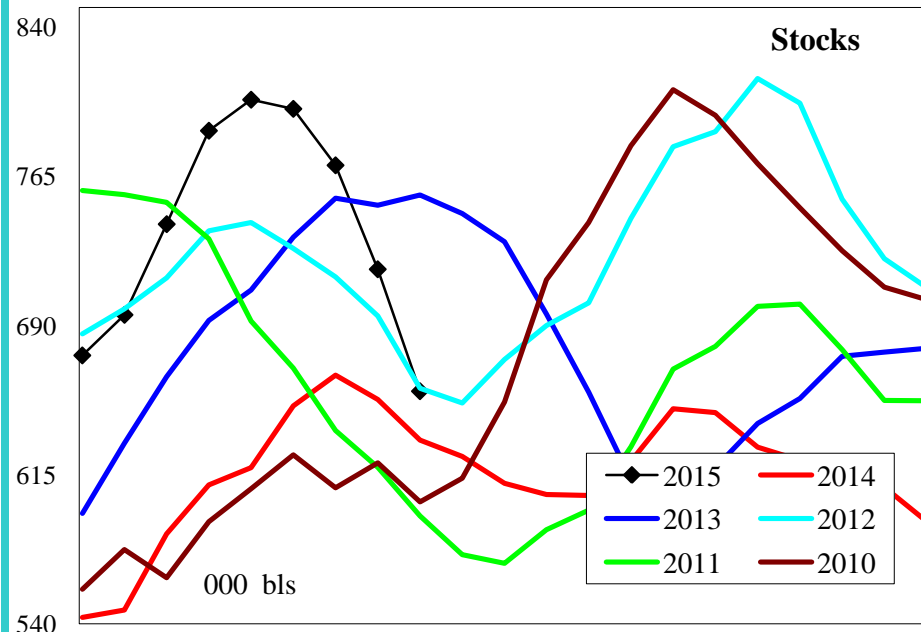
PADD 4 Gasoline Supply



PADD 4 Distillate Supply



PADD 4 Jet Fuel Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

25

3.9

Production

1

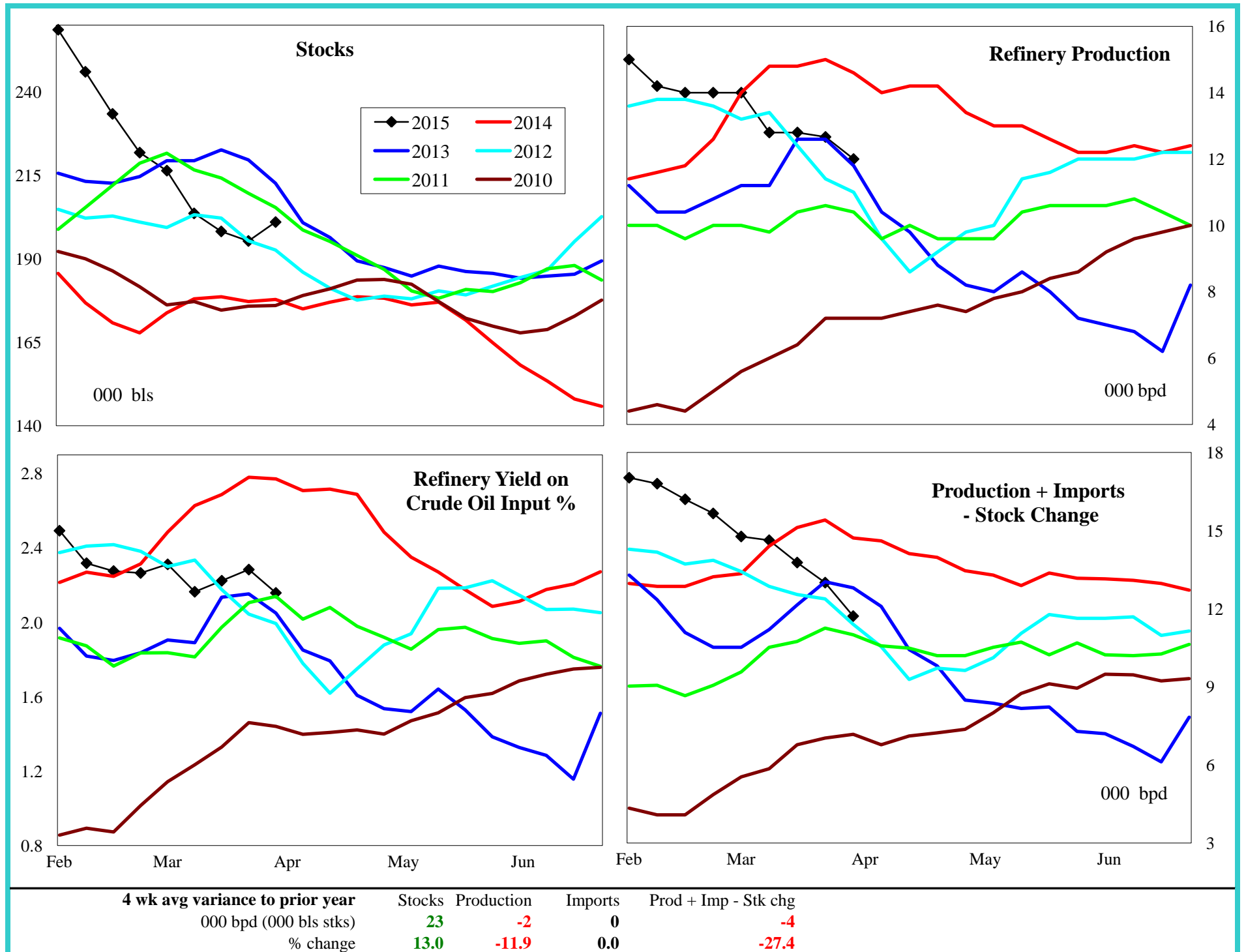
3.0

Prod + Imp - Stk chg

