



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

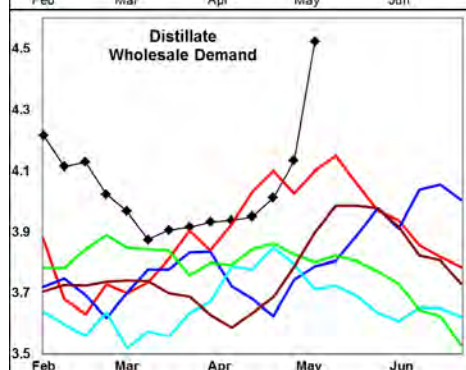
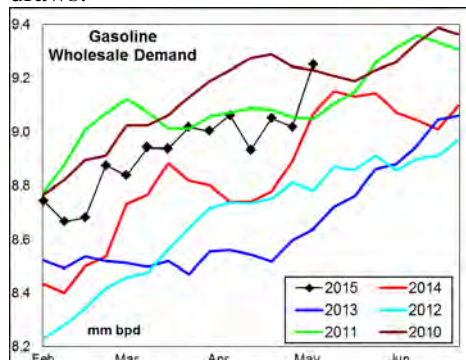
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, May 18, 2015



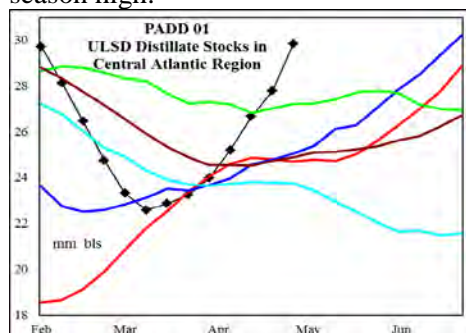
Major Fundamental Trends¹

Wholesale demand for gasoline and distillate were up a combined +1 million bpd last week, leading to stock draws.



Stock levels of both gasoline and distillate remain very high in all regions east of the Rockies.

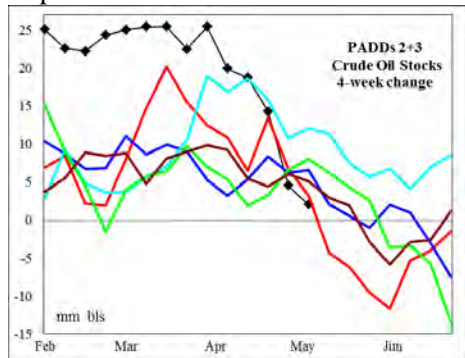
Stocks of ULSD in the key Central Atlantic region ended the week nearly +50% above last year and a new 5-yr season high.



The West Coast has experienced unplanned maintenance which has lifted cash basis for all transport fuels to record highs in most regional

markets in the area.

Crude oil stocks decreased -2.2 million barrels last week, driven by season high refinery runs and very low imports.



These fundamental trends point to conversion of high crude oil stocks into high refined product stocks during the next quarter.

Wholesale Demand for all transport fuels increased last week.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +3%, distillate decreased -0.5%, jet fuel was +9% higher, while residual fuel increased +12%.

Stocks forward coverage: Gasoline demand coverage fell on a -1.1 million barrel stock draw and higher wholesale demand. Coverage ended the week at a level above four of the last 5-yrs.

Distillate demand coverage fell on a -2.5 million barrel stock draw and sharply higher wholesale demand. Coverage ended the week at a level below the 3-yr mid range.

Jet fuel coverage increased on a +0.6 million barrel stock build, partially offset by robust demand.

Residual fuel oil coverage remains above the 5-yr range on a +0.3 million barrel stock build and low demand.

Refinery utilization rates decreased on a -379,000 bpd fall in crude oil runs last week. During the latest 4-wk period crude oil input was +223,000 bpd above last year.

Gasoline yield % on crude oil runs increased last week on a +538,000 bpd rise in output compared to the -379,000 decline in crude oil runs. Gasoline

yield % on crude oil runs ended the week above the last 3-yrs.

Distillate yield % on crude oil runs was little changed on a -110,000 bpd decline in output compared to the decrease in crude oil runs. The yield % on crude oil runs matched the 3-yr mid range.

Jet fuel yield % on crude oil runs increased last week on a +47,000 bpd rise in output compared the drop in crude oil runs. The yield % on crude oil runs was a record high last week.

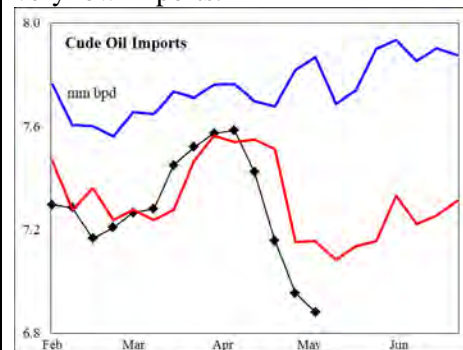
Petroleum Imports/Exports: Imports of crude oil increased +0.3 million bpd on the week, while transport fuels each saw significant increases.

During the latest 4-wk period crude oil imports decreased -165,000 bpd compared to a year ago; distillate imports were +76,000 bpd higher; finished gasoline imports were +10,000 bpd higher; gasoline blend stock imports were +76,000 bpd higher, jet fuel imports increased +46,000 bpd, while residual fuel imports were +43,000 bpd higher.

Exports of distillate for the week ending 24Apr15 were +2,000 bpd above a year ago, gasoline +105,000 bpd higher, jet fuel +62,000 bpd higher and residual fuel oil was -11,000 bpd lower.

Crude Oil stocks fell -2.2 million barrels on the week, with declines in all regions except the West Coast. Stocks saw a -1 million barrel draw in Cushing.

The stock draw was driven by peak season crude oil refinery input and very low imports.



¹ Source is latest EIA Weekly Statistics



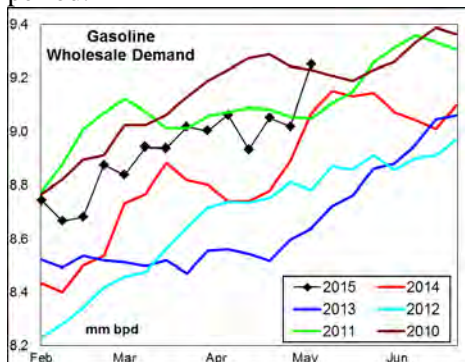
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Product Supply-Demand Trends

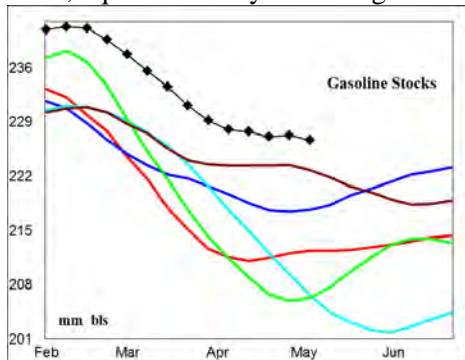
Gasoline wholesale demand increased +0.4 million bpd last week, to a level that matched 5-yr highs for the period. Wholesale demand was +265,000 bpd above last year for the latest 4-wk period.



Supply jumped +0.7 million bpd last week. Supply for the latest 4-wk period exceeded a year ago by +0.48 million bpd on higher refinery output.



The latest 4-wk stock change East of the Rockies was a -1.4 million barrel draw, equal to the 3-yr mid range.

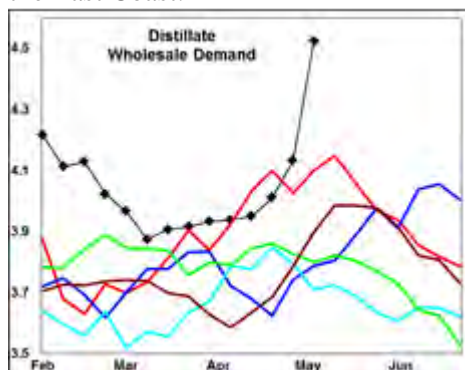


Stocks in all regions except the West Coast ended the week at or near 5-yr highs for this time of year. West coast supplies remain tight on extended refinery maintenance.

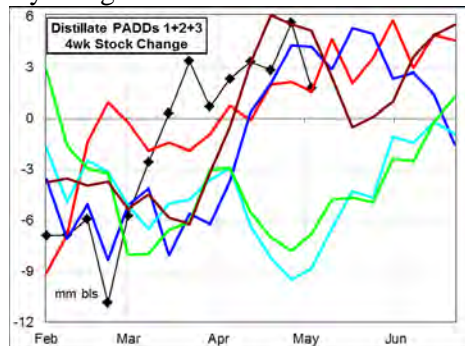
Distillate wholesale demand jumped +0.6 million bpd last week, to new

record high weekly rate. The latest 4-wk average wholesale demand was -22,000 bpd below last year.

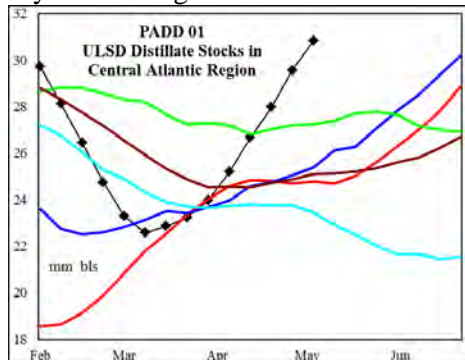
Supply increased +72,000 bpd on higher production. Stocks fell -2.5 million barrels on the week, and included a +1.3 million barrel build on the East Coast.



Combined markets East of the Rockies have saw a +1.6 million barrel build, during the latest 4-wk period, equal to a year ago.



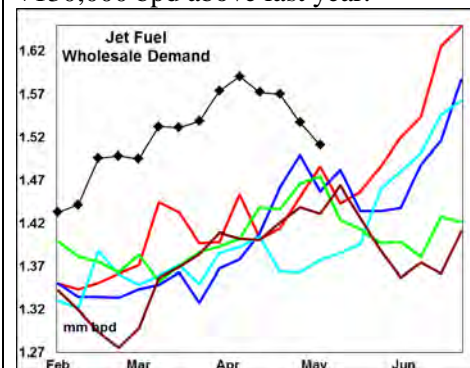
ULSD stocks in the Central Atlantic Region of PADD 01 continue to build at a record rate, with the level at a new 5-yr season high.



Stock levels in all regions East of the Rockies remain very high, driven by high production and weak demand in the affected areas. Cash basis in the Midwest has trended

higher on late season stock draws, although the basis levels remain below the 5-yr range.

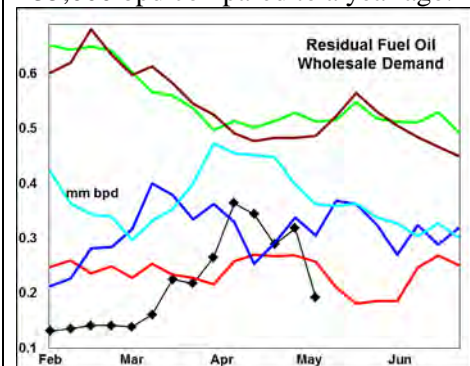
Jet Fuel wholesale demand was nearly unchanged last week, ending at a level slightly above the historic range. The latest 4-wk average demand was +130,000 bpd above last year.



Supply increased +137,000 bpd on higher imports and production. Stocks increased +0.6 million barrels on the week, although the level remains below the historic range.

Extremely low stocks on the West Coast spiked cash basis to record levels, and should drive a surge in imports to the area.

Residual fuel oil demand increased +53,000 bpd last week. Demand for the latest 4-wk period increased +35,000 bpd compared to a year ago.



Supply (production + imports) decreased -85,000 bpd on the week, due to lower production and imports. Stocks increased +0.3 million barrels, concentrated in the Gulf region.

Stock levels remain at record levels in the Gulf and Rockies markets.



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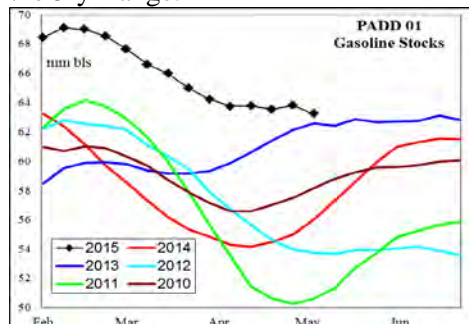
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PADD Supply Trends

PADD 1 refinery crude oil runs increased +4,000 bpd on the week to a level near 5-yr highs for the period. The latest 4-wk average thru put was +34,000 bpd above last year.

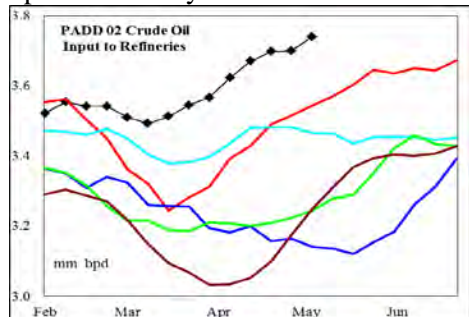
Gasoline supply increased +132,000 bpd on the week, with the 4-wk average +56,000 bpd above last year. Stocks declined -1.2 million barrels last week, to a level just above the 5-yr range.



Distillate supply increased +166,000 bpd last week on a rebound in imports, with the 4-wk average +29,000 bpd above last year. Stocks jumped +1.3 million barrels, to a level above each of the last 2-yrs.

Jet fuel supply increased +24,000 bpd on higher imports. Stocks ended the week at the highest level in 10-wks.

PADD 2 crude oil refinery runs increased +26,000 bpd on the week. The latest 4-wk average was +198,000 bpd above last year.



Crude oil stocks decreased -0.9 million barrels last week, driven by record refinery thru put and a drop in imports; this included a -1 million barrel draw in Cushing.

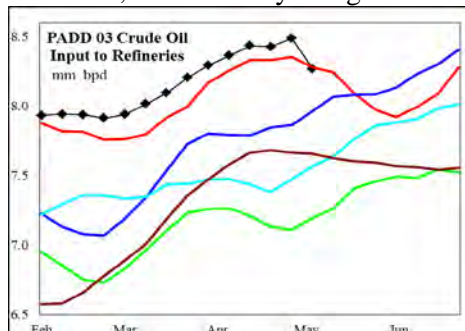
Gasoline supply increased +29,000 bpd on the week. Production for the most recent 4-wk period was -233,000

bpd below a year ago. Stocks decreased -0.8 million barrels on the week, to a level that matched 5-yr highs for the period.

Distillate supply fell -77,000 bpd on the week, to a level that matched last year. The latest 4-wk average production was +58,000 bpd above last year and a record for this time of year. Stocks fell -1.2 million barrels on the week, although the level remains well above the 5-yr range.

Jet fuel supply increased +55,000 bpd last week, offsetting the decrease in distillate output; and at an all time high.

PADD 3 refinery runs fell -395,000 bpd last week, to match a year ago. During the latest 4-wk period, runs were +65,000 above a year ago.



Crude oil imports fell -457,000 bpd last week, with the 4-wk average -0.35 million bpd below last year.

Crude oil stocks decreased -0.8 million barrels, to a level +29 million barrels (+13%) above the prior high for the period.

Gasoline supply increased +104,000 bpd last week, with the latest 4-wk average -27,000 bpd below a year ago. Stocks increased +0.4 million barrels on the week, a level +1.5 million barrels above the prior record high.

Distillate supply decreased -23,000 bpd on the week, with the latest 4-wk average supply -83,000 bpd below a year ago. Stocks fell -1.8 million barrels on the week, to a level +14% above the 3-yr average.

