

WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

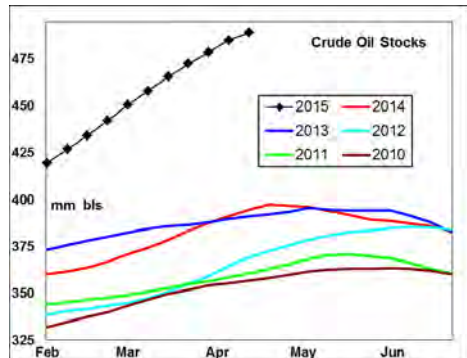
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Wednesday, April 22, 2015

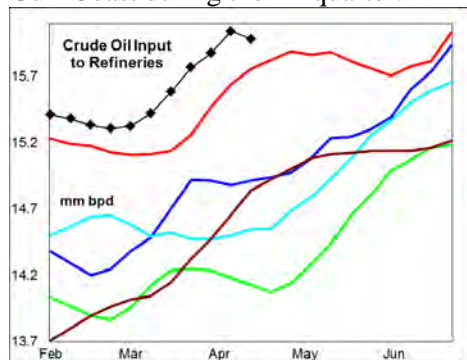


Major Fundamental Trends¹

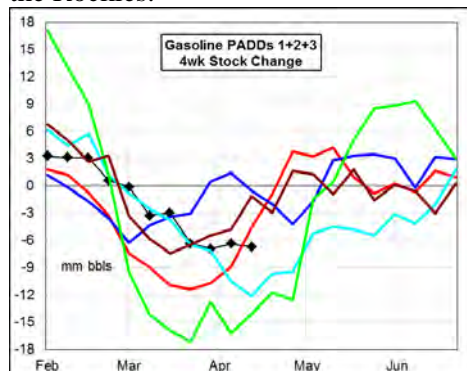
Refiners saw a -230,000 bpd decreased in thru put last week and a +0.6 million bpd rise in imports, leading to a +5.3 million barrel build in crude oil stocks.



Look for crude oil stocks to continue to build, even on season high refinery thru put, at rates that risk reaching storage capacity in Cushing and the Gulf Coast during the 2nd quarter.

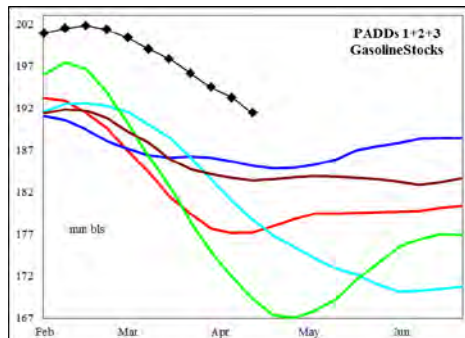


Very robust gasoline wholesale demand is leading to an above average rate of stock draws in markets east of the Rockies.



While stock levels remain above

the historic range in the combined markets East of the Rockies, pointing to a tightening supply balance.



Distillate supplies remain extremely high in all regional markets except the East Coast.

Wholesale Demand for transport fuels was higher on the week.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +4%, distillate decreased -0.2%, jet fuel was +12% higher, while residual fuel increased +32%.

Stocks forward coverage: Gasoline demand coverage decreased on a -2.1 million barrel stock draw, and higher wholesale demand. Coverage ended the week at a level below the 3-yr mid range.

Distillate demand coverage was unchanged on a +0.42 million barrel stock build and higher wholesale demand. Coverage ended the week at a level above the last 2-yrs.

Jet fuel coverage remains below the 5-yr range on a -0.9 million barrel stock draw and extremely high demand.

Residual fuel oil coverage declined on a +0.4 million barrel stock build, offset by sharply higher demand.

Refinery utilization rates decreased on a -230,000 bpd drop in crude oil runs last week. During the latest 4-wk period crude oil input was +402,000 bpd above last year.

Gasoline yield % on crude oil runs increased last week on a +514,000 bpd increase in output compared to the -230,000 decline in crude oil runs.

Gasoline yield % on crude oil runs ended the week at a level that matched 3-yr highs for the period.

Distillate yield % on crude oil runs decreased on a -220,000 bpd decline in output compared to the drop in crude oil runs. The yield % on crude oil runs was near the 3-yr mid range.

Jet fuel yield % on crude oil runs increased last week on a -28,000 bpd decline in output compared the drop in crude oil runs. The yield % on crude oil runs was above the 3-yr mid range.

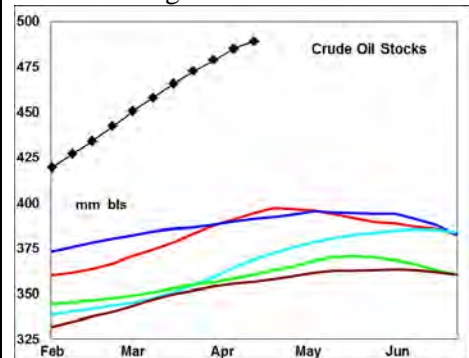
Petroleum Imports/Exports: Imports of crude oil, gasoline and distillate were each higher on the week.

During the latest 4-wk period crude oil imports increased +67,000 bpd compared to a year ago; distillate imports were +33,000 bpd higher; finished gasoline imports were -19,000 bpd lower; gasoline blend stock imports were +145,000 bpd higher, jet fuel imports decreased -17,000 bpd, while residual fuel imports were +2,000 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 +5.3 million barrels on the week, including a +0.7 million barrel build in Cushing.

The stock build was supported by a +0.6 million bpd rebound in imports, limited by season high refinery thru put. Crude oil runs now exceed the historic range for the spring quarter. Look for a rebound in imports and return to a high stock build rate.



¹ Source is latest EIA Weekly Statistics



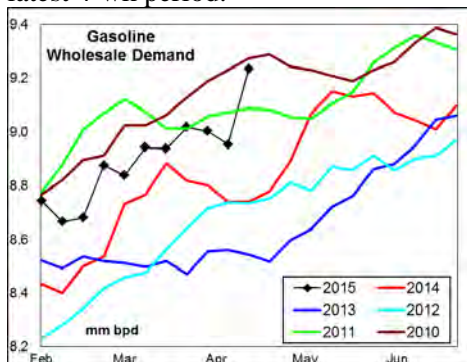
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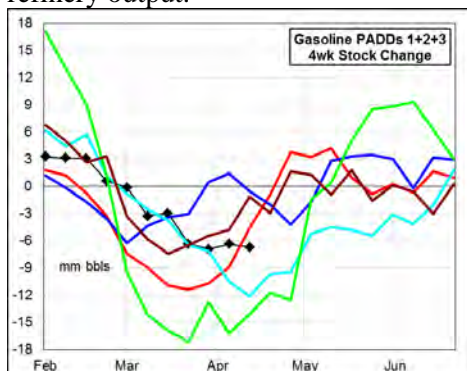
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Product Supply-Demand Trends

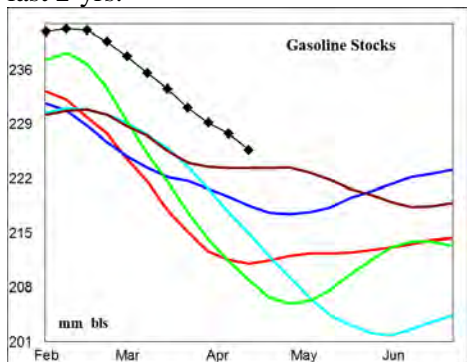
Gasoline wholesale demand increased +0.3 million bpd, to a level well above the last 3-yrs. Wholesale demand was +347,000 bpd above last year for the latest 4-wk period.



Supply increased +0.7 million bpd last week on higher production. Supply for the latest 4-wk period exceeded a year ago by +0.4 million bpd on higher refinery output.



The latest 4-wk stock change East of the Rockies was a -6.7 million barrel draw, a larger draw than each of the last 2-yrs.

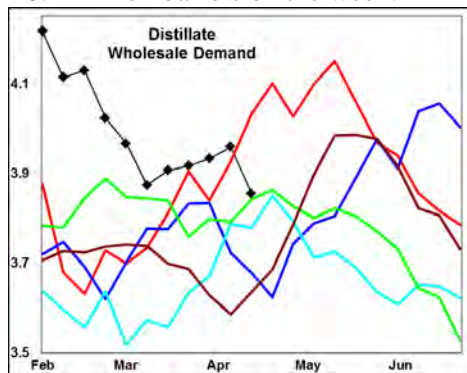


Supplies continue to tighten on above average stock draws and very robust wholesale demand. Markets east of the Rockies remain well supplied with very tight supply on the West Coast.

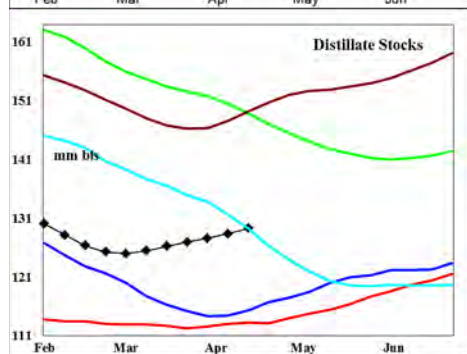
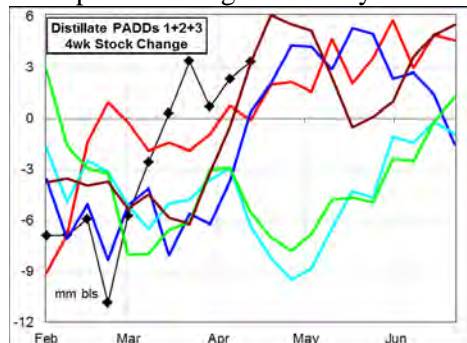
Distillate wholesale demand increased

+48,000 bpd last week, to a level near the 3-yr mid range. The latest 4-wk average wholesale demand was -6,000 bpd below last year.

Supply decreased -184,000 bpd on lower production. Stocks increased +0.4 million barrels on the week.



Combined markets East of the Rockies have saw a +3.3 million barrel build, compared to no build during the latest 4-wk period during the last 2-yrs.

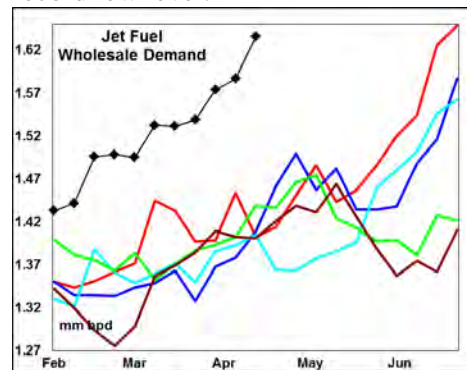


Stock levels in all regions except the East Coast are extremely high, driven by record production and weak demand in the affected areas. The Chicago has experienced a basis clooapse the inability to export output from the region.

Jet Fuel wholesale demand increased +34,000 bpd last week, ending at a level well above the 5-yr range. The

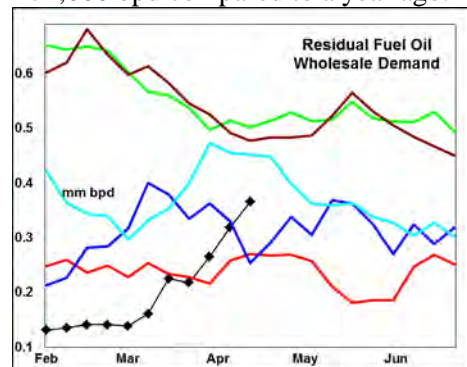
latest 4-wk average demand was +173,000 bpd over a year ago on robust demand.

Supply fell -149,000 bpd on lower production and imports. Stocks fell -0.9 million barrels on the week, to a record low level.



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 +239,000 bpd last week. Demand for the latest 4-wk period increased +72,000 bpd compared to a year ago.



Supply (production + imports) increased +174,000 bpd on the week, due to higher imports and production. Stocks increased +0.4 million barrels, to a level above the last 4-yrs.

East coast region saw a spike in imports to the highest level of the last 4-yrs for this time of year. West Coast stock levels remain extremely high.



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

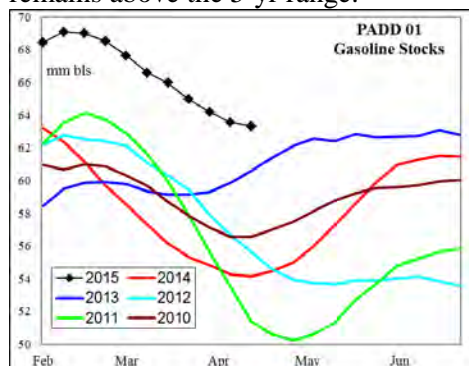
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PADD Supply Trends

PADD 1 refinery crude oil runs increased +5,000 bpd on the week to a level that matched the 3-yr high for the period. The latest 4-wk average thru put was +93,000 bpd above last year.

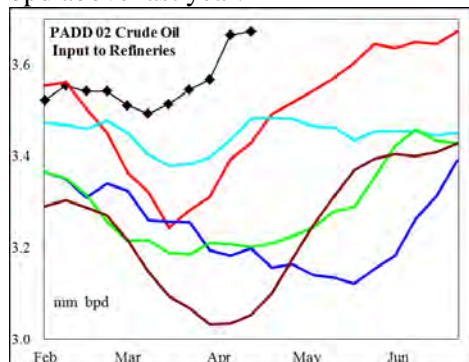
Gasoline supply increased +0.7 million bpd on the week, with the 4-wk average +0.4 million bpd above last year. Stocks declined -2.1 million barrels last week, although the level remains above the 5-yr range.



Distillate supply increased +62,000 bpd last week, with the 4-wk average nearly unchanged from last year. Stocks were unchanged on the week.

Jet fuel supply fell -76,000 bpd on lower imports. Stocks decreased -0.5 million barrels to a level sharply below the 5-yr range.

PADD 2 crude oil refinery runs decreased -42,000 bpd on the week. The latest 4-wk average was +255,000 bpd above last year.



Crude oil stocks decreased -0.5 million barrels last week, driven by a drop in imports and record refinery thru put. Cushing saw a +0.7 million barrel stock build on the week.

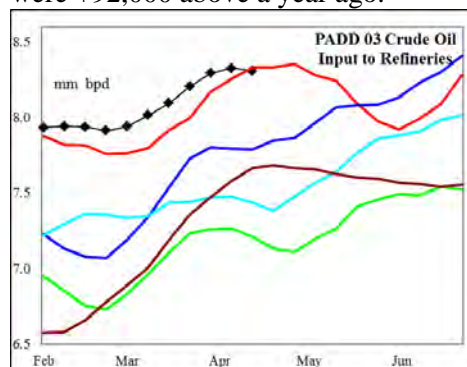
Gasoline supply decreased -3,000 bpd on the week. Production for the

most recent 4-wk period was -88,000 bpd below a year ago. Stocks increased +0.7 million barrels on the week, to a level well above each of the last 3-yrs.

Distillate supply decreased -23,000 bpd on the week, although the level remains above the historic range. The latest 4-wk average production was +101,000 bpd above last year and a record for this time of year. Stocks decreased -0.6 million barrels on the week, the first meaningful decline of the spring season.

Jet fuel supply increased +13,000 bpd last week to a new record 5-yr high. Stock levels remain extremely low.

PADD 3 refinery runs declined -61,000 bpd on the week, to a level that matched last year's record high. During the latest 4-wk period, runs were +92,000 above a year ago.



Crude oil imports increased +0.2 million bpd last week, but remain well below last year. Crude oil stocks increased +5.5 million barrels, to a level +33 million barrels (+16%) above the prior high for the period.

Gasoline supply decreased -38,000 bpd last week, with the latest 4-wk average +128,000 bpd above a year ago. Stocks fell -3 million barrels on the week, a level +1.5 million barrels above the prior record high.

Distillate supply fell -194,000 bpd on the week, with the latest 4-wk average supply +5,000 bpd above a year ago. Stocks increased +1.2 million barrels on the week, to a level +27% above the last 3-yrs.

Jet fuel production decreased -

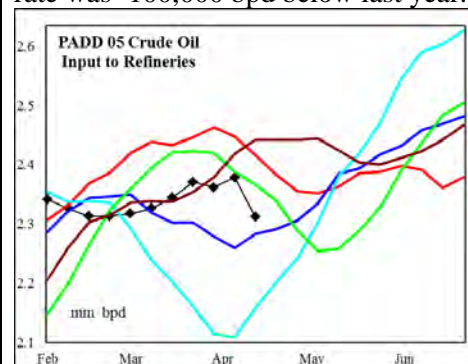
17,000 bpd on the week, with the level -41,000 bpd below last year for the latest 4-wk period. Stock levels ended the week just below the historic range.

PADD 4 refinery crude runs decreased -8,000 bpd last week, with the level well above the 5-yr range. The latest 4-wk average was +62,000 bpd above a year ago.

Gasoline supply increased +4,000 bpd last week, but remains well below last years' record high. The latest 4-wk average production was -56,000 bpd below a year ago. Stock levels ended the week near the 3-yr mid range.

Distillate supply decreased -12,000 bpd last week, with the latest 4-wk average production +34,000 above last year. Stock levels ended the week at a record high for the season.


PADD 5 crude oil refinery runs fell -125,000 bpd on the week, to a level near the 3-yr mid range. The 4-wk run rate was -100,000 bpd below last year.



Gasoline supply decreased -11,000 bpd on the week, driven by lower imports; with the latest 4-wk average -11,000 bpd below last year. Production remains equal to historic highs. Stocks decreased -0.3 million barrels on the week, a level equal to highs of the last 2-yrs.

Distillate supply decreased -17,000 bpd on the week. The 4-wk average supply was -78,000 bpd below a year ago, due to a short term spike in year ago output. Stock levels ended the week +12% above the 5-yr range for this time of year.

Jet fuel supply fell -65,000 bpd on the week, with stock levels well above each of the last 3-yrs.



FUNDAMENTAL

PETROLEUM TRENDS

PETROLEUM: Graph Link and Weekly Summary

A Fundamental Petroleum Trends Weekly Report

April 22, 2015

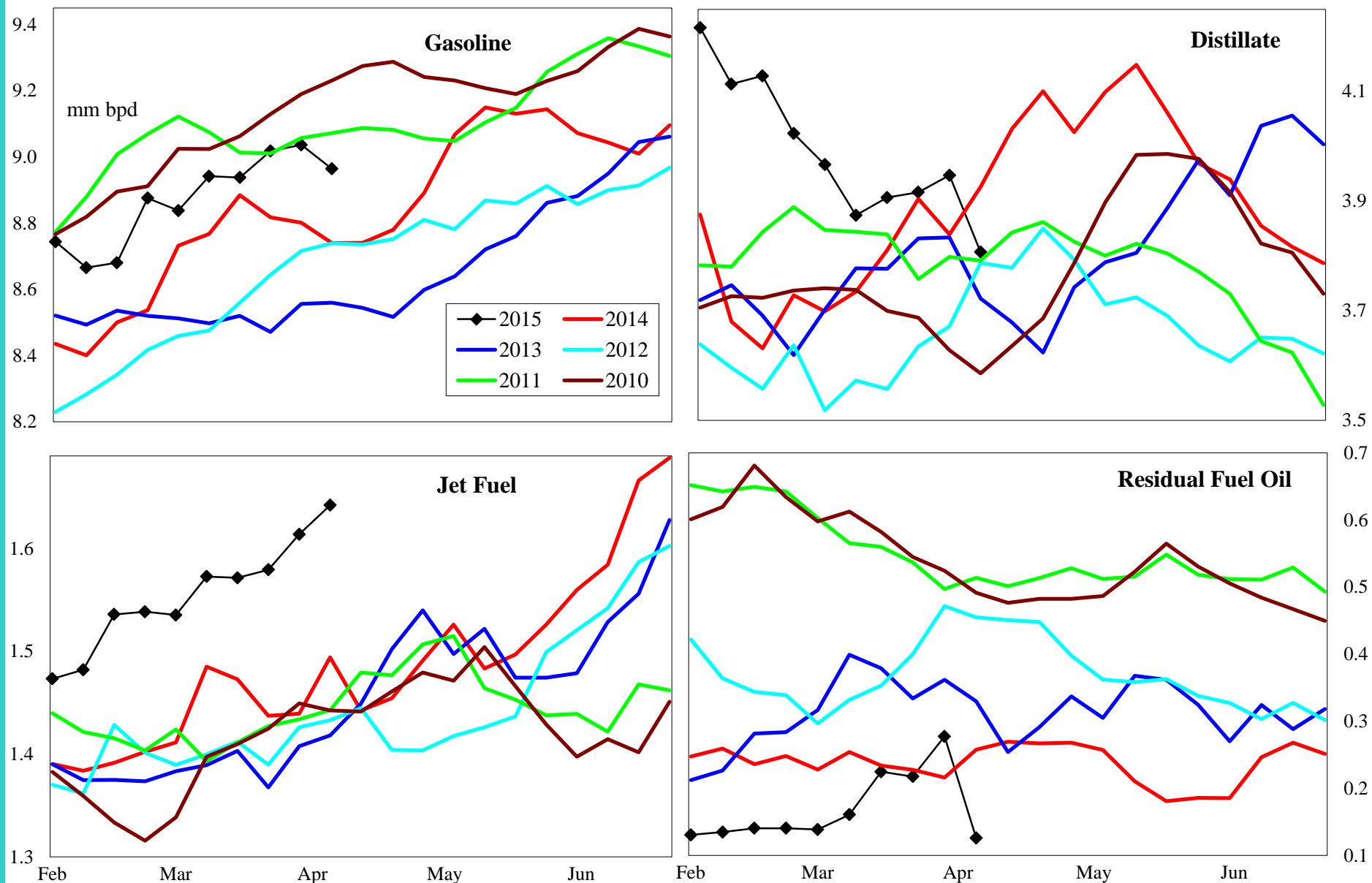
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Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization		Product Yield %		Imports
Supply/Demand Trends	17-Apr-15	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
Crude Oil	Stocks	5,315	-394	-488	5,525	744	-72
	Imports	617	205	-116	156	120	250
	Input	-230	5	-42	-61	-8	-125
	% Utilization	-1.10					
Gasoline	Stocks	-2,135	396	671	-2,963	53	-291
	Production	514	-53	1	-38	4	4
	Imports	192	210	-4	0	0	-15
	Supplied	271					
Distillate	Stocks	395	43	-584	1,203	-73	-194
	Production	-220	16	-34	-170	-13	-19
	Imports	36	46	11	-24	1	2
	Supplied	48					
Jet Fuel	Stocks	-924	-507	-67	-395	-2	47
	Production	-28	6	13	-17	-3	-26
	Imports	-121	-82	0	0	0	-39
	Supplied	34					
Residual Fuel Oil	Stocks	373	841	-15	-533	17	63
	Production	27	3	18	11	1	-5
	Imports	150	73	5	16	1	54
	Supplied	239					

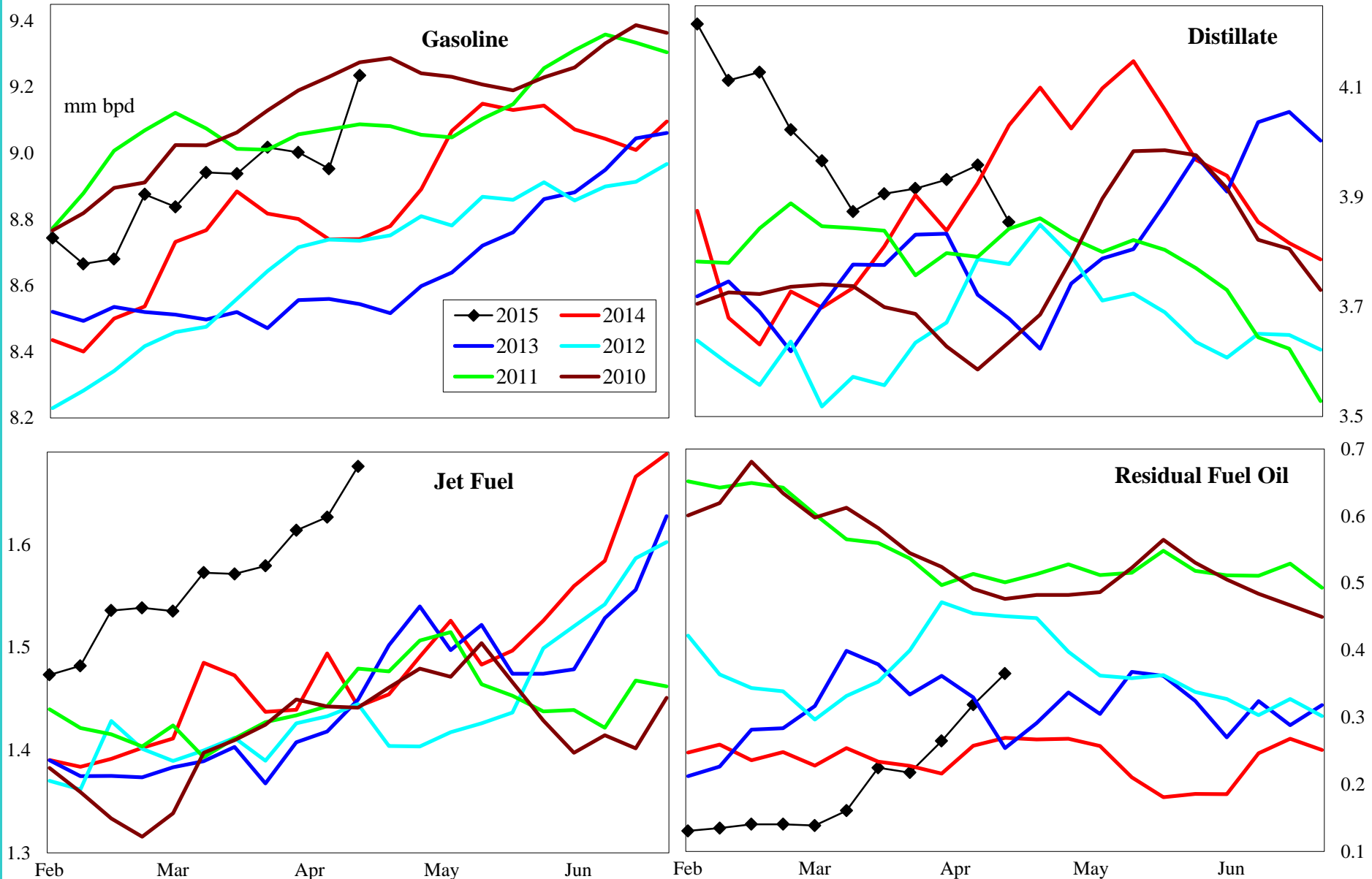
United States Wholesale Petroleum Demand



	000 bpd change from prior year				% change from prior year			
	4wk avg	Feb	Jan	Dec	4wk avg	Feb	Jan	Dec
Gasoline	63	-40	592	348	0.7	-0.5	7.2	4.0
Distillate	111	39	-92	185	2.9	0.9	-2.2	4.7
Jet Fuel	151	106	130	117	10.7	7.7	9.5	8.1
Resid	20	-72	-105	78	9.0	-34.8	-39.0	35.8



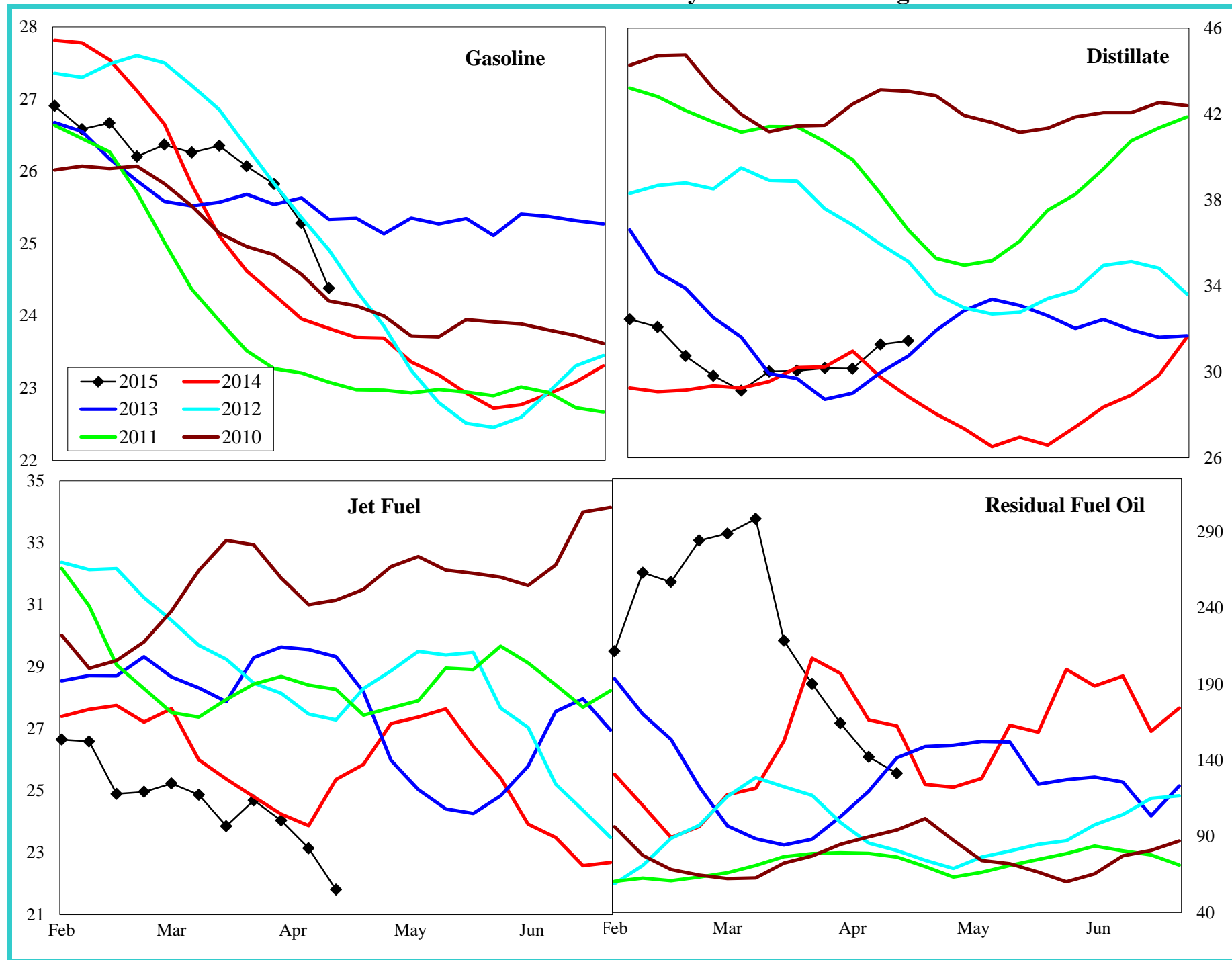
United States Wholesale Petroleum Demand