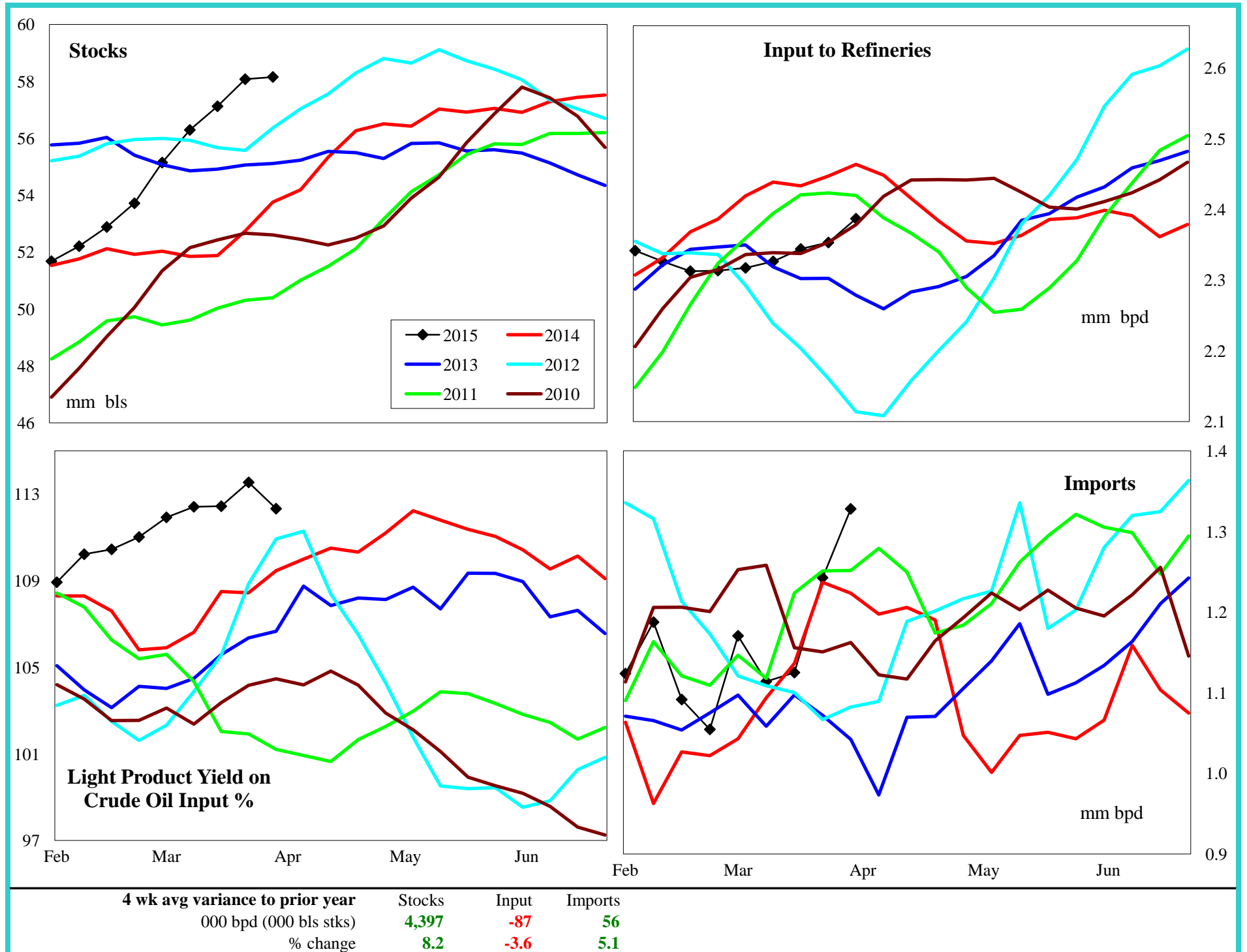
6

23.1

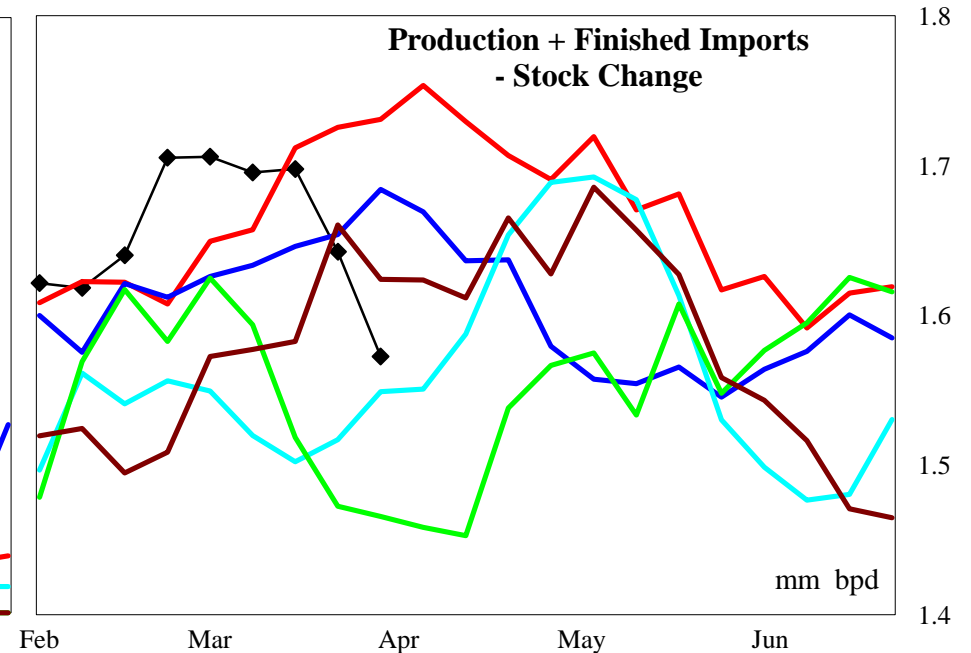
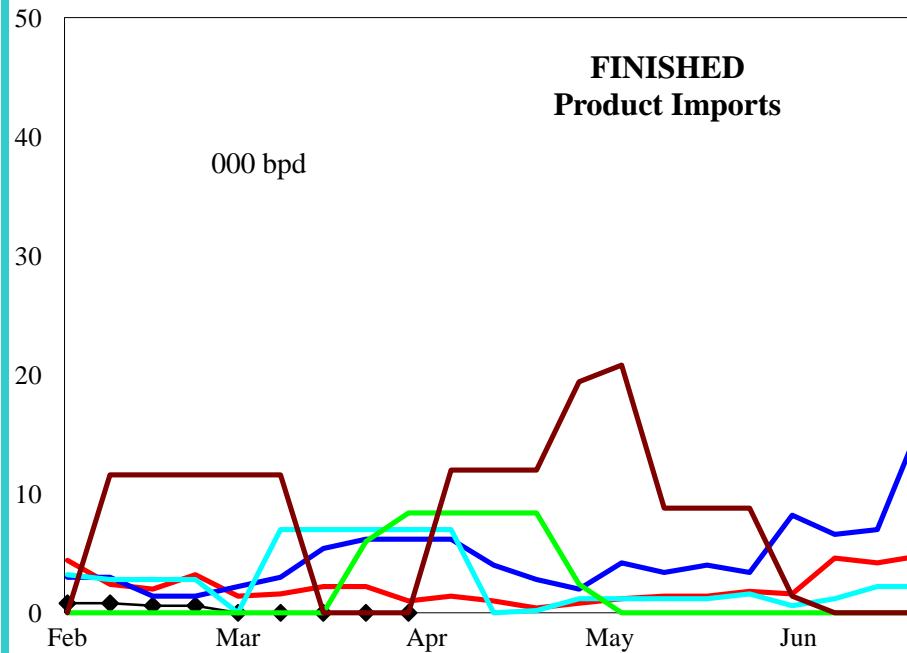