Jet fuel production was nearly unchanged on the week, with the level -2,000 bpd below last year for the

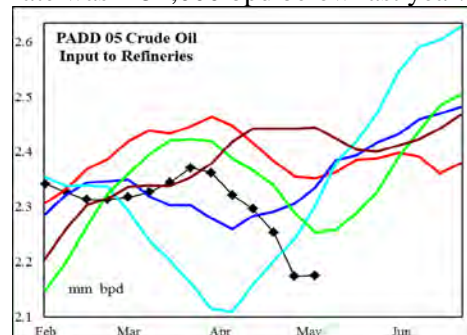
latest 4-wk period. Stock levels ended the week at the 3-yr mid range.

PADD 4 refinery crude runs decreased -14,000 bpd last week, but remain above the historic range. The latest 4-wk average was +80,000 bpd above a year ago.

Gasoline supply decreased -7,000 bpd last week, and remains well below last years' record high. The latest 4-wk average production was -50,000 bpd below a year ago. Stock levels ended the week near historic highs for the period.

Distillate supply increased +8,000 bpd last week, with the latest 4-wk average production +8,000 above last year. Stocks were unchanged on the week, with the level above the 5-yr range.


PADD 5 crude oil refinery runs were unchanged on the week at a level below the 5-yr range. The 4-wk run rate was -154,000 bpd below last year.



Gasoline supply increased +96,000 bpd on the week, driven by higher production and imports; with the latest 4-wk average -13,000 bpd below last year. Production was only slightly below last year's record high. Stocks increased +0.4 million barrels to a level above the last 3-yrs for the period.

Distillate supply was nearly unchanged on the week at a level below the 3-yr mid range. The 4-wk average supply was -39,000 bpd below a year ago, driven by lower crude oil runs. Stocks decreased -0.8 million barrels on the week, to a level within the historic range.

Record low jet stocks spiked cash basis to all time record levels.



FUNDAMENTAL

PETROLEUM TRENDS

PETROLEUM: Graph Link and Weekly Summary

A Fundamental Petroleum Trends Weekly Report

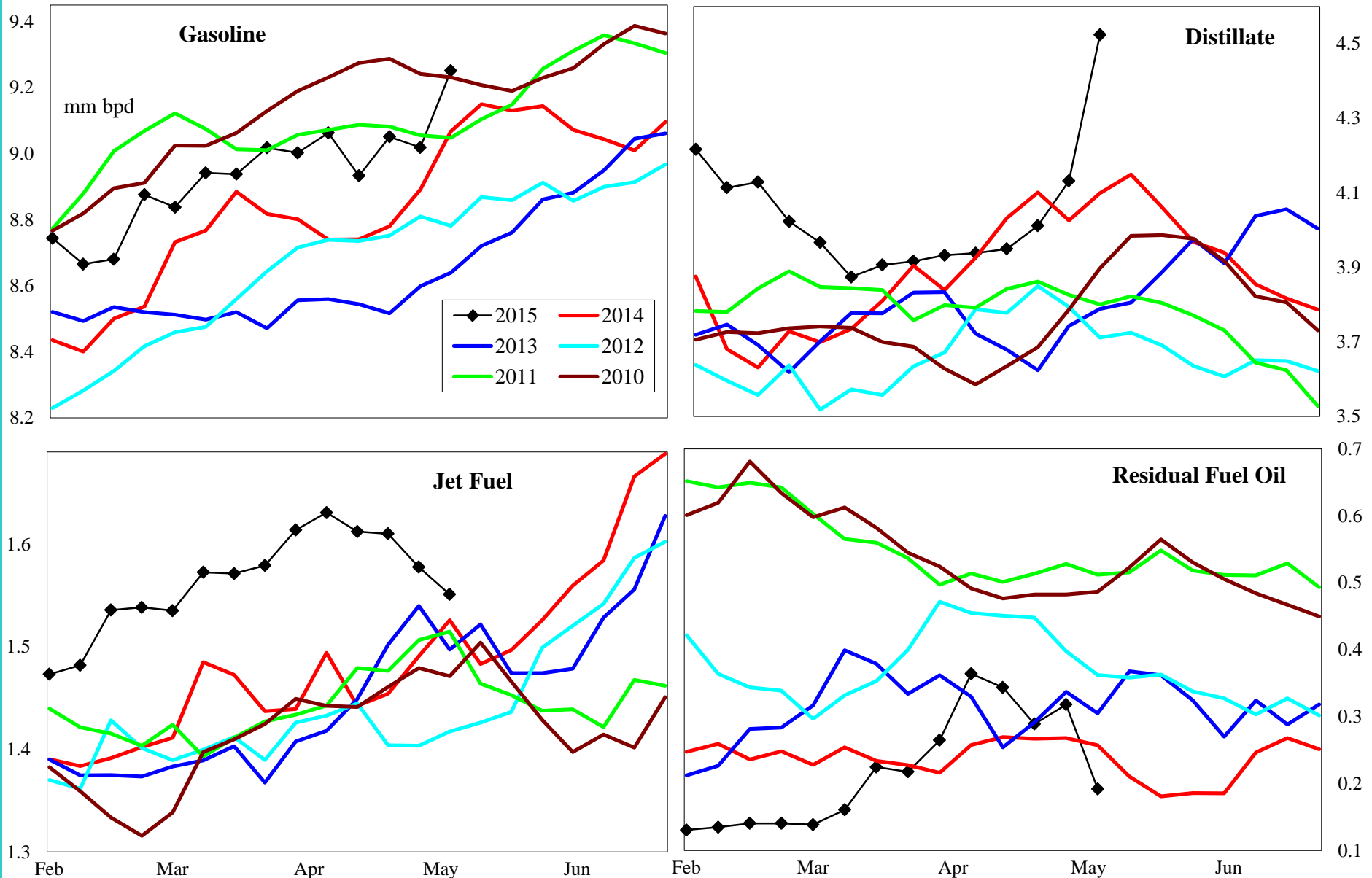
May 13, 2015

Lehi German Tel: 816.505.0980

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Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization			Imports	
Supply/Demand Trends	8-May-15	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
Crude Oil	Stocks	-2,191	-279	-854	-772	-543	257
	Imports	340	-35	-109	457	-25	53
	Input	-379	4	26	-395	-14	0
	% Utilization	-1.80					
Gasoline	Stocks	-1,142	-1,185	-770	394	5	414
	Production	538	23	36	99	-7	55
	Imports	150	109	-5	5	0	41
	Supplied	416					
Distillate	Stocks	-2,503	1,324	-1,203	-1,802	12	-835
	Production	-110	-18	-68	-33	8	3
	Imports	182	184	-9	10	0	-4
	Supplied	645					
Jet Fuel	Stocks	600	300	36	628	147	-510
	Production	47	-8	55	-3	2	1
	Imports	90	32	0	0	0	58
	Supplied	6					
Residual Fuel Oil	Stocks	331	49	-209	785	34	-330
	Production	-65	4	-7	-95	6	28
	Imports	-20	-36	4	-41	1	50
	Supplied	53					

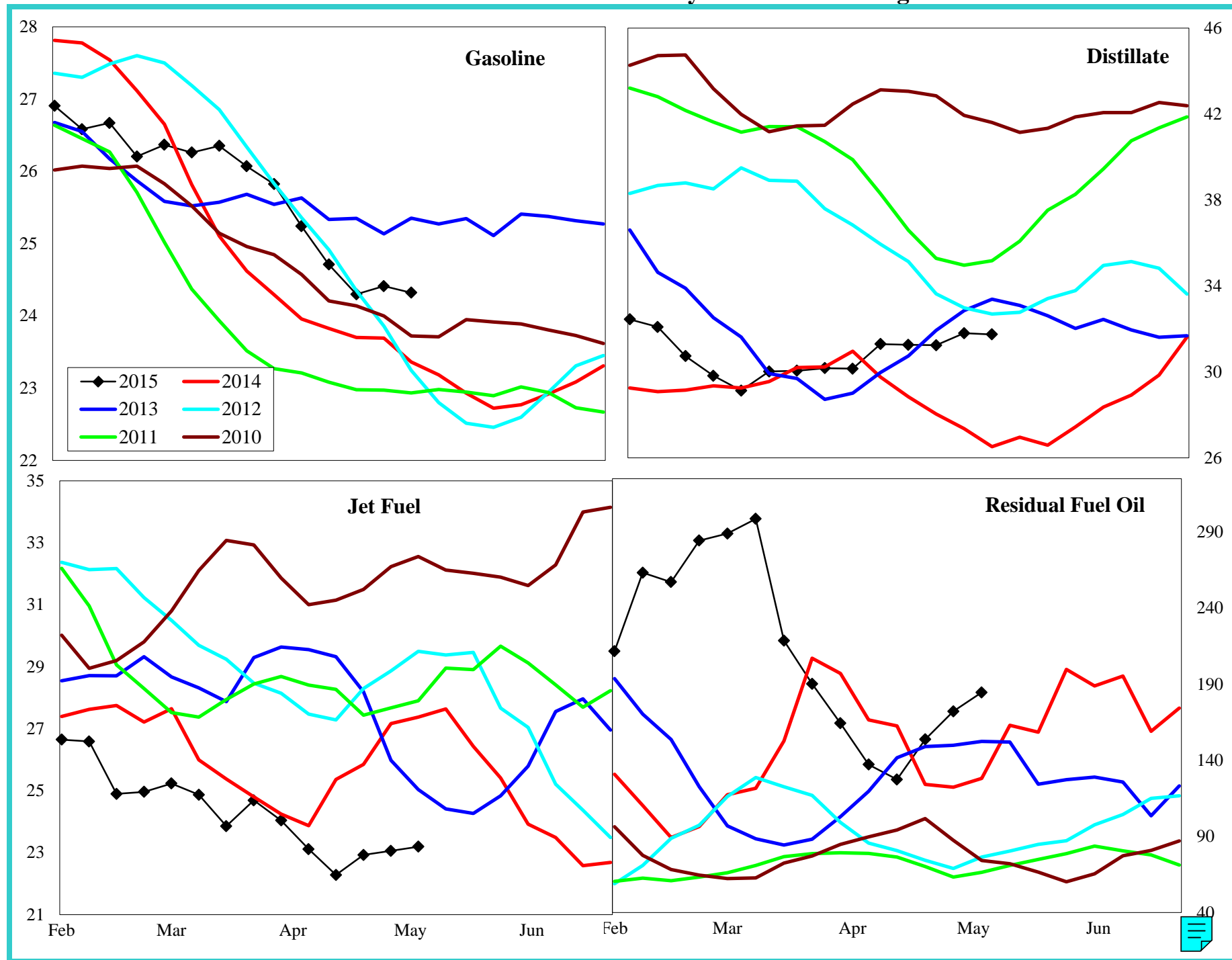
United States Wholesale Petroleum Demand



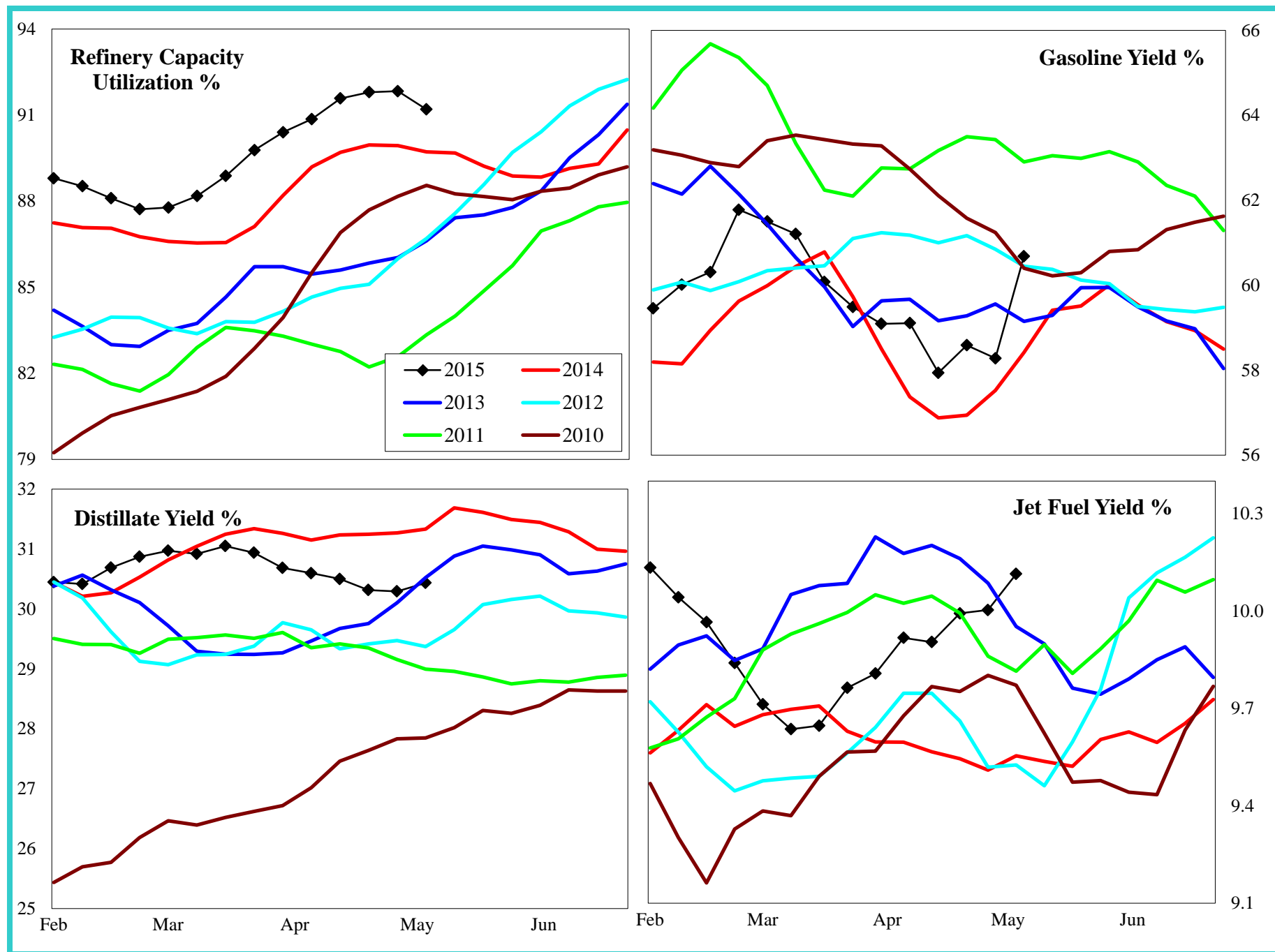
	000 bpd change from prior year				% change from prior year			
	4wk avg	Apr	Mar	Feb	4wk avg	Apr	Mar	Feb
Gasoline	265	-28	297	-49	3.0	-0.3	3.4	-0.6
Distillate	-22	-88	-102	353	-0.5	-2.2	-2.5	8.4
Jet Fuel	130	139	84	69	9.0	9.6	5.8	5.0
Resid	35	37	25	-10	11.7	13.4	11.6	-4.8