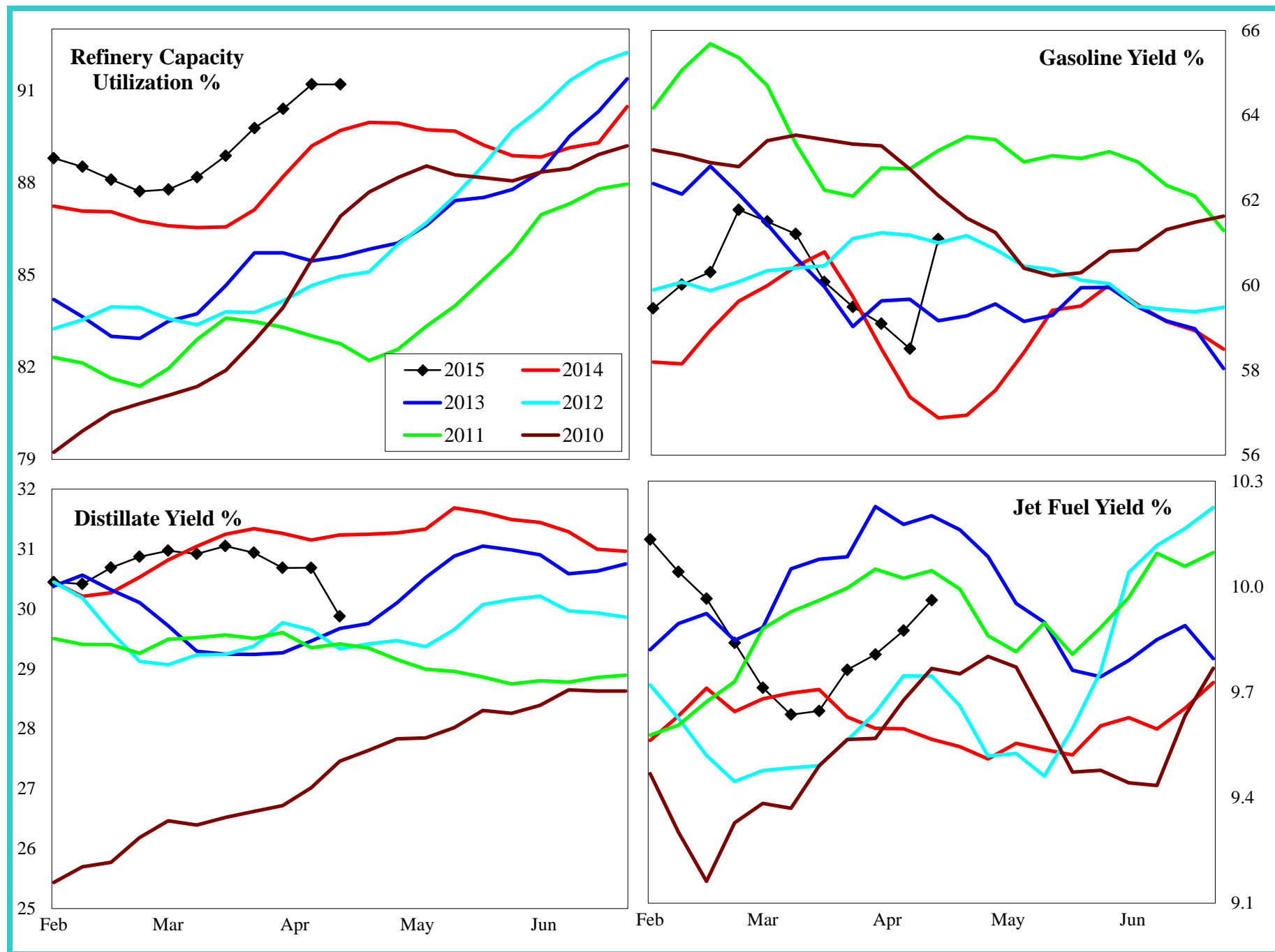
	000 bpd change from prior year				% change from prior year			
	4wk avg	Feb	Jan	Dec	4wk avg	Feb	Jan	Dec
Gasoline	347	-40	592	348	4.0	-0.5	7.2	4.0
Distillate	-6	39	-92	185	-0.2	0.9	-2.2	4.7
Jet Fuel	173	106	130	117	12.2	7.7	9.5	8.1
Resid	72	-72	-105	78	31.7	-34.8	-39.0	35.8



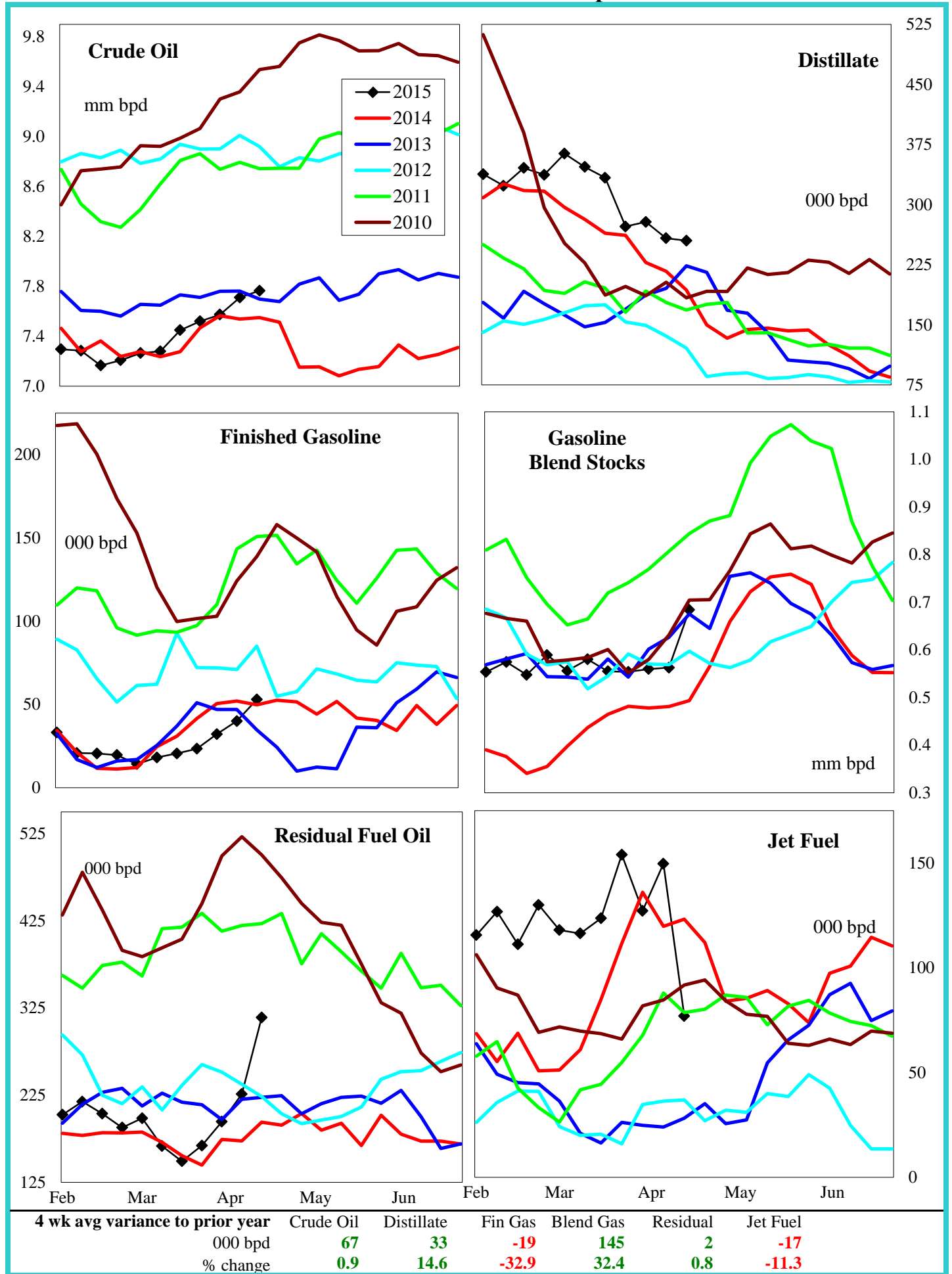
United States Product Stocks: Days Forward Coverage



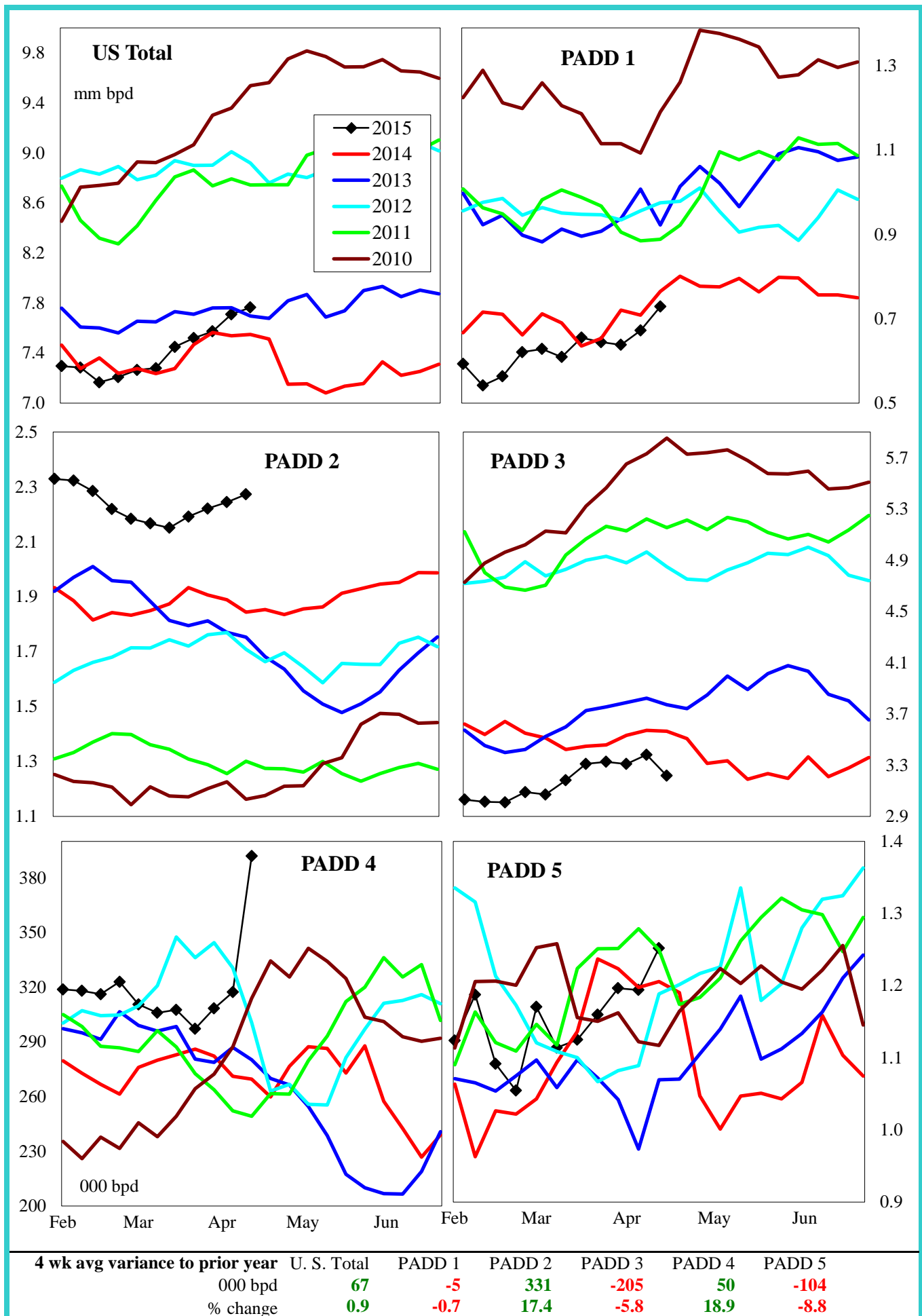
United States Refinery Percent Utilization Rate and Product Yields



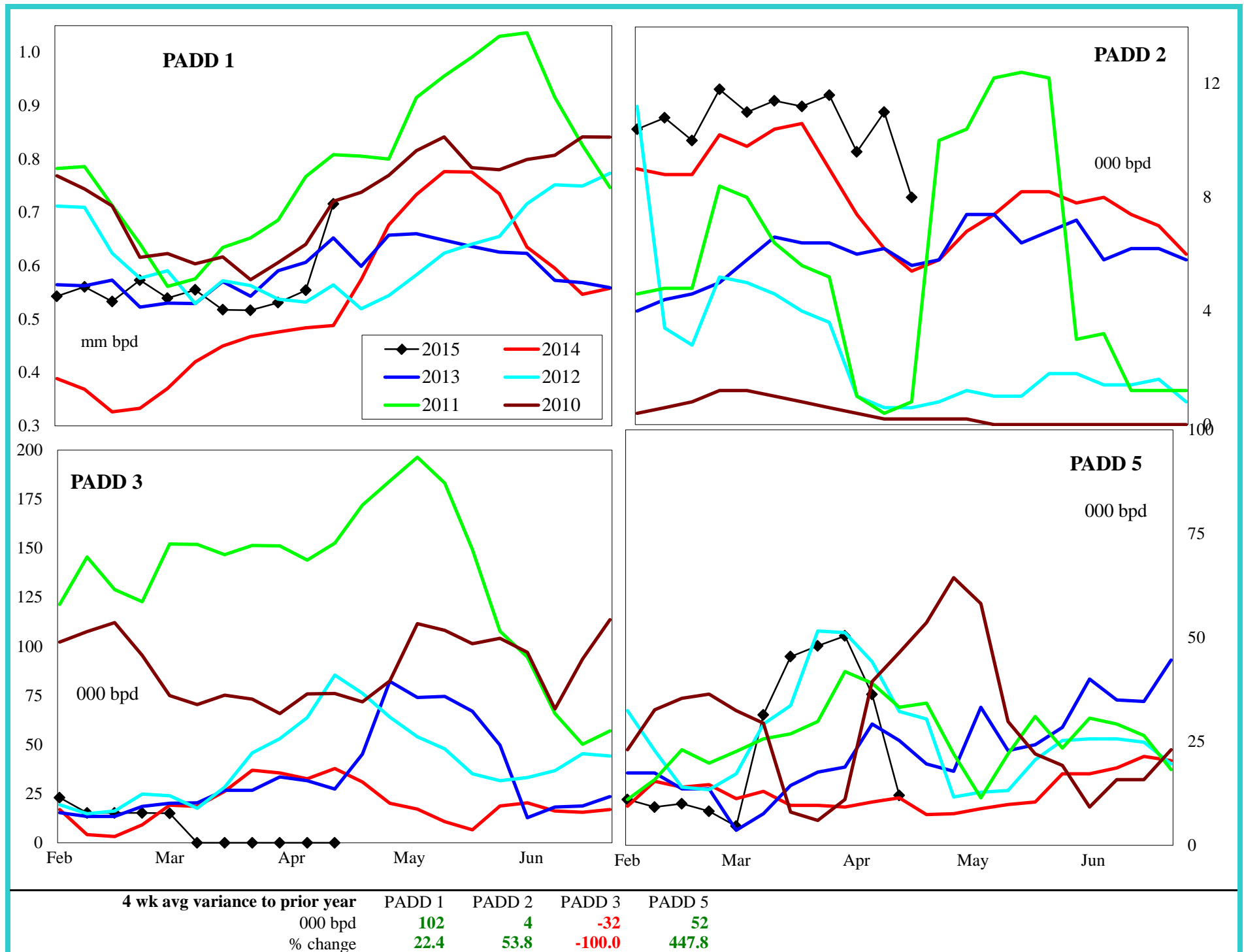
United States Petroleum Imports



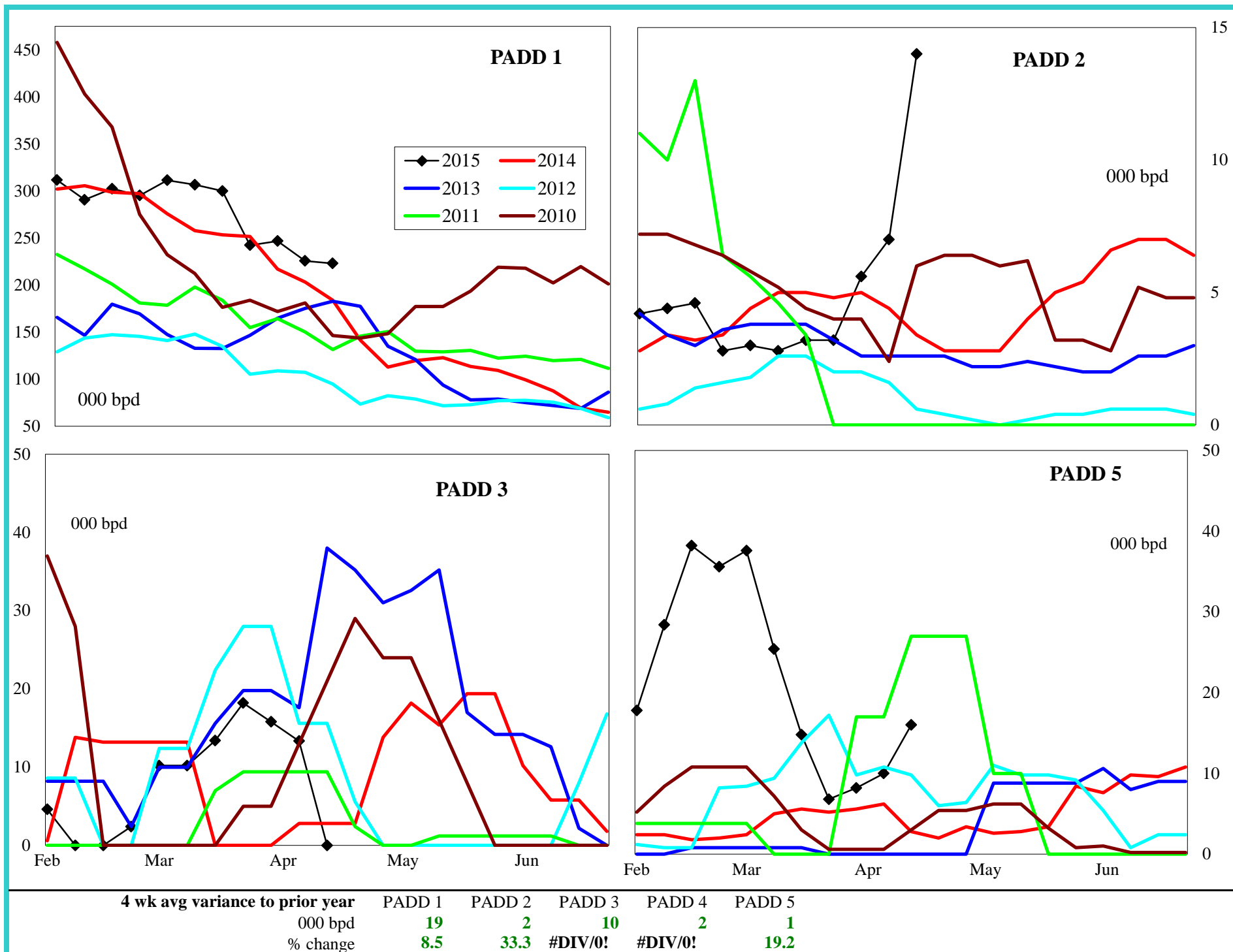
Crude Oil Imports by PADD



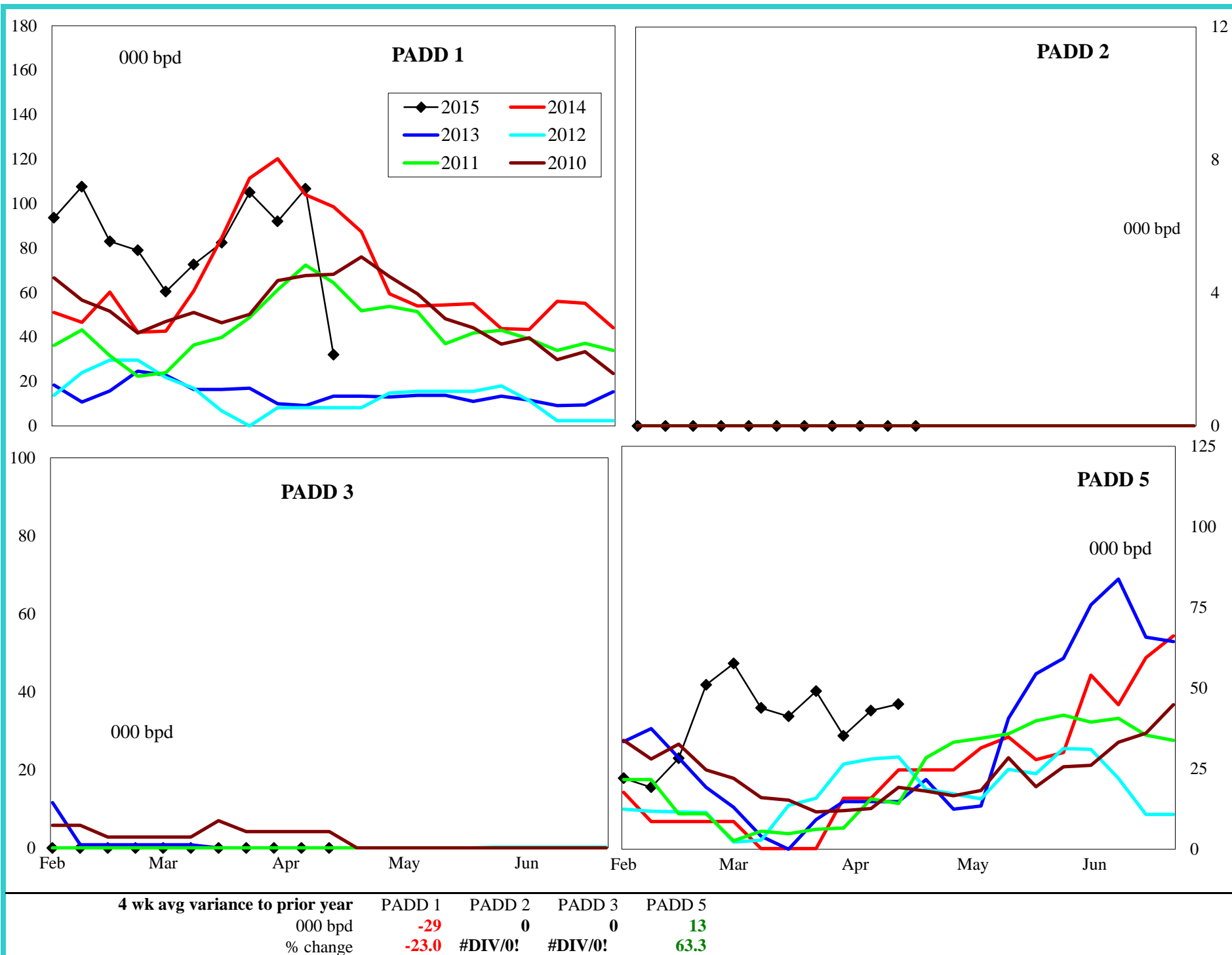
Gasoline Imports by PADD (Finished + Blend Stocks)



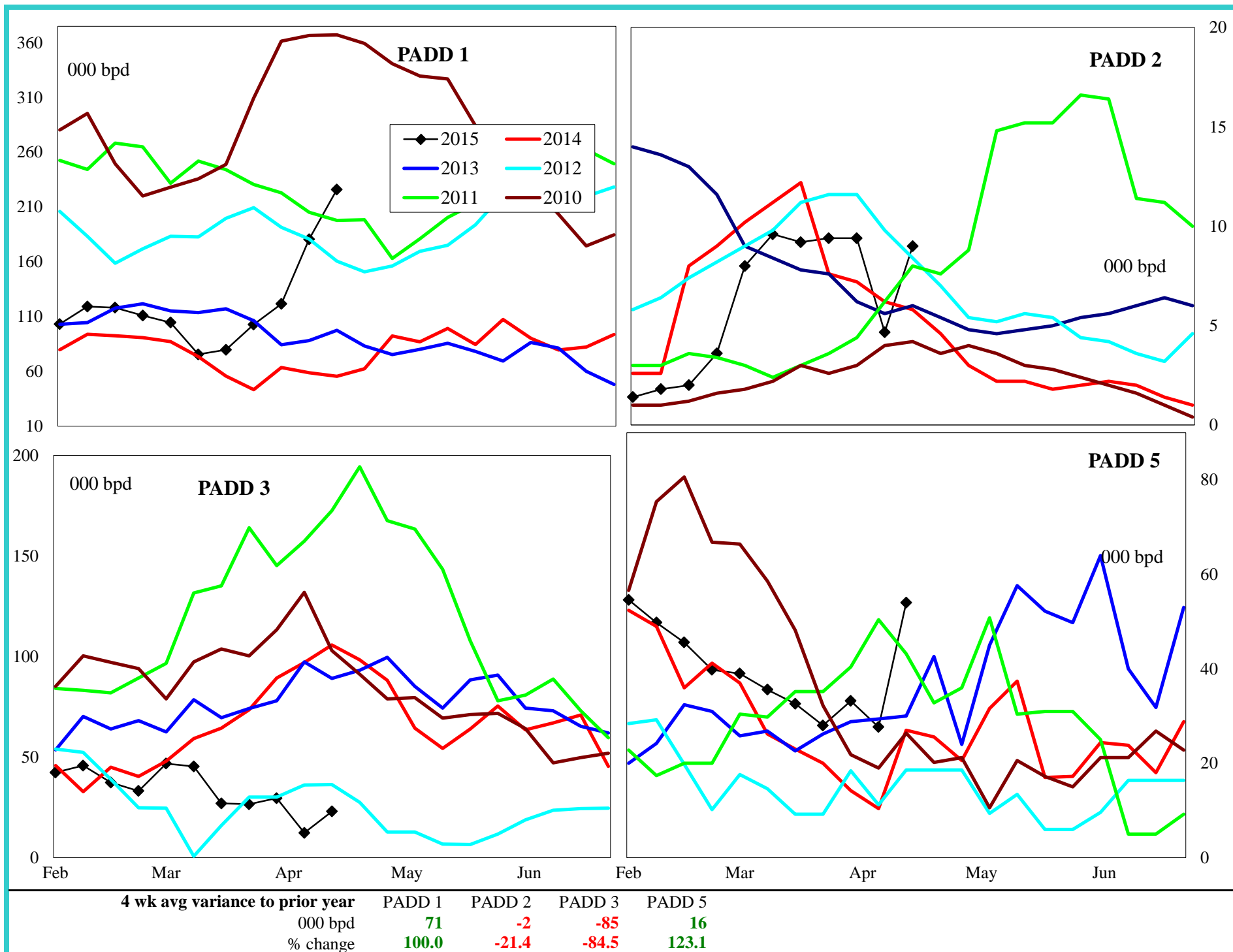
Distillate Imports by PADD



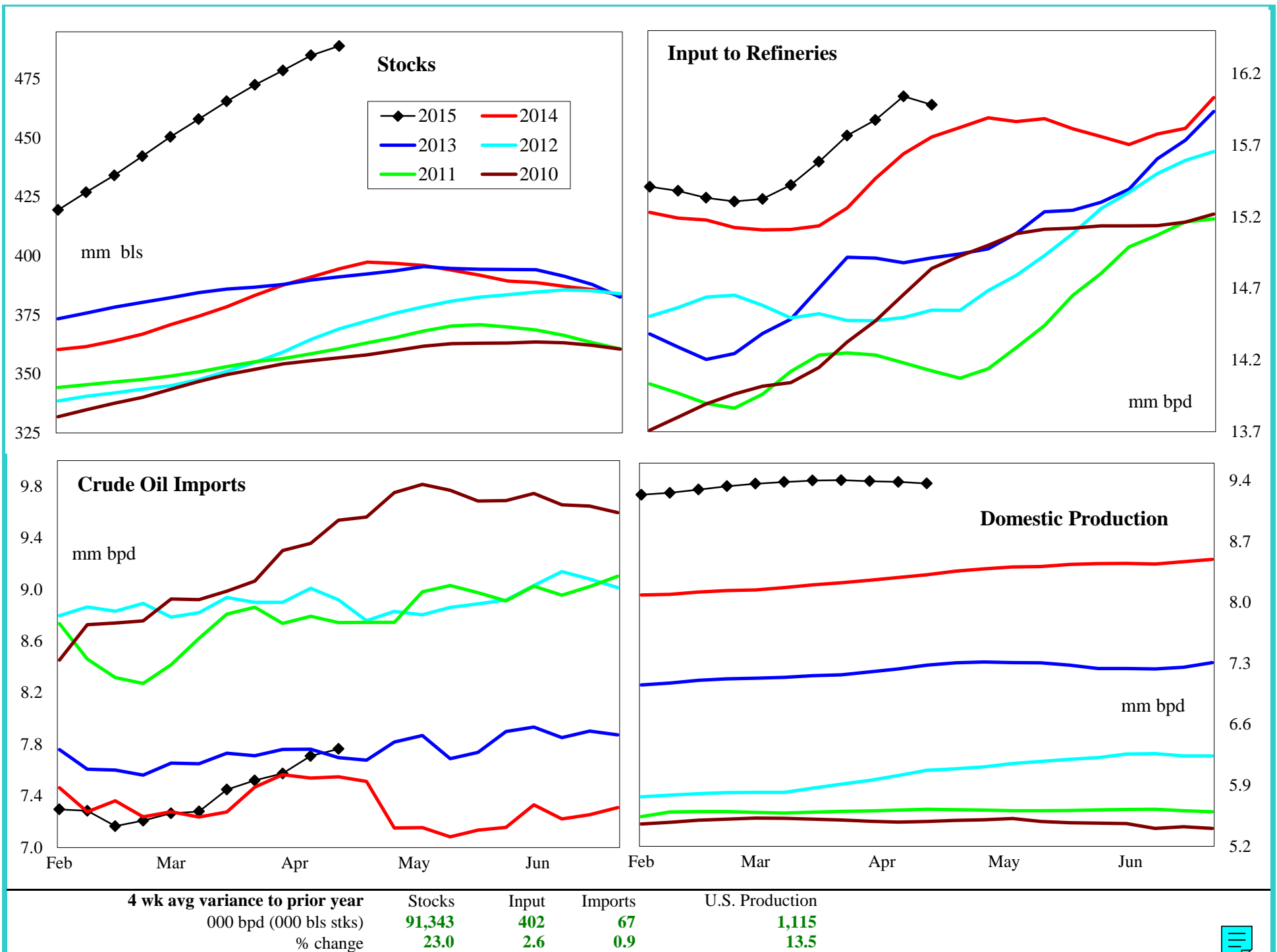
Jet Fuel Imports by PADD



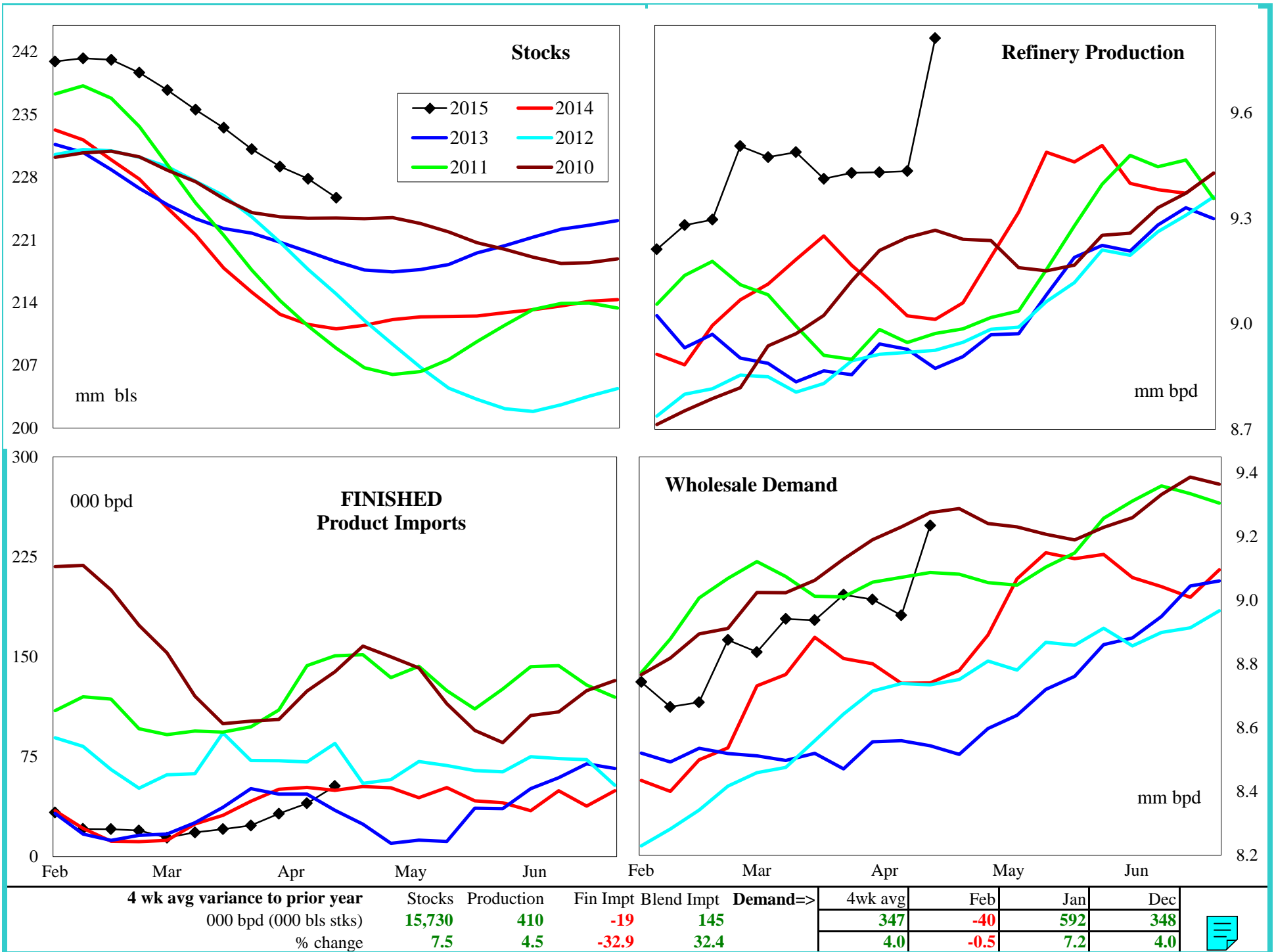
Residual Fuel Oil Imports by PADD



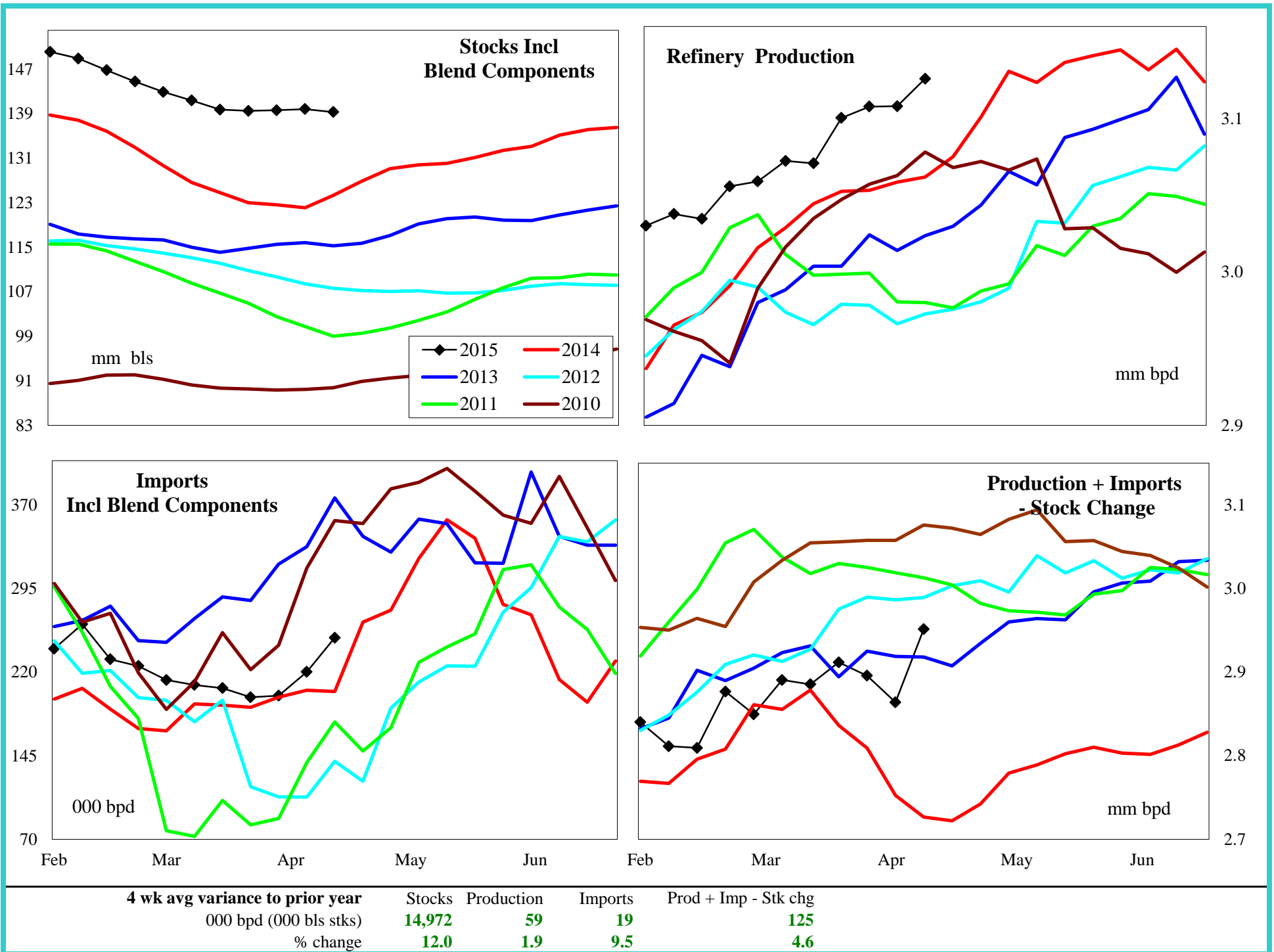
United States Crude Oil Supply and Demand Balance