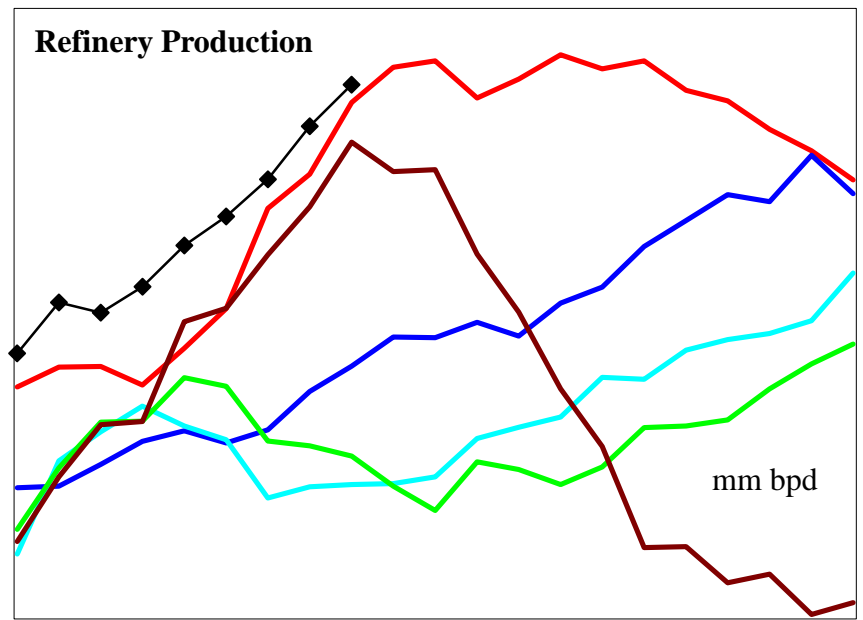
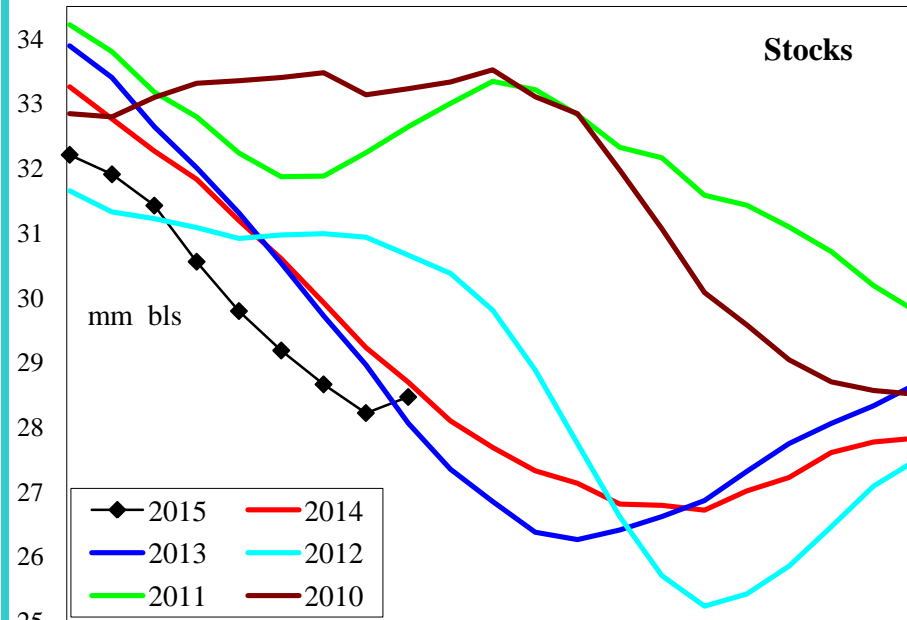
PADD 4 Residual Fuel Oil Supply