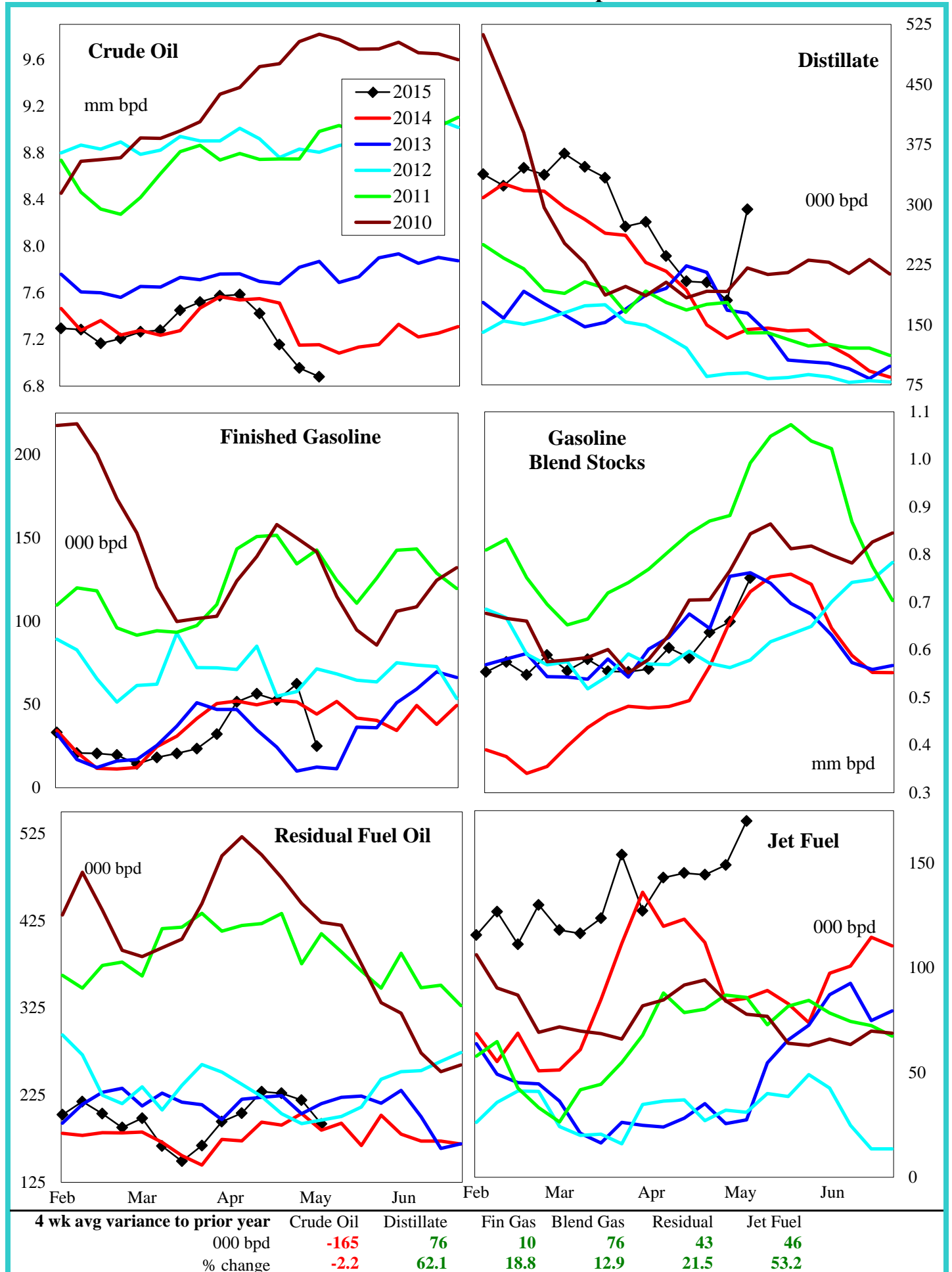
United States Product Stocks: Days Forward Coverage



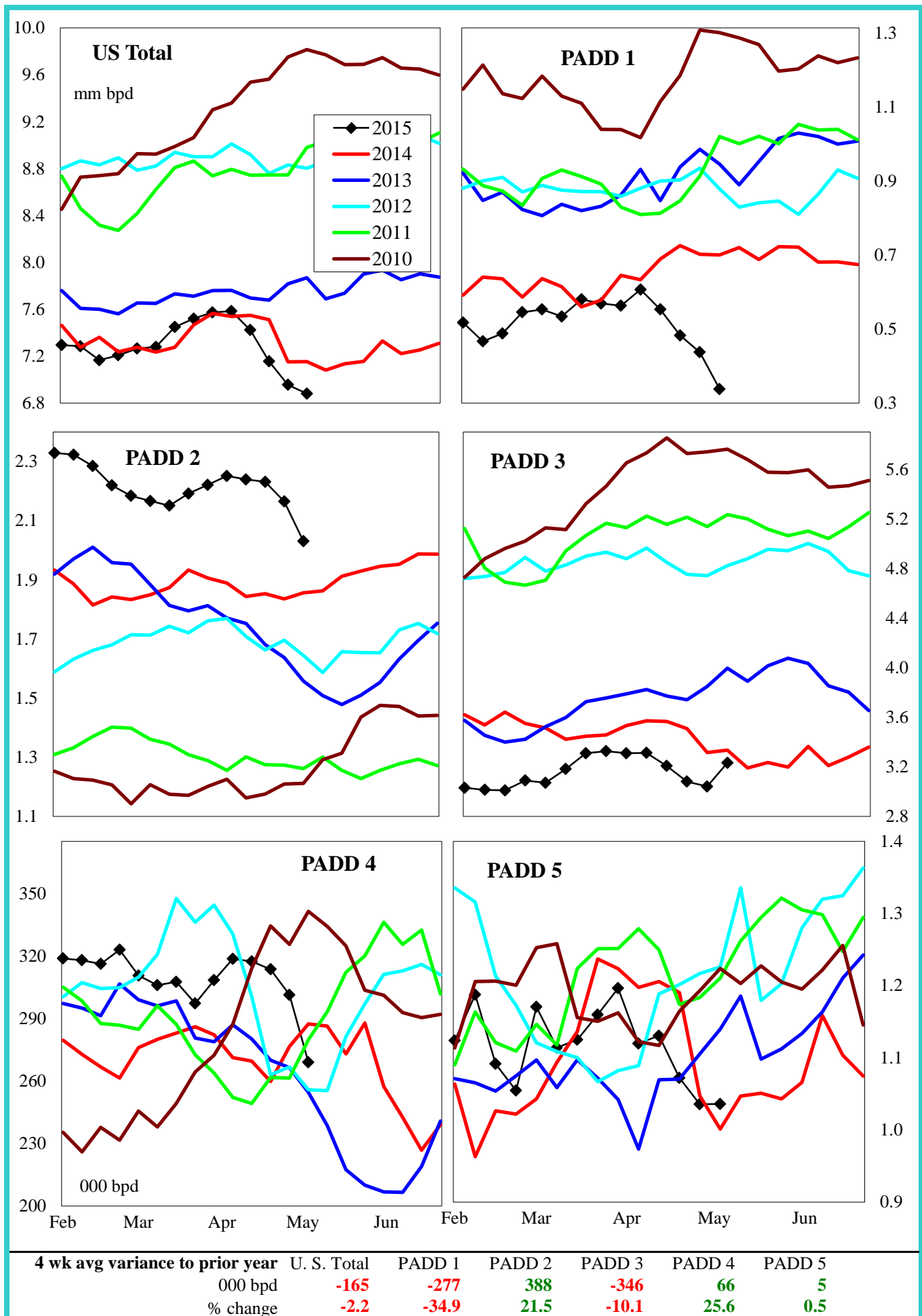
United States Refinery Percent Utilization Rate and Product Yields



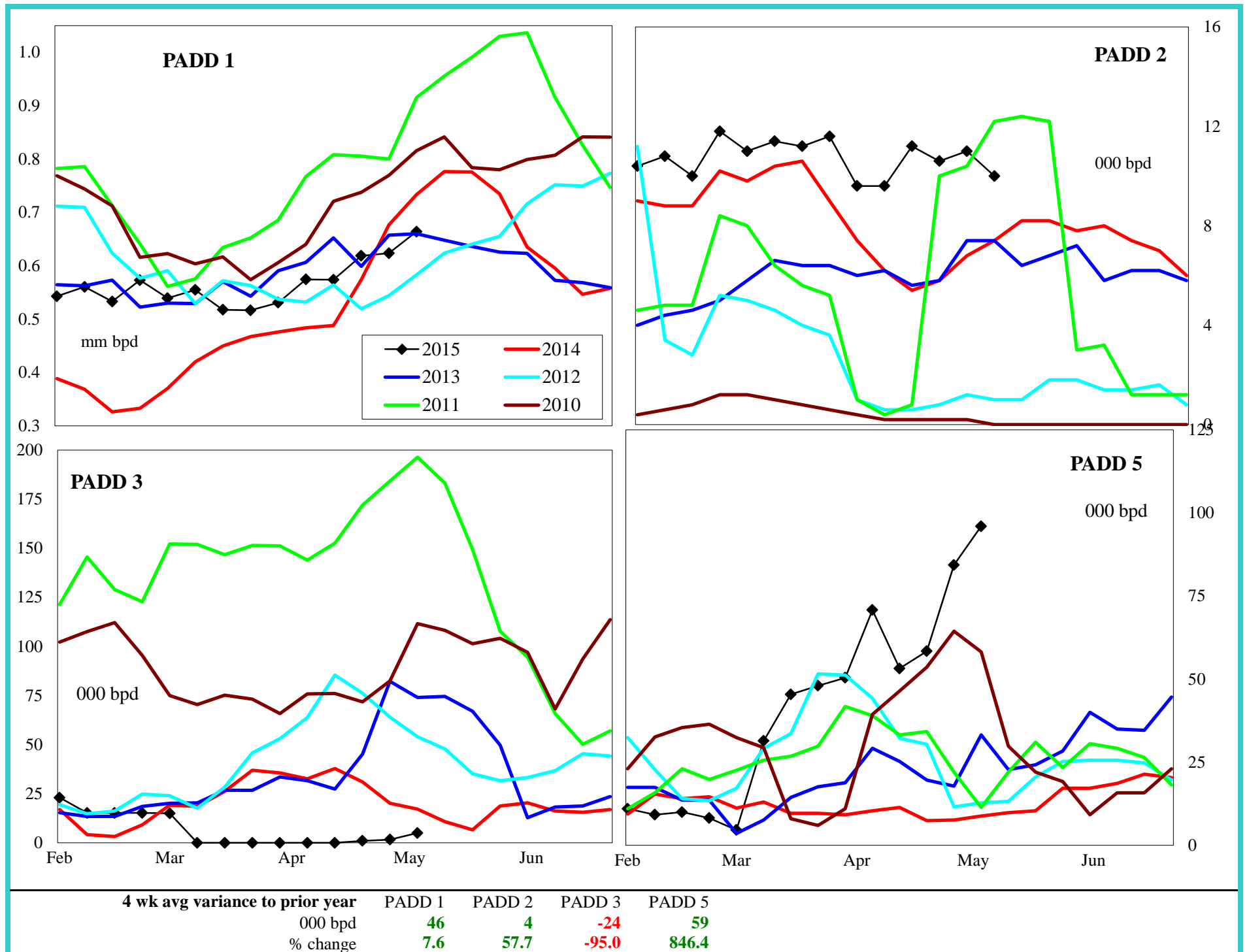
United States Petroleum Imports



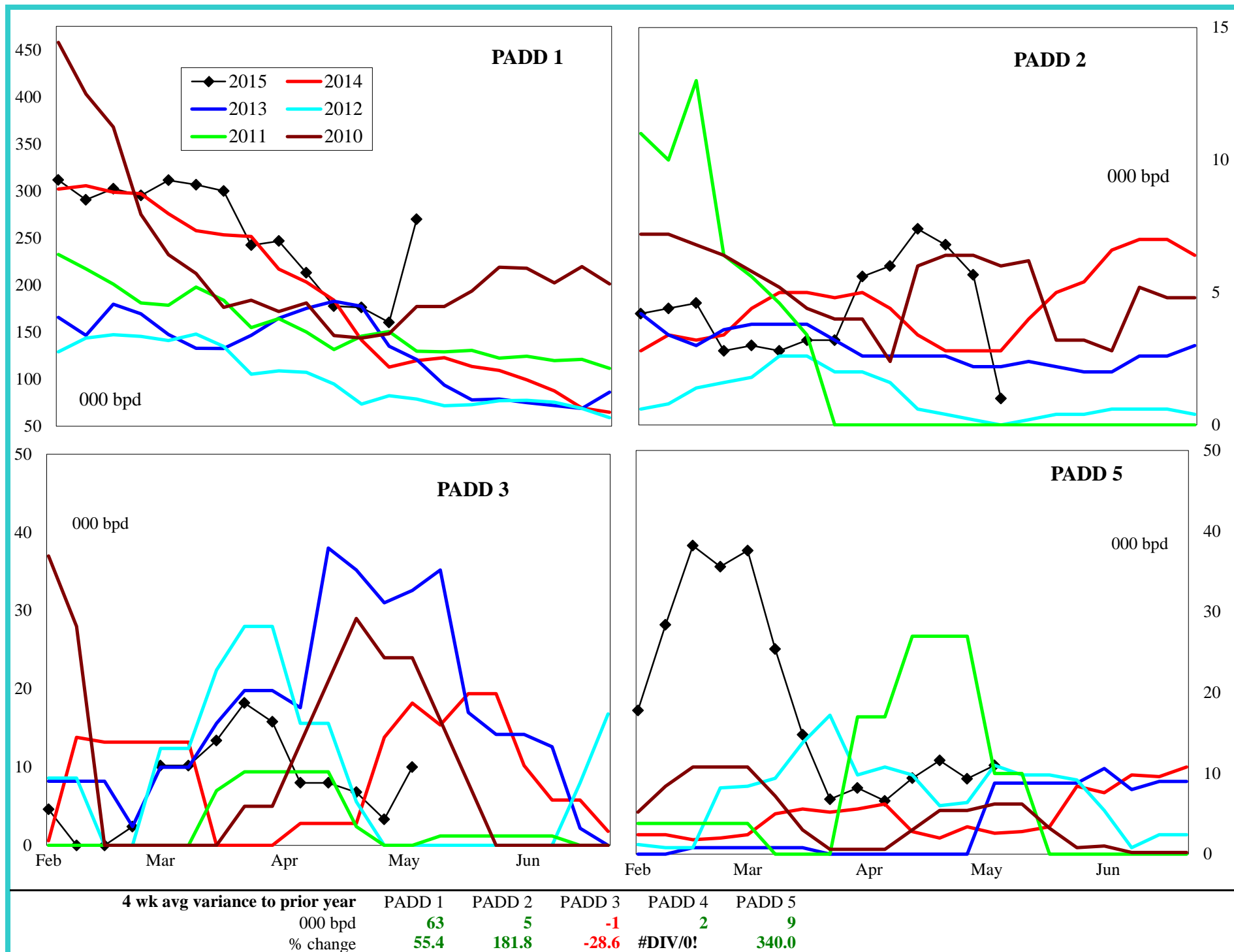
Crude Oil Imports by PADD



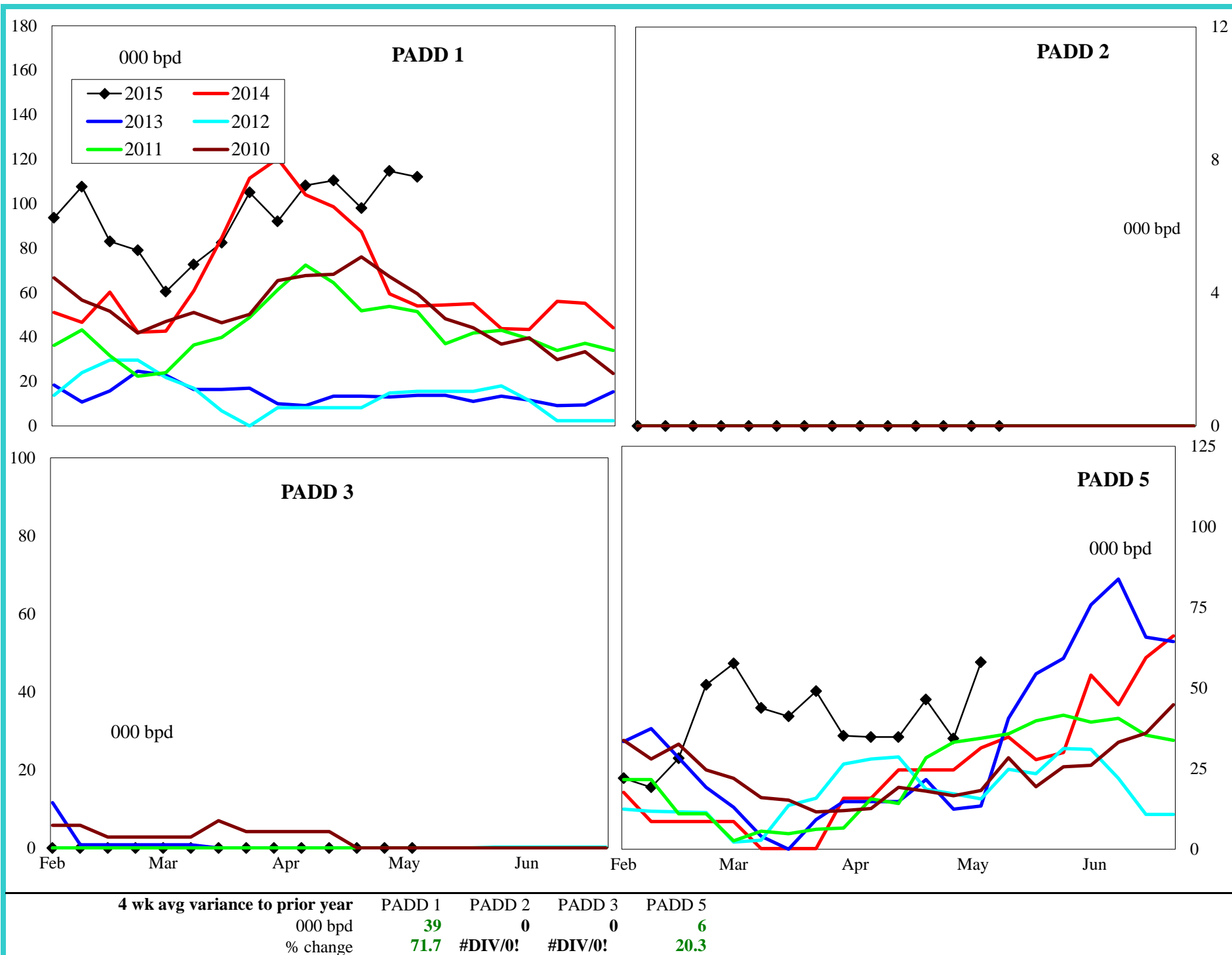
Gasoline Imports by PADD (Finished + Blend Stocks)