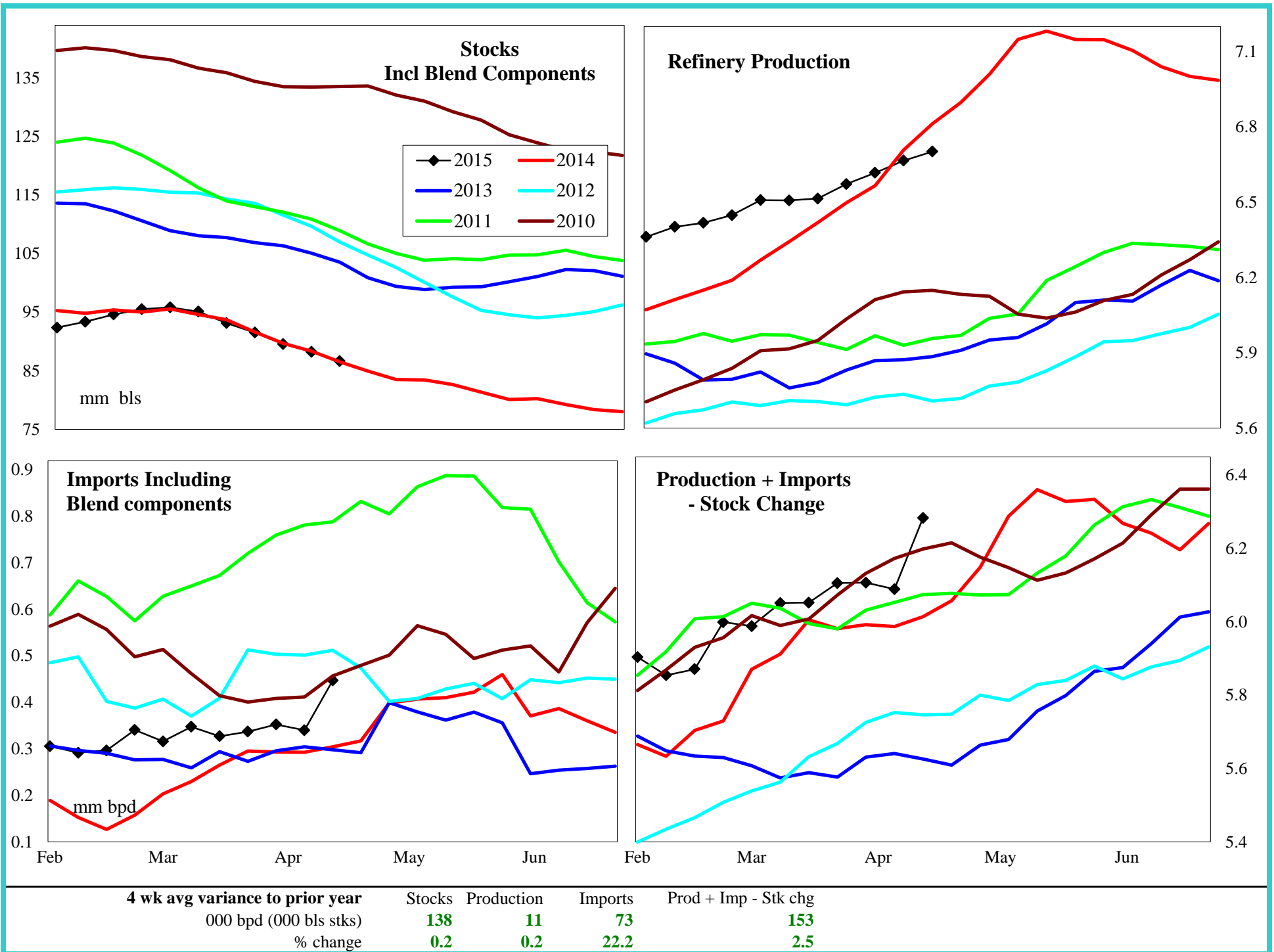
United States Gasoline Supply and Demand Balance



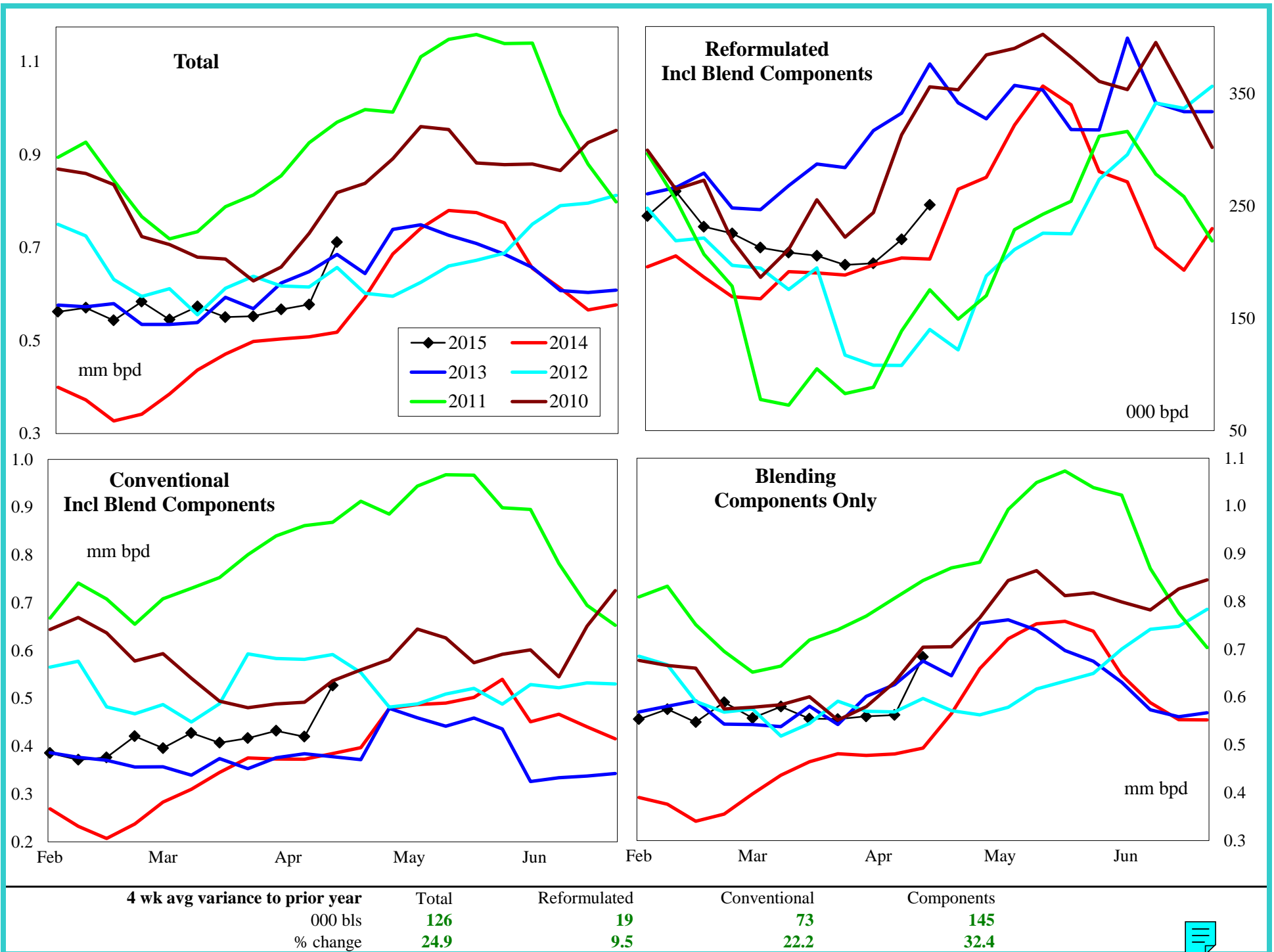
United States Reformulated Gasoline Supply



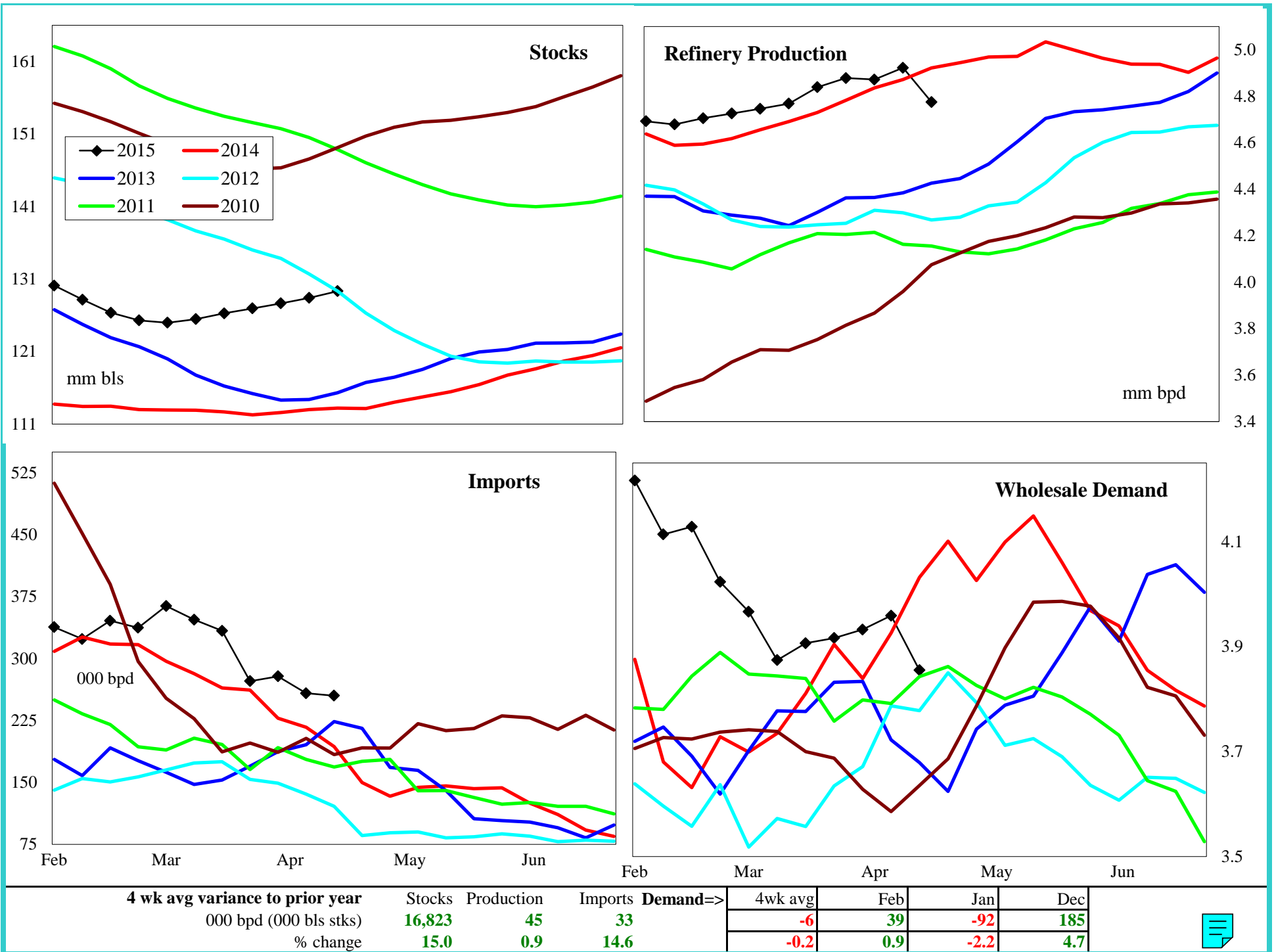
United States Conventional Gasoline Supply



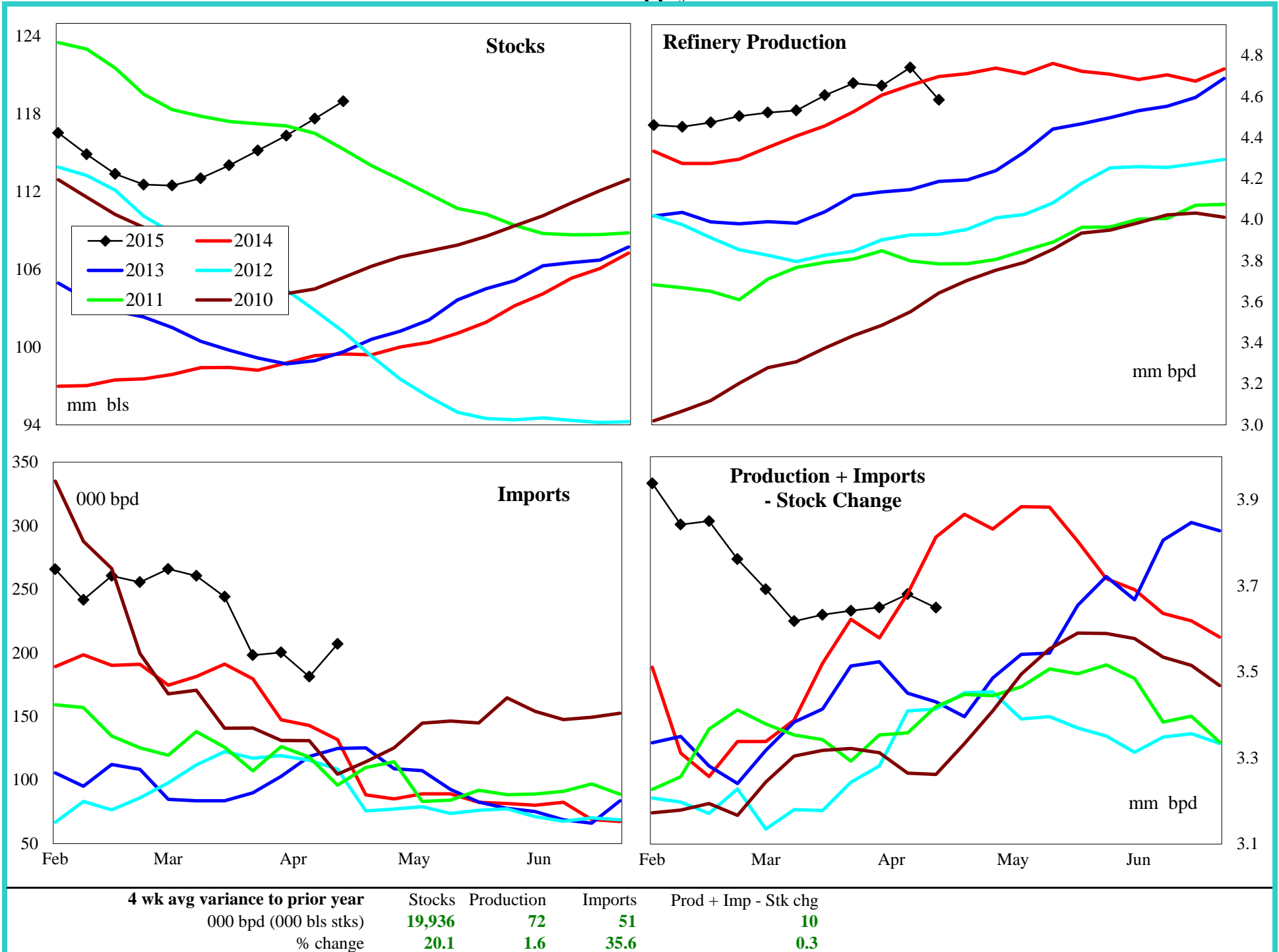
United States Gasoline Imports by Type



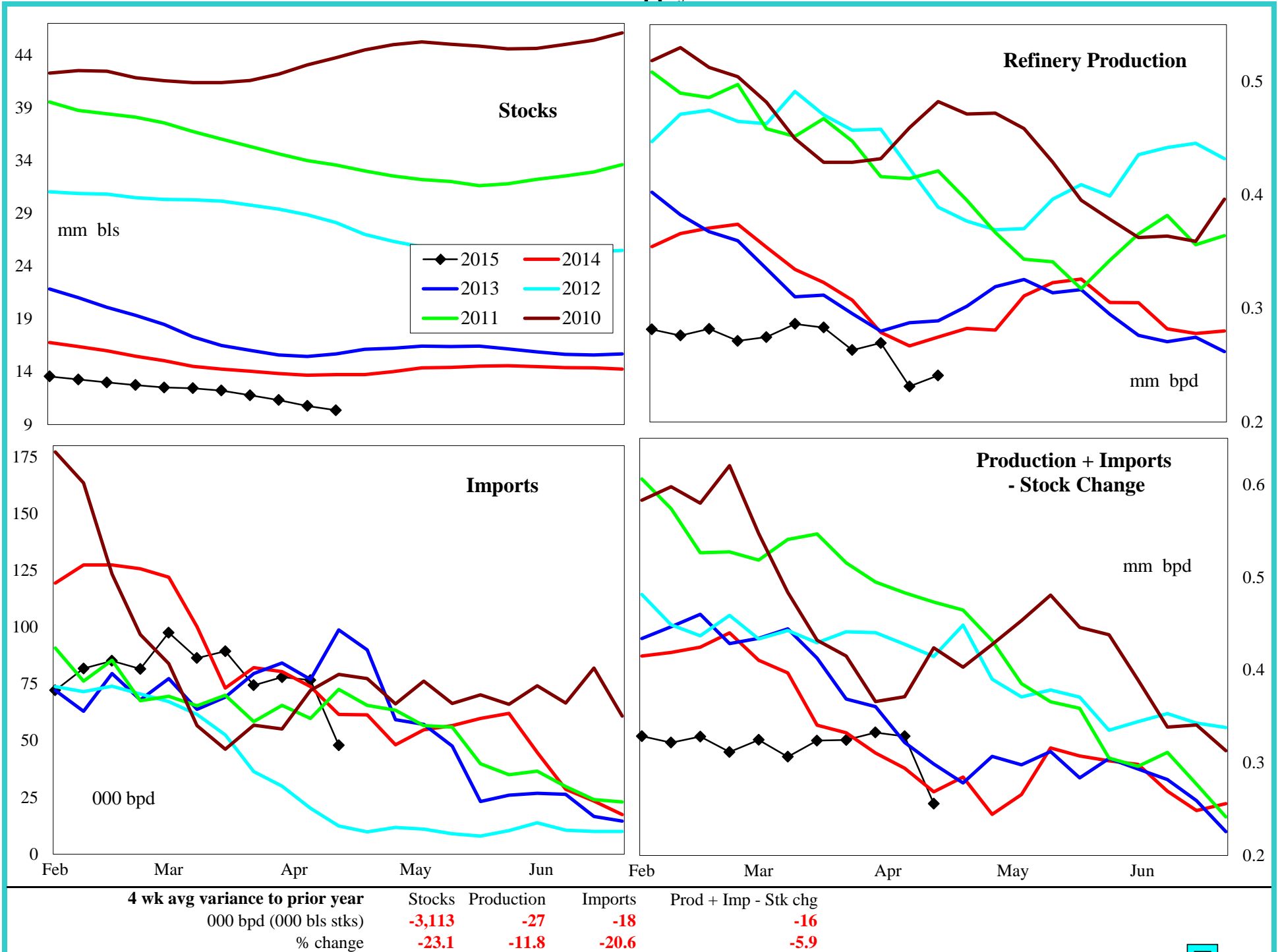
United States Distillate Supply and Demand Balance



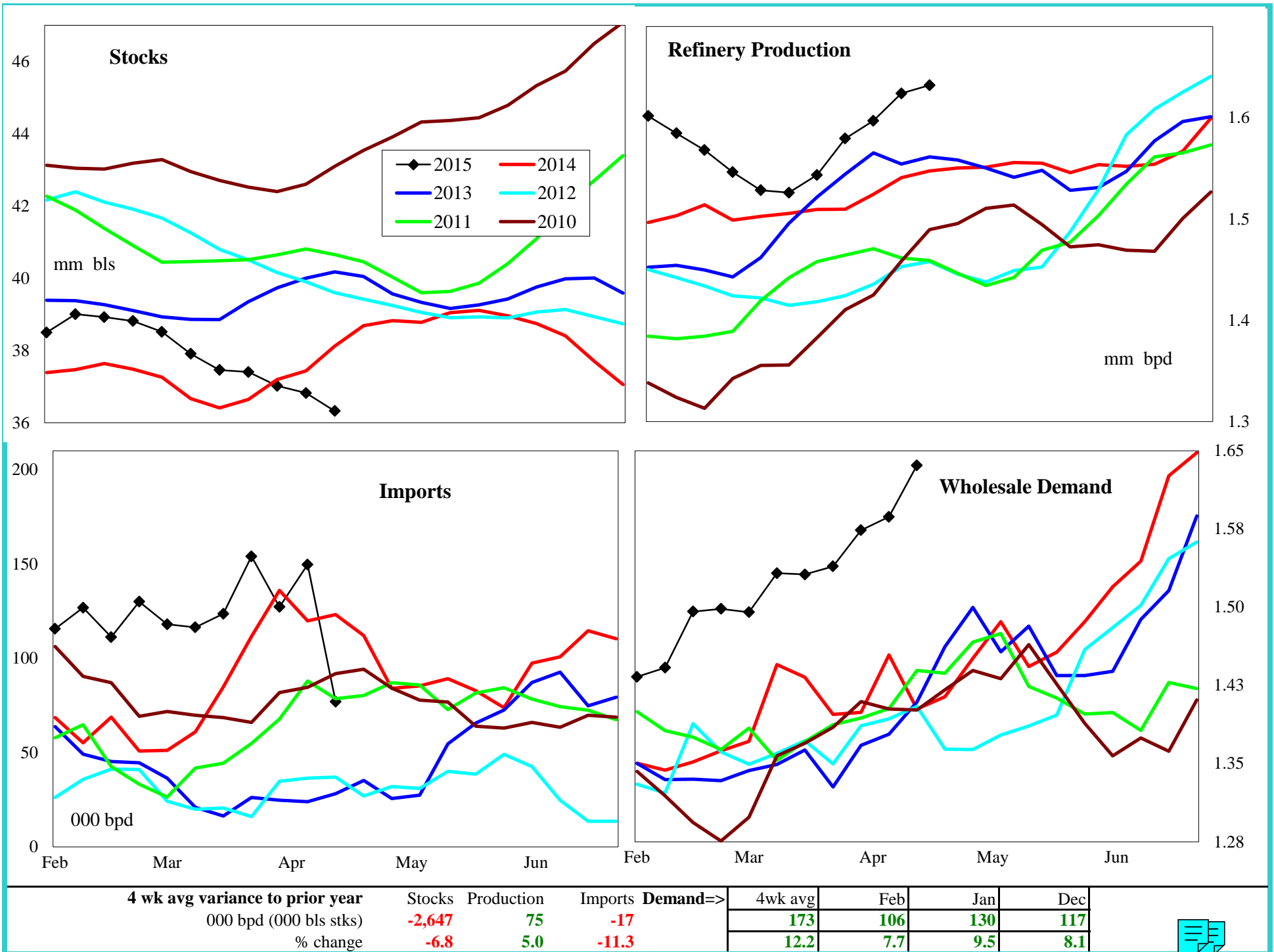
United States Crude Oil Supply and Demand Balance



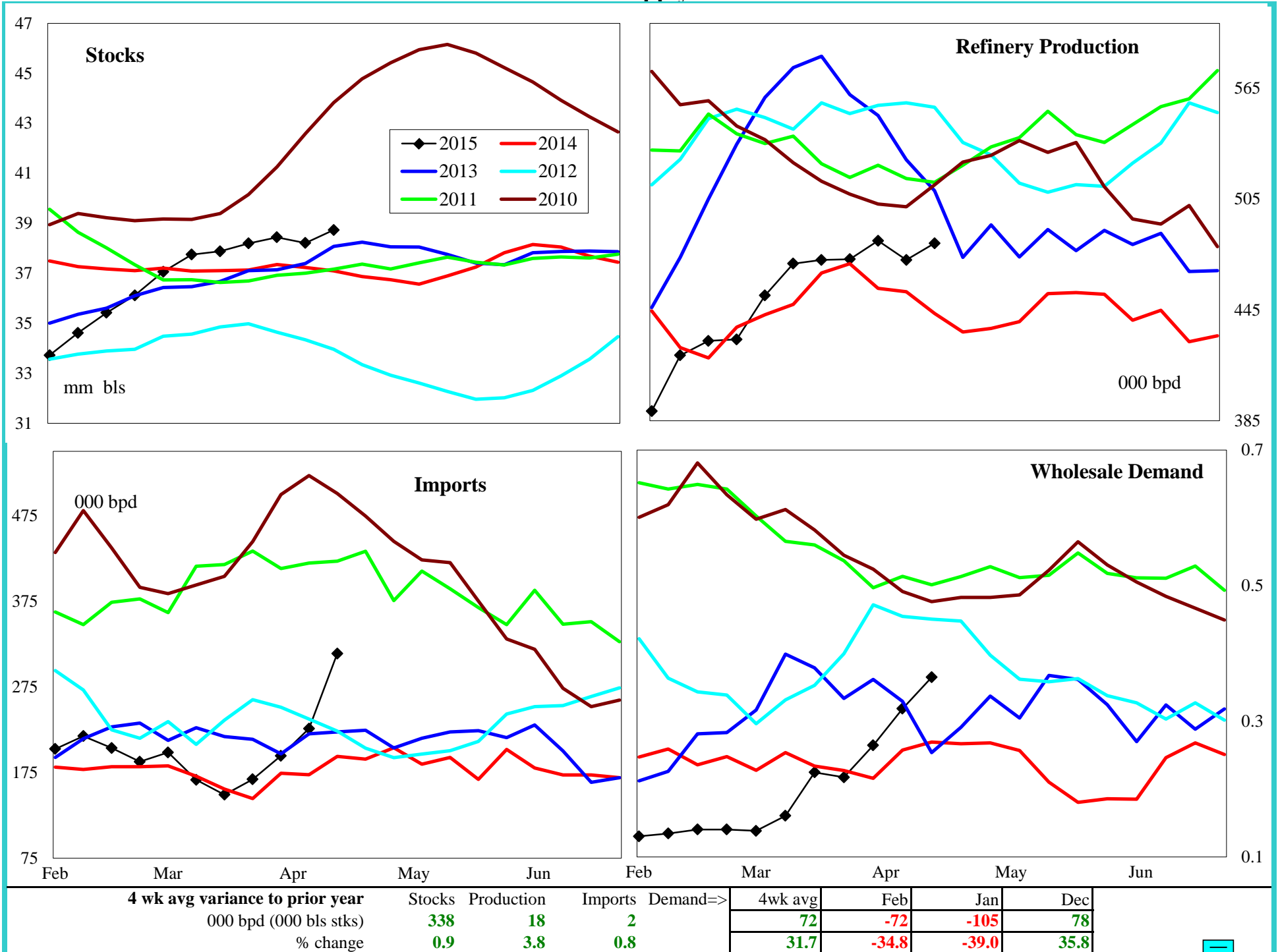
United States Crude Oil Supply and Demand Balance