PADD 5 Crude Oil Supply and Refining



PADD 5 Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

-158

-0.6

Production

16

1.0

Fin Impt Blend Impt

-3

-100.0

Prod + Imp - Stk chg

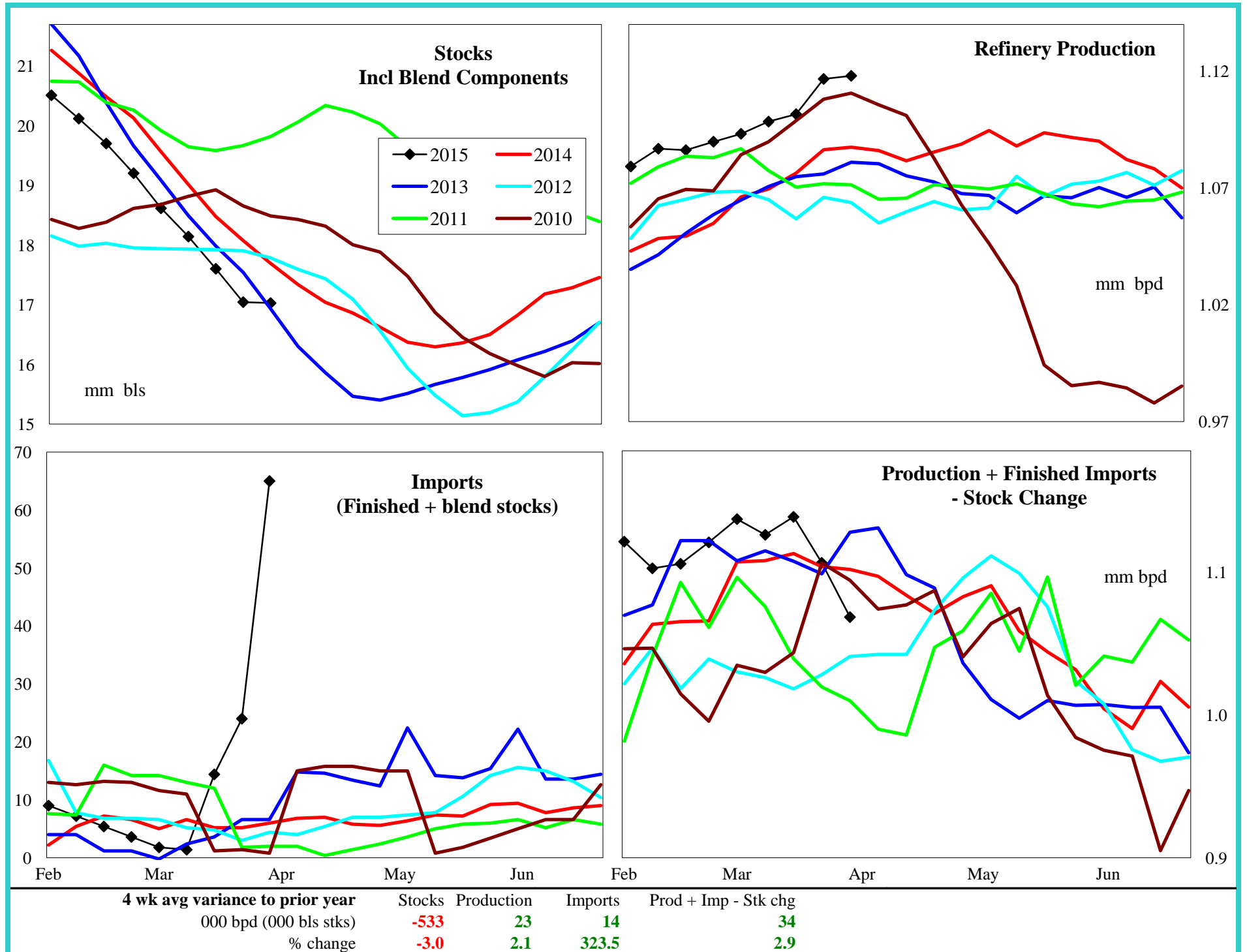
46

660.7

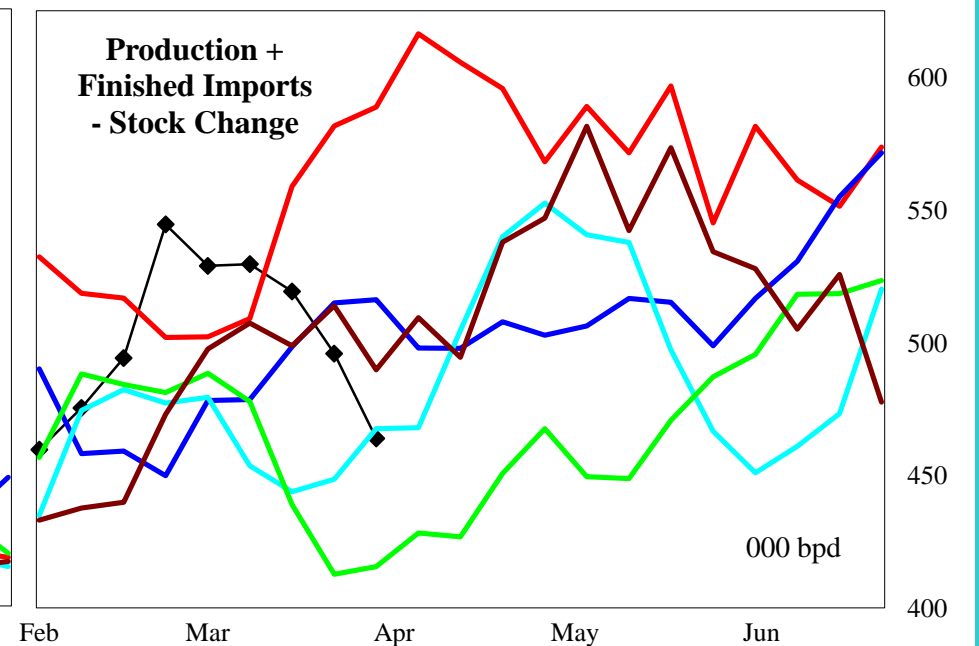
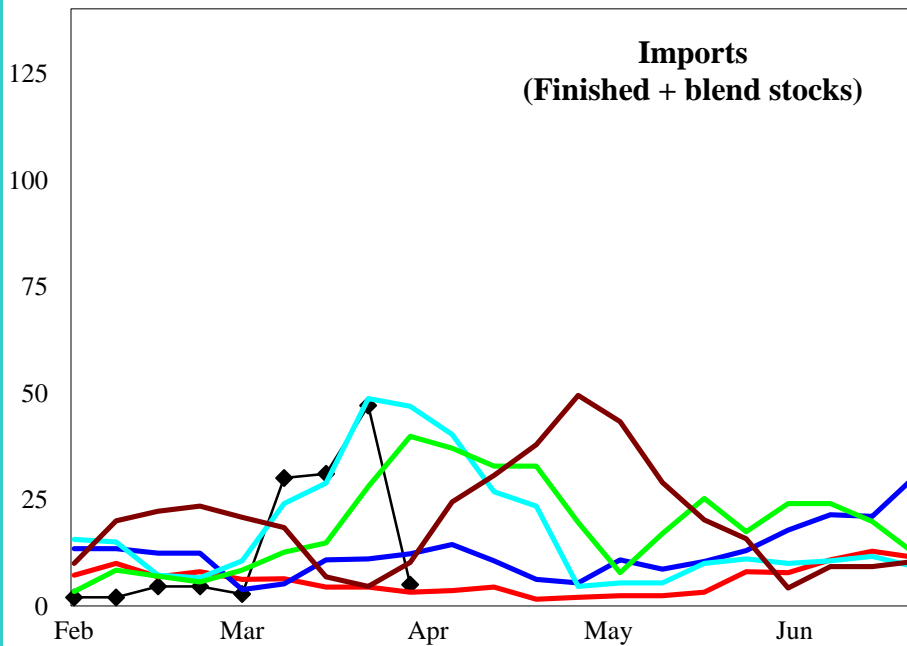
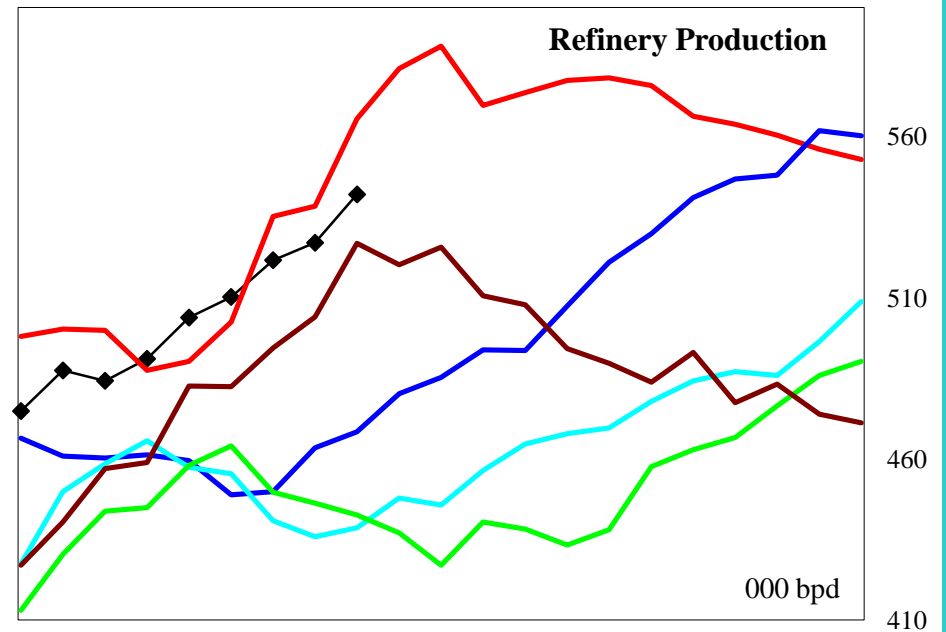
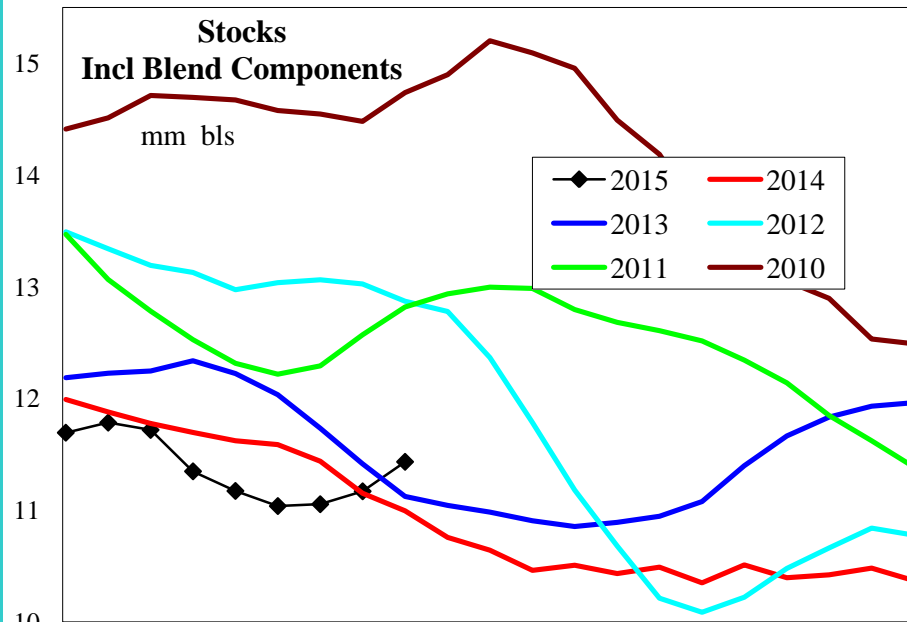
-13