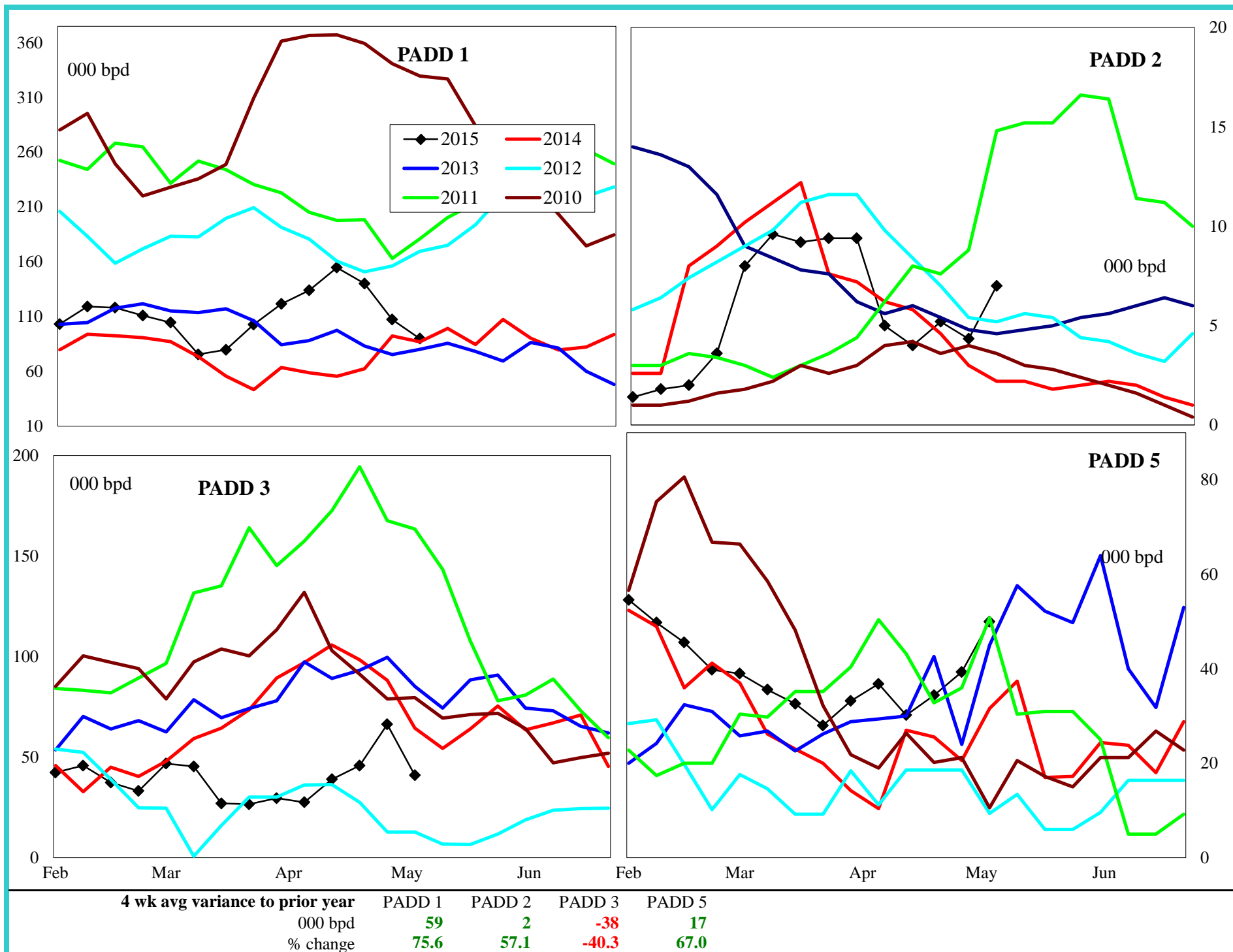
Distillate Imports by PADD



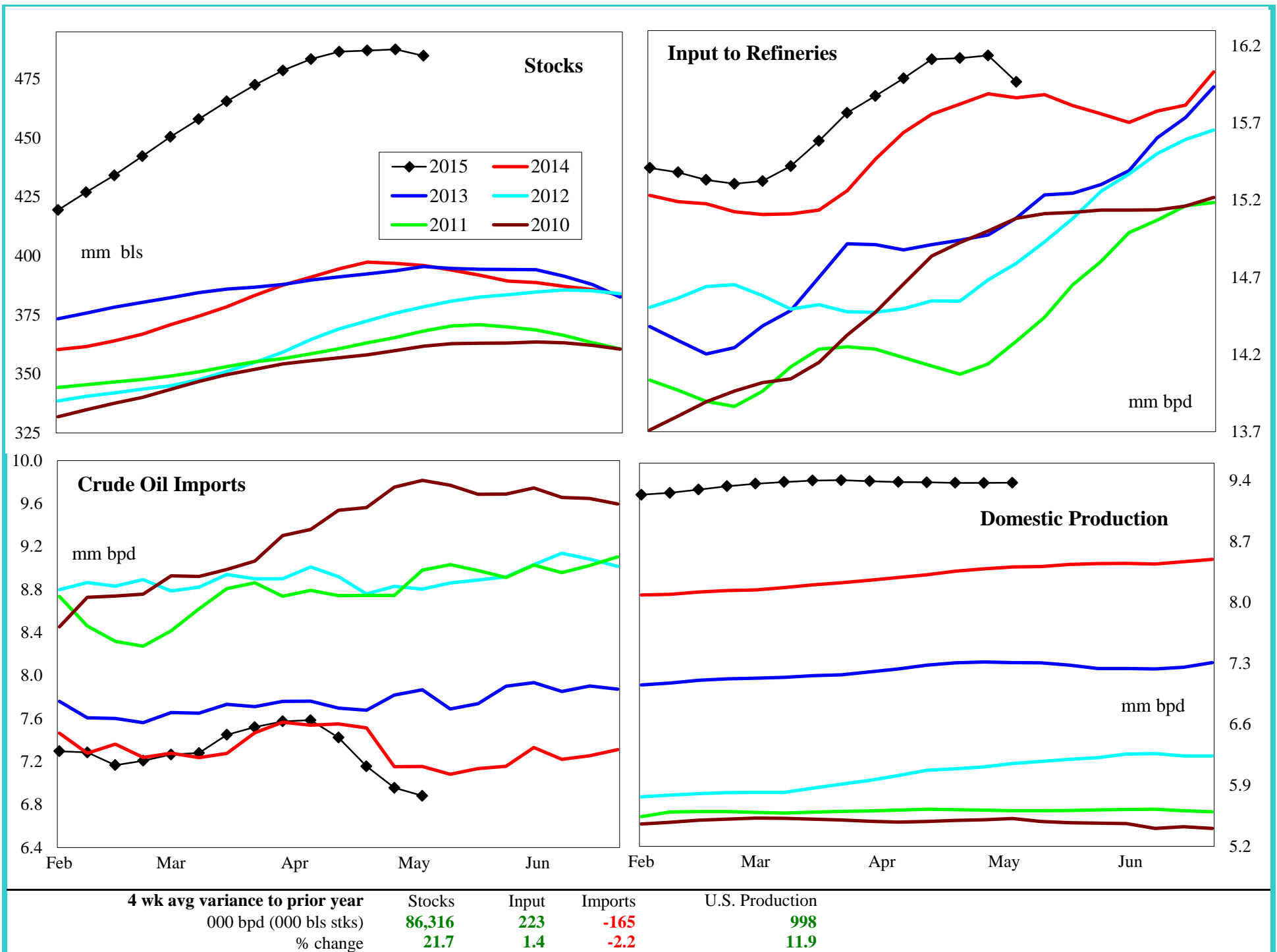
Jet Fuel Imports by PADD



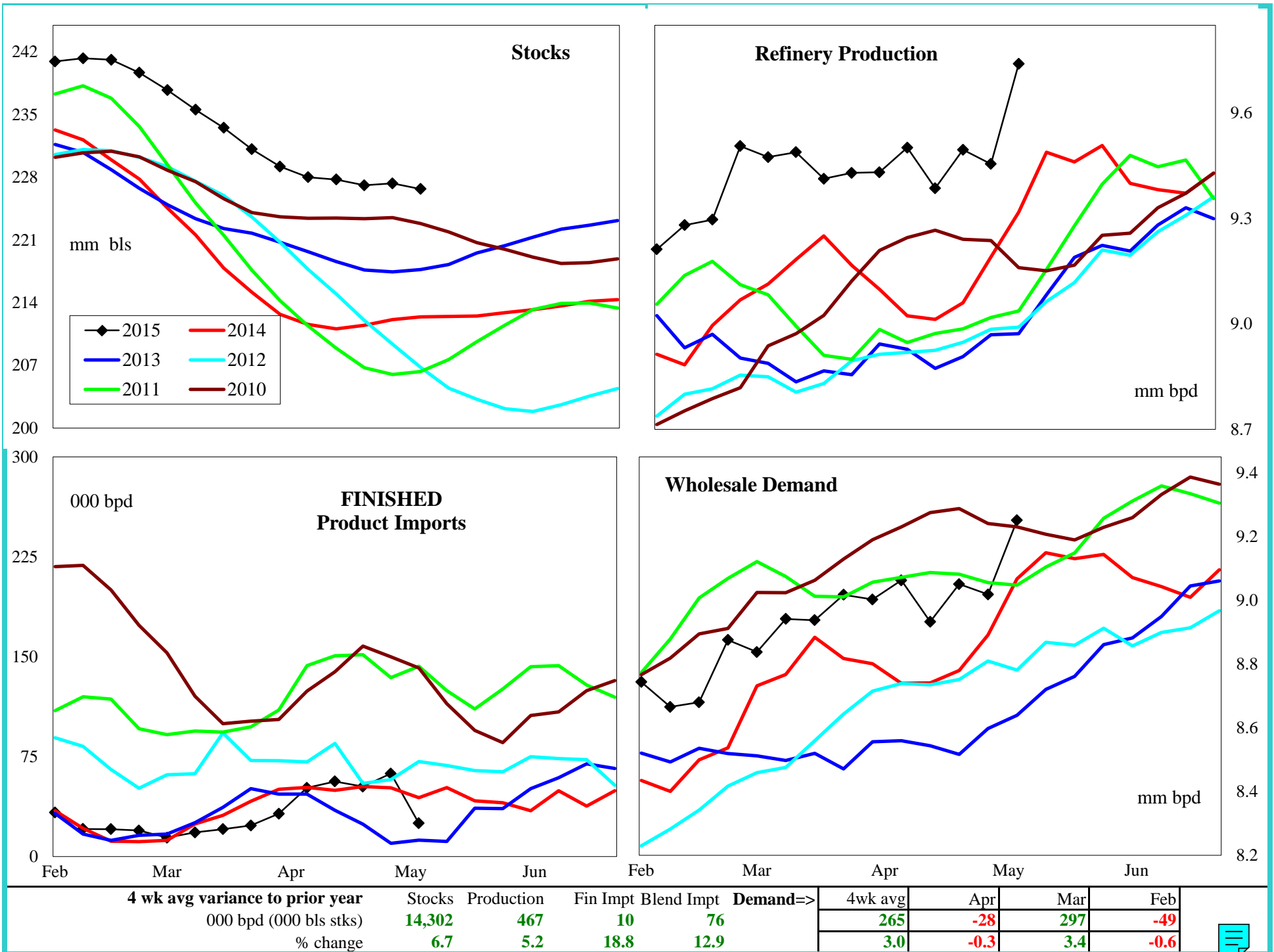
Residual Fuel Oil Imports by PADD



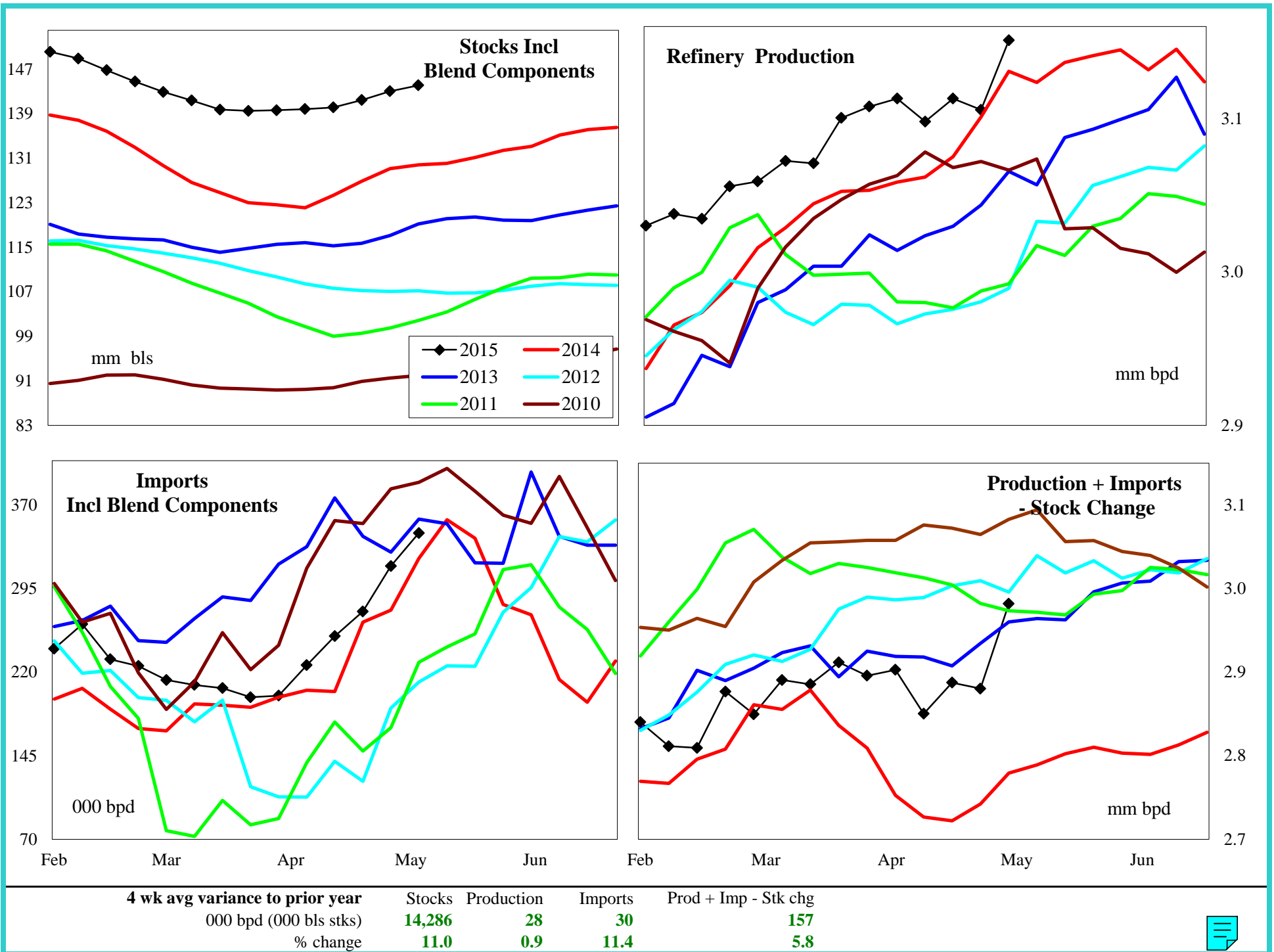
United States Crude Oil Supply and Demand Balance