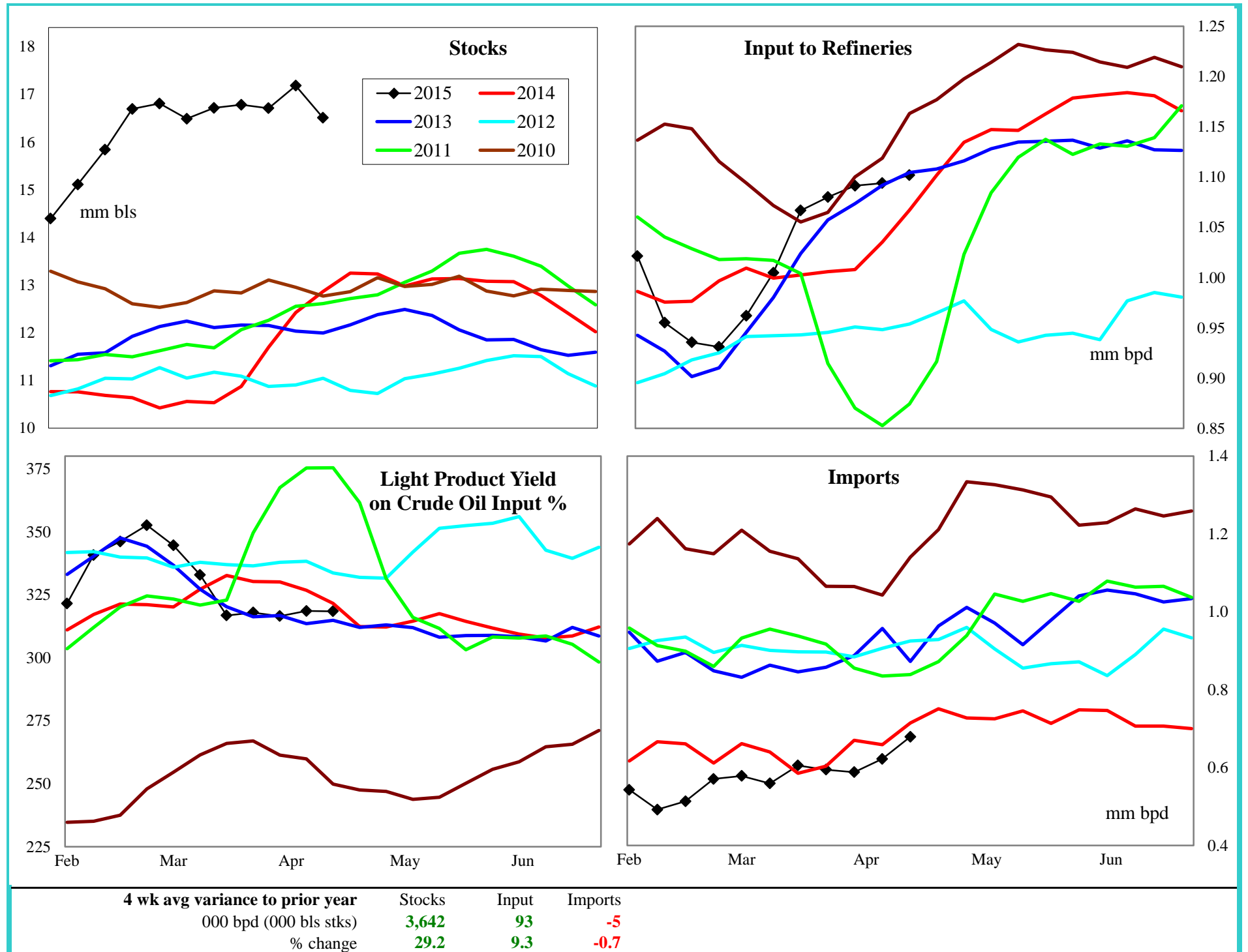
United States Crude Oil Supply and Demand Balance



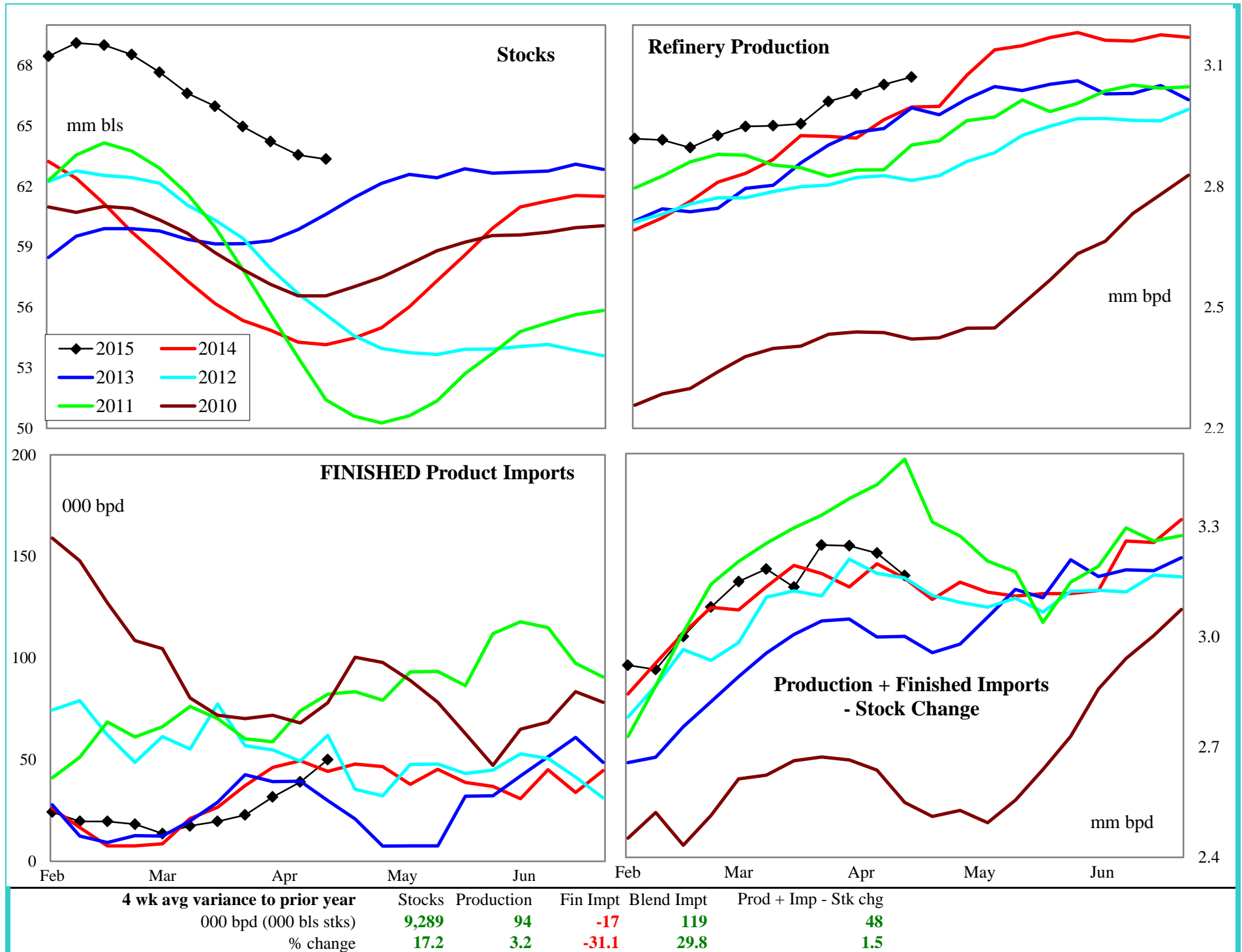
United States Crude Oil Supply and Demand Balance