-0.8

PADD 5 Reformulated Gasoline Supply



PADD 5 Conventional Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

375

-8

30

-47

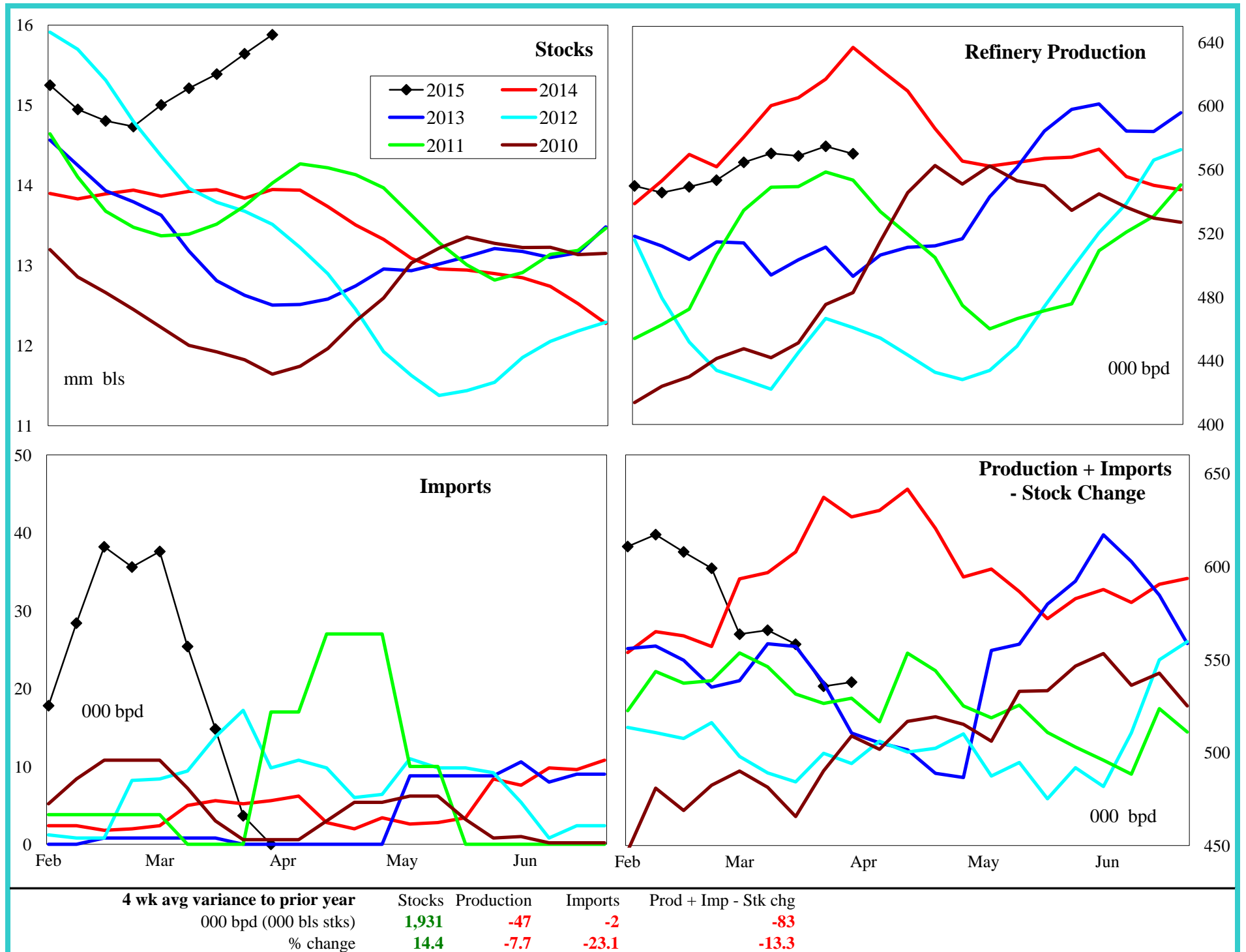