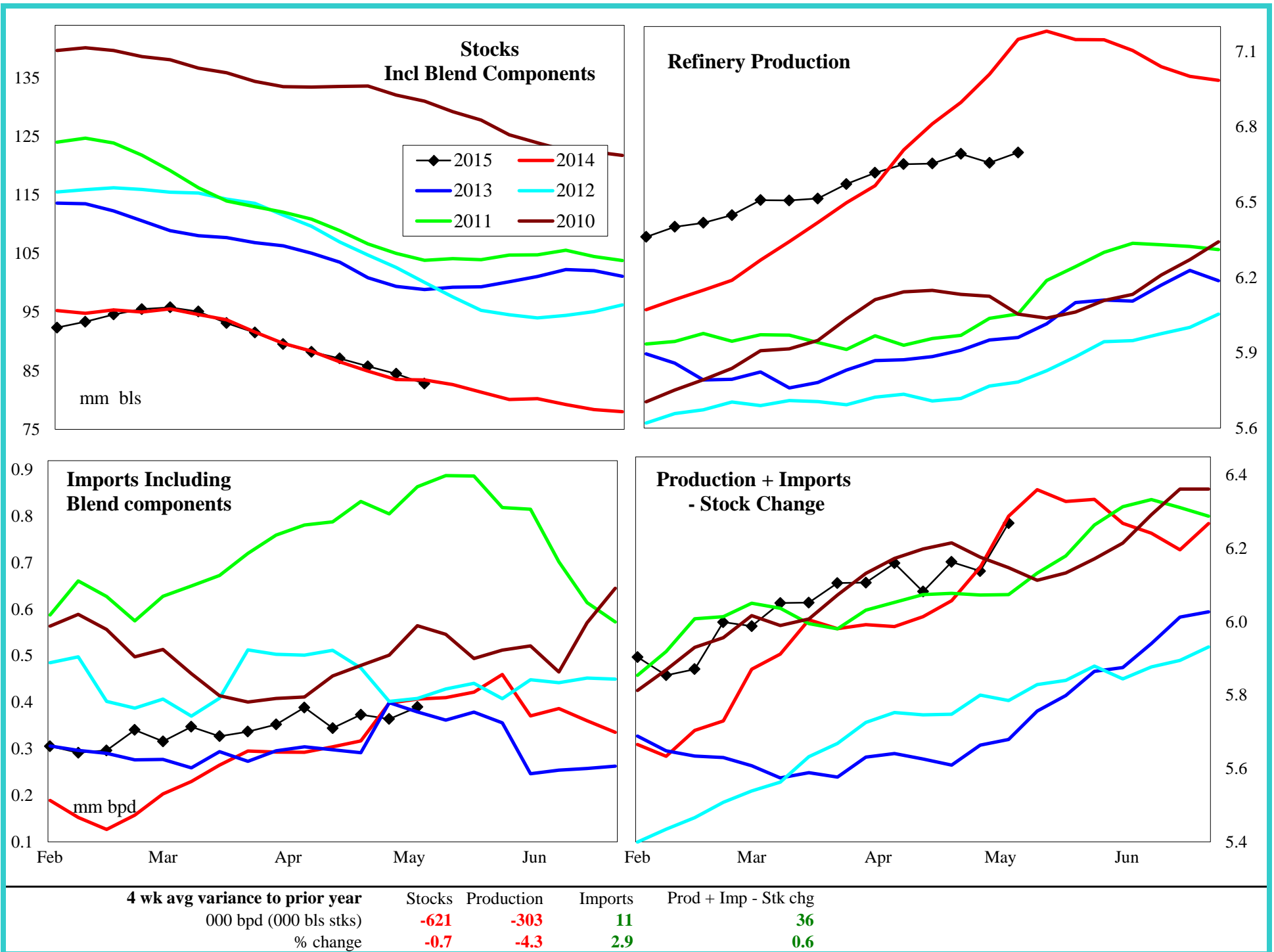
United States Gasoline Supply and Demand Balance



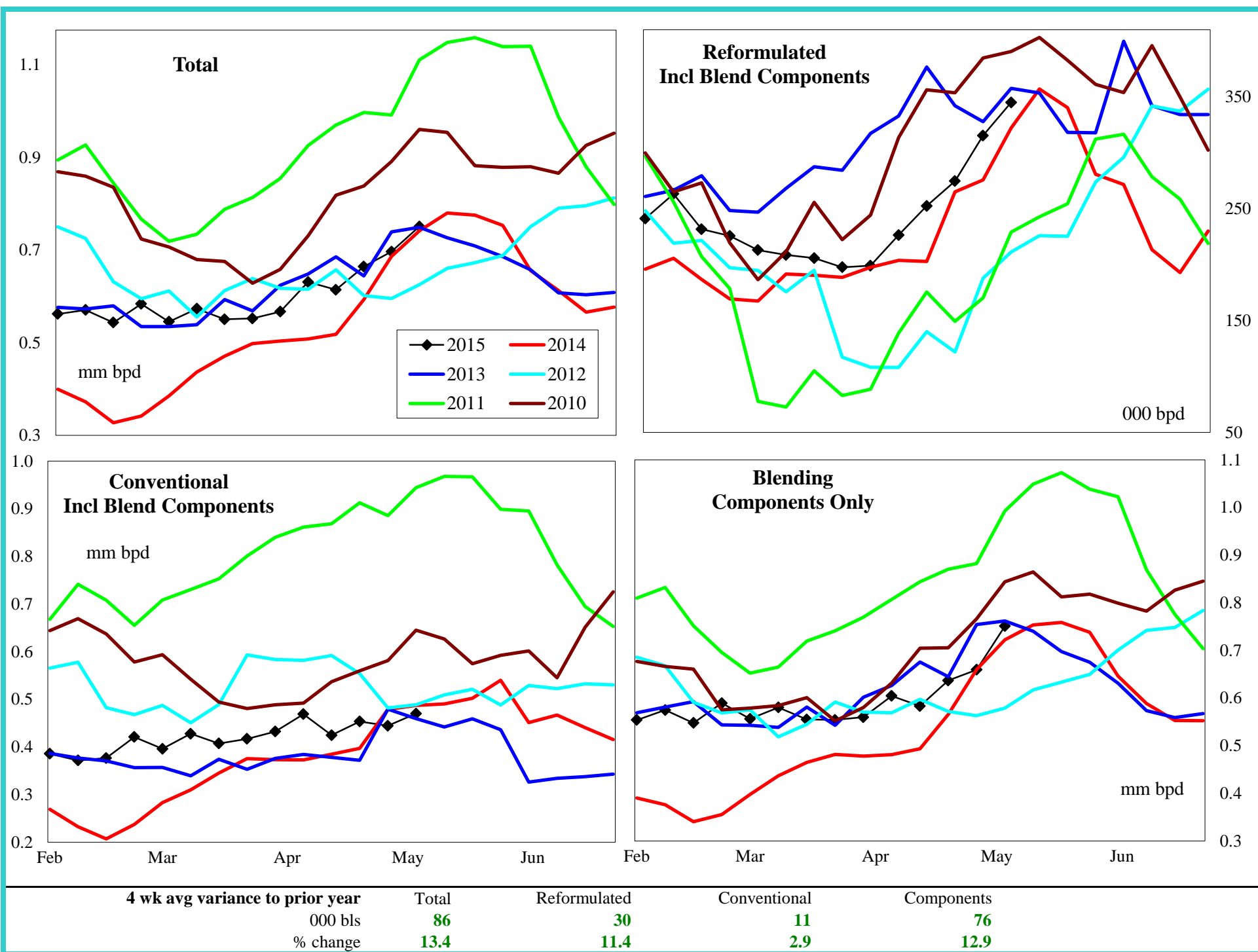
United States Reformulated Gasoline Supply



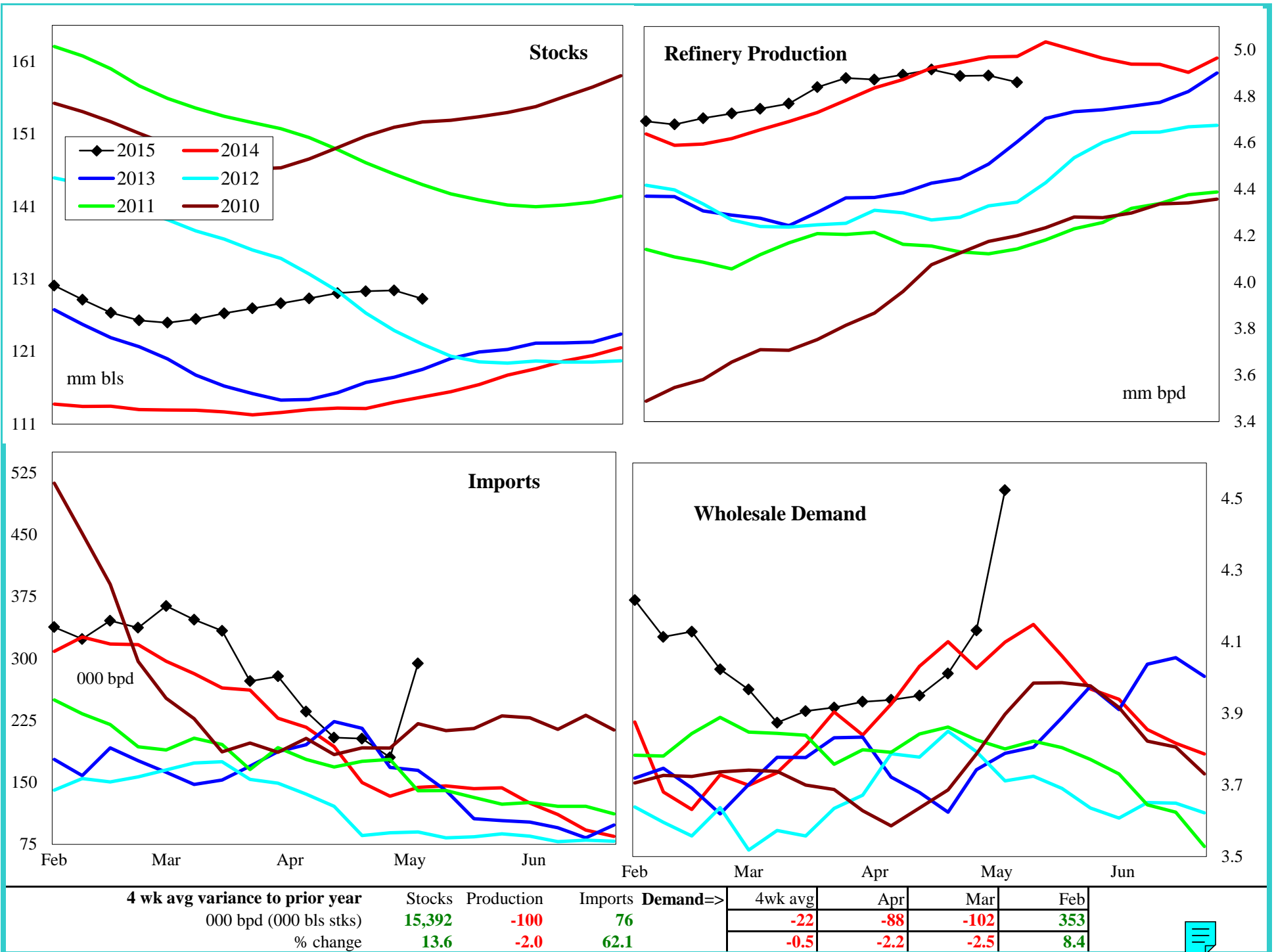
United States Conventional Gasoline Supply