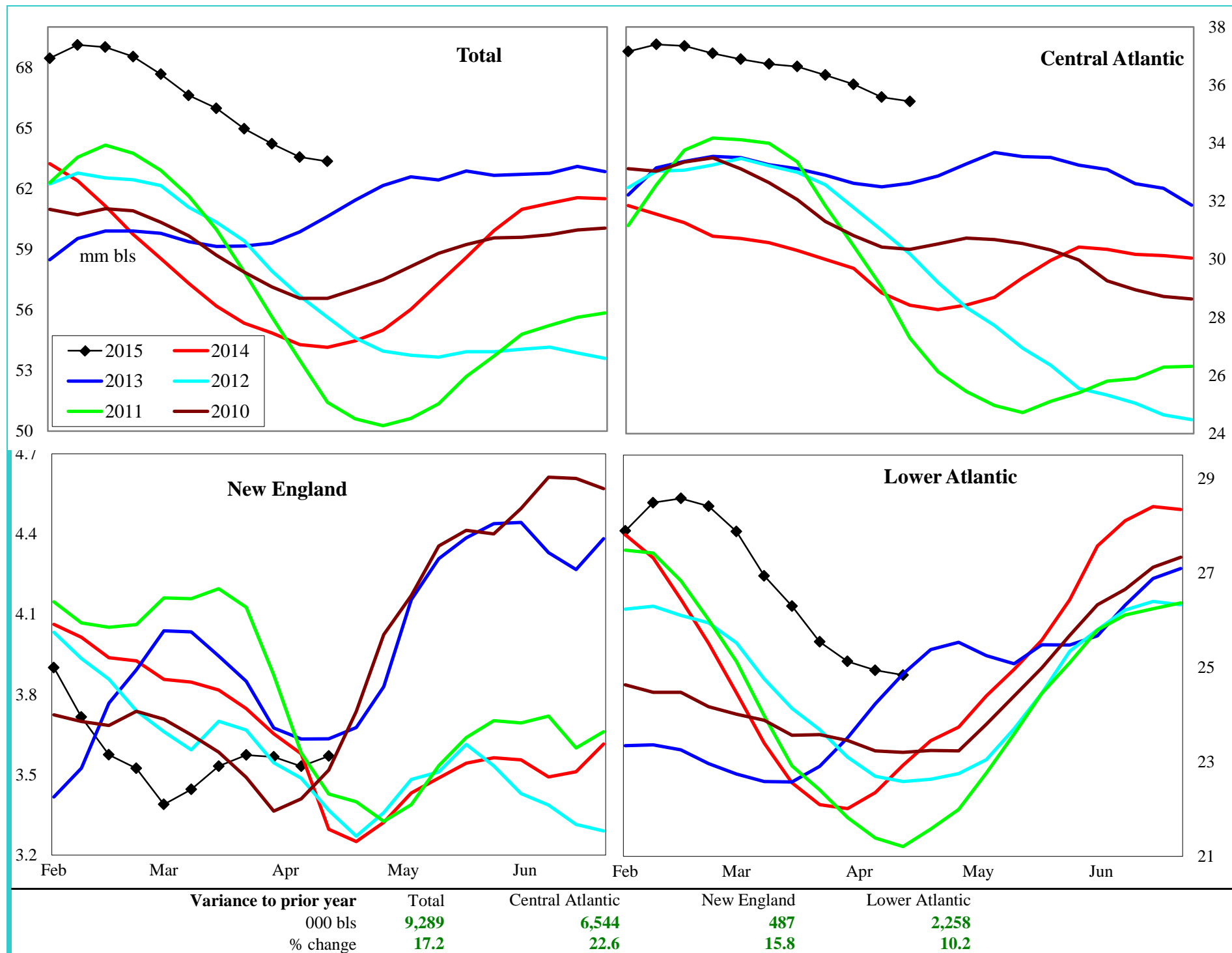
PADD 1 Crude Oil Supply and Refining



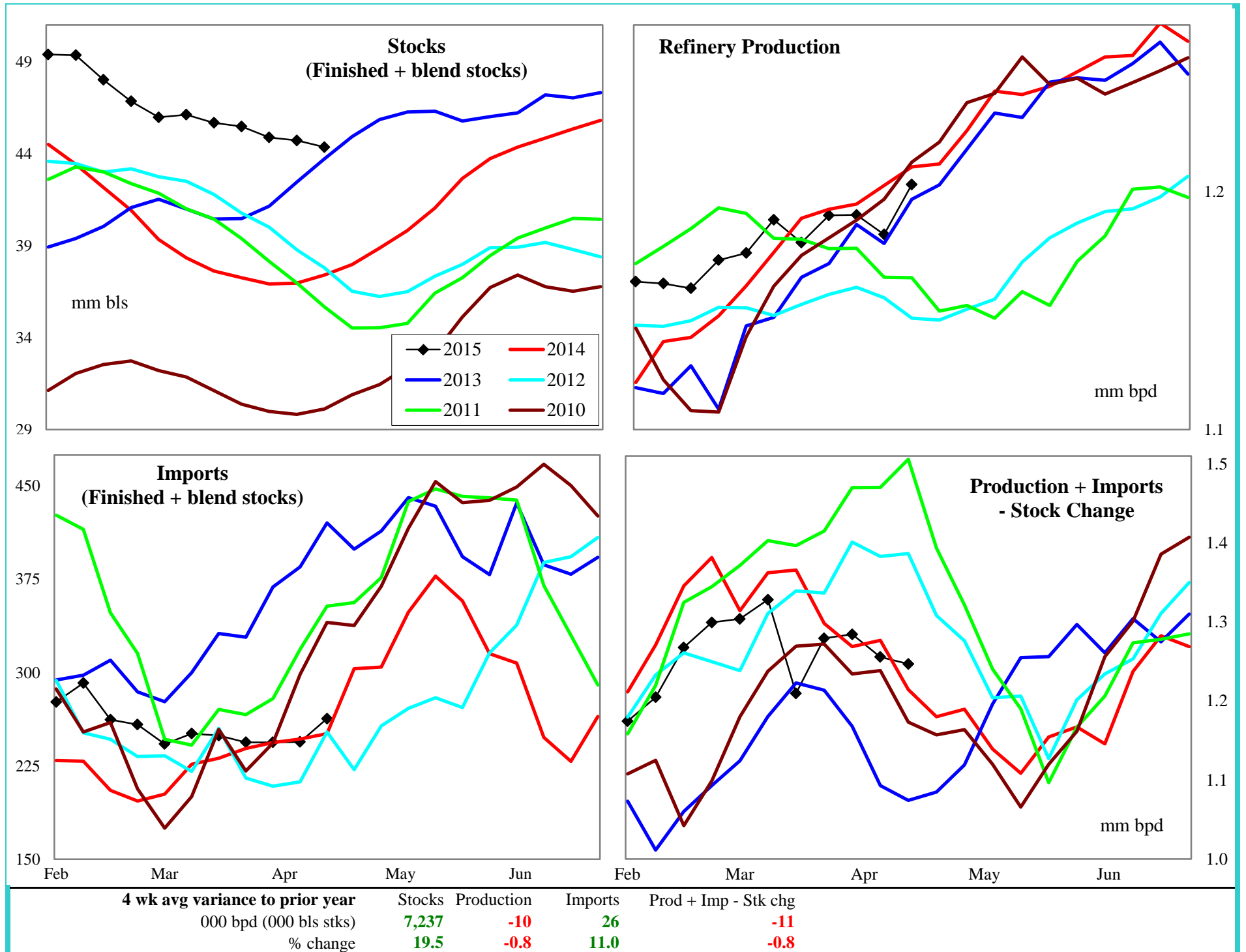
PADD 1 Gasoline Supply



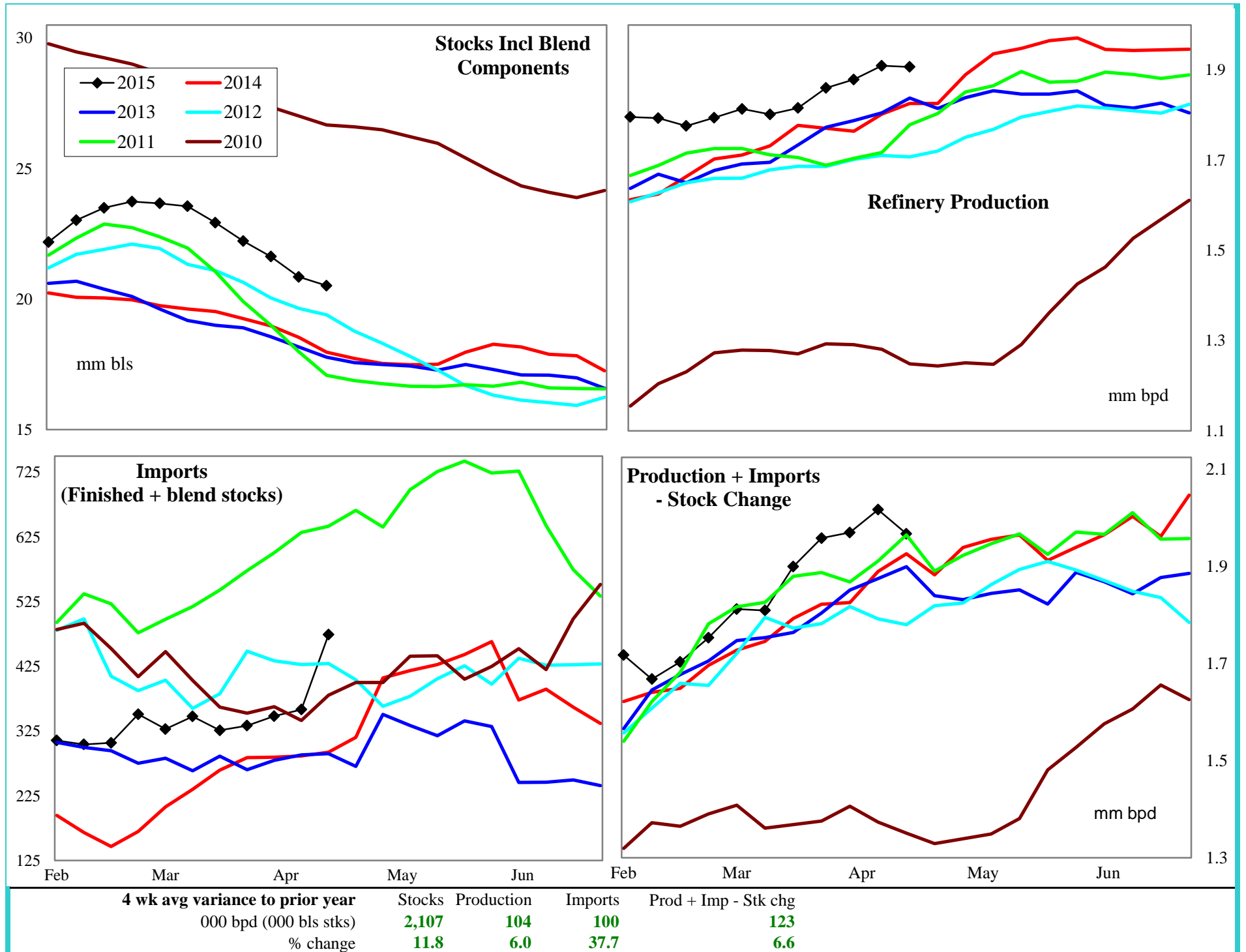
PADD 1 Gasoline Stocks by Region



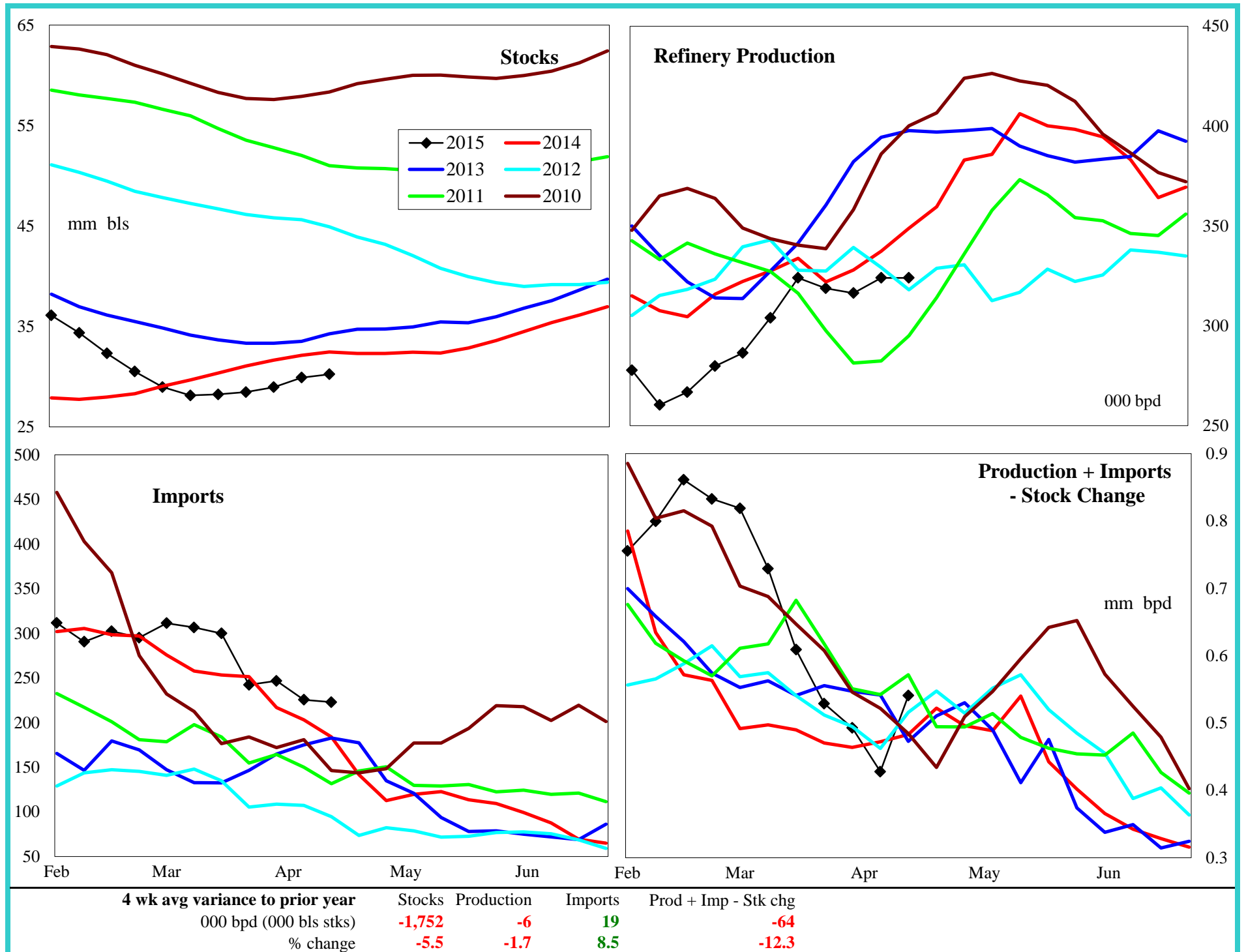
PADD 1 Reformulated Gasoline Supply



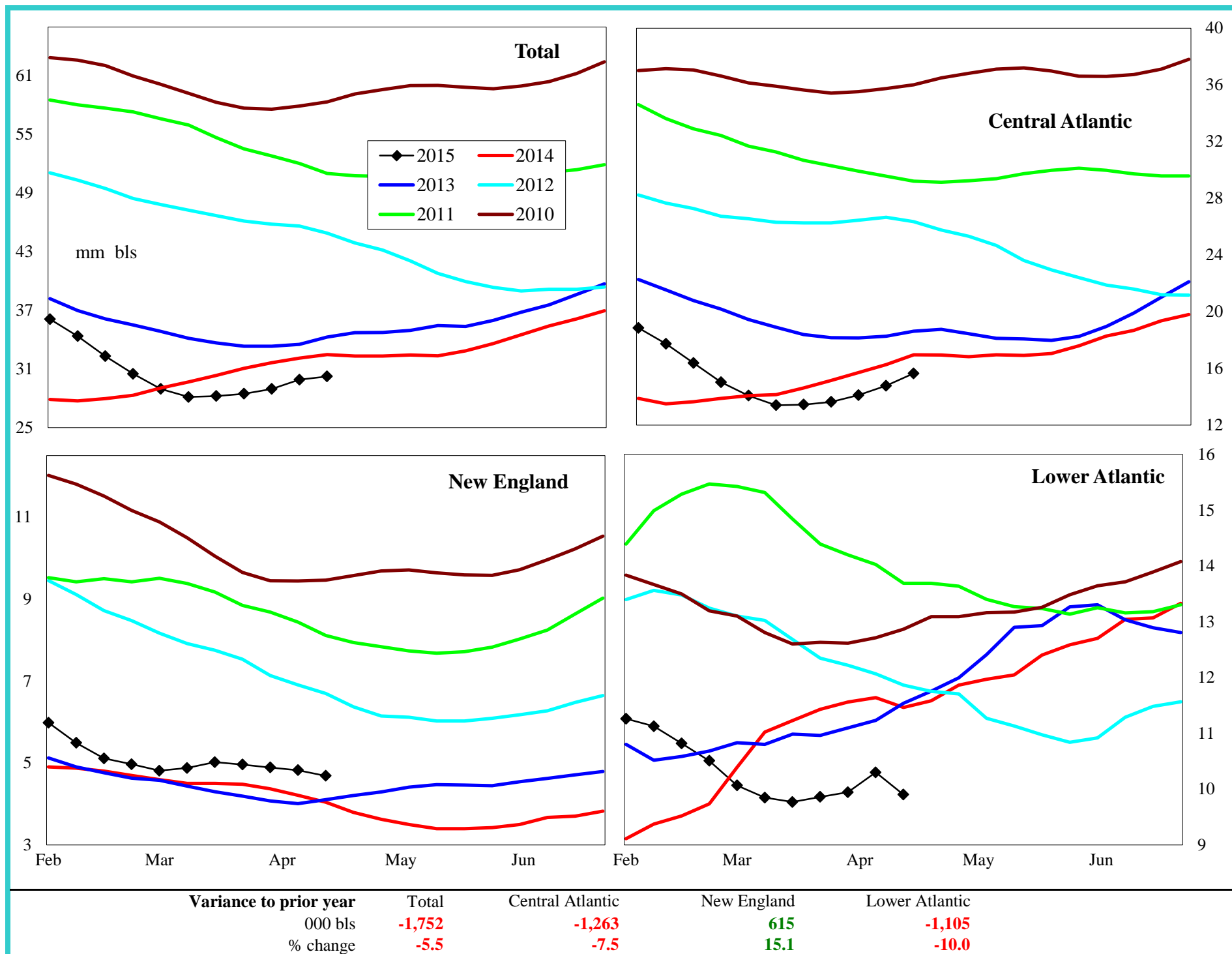
PADD 1 Conventional Gasoline Supply



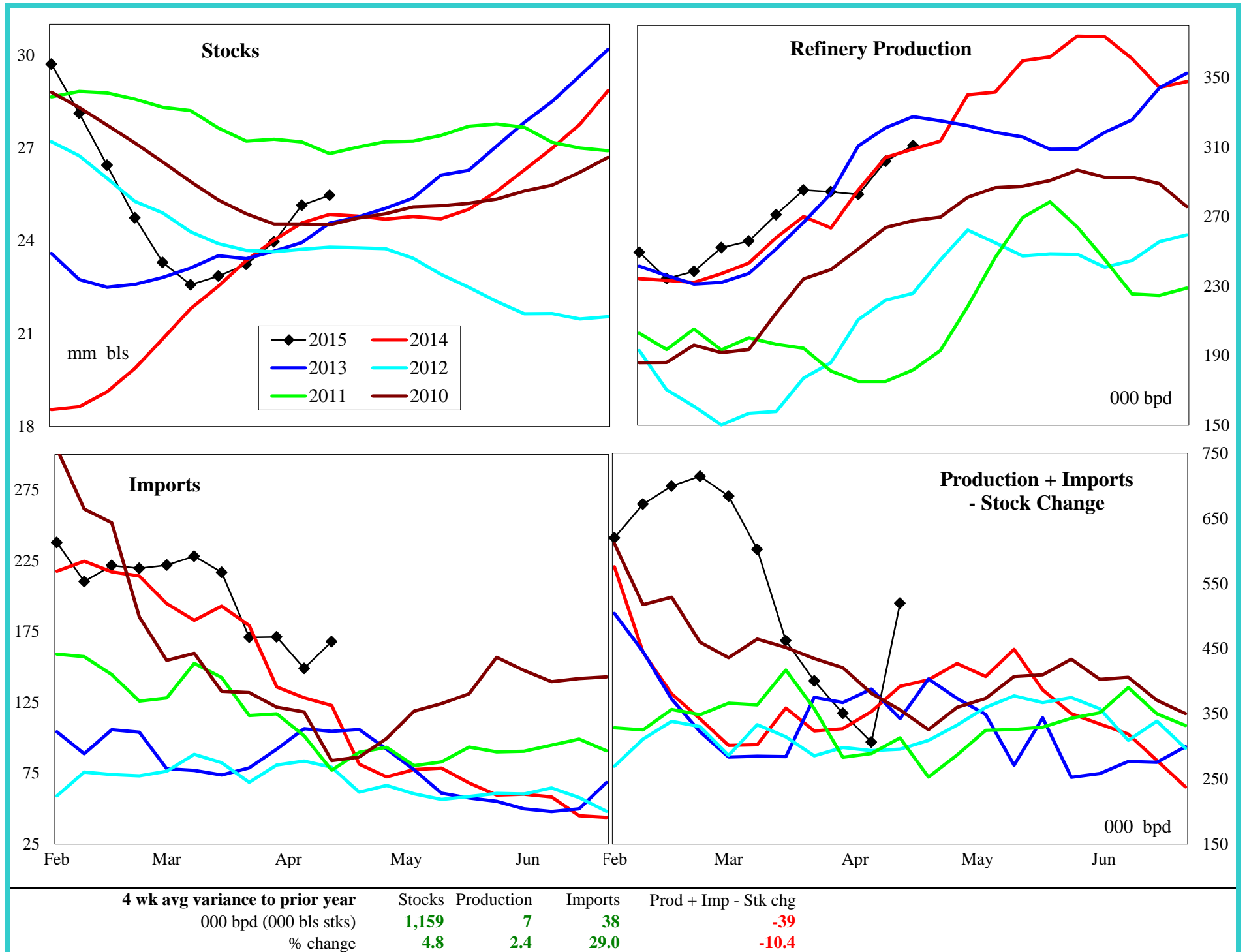
PADD 1 Distillate Supply



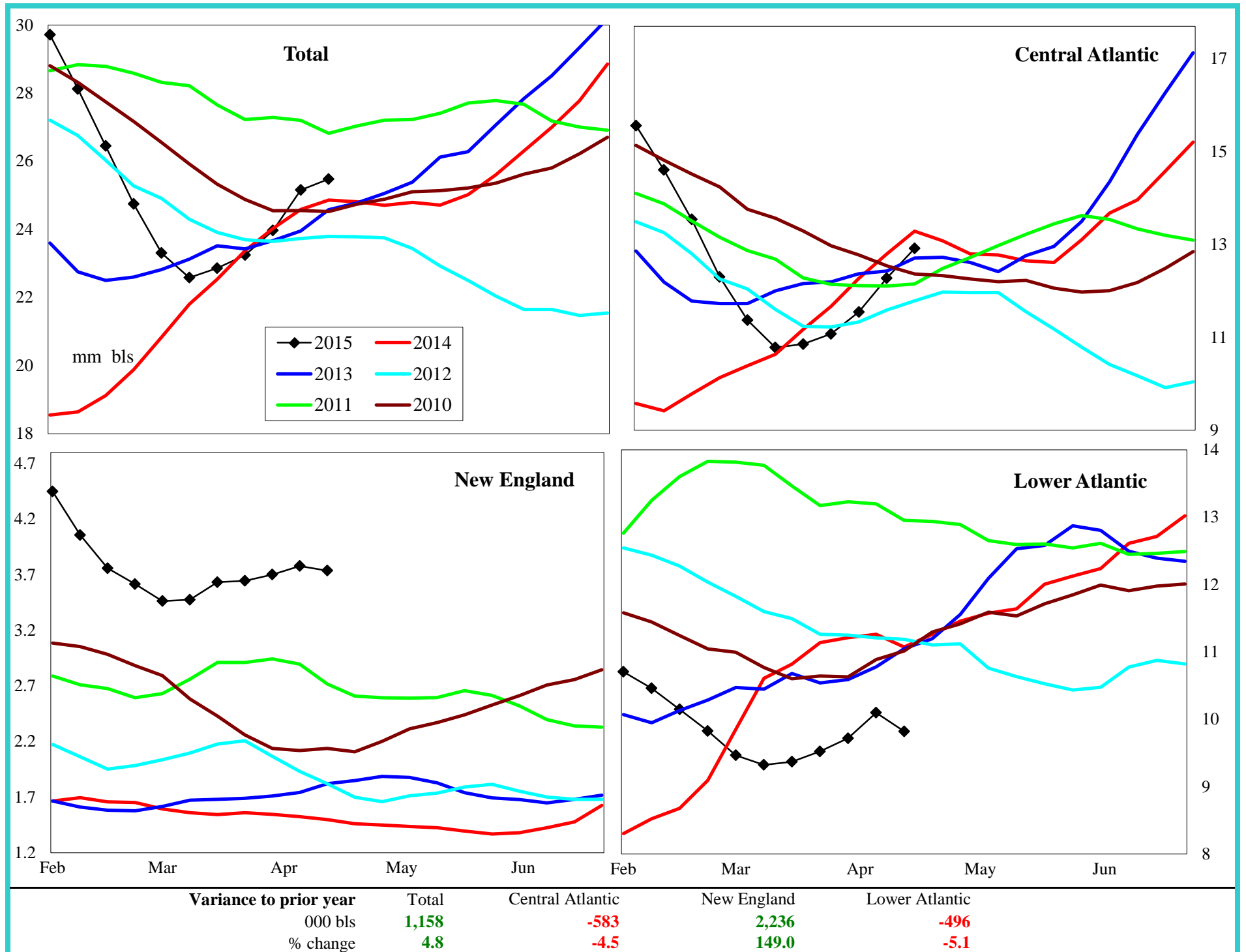
PADD 1 Distillate Stocks by Region



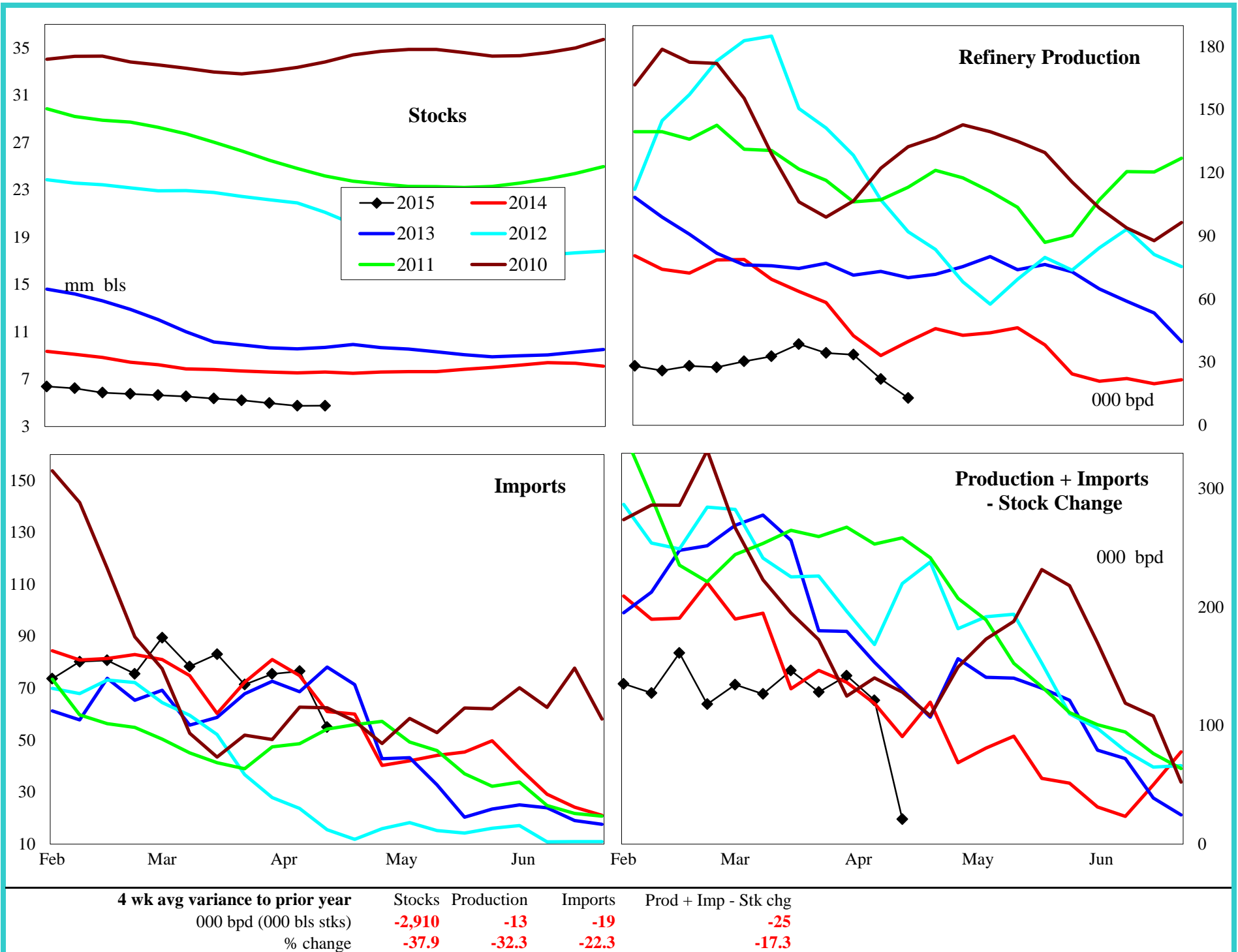
PADD 1 Low Sulfur Distillate Supply



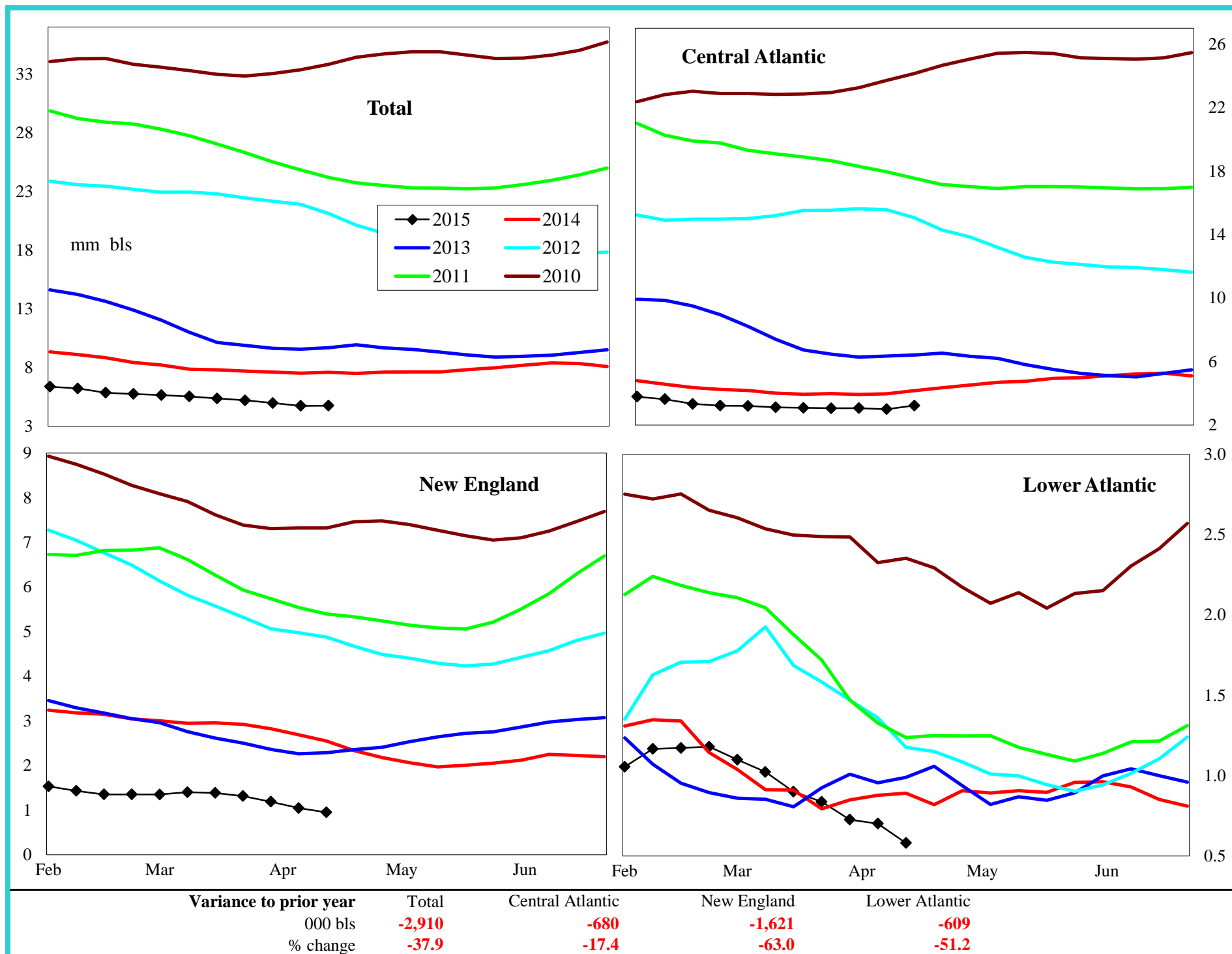
PADD 1 Low Sulfur Distillate Stocks by Region



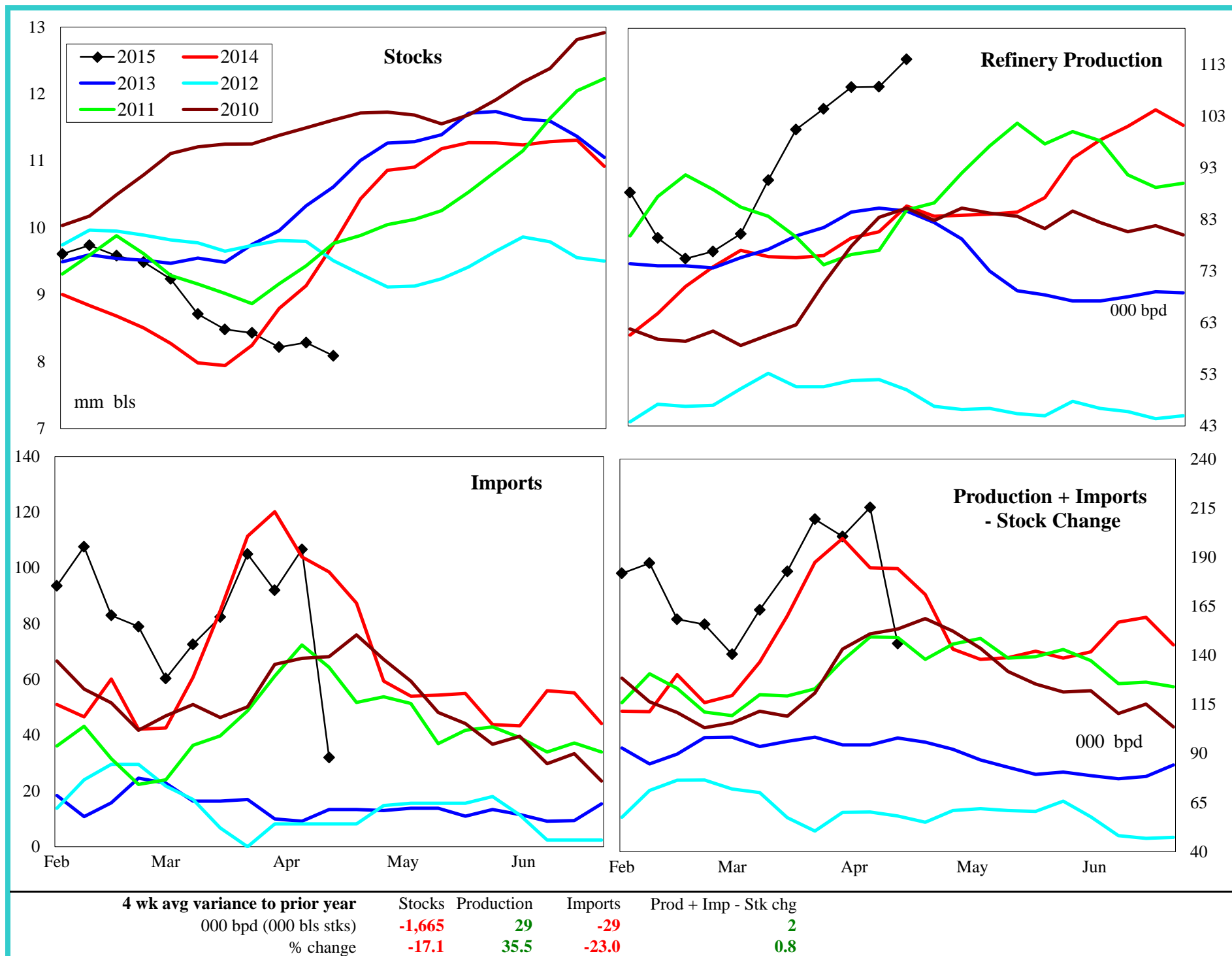
PADD 1 High Sulfur Distillate Supply



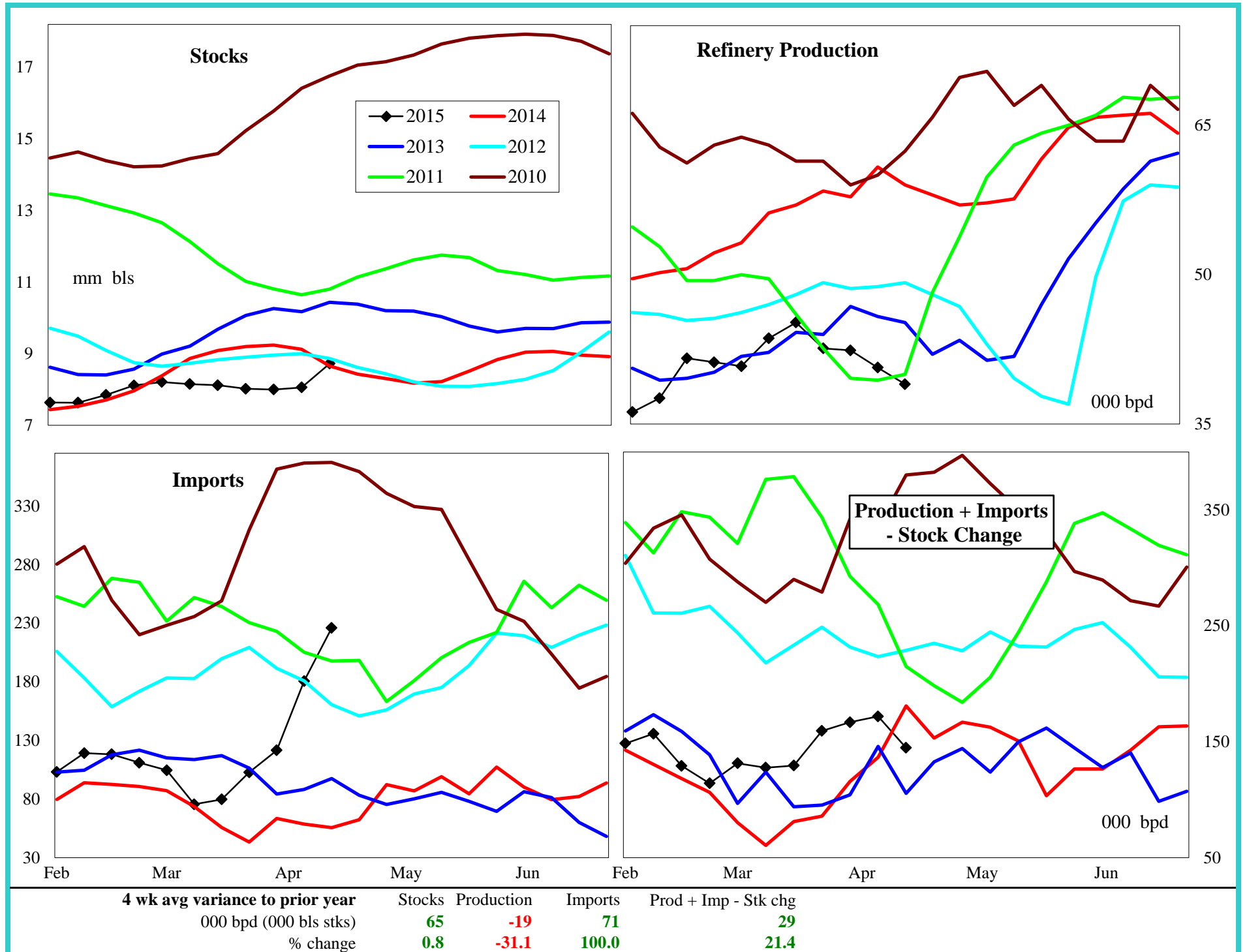
PADD 1 High Sulfur Distillate Stocks by Region