3.4

-1.4

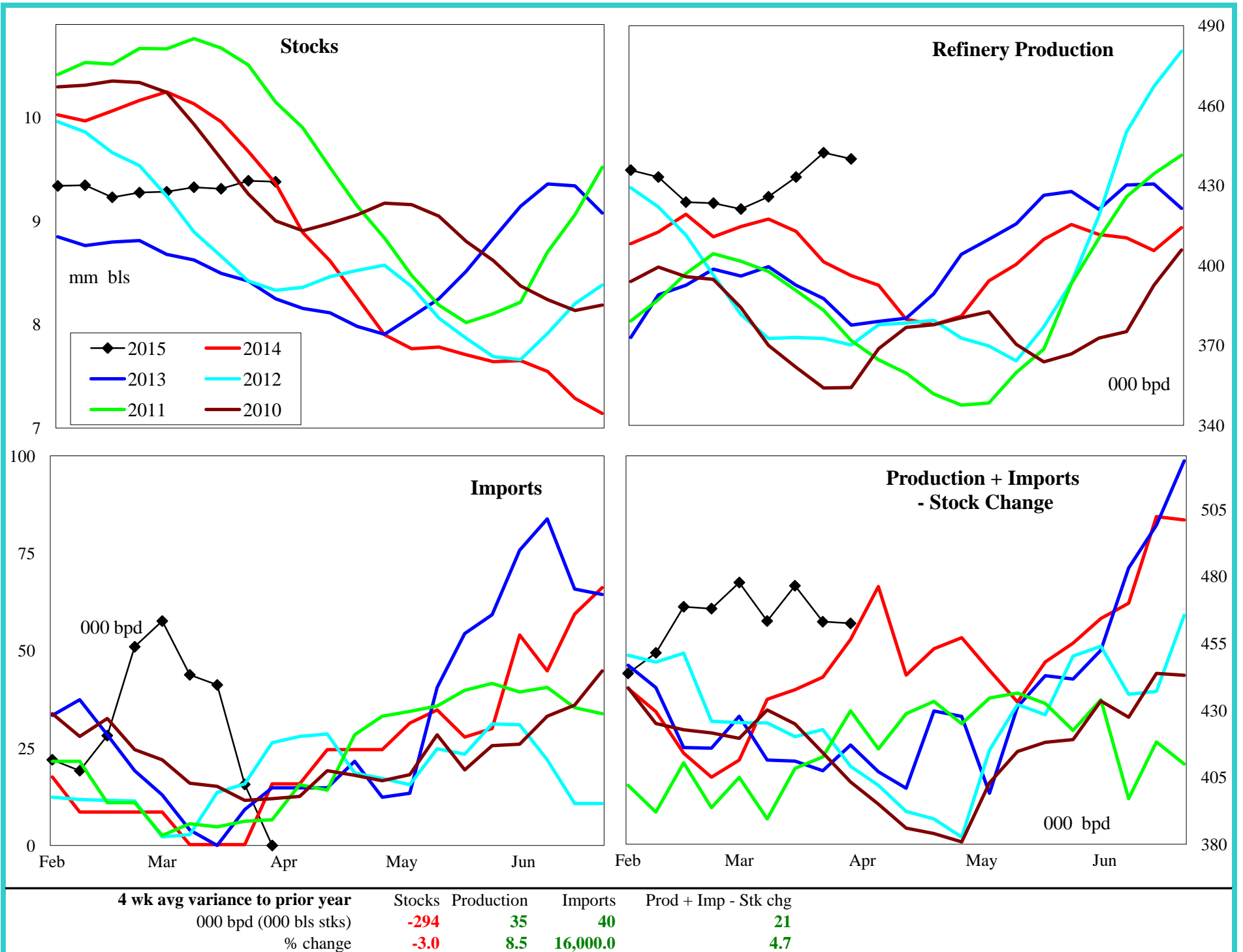
540.9

-8.4

PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply



PADD 5 Residual Fuel Oil Supply