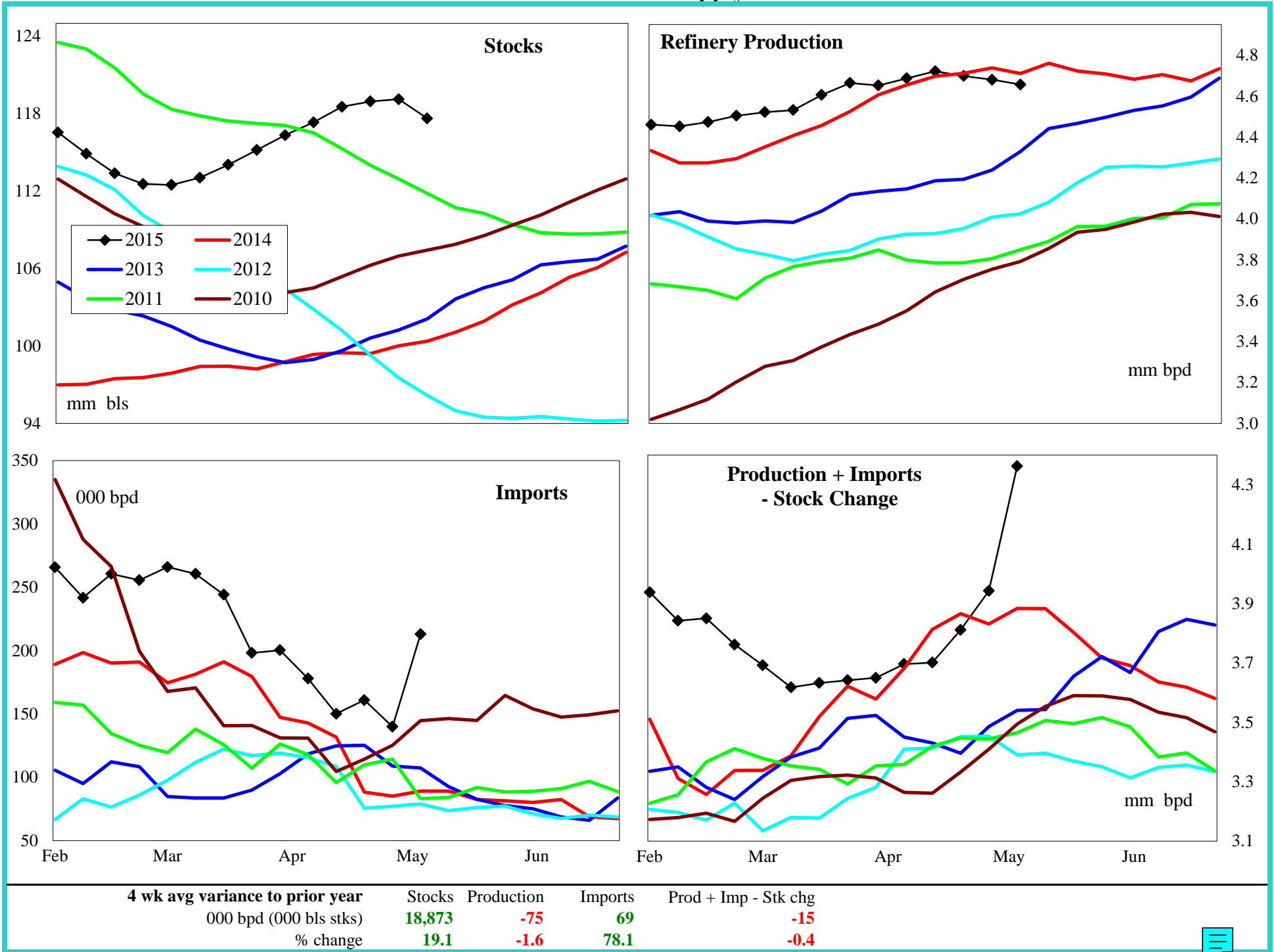
United States Gasoline Imports by Type



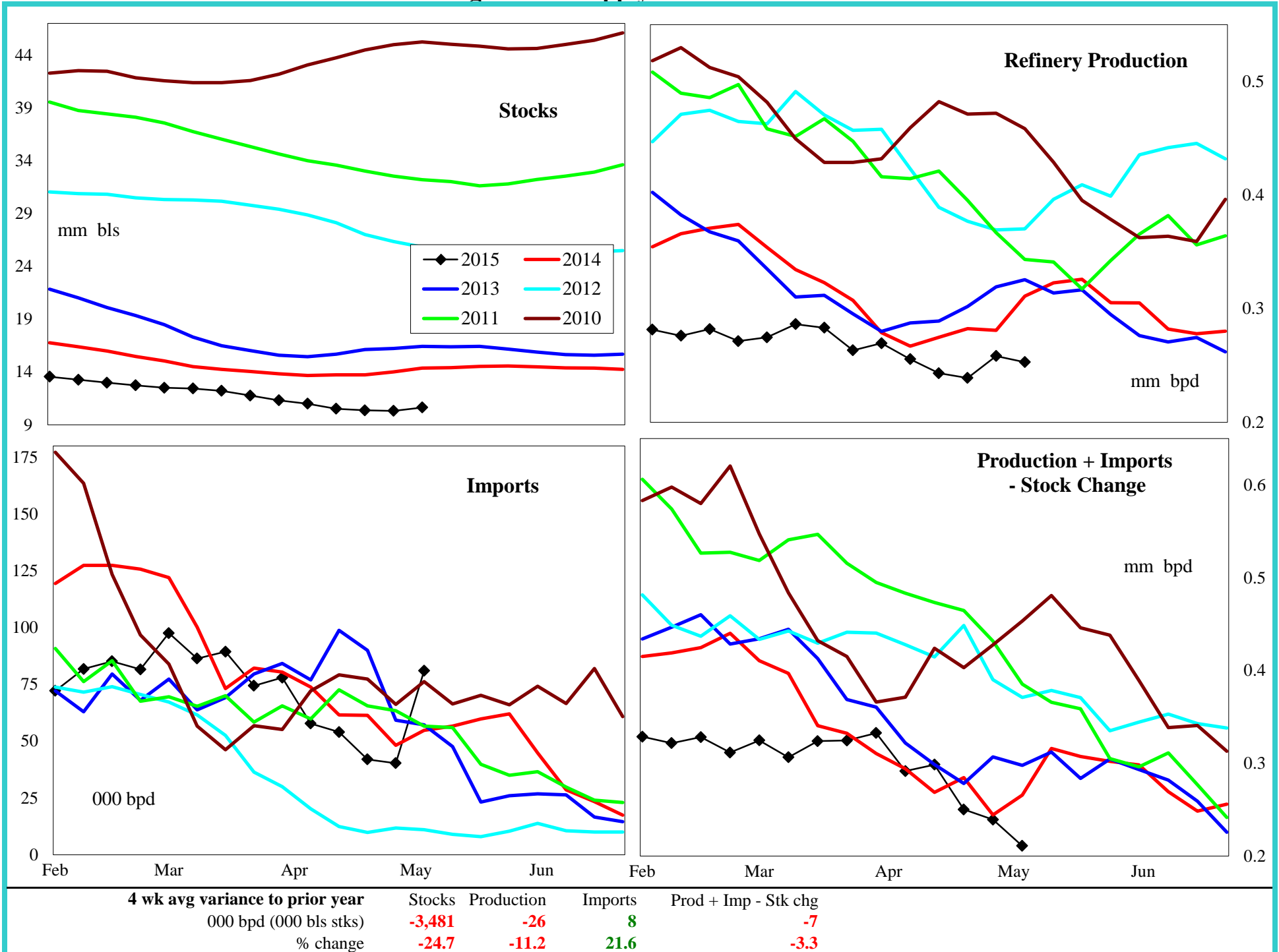
United States Distillate Supply and Demand Balance



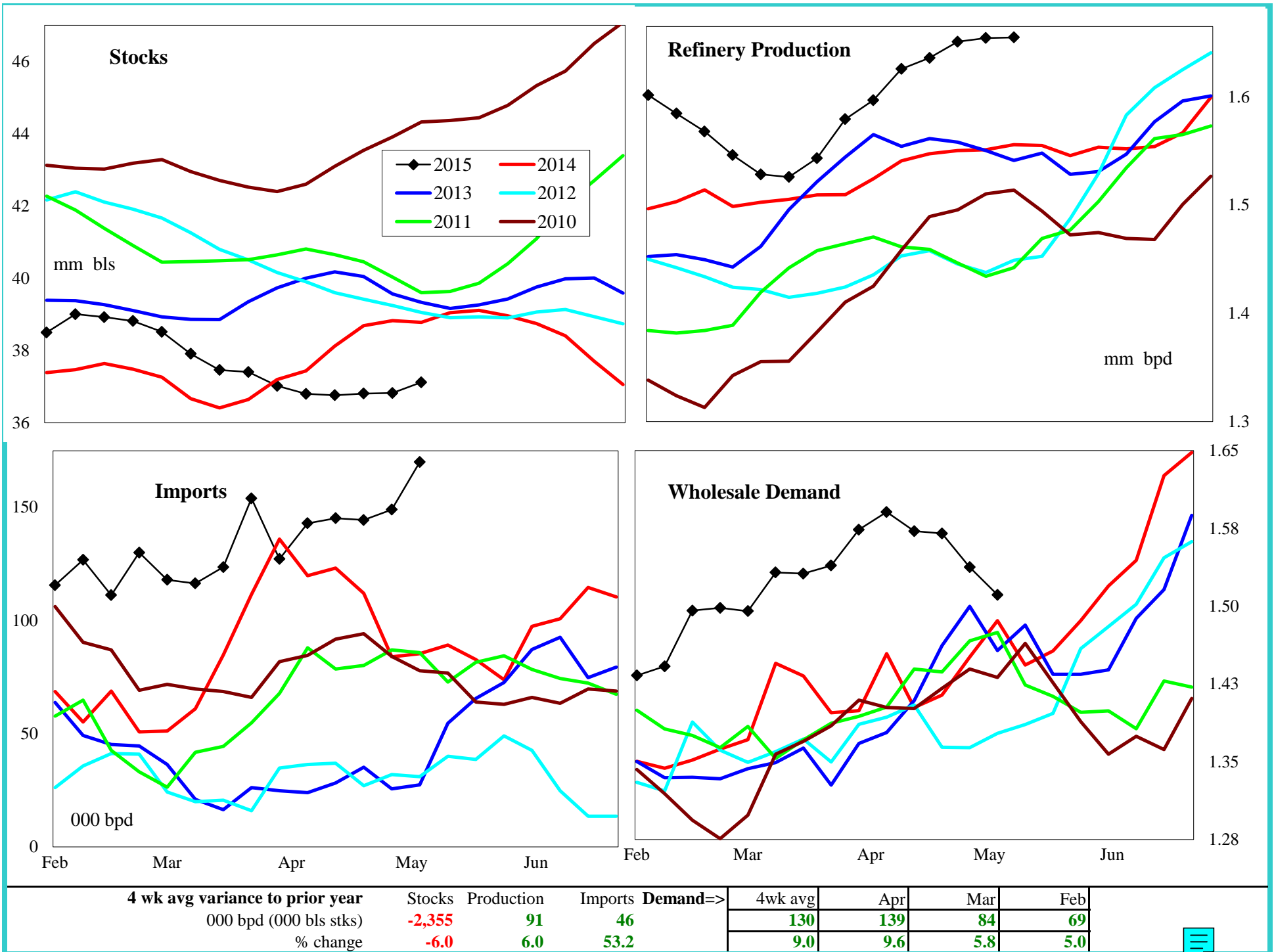
United States Low Sulfur Distillate Supply and Demand Balance



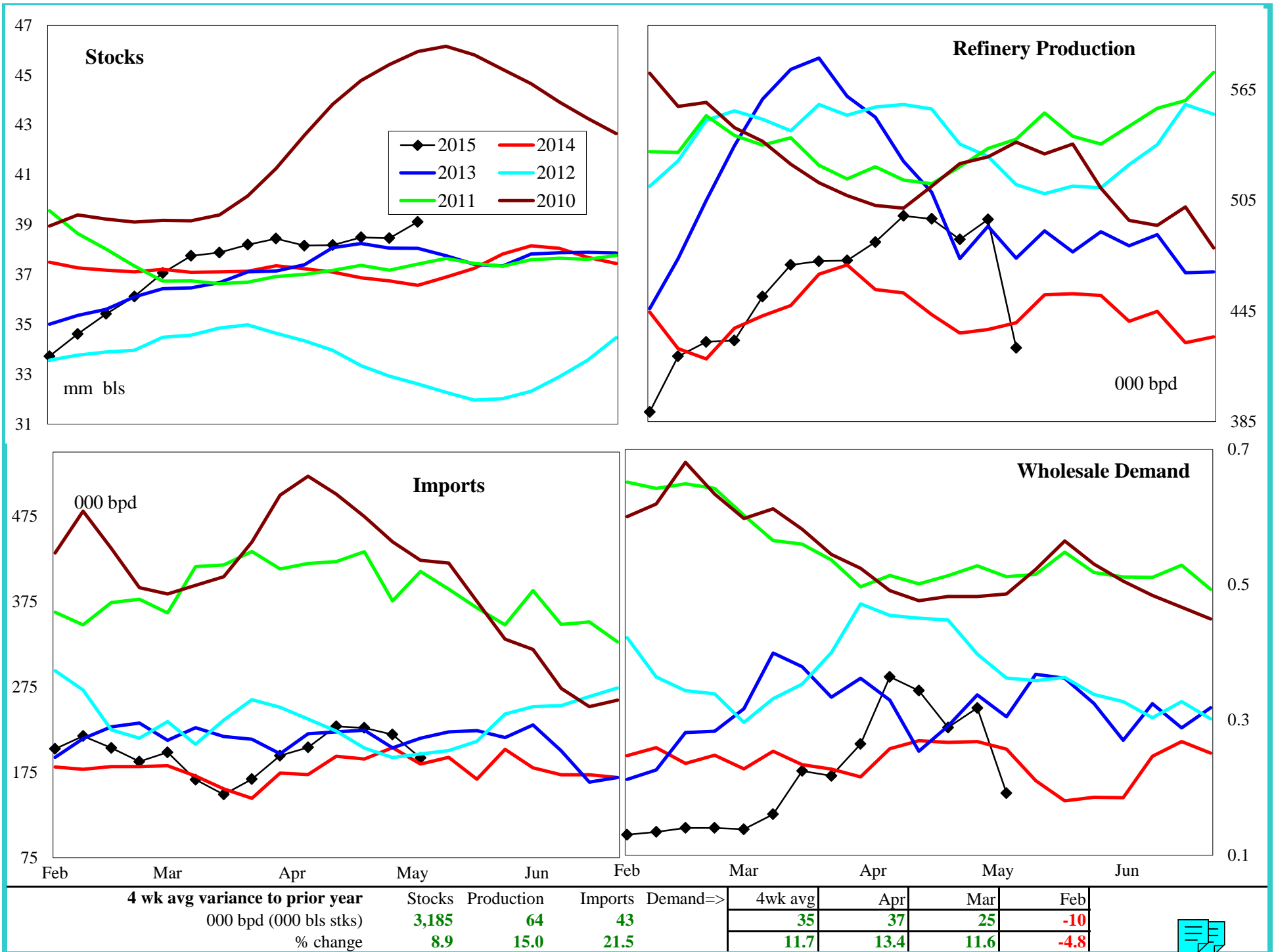
United States High Sulfur Supply Distillate and Demand Balance



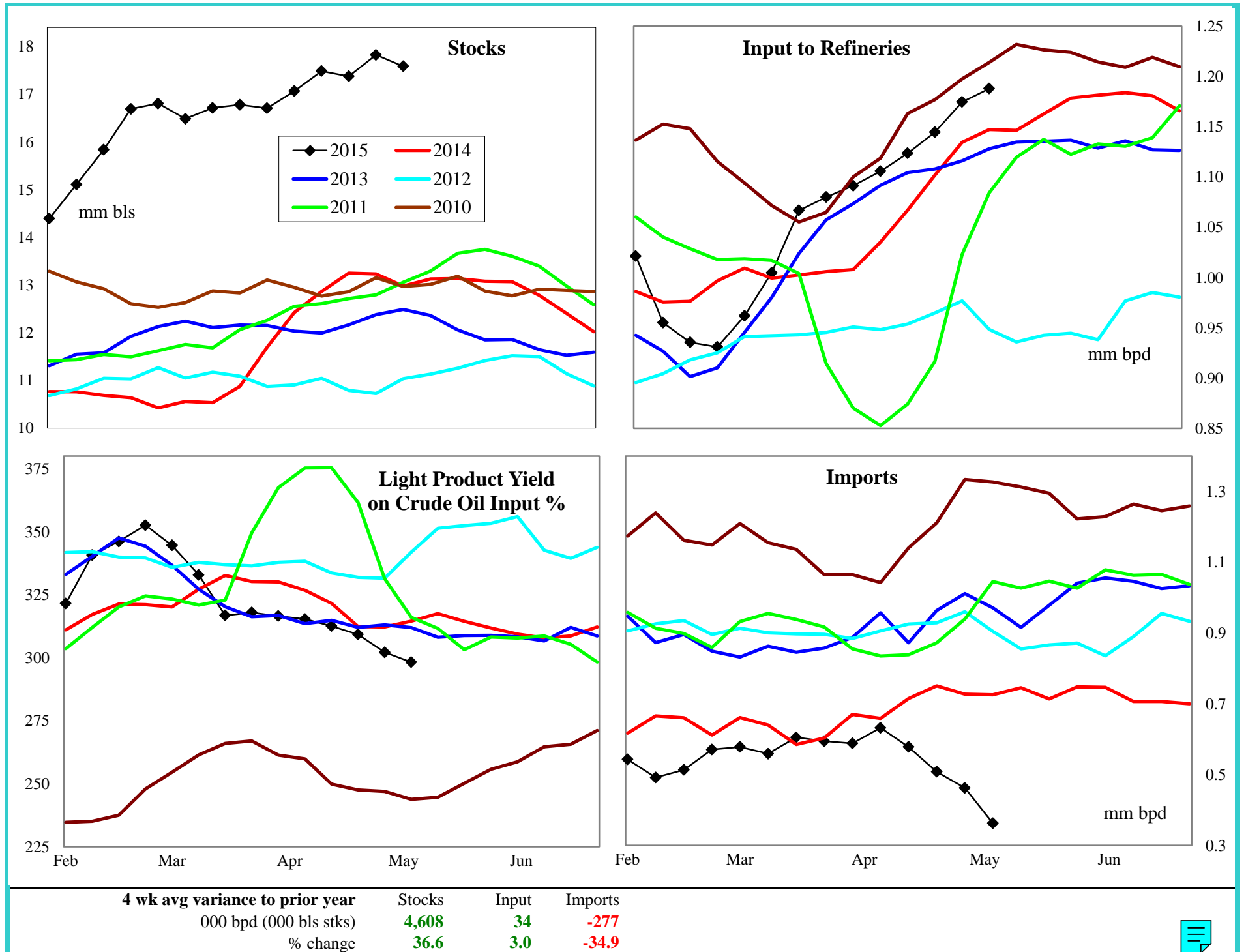
United States Jet Fuel Supply and Demand Balance