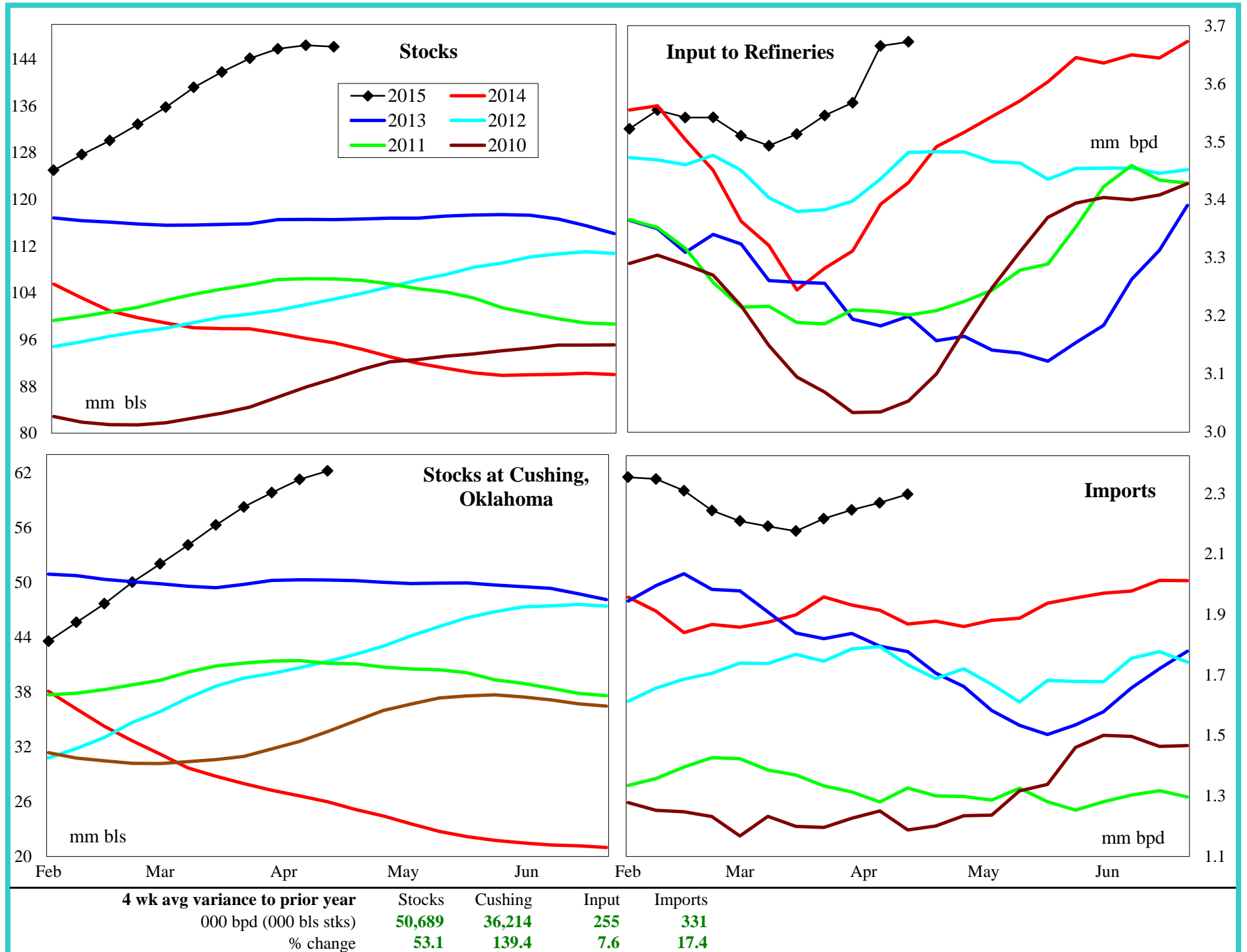
PADD 1 Jet Fuel Supply



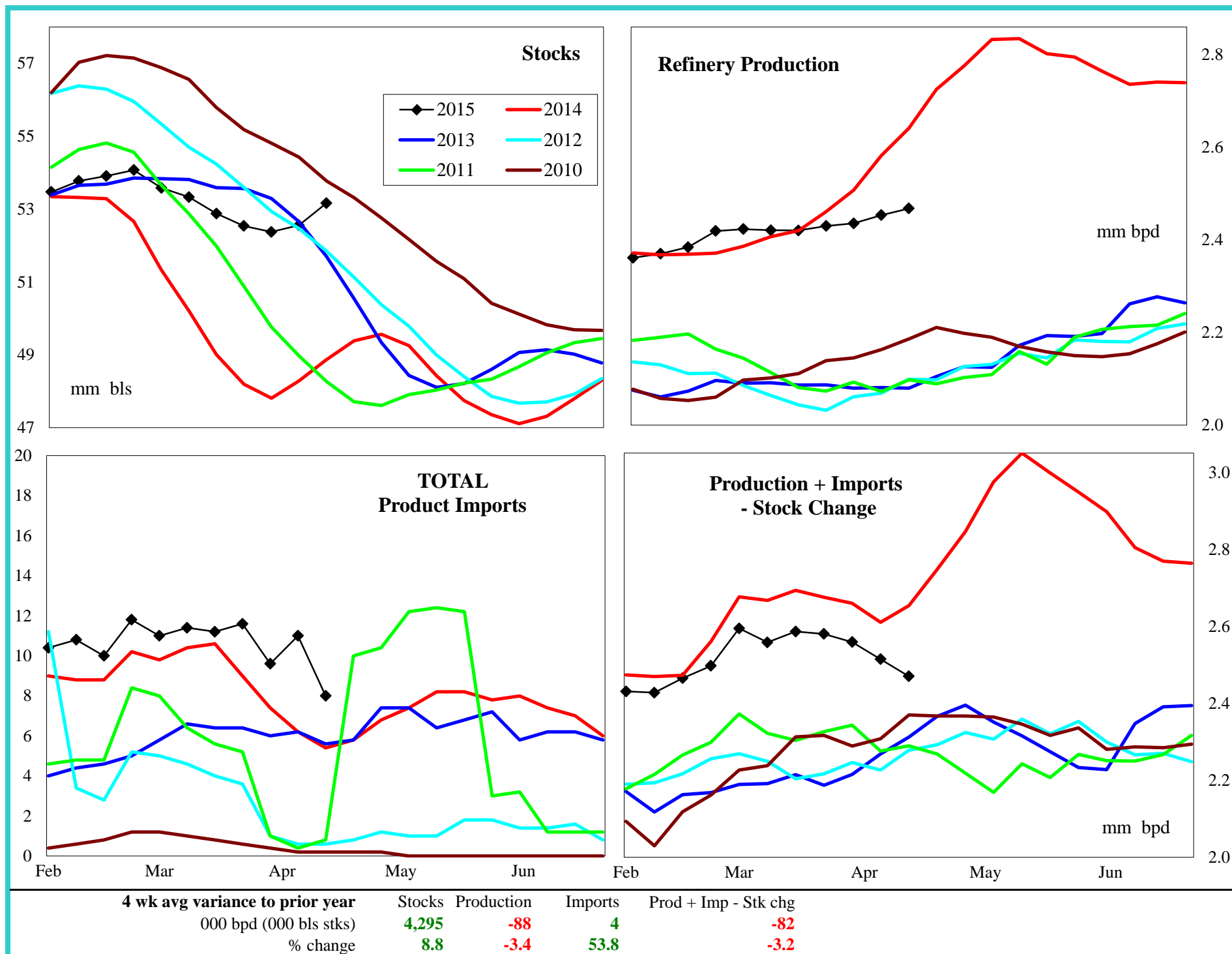
PADD 1 Residual Fuel Oil Supply



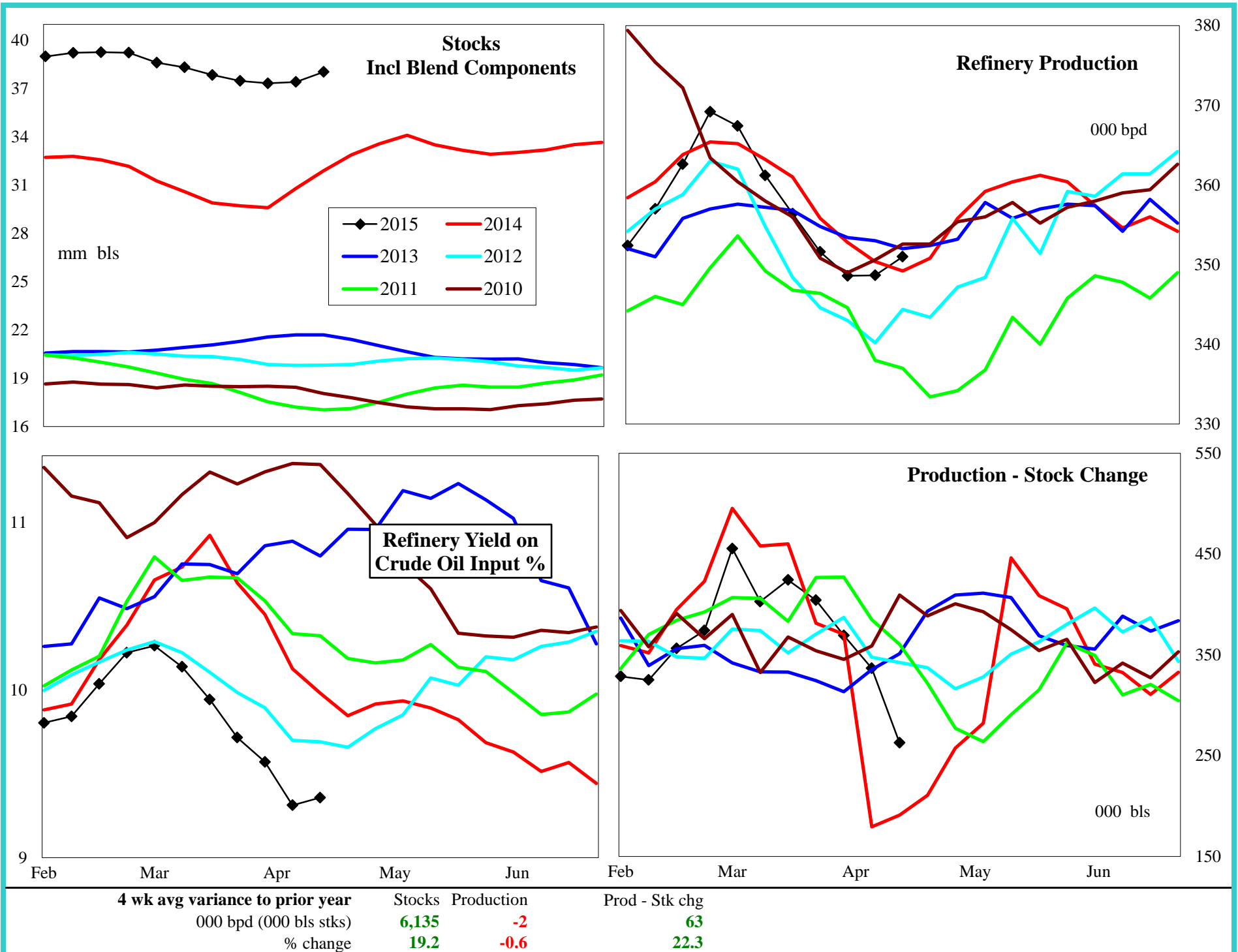
PADD 2 Crude Oil Supply and Refining



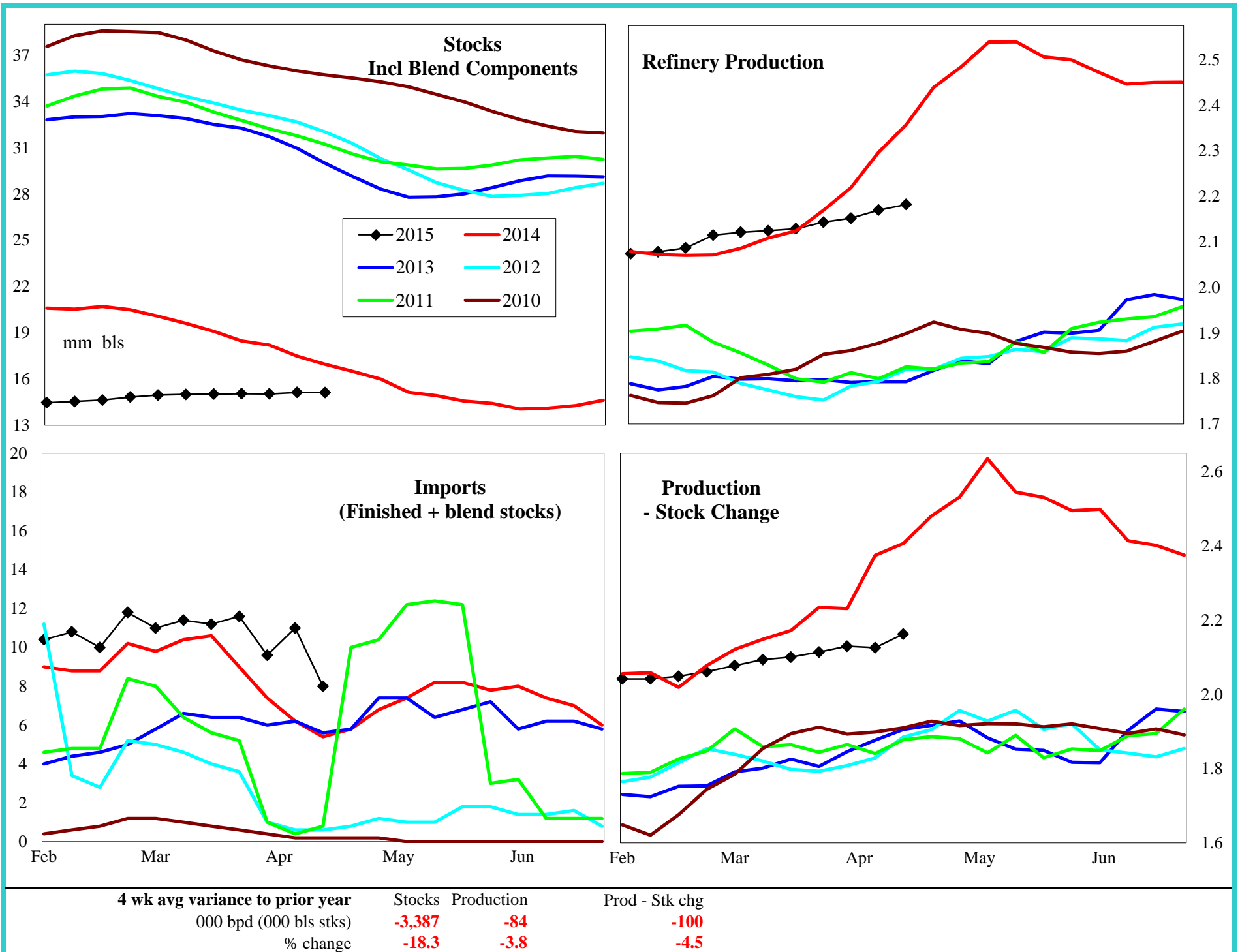
PADD 2 Gasoline Supply



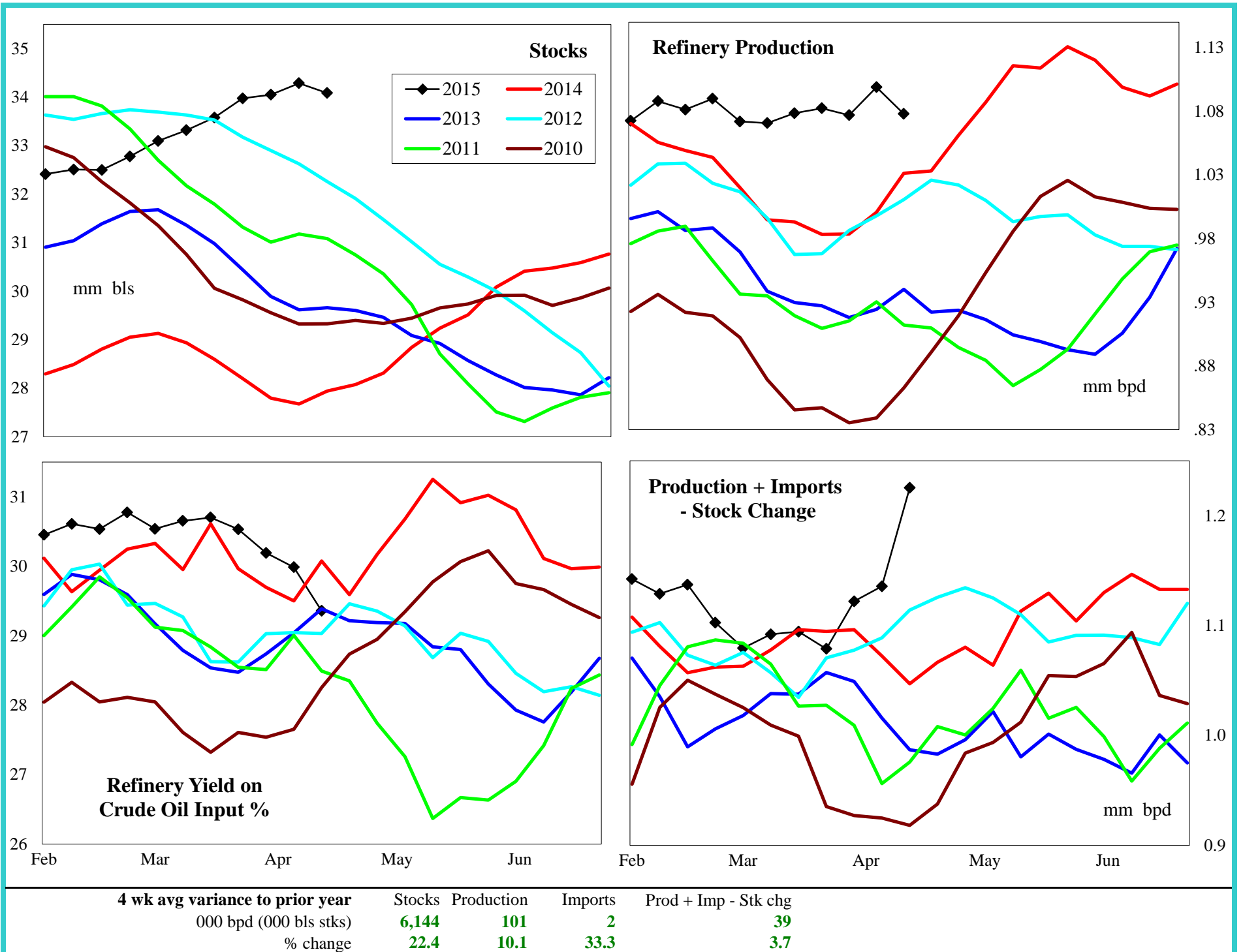
PADD 2 Reformulated Gasoline Supply



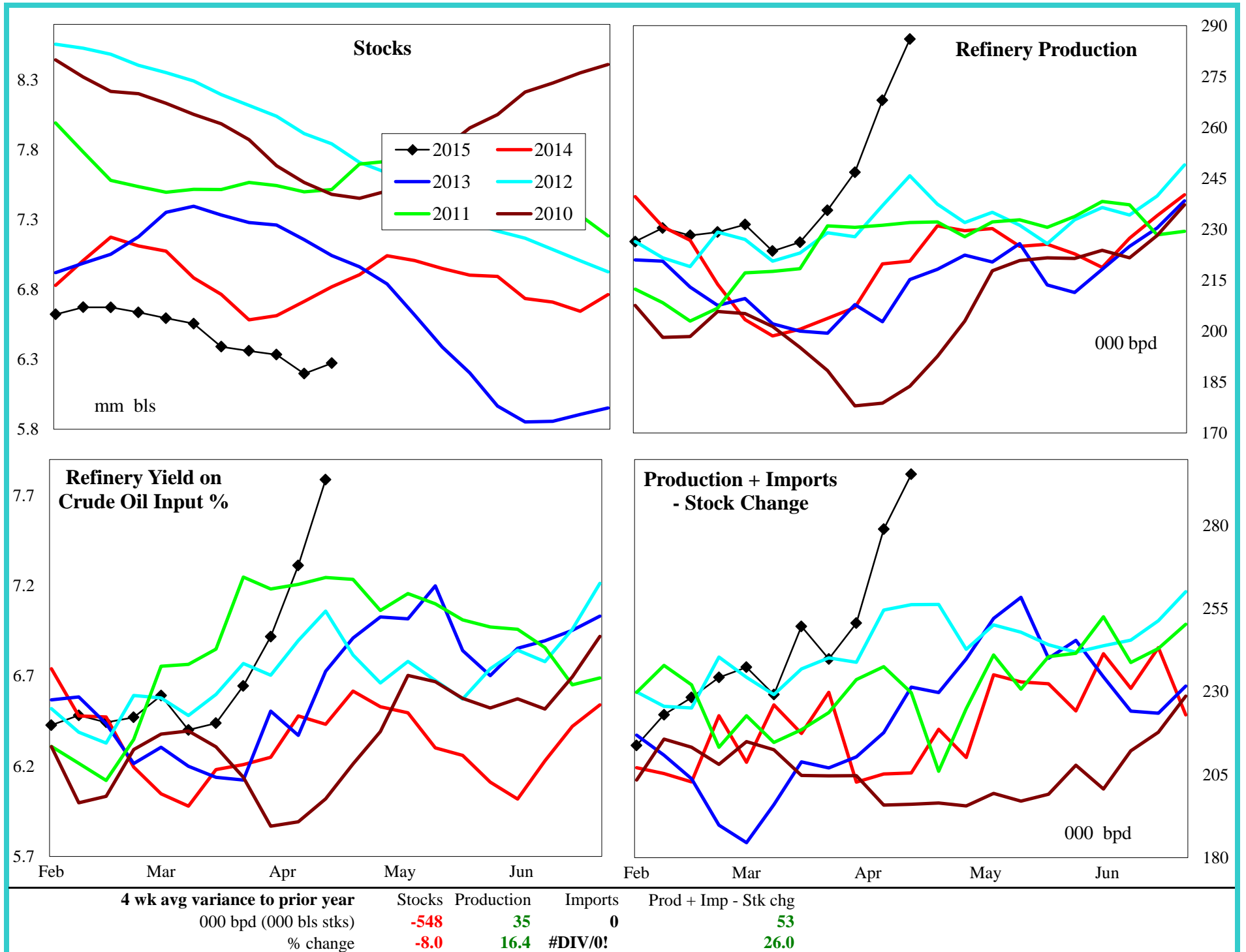
PADD 2 Conventional Gasoline Supply



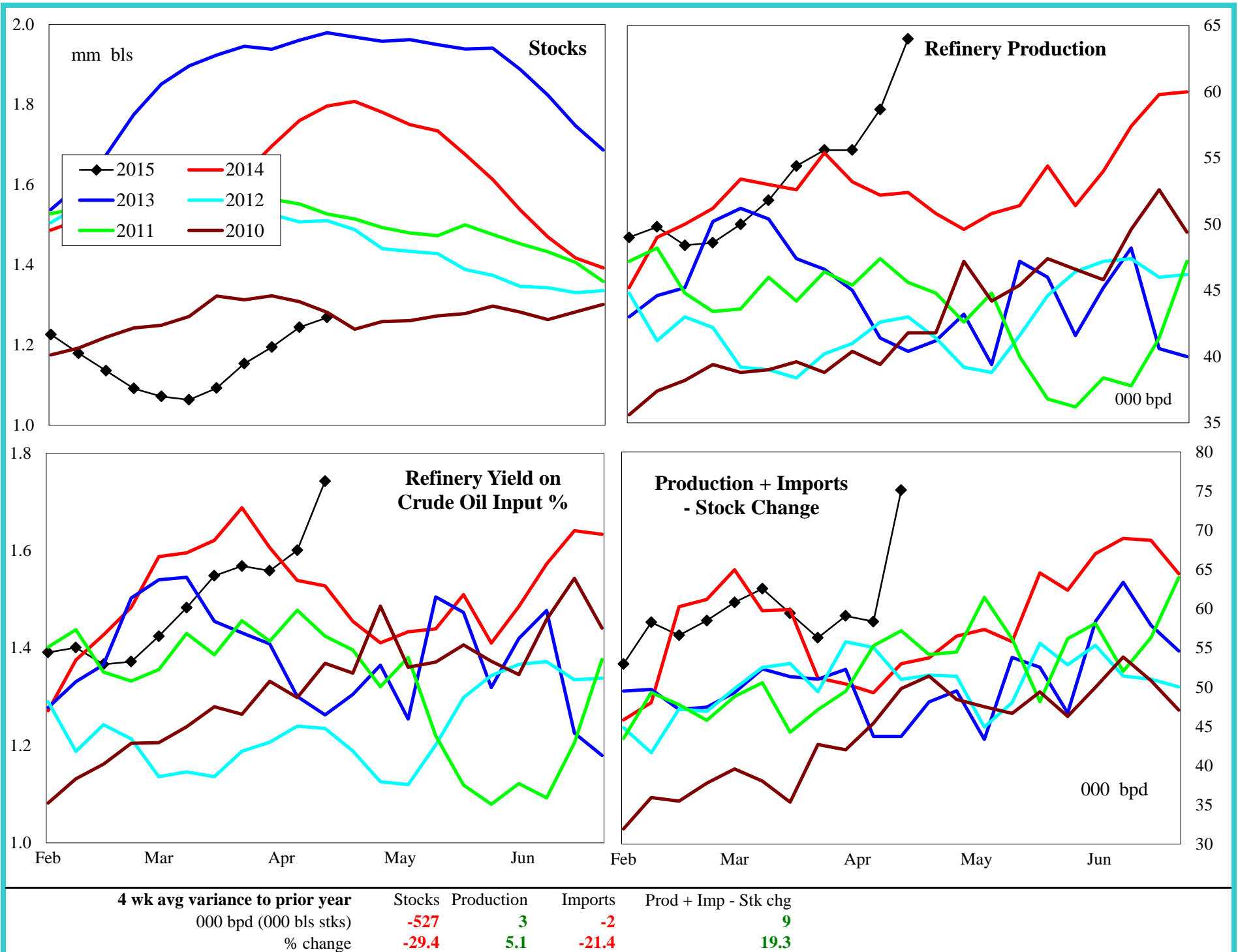
PADD 2 Distillate Supply



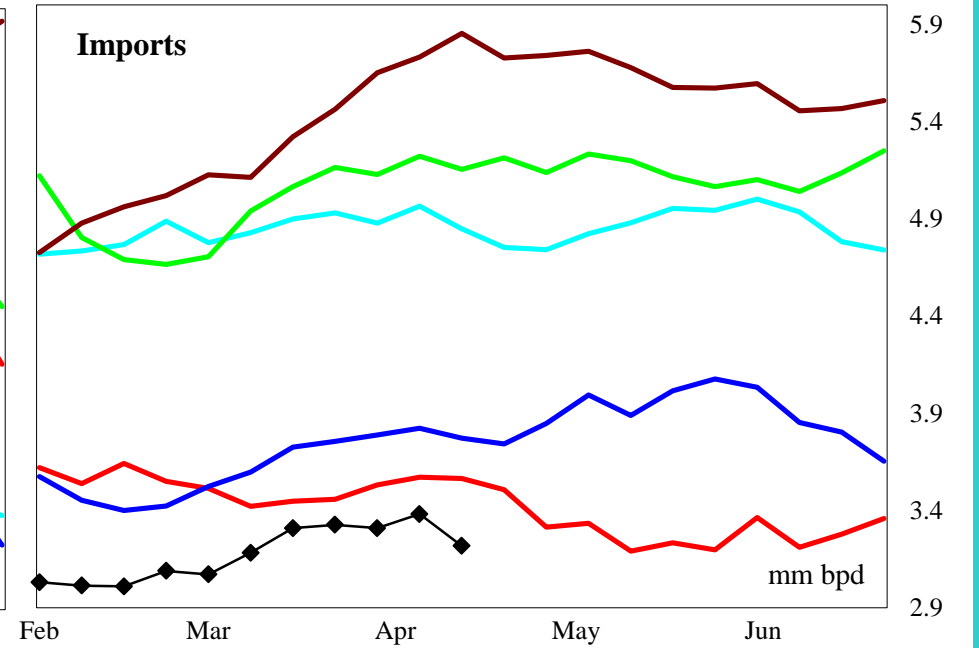
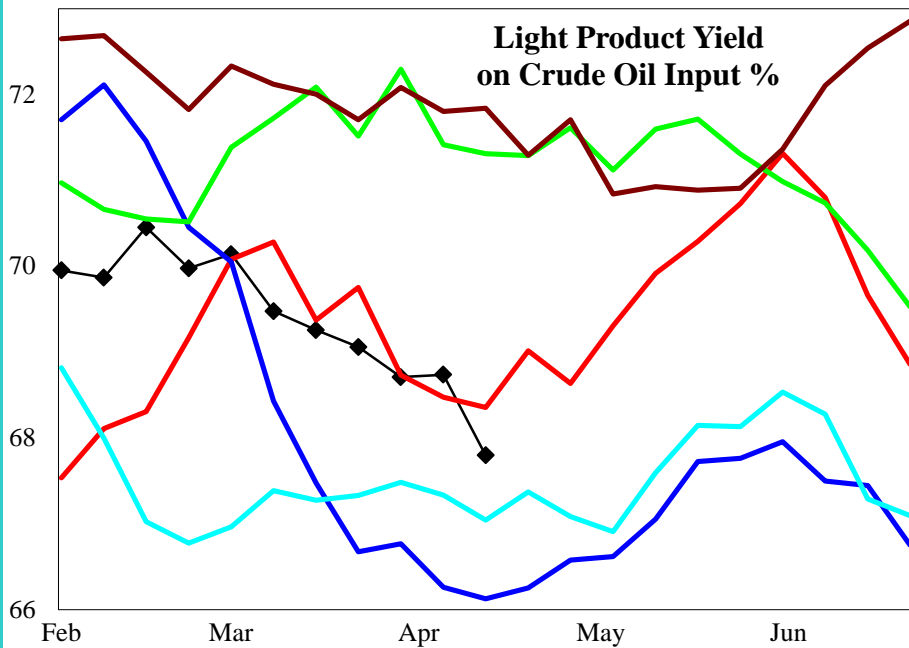
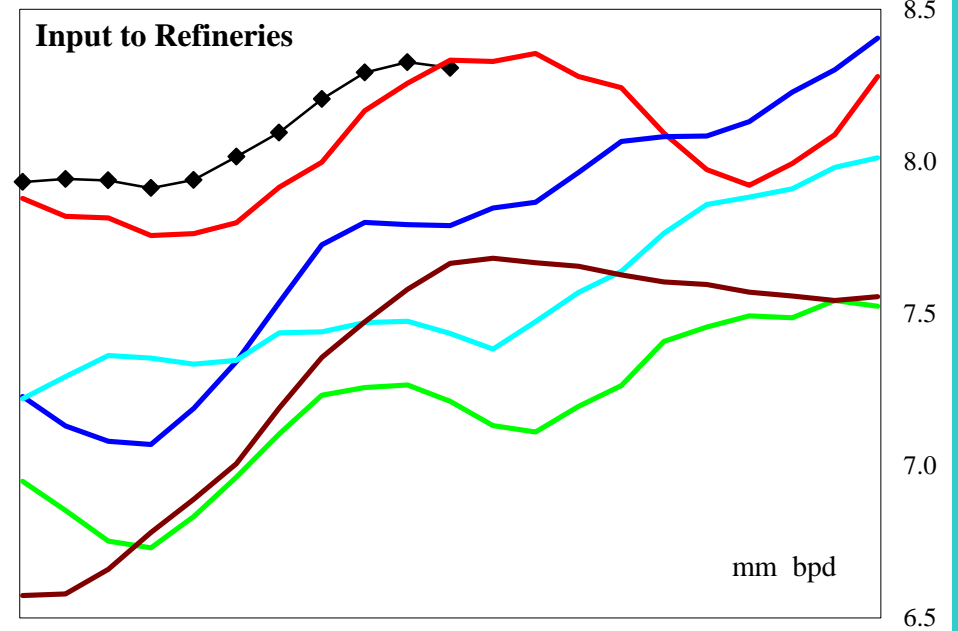
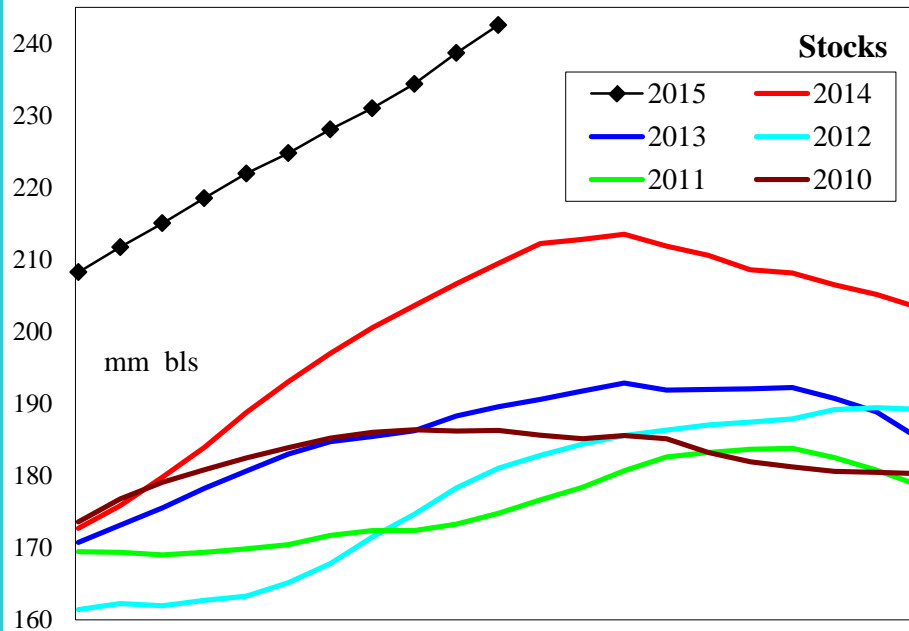
PADD 2 Jet Fuel Supply



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

33,062

15.8

Input

92

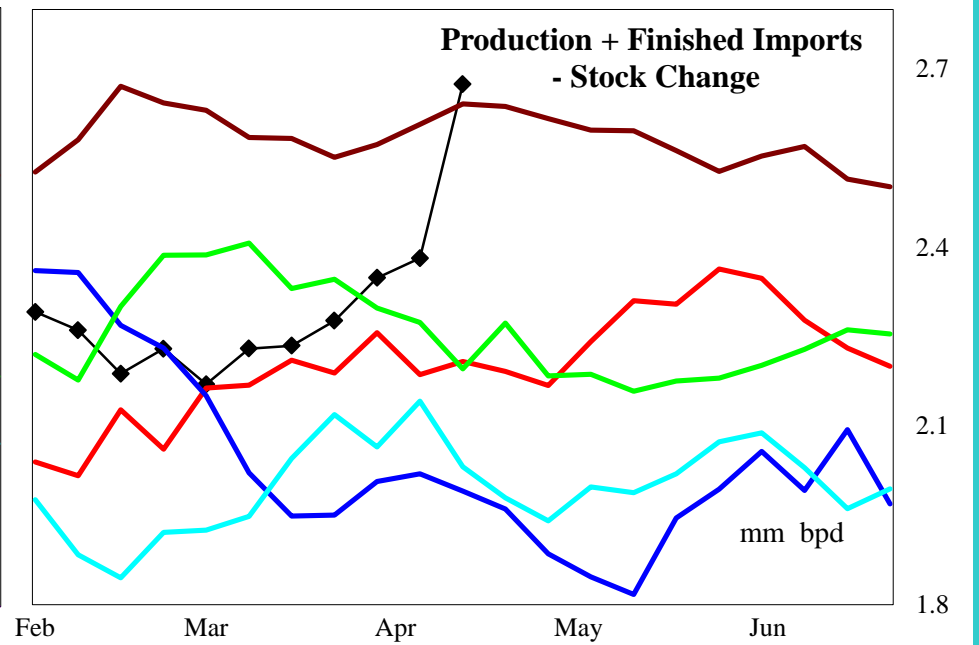
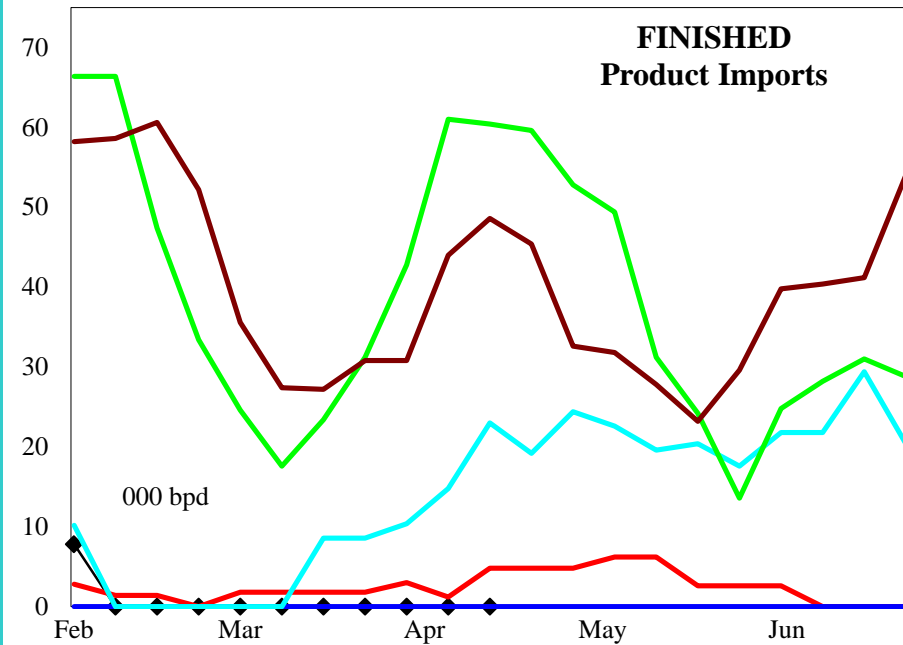
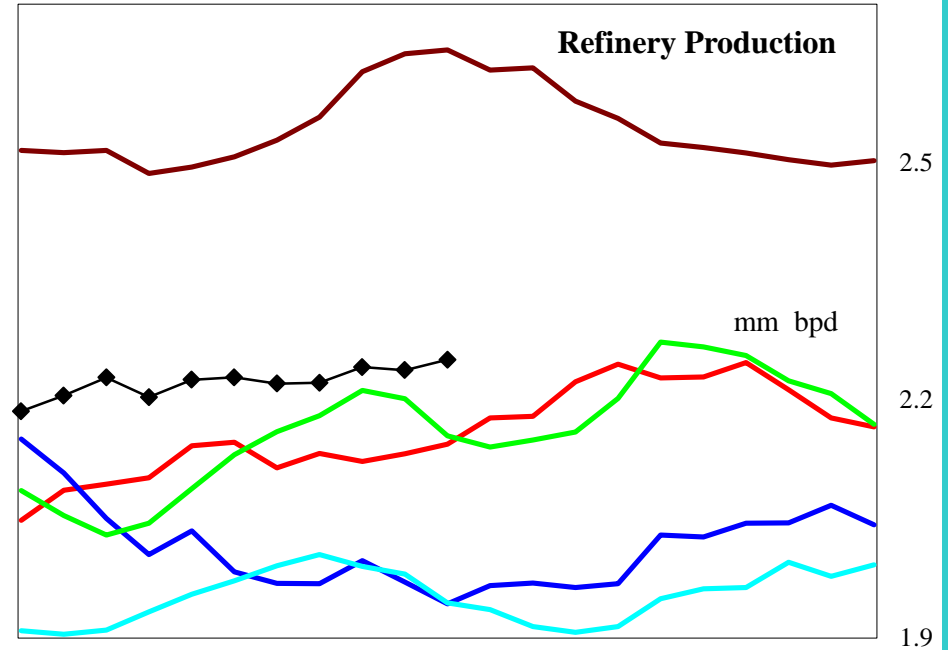
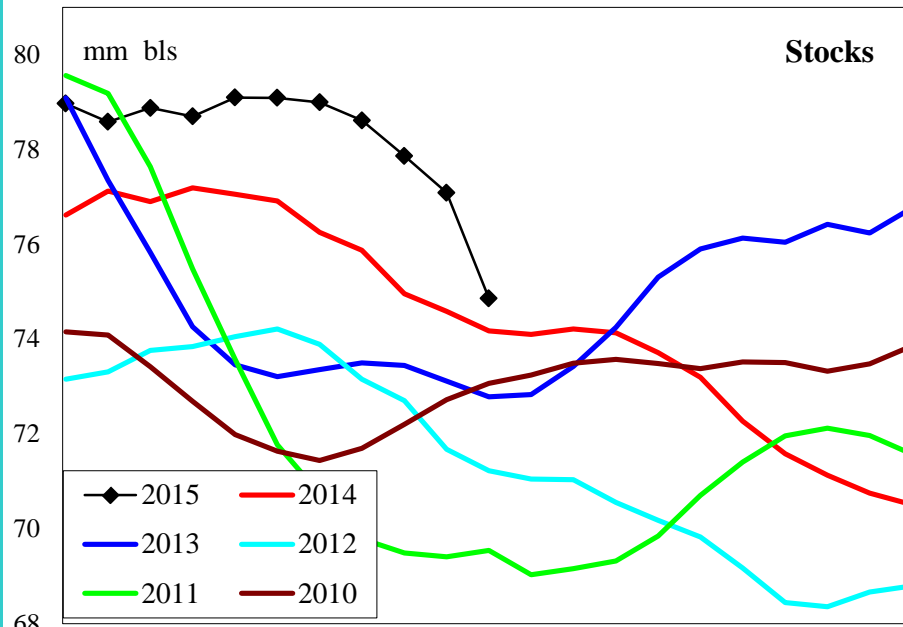
1.1

Imports

-205

-5.8

PADD 3 Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Fin Impt

Blend Impt

Prod + Imp - Stk chg

1,510

130

-2

-31

212

2.1

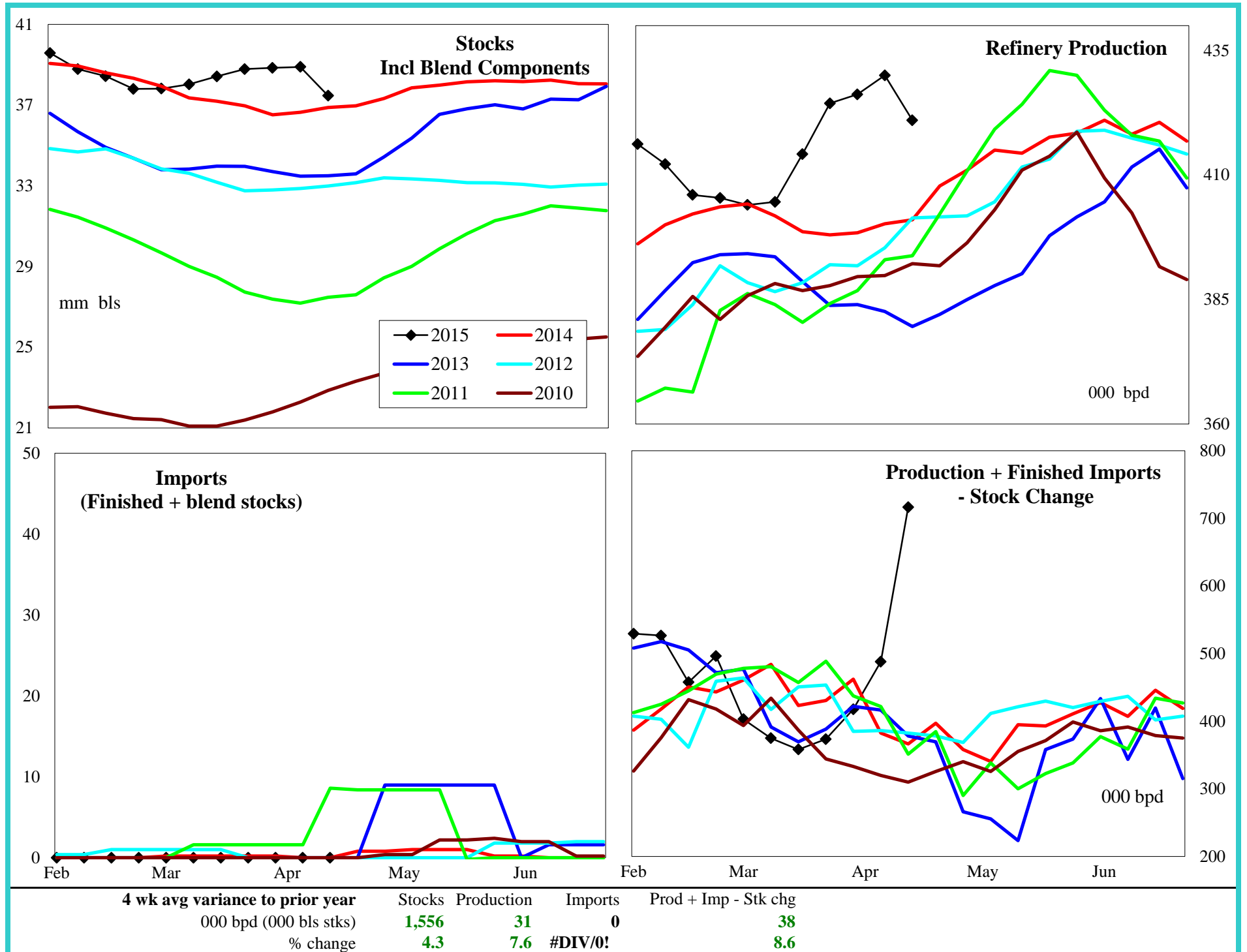
6.1

-100.0

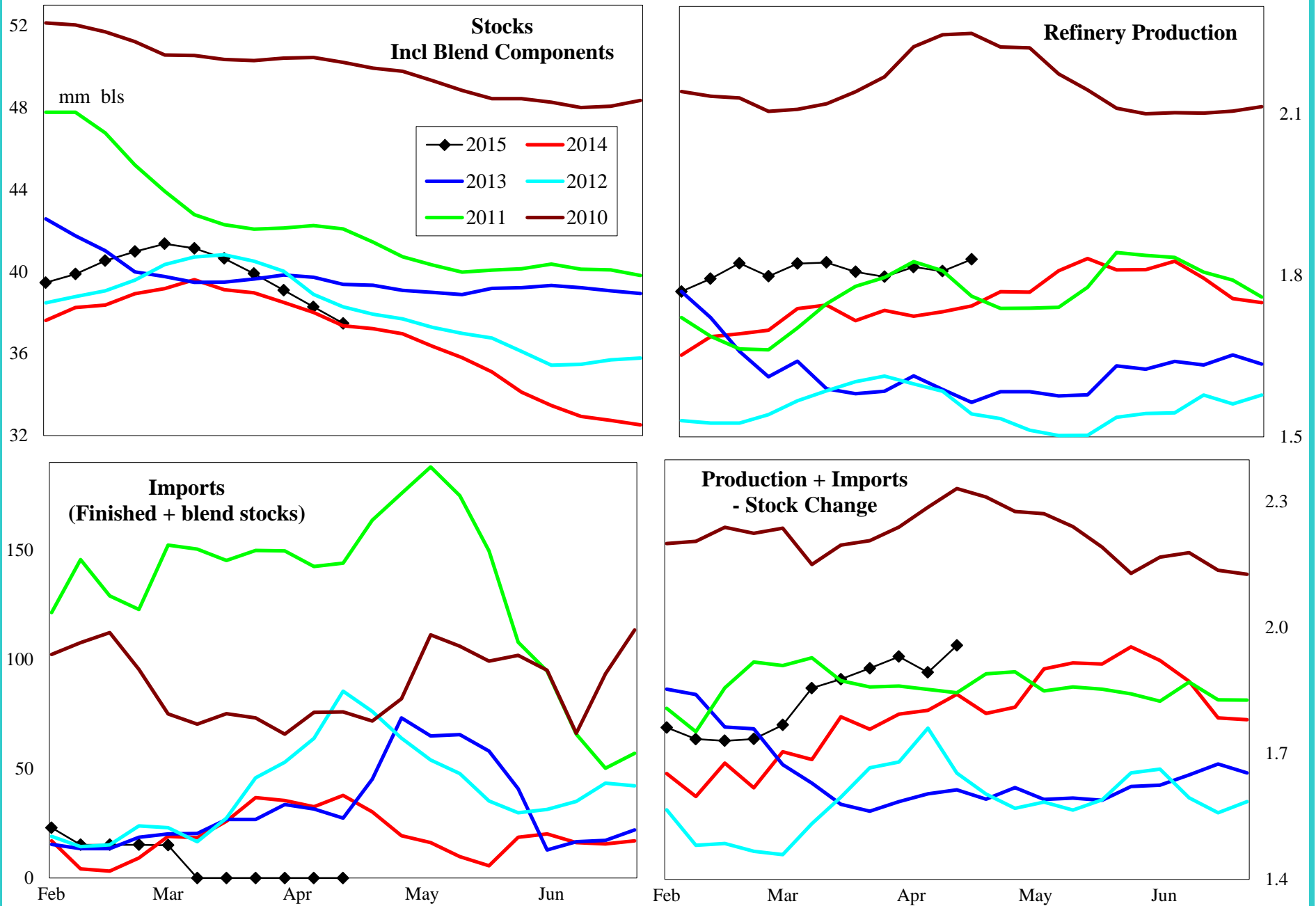
-100.0

9.5

PADD 3 Reformulated Gasoline Supply



PADD 3 Conventional Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bbls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