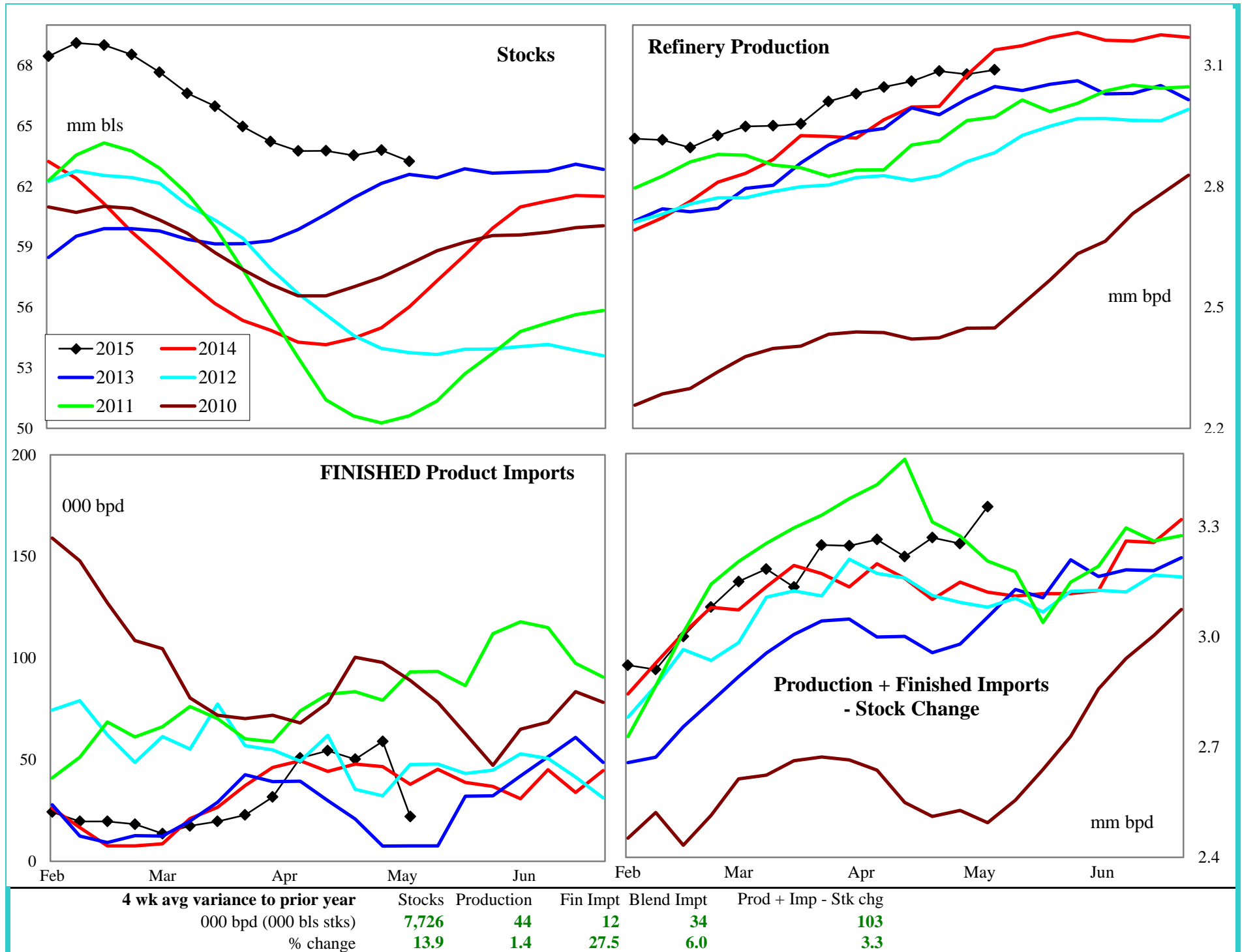
United States Residual Fuel Supply and Demand Balance