-41

99

-32

175

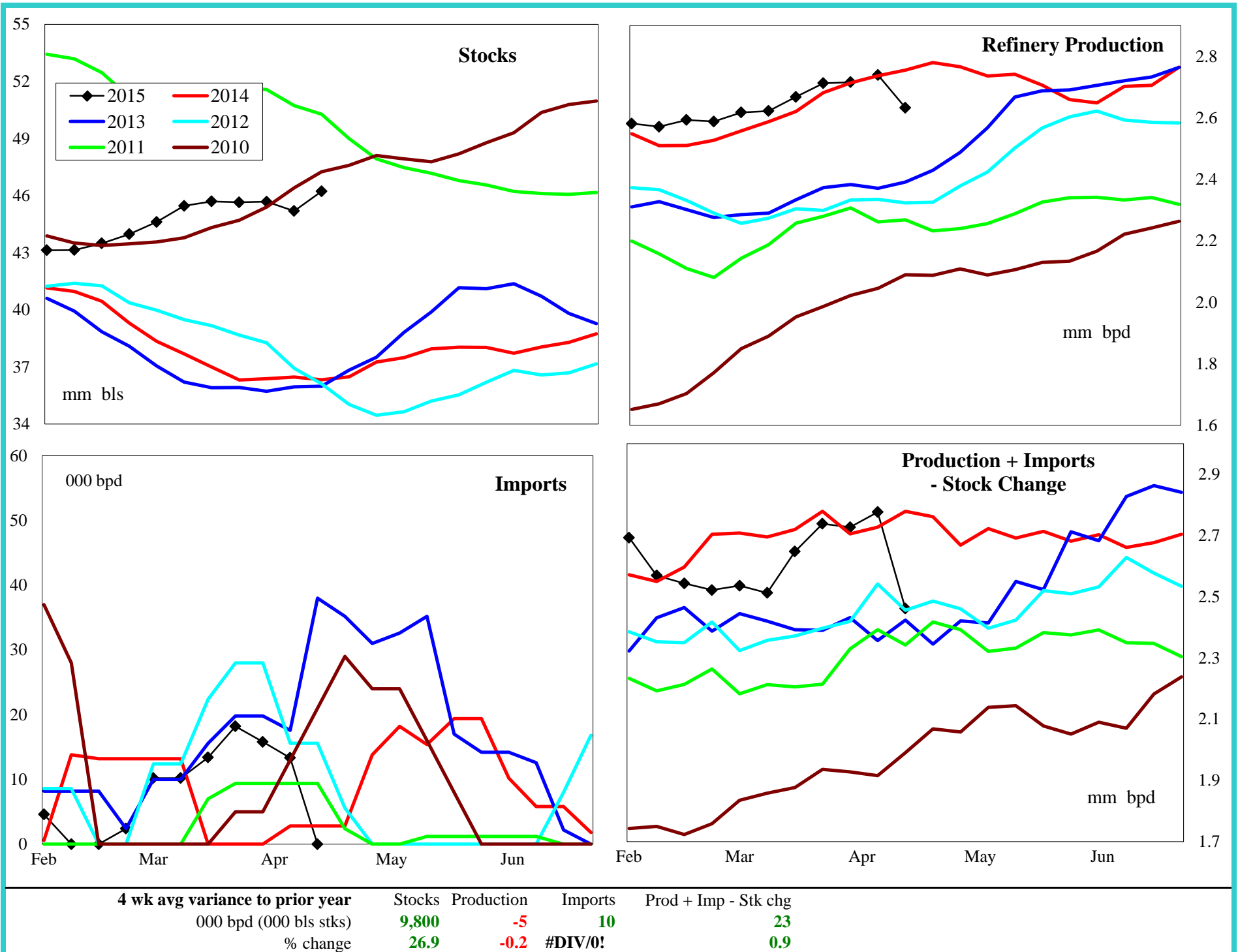
-0.1

5.7

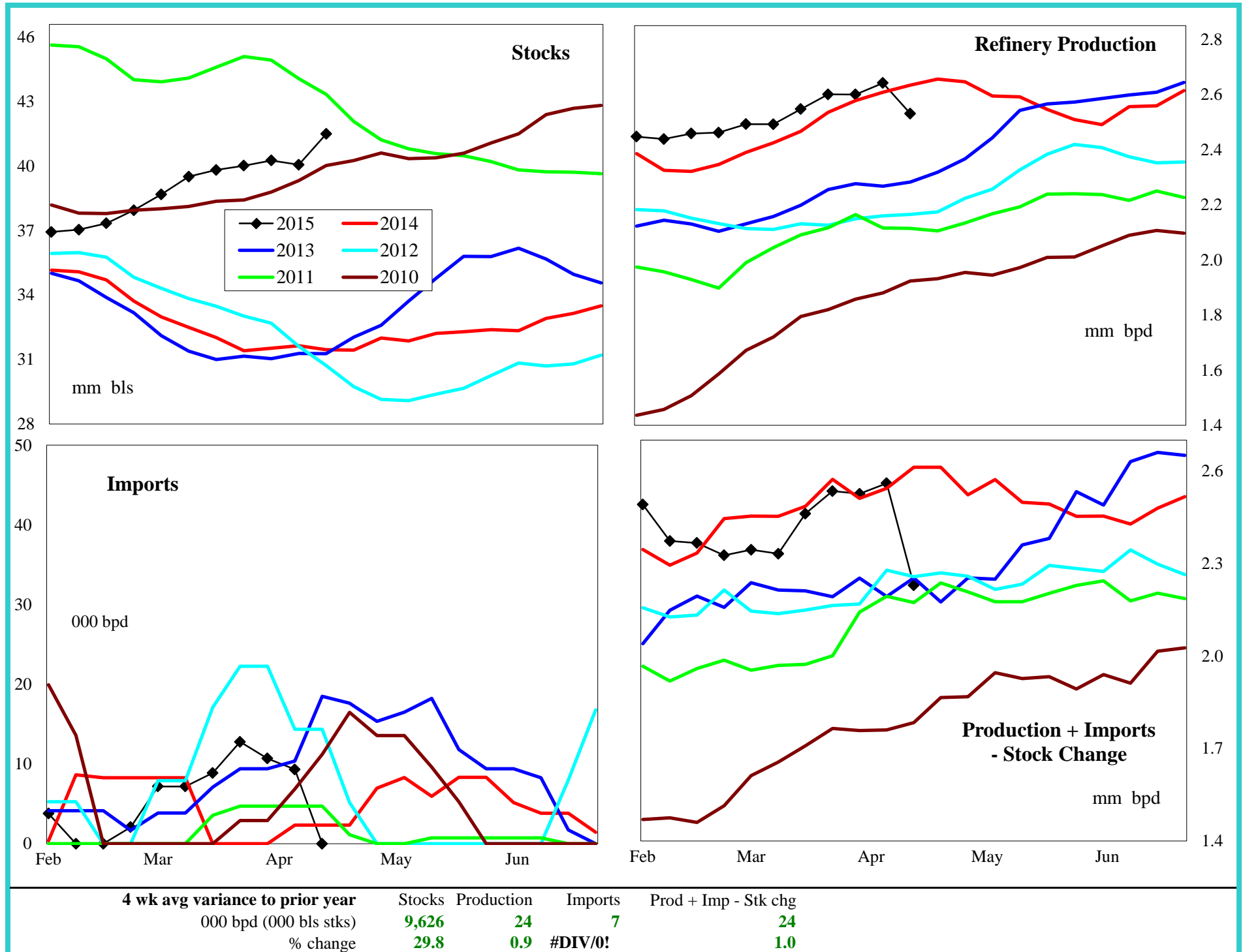
-100.0

9.8

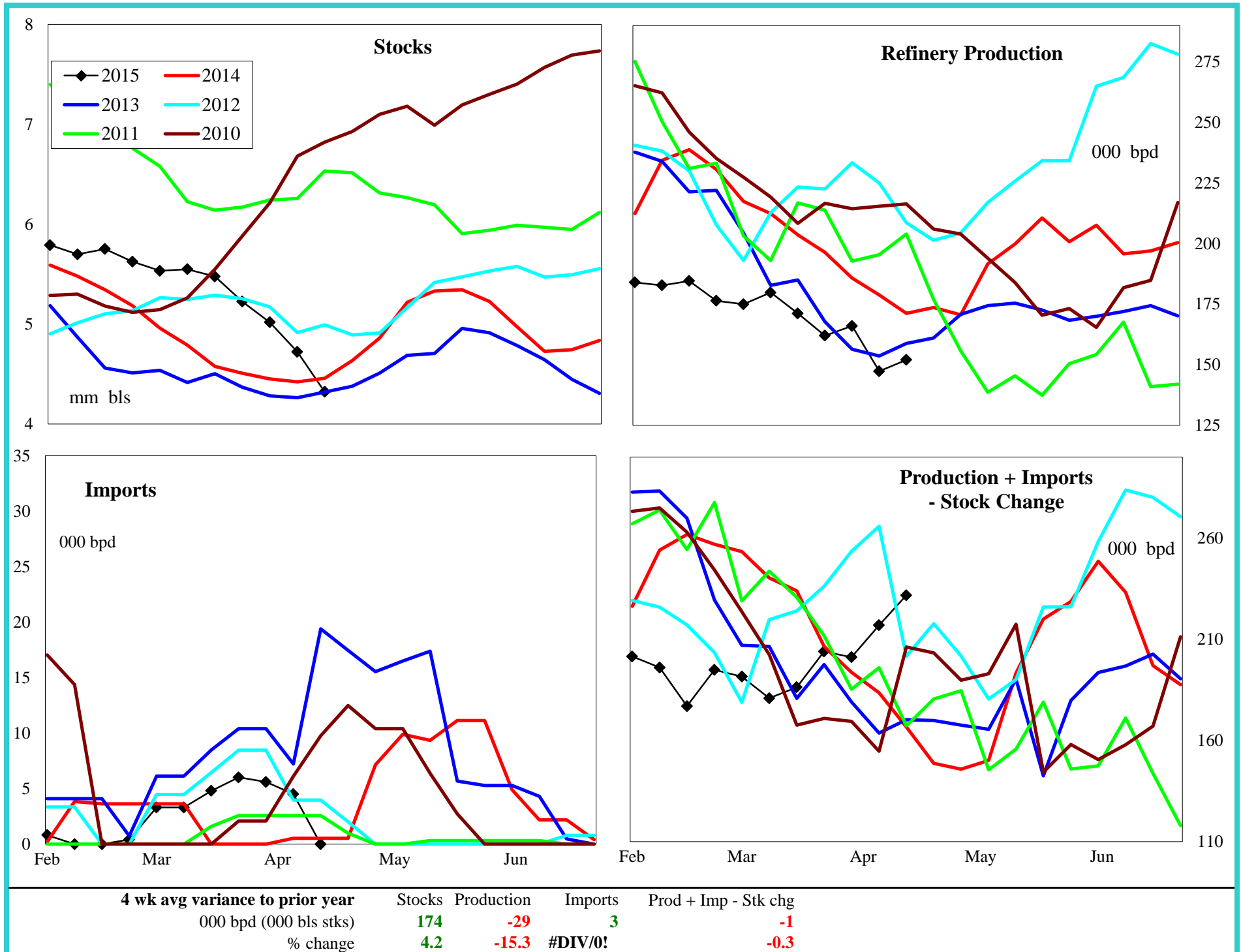
PADD 3 Distillate Supply



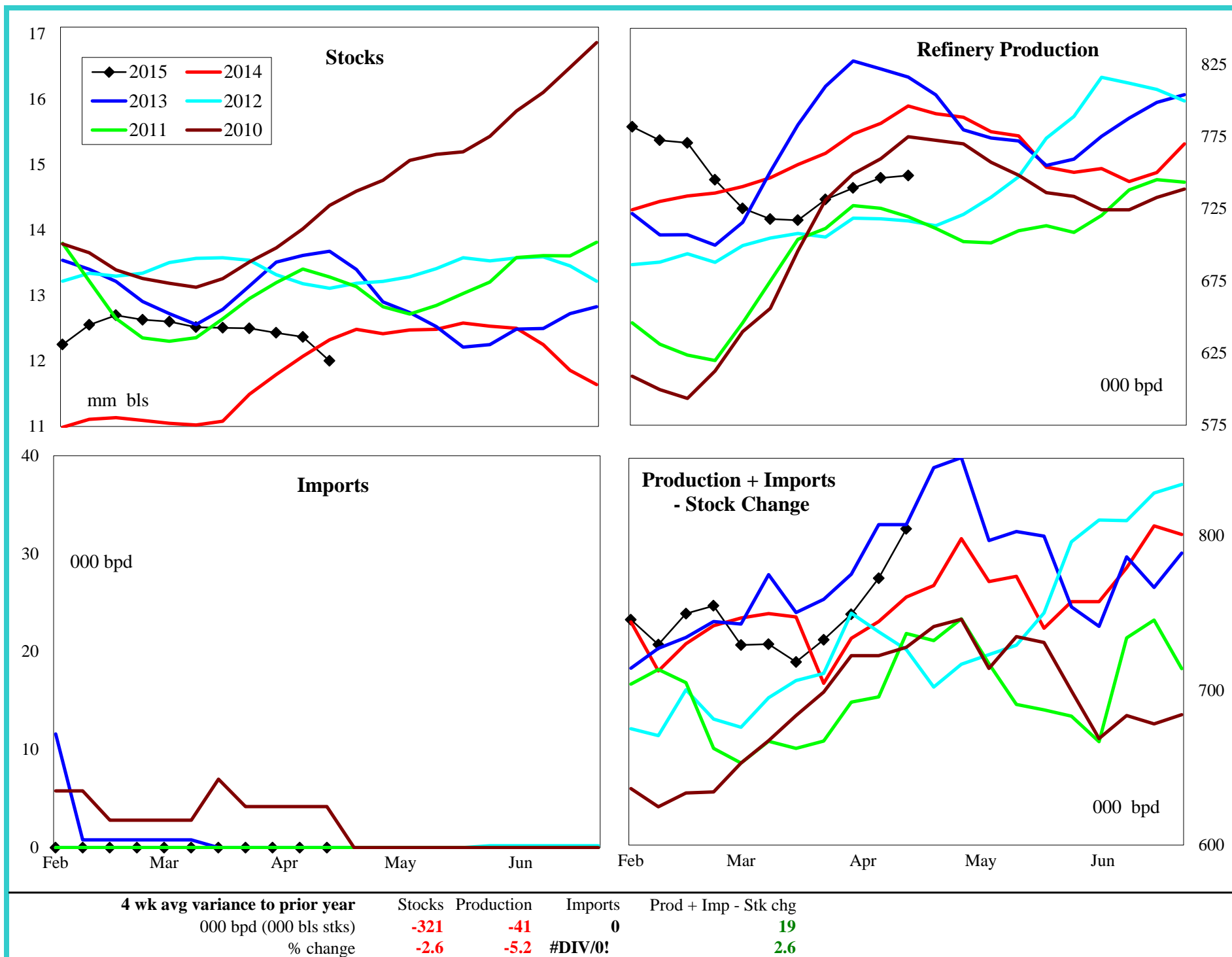
PADD 3 Low Sulfur Distillate Supply



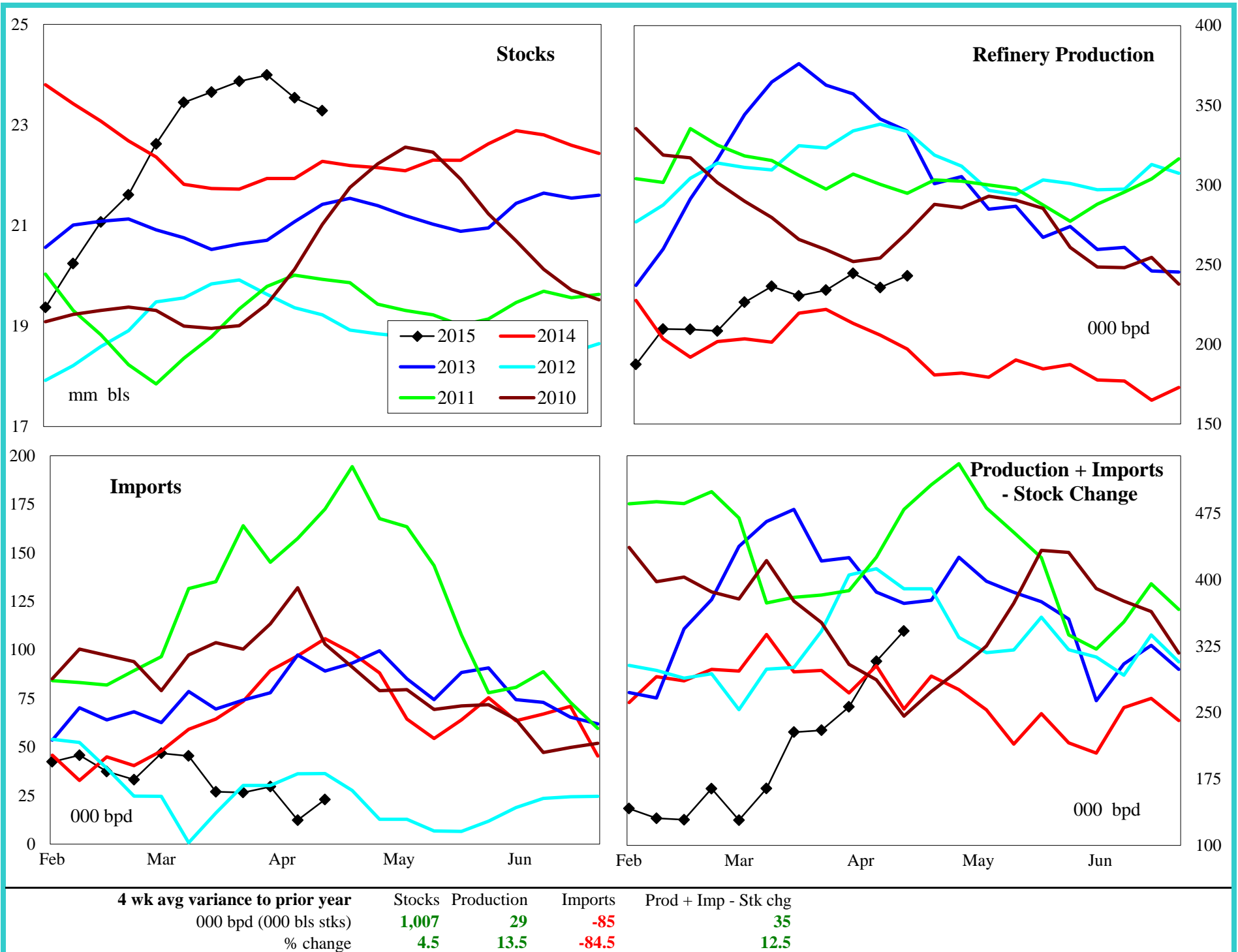
PADD 3 High Sulfur Distillate Supply



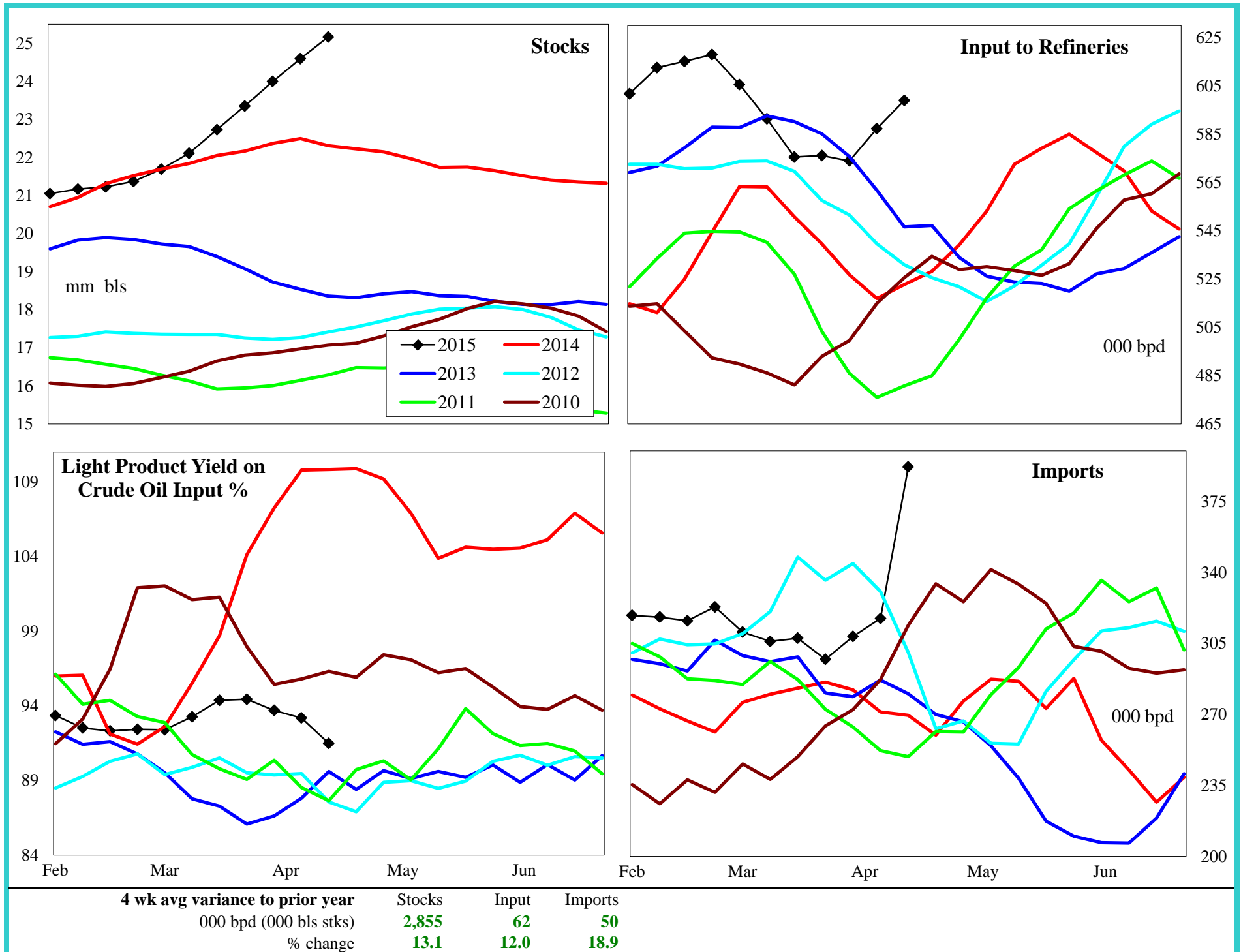
PADD 3 Jet Fuel Supply



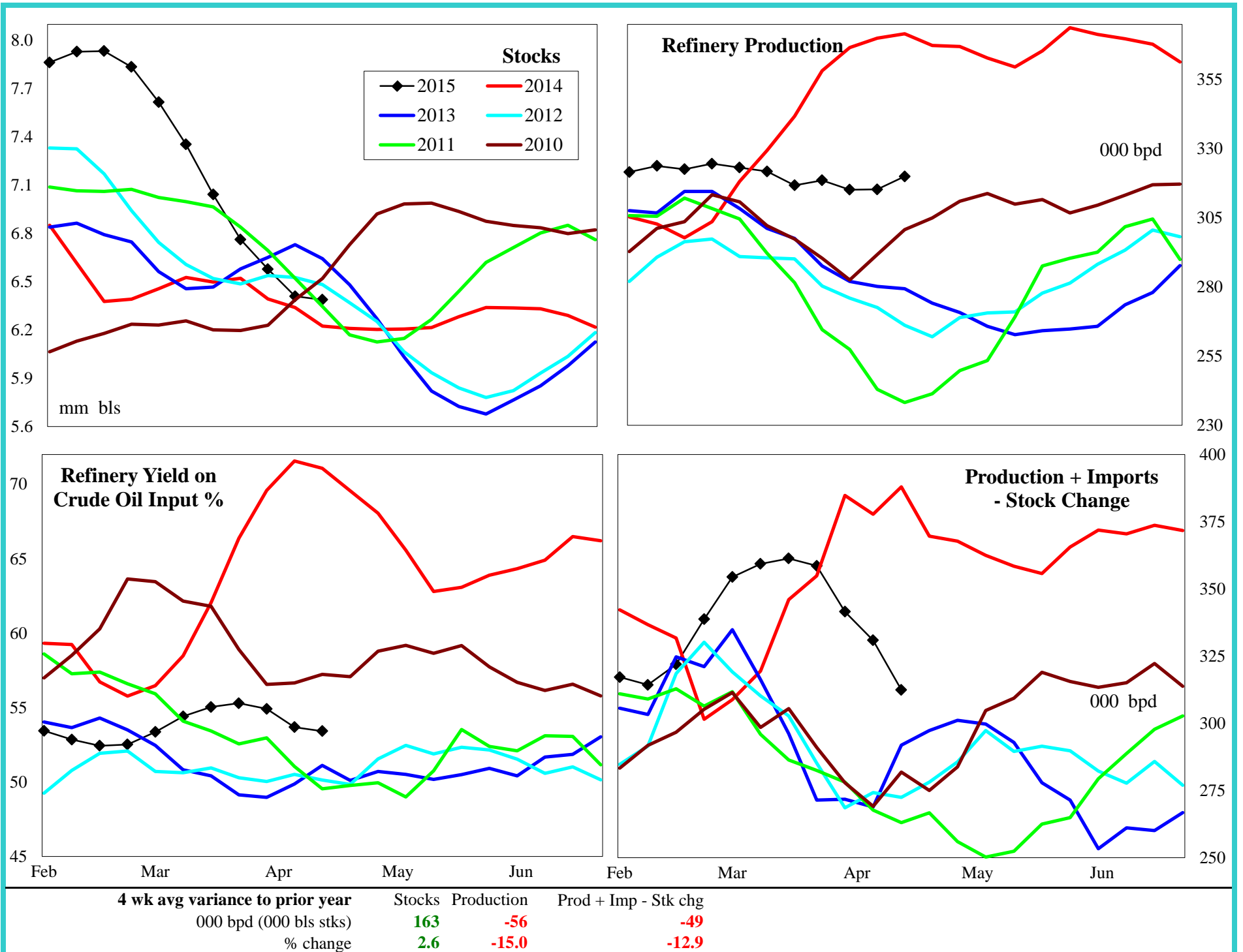
PADD 3 Residual Fuel Oil Supply



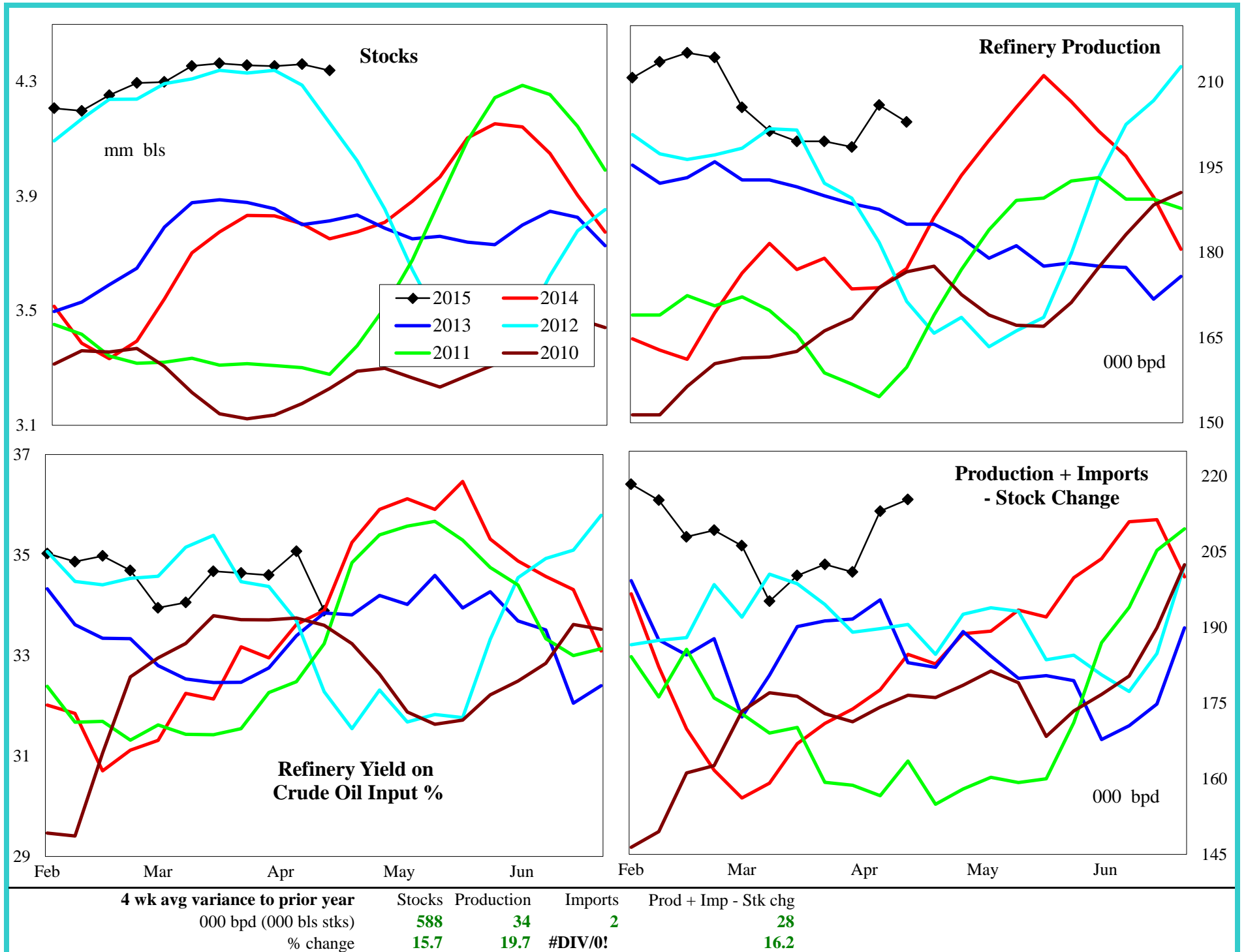
PADD 4 Crude Oil Supply and Refining



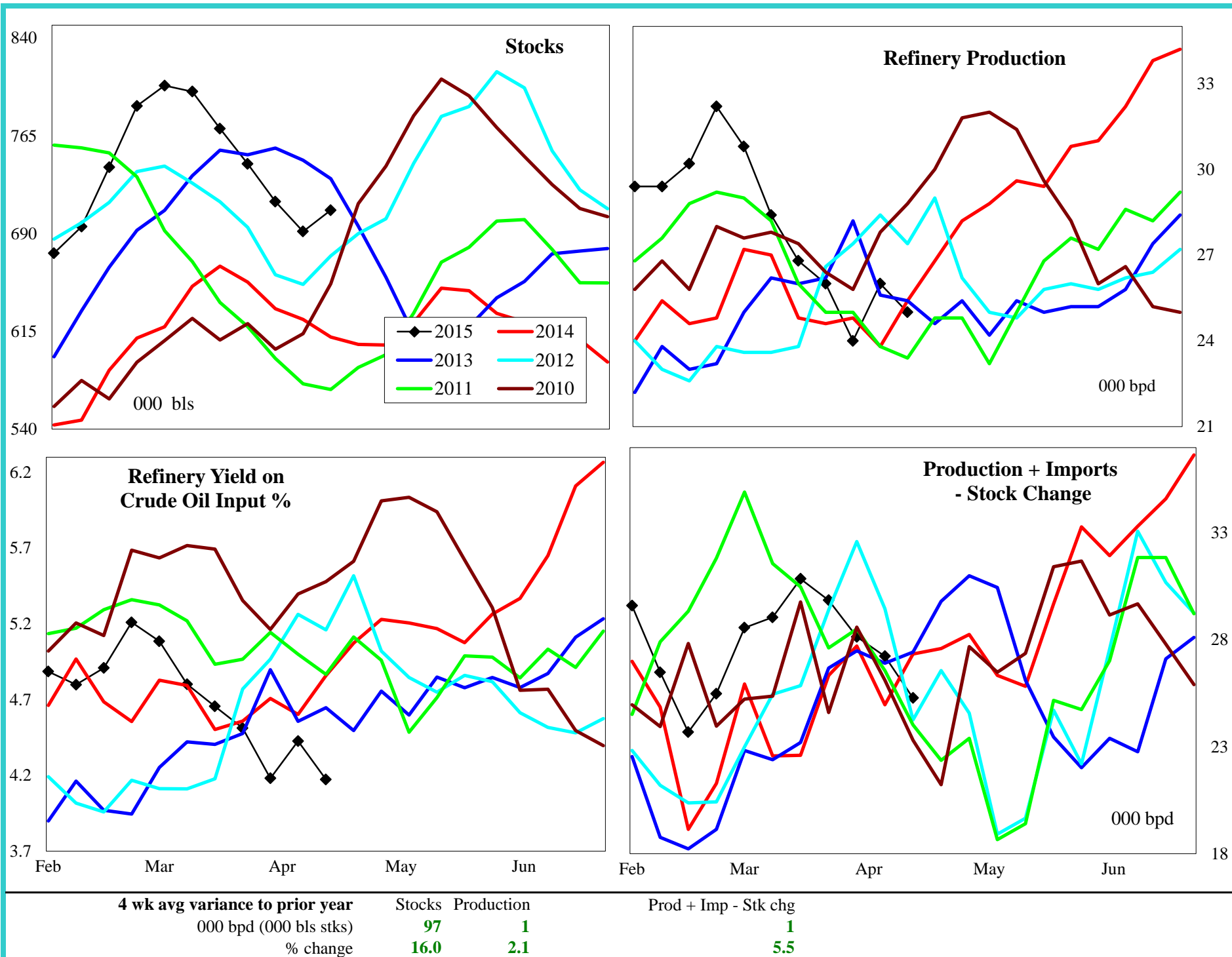
PADD 4 Gasoline Supply



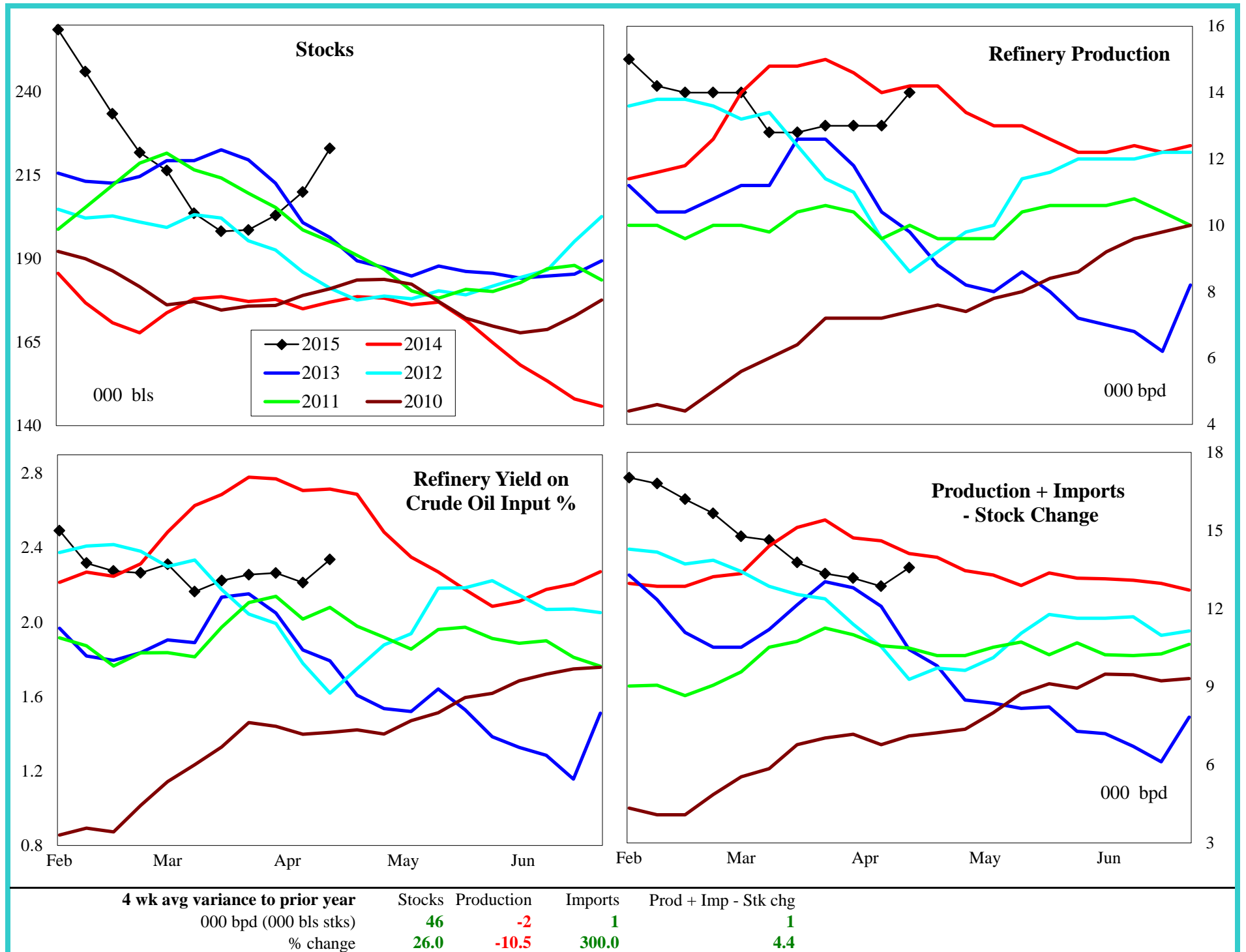
PADD 4 Distillate Supply



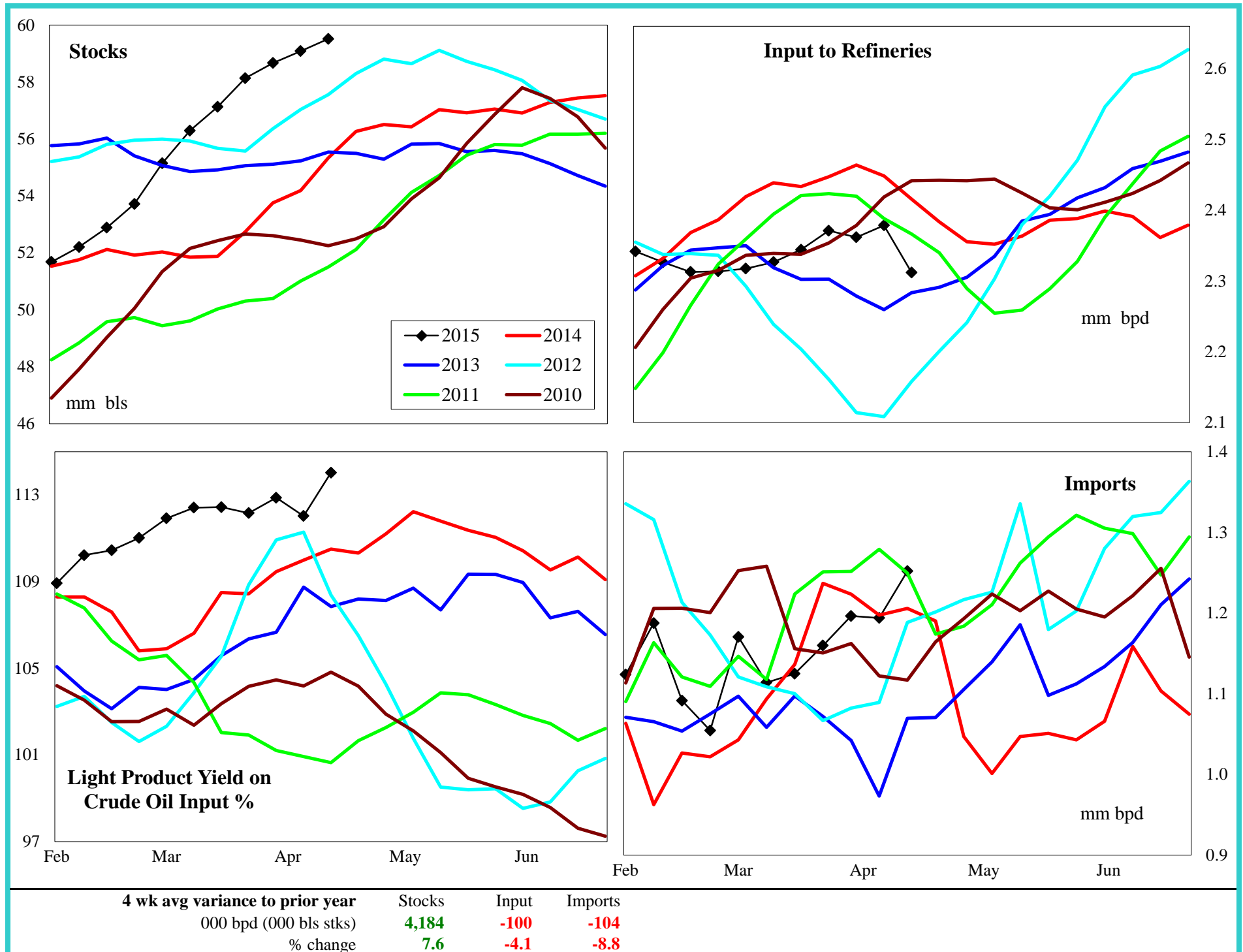
PADD 4 Jet Fuel Supply



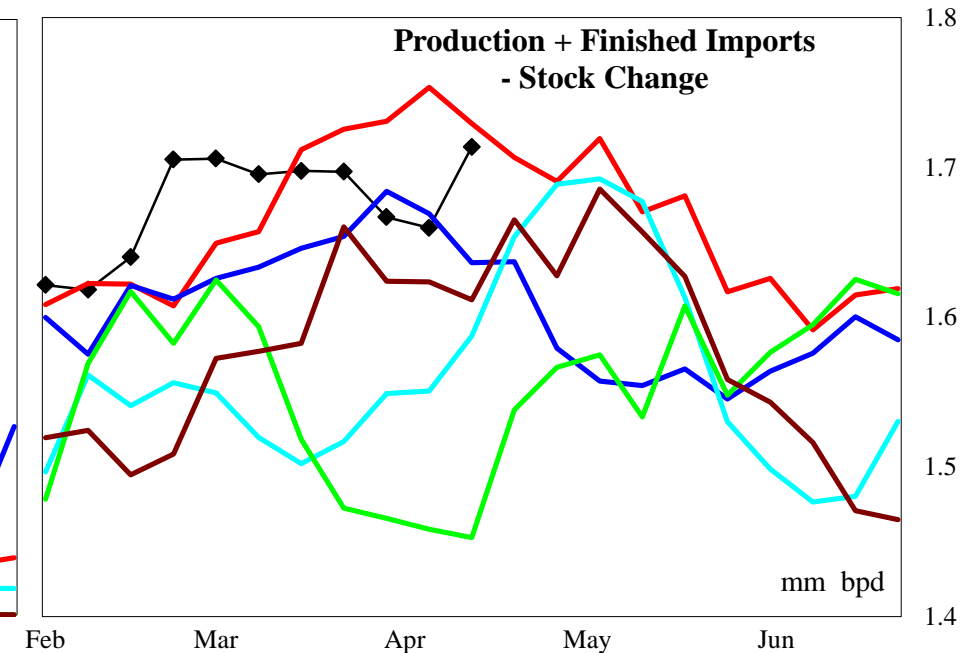
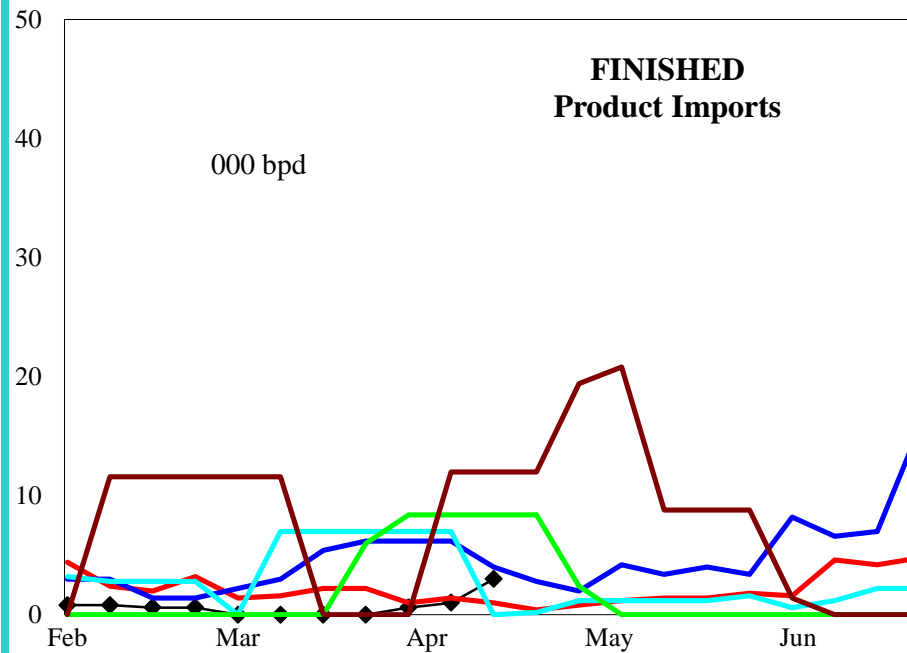
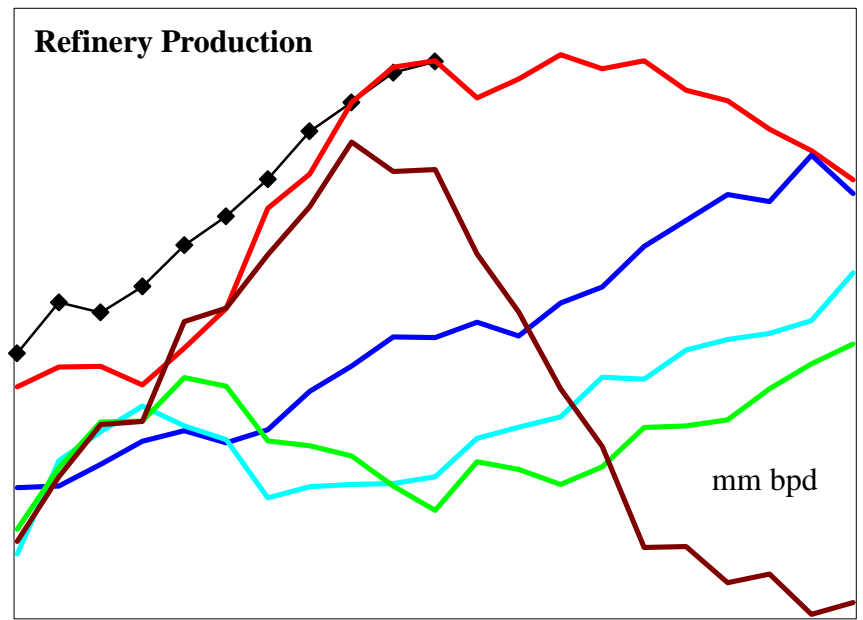
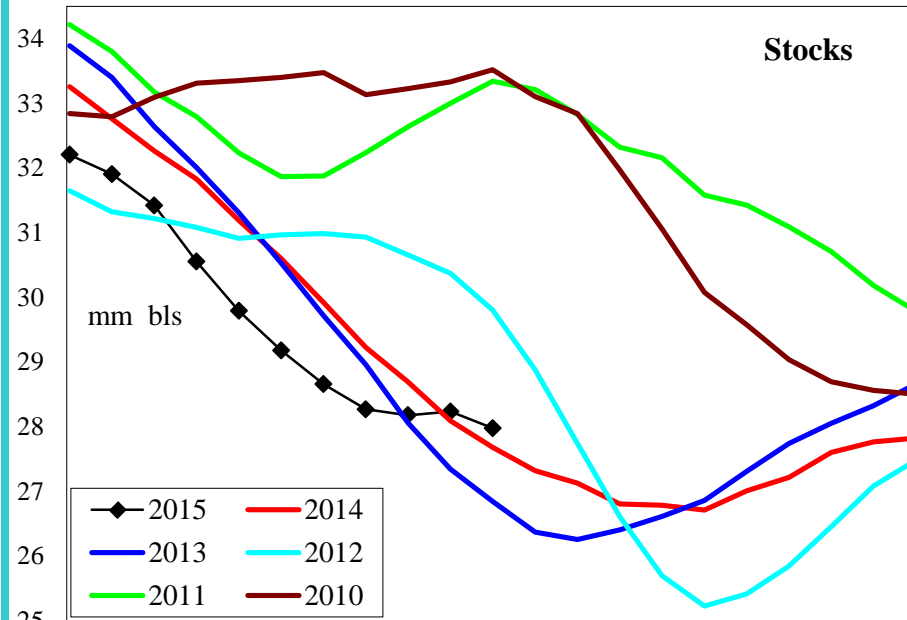
PADD 4 Residual Fuel Oil Supply



PADD 5 Crude Oil Supply and Refining



PADD 5 Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Fin Impt Blend Impt

Prod + Imp - Stk chg

372

-10

-1

52

-77

1.3

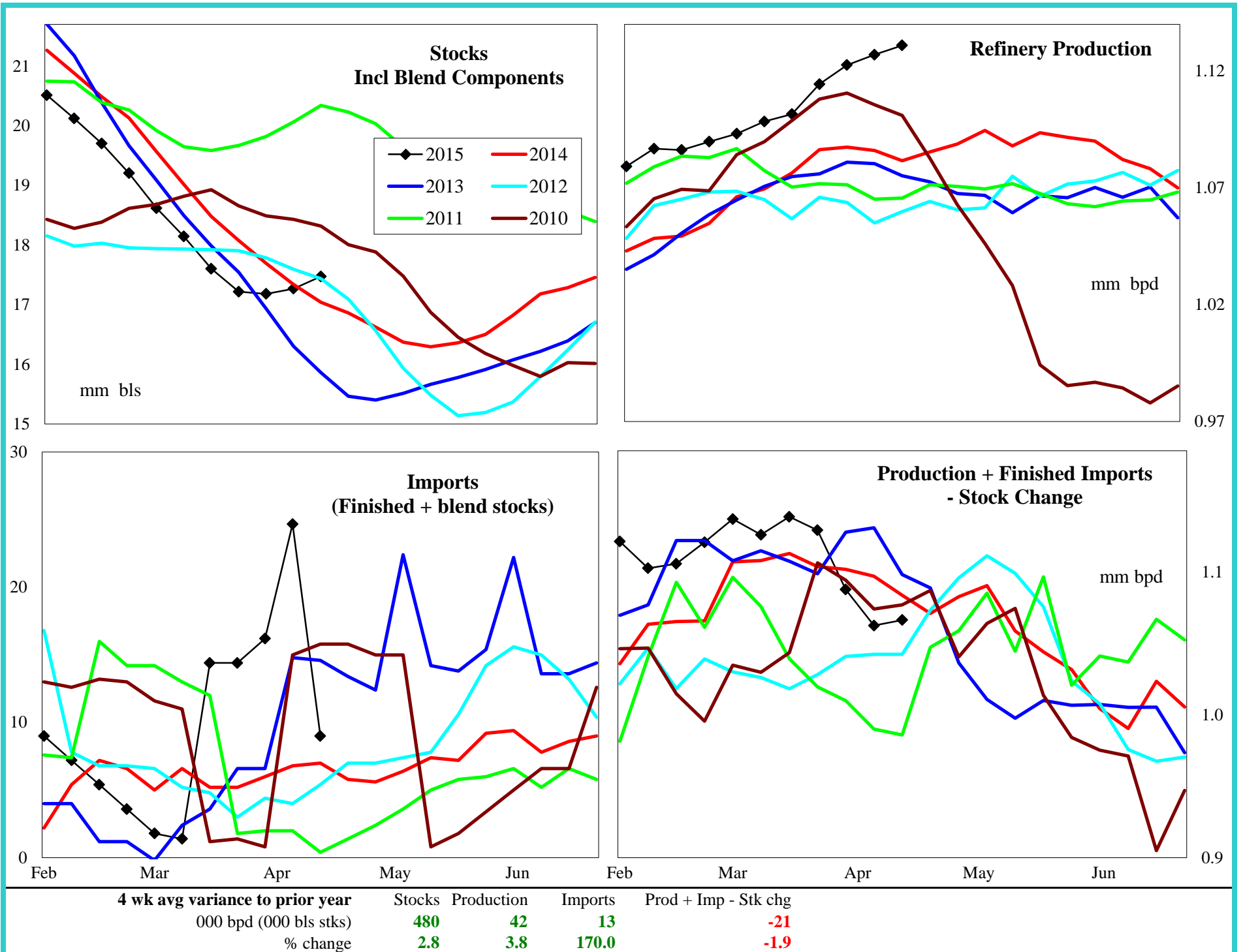
-0.6

-40.0

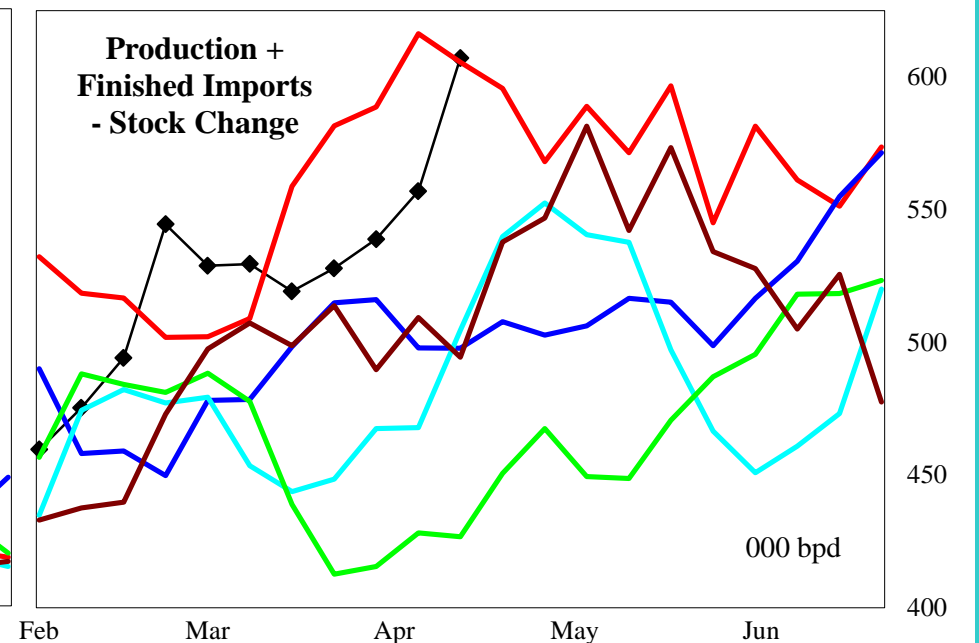
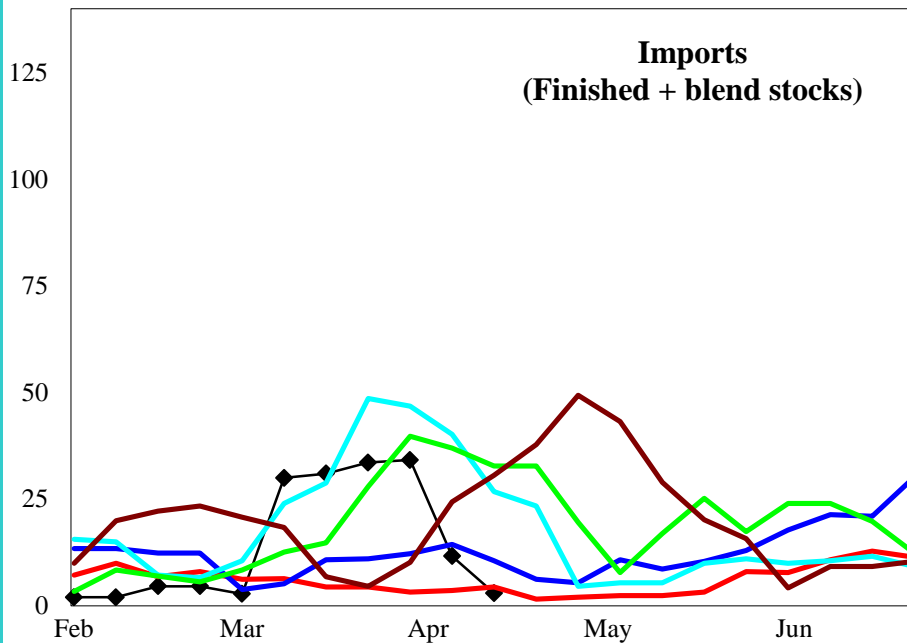
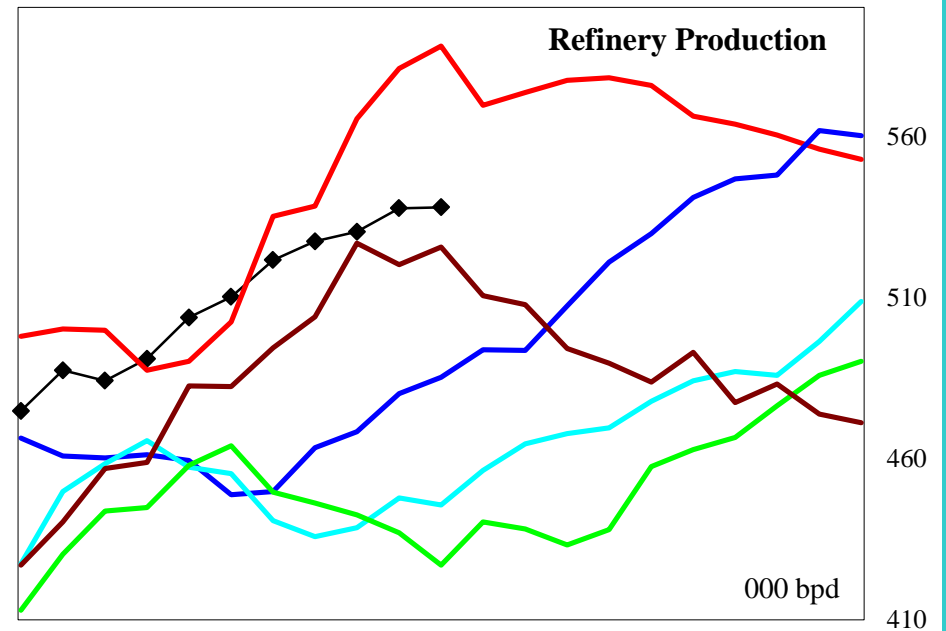
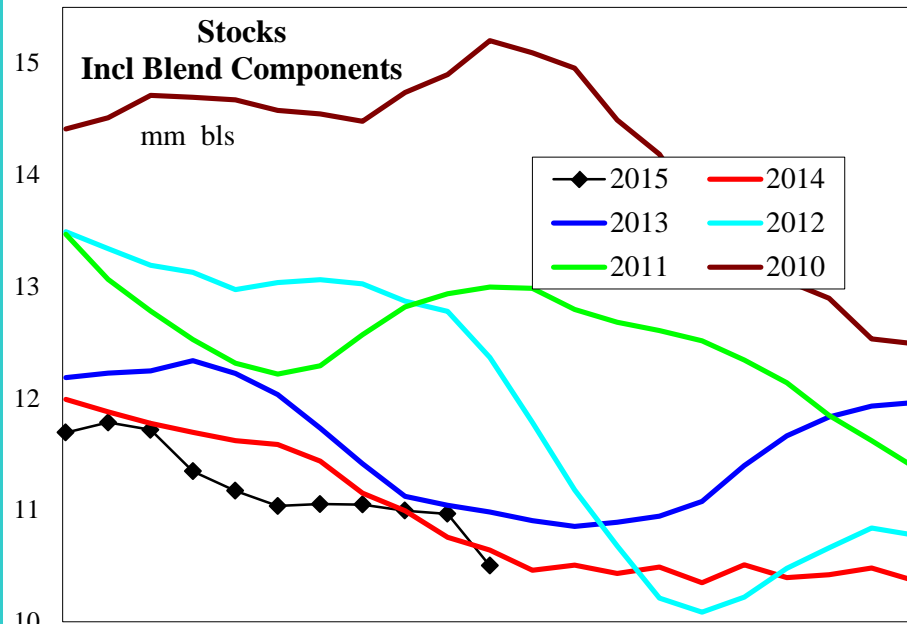
507.3

-4.4

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

-108

-52

39

-56

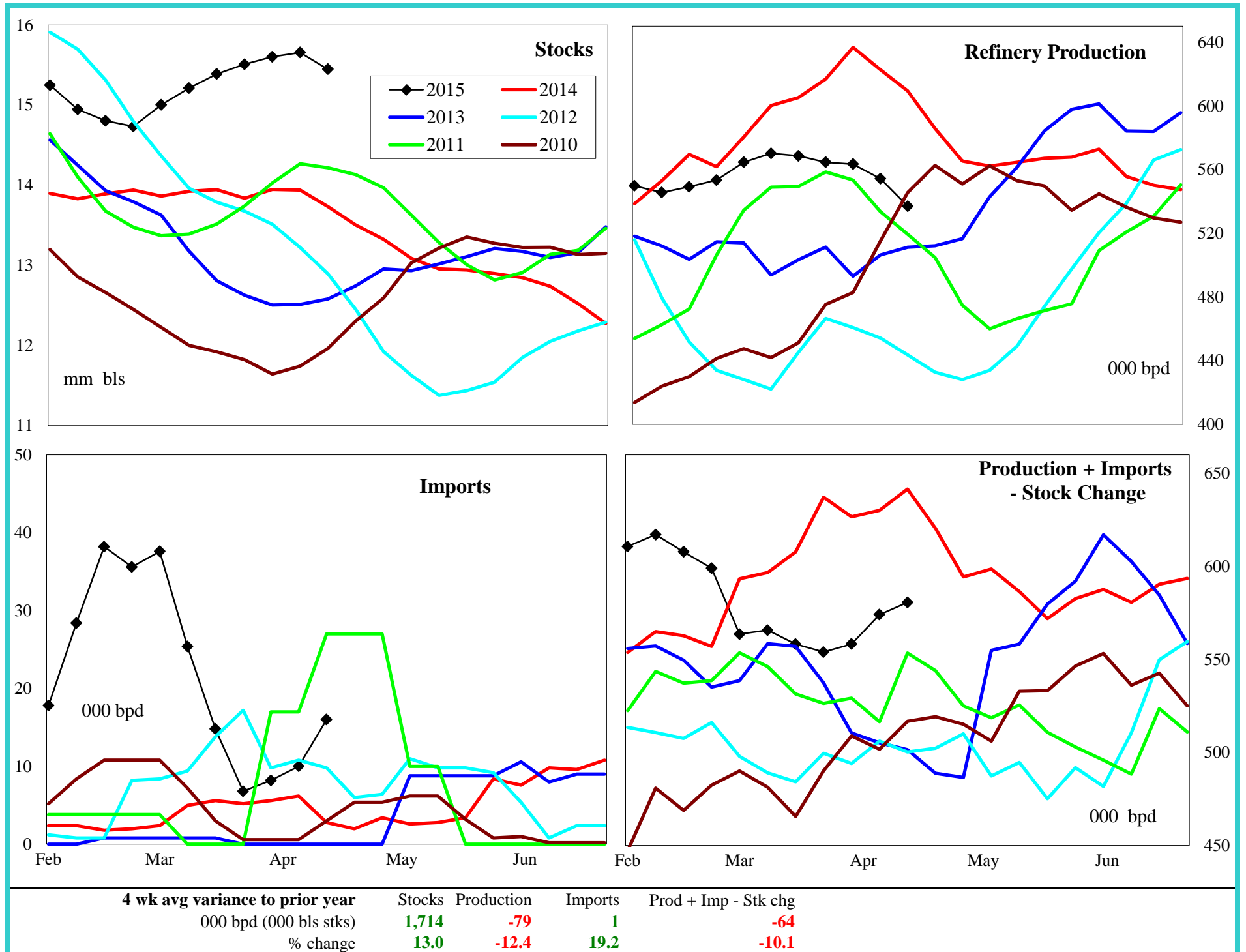
-1.0

-8.9

968.8

-9.1

PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply