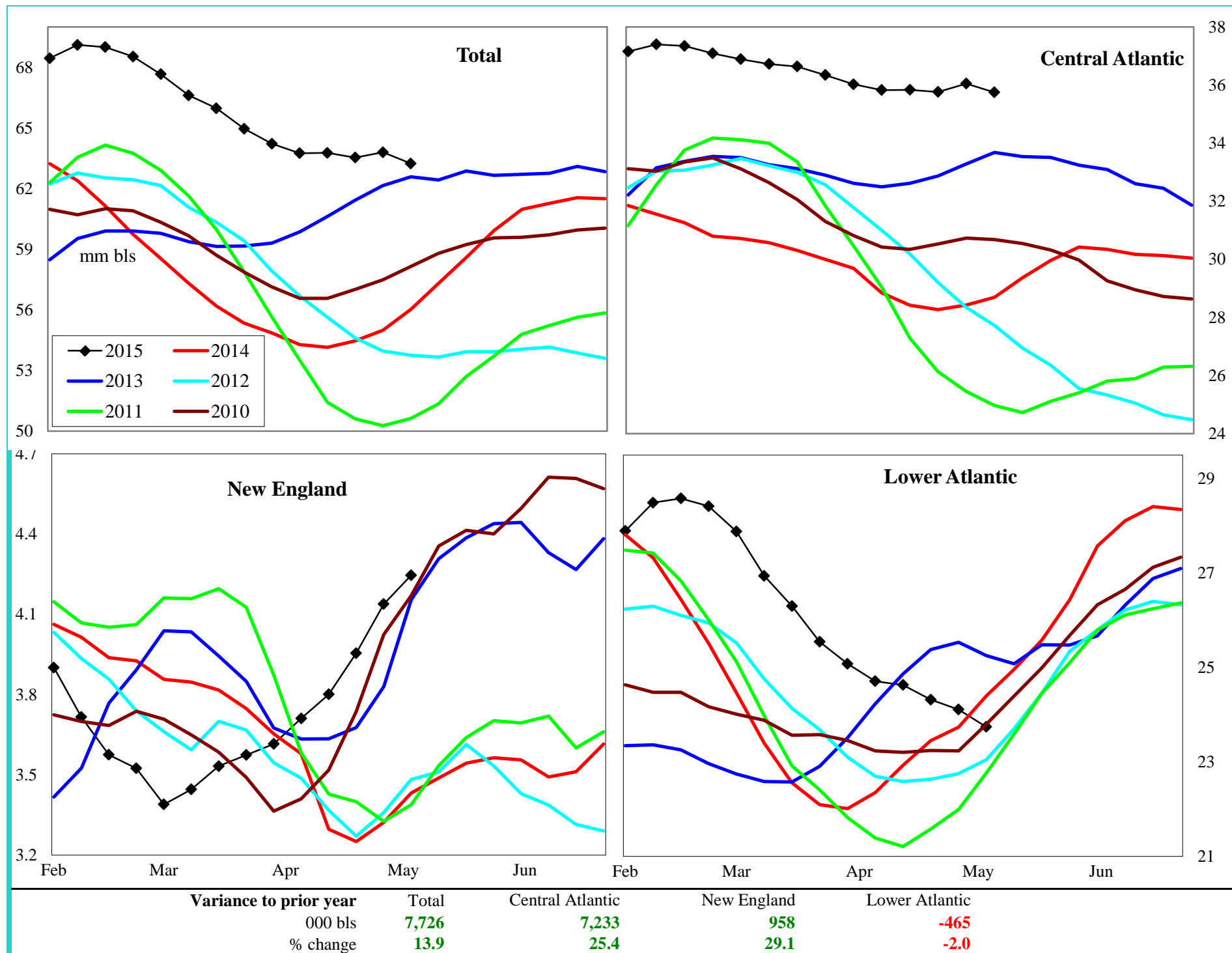
PADD 1 Crude Oil Supply and Refining



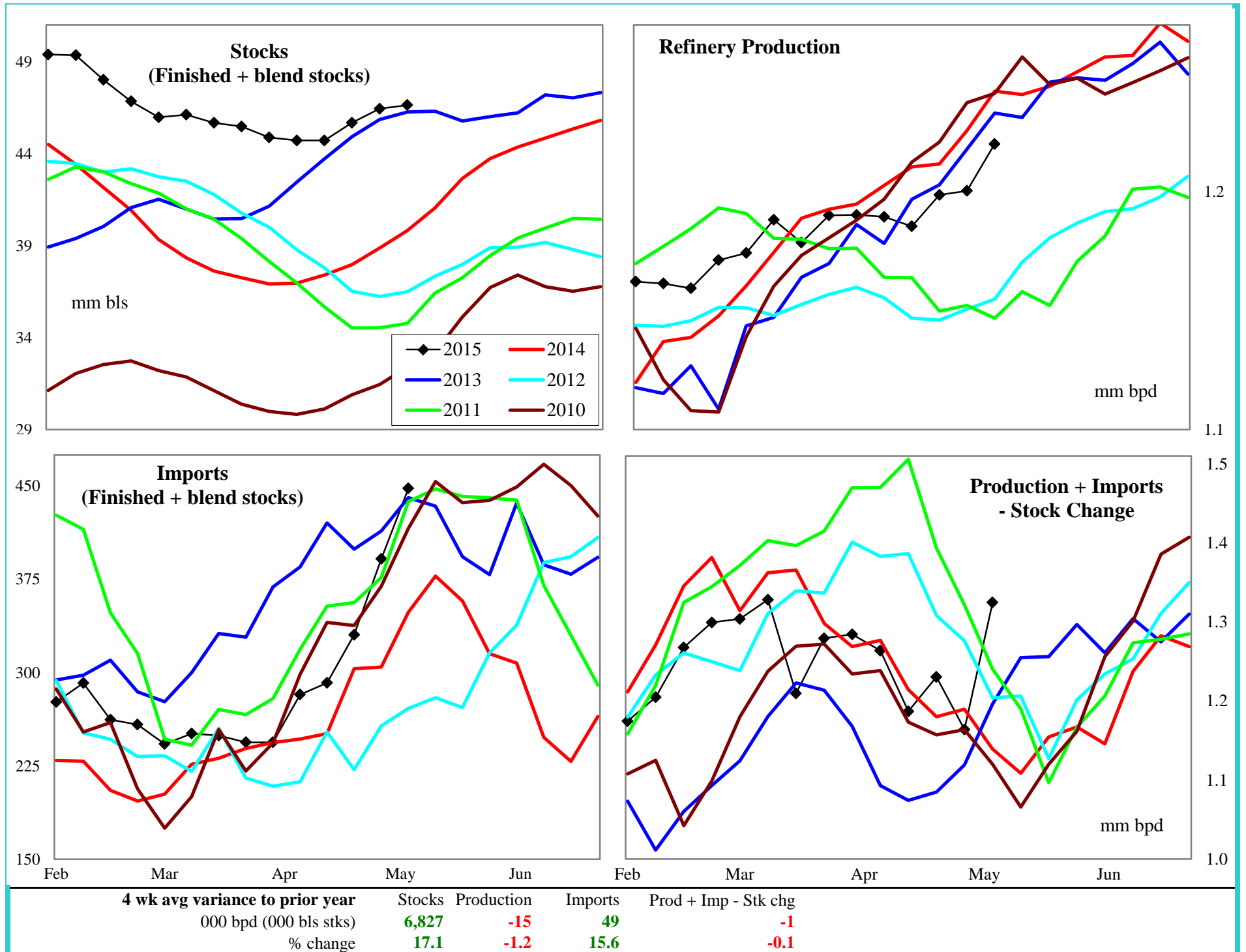
PADD 1 Gasoline Supply



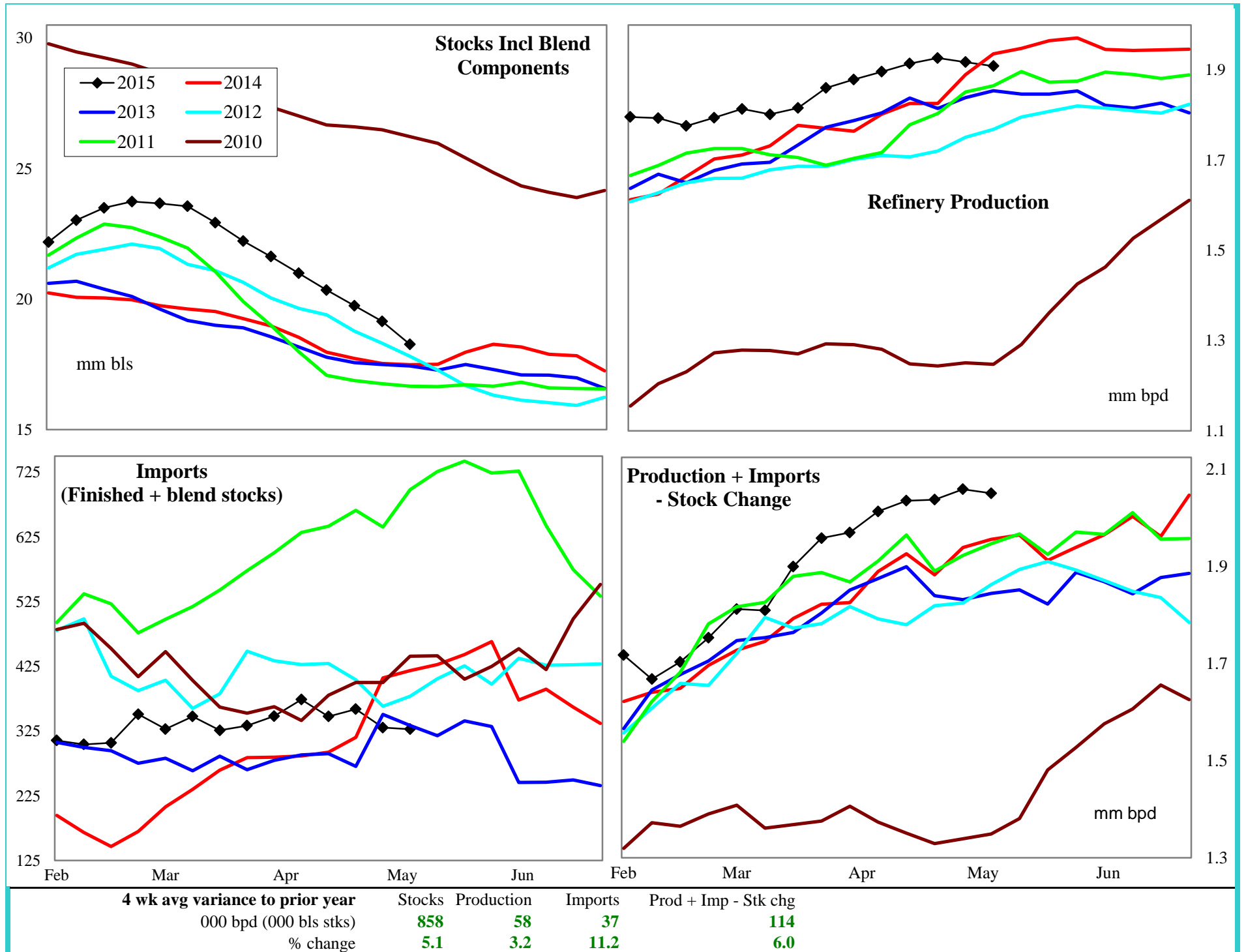
PADD 1 Gasoline Stocks by Region



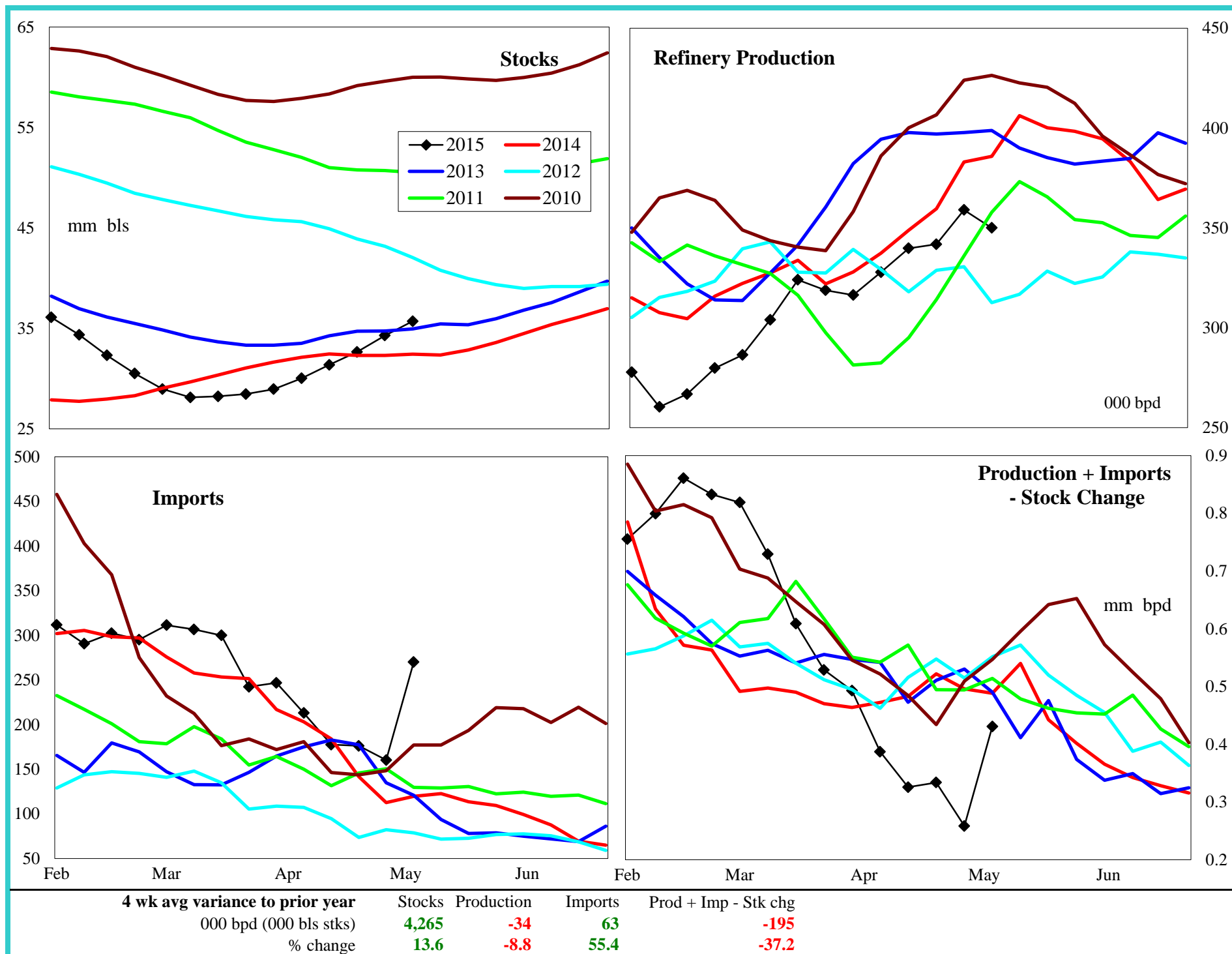
PADD 1 Reformulated Gasoline Supply



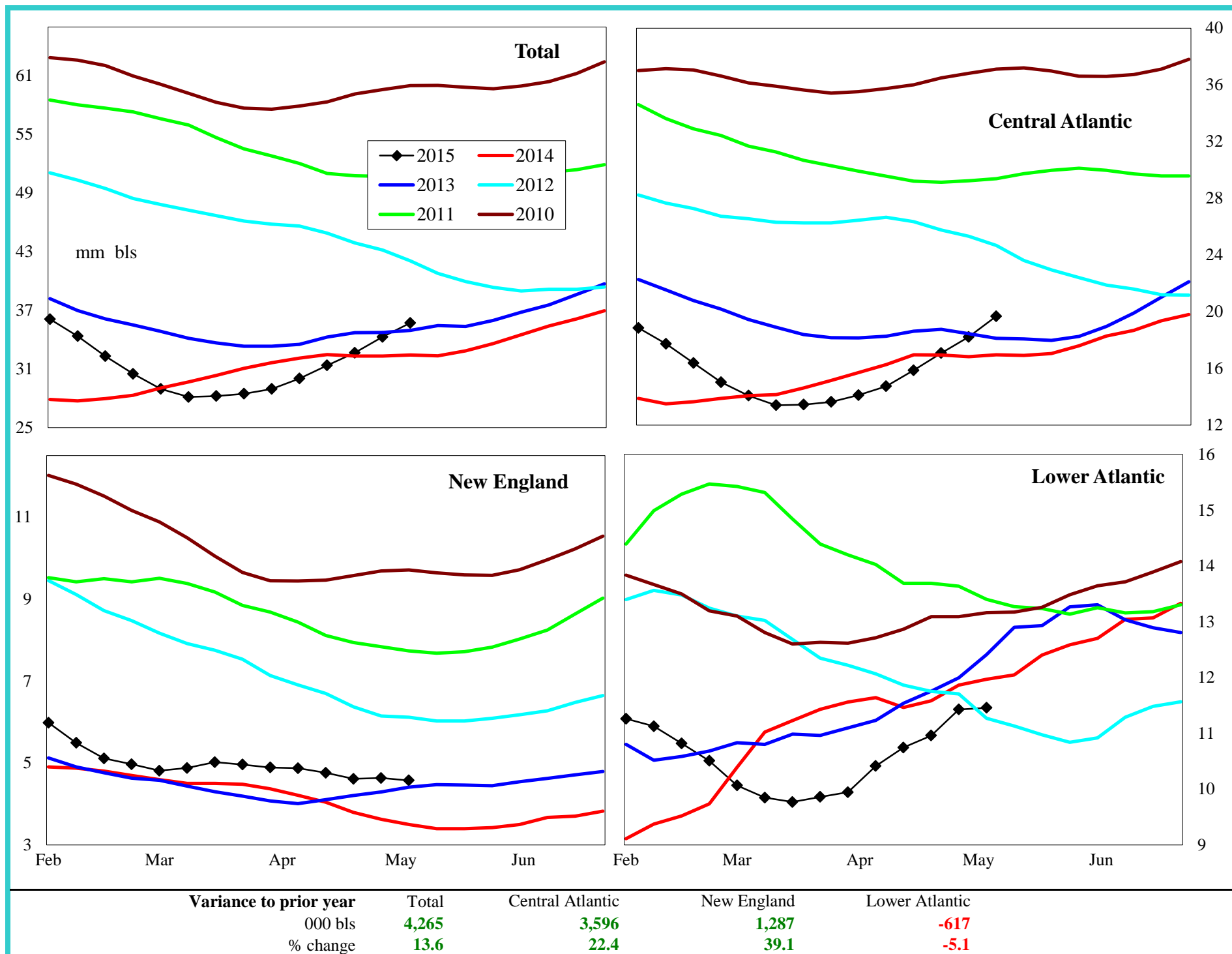
PADD 1 Conventional Gasoline Supply



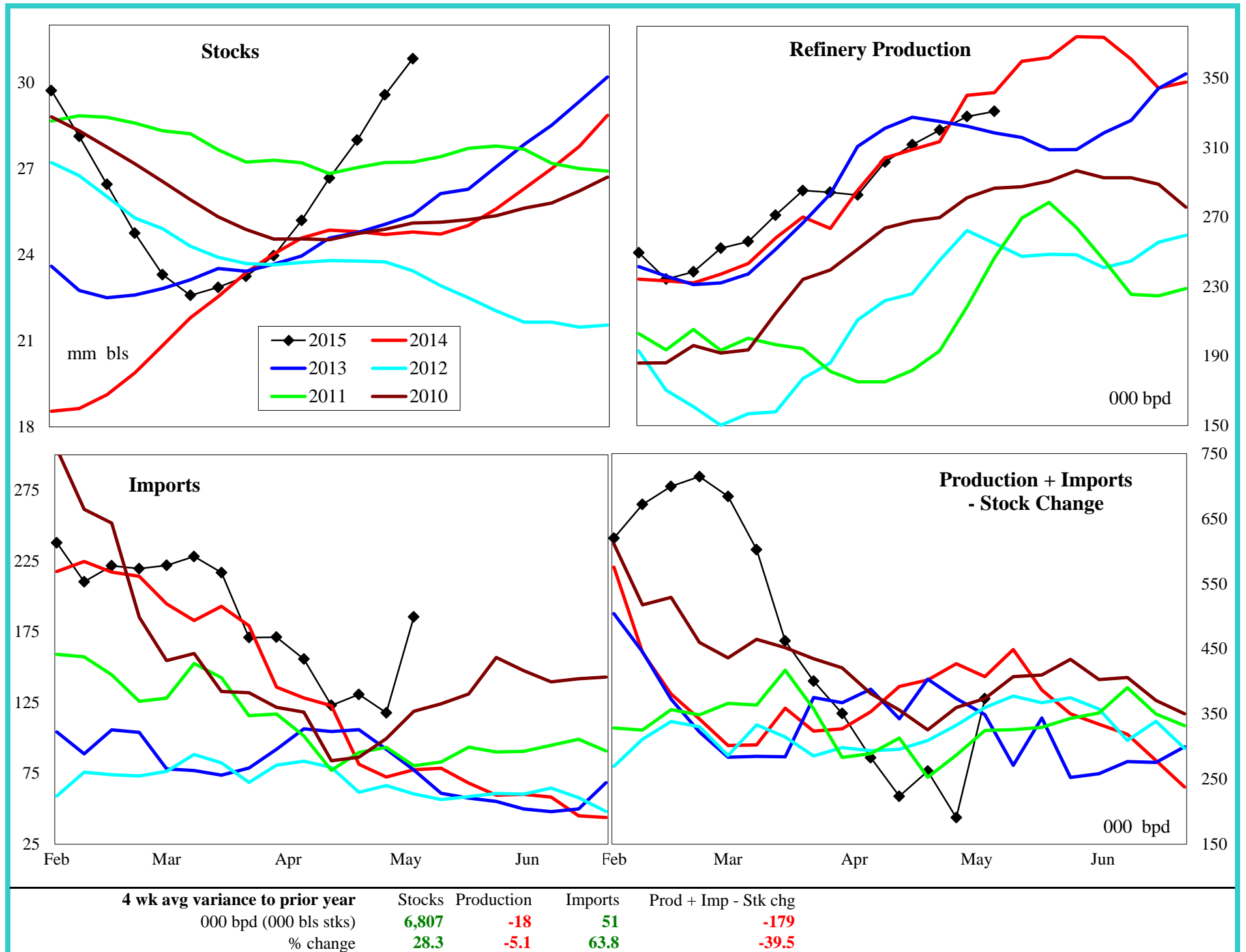
PADD 1 Distillate Supply



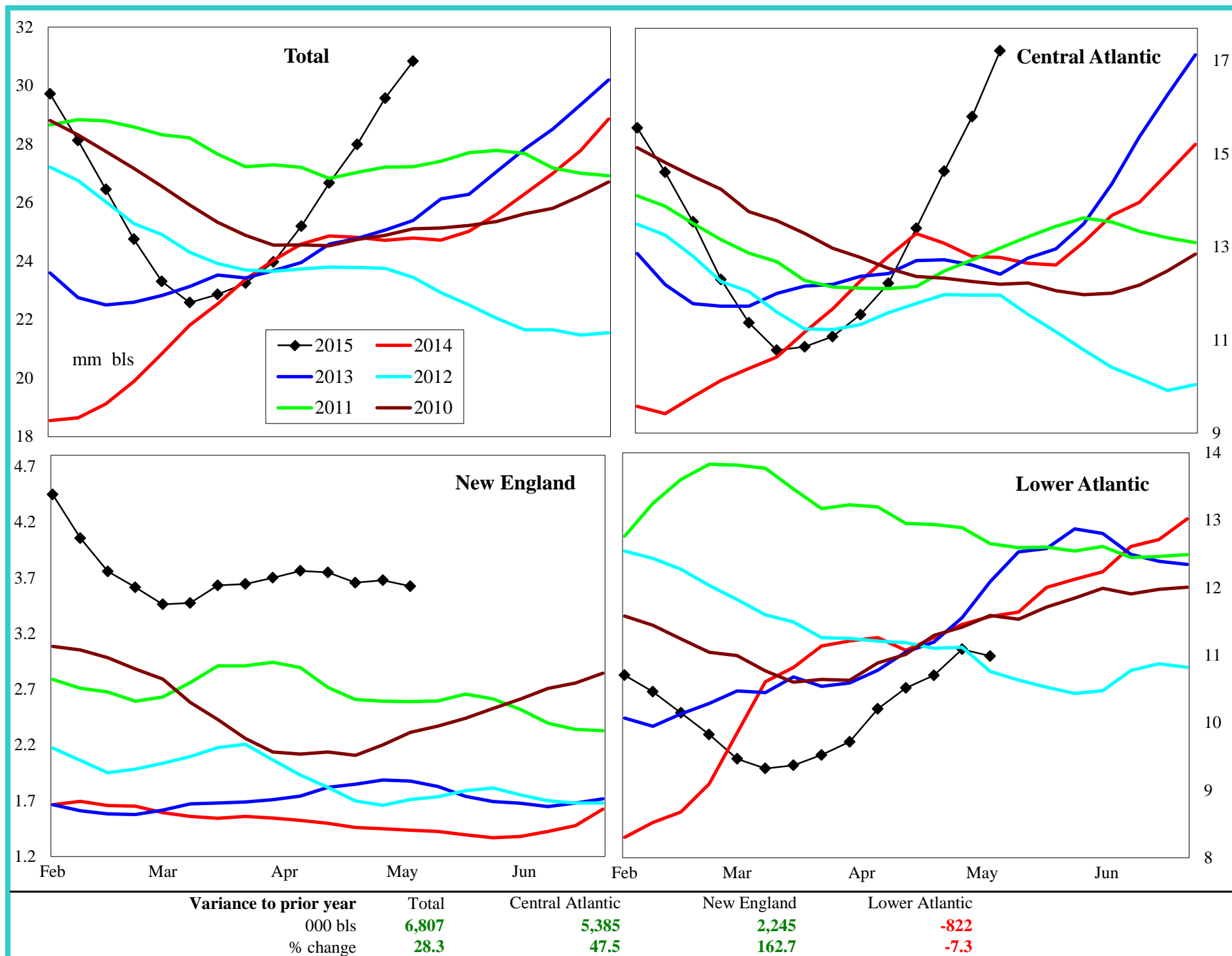
PADD 1 Distillate Stocks by Region



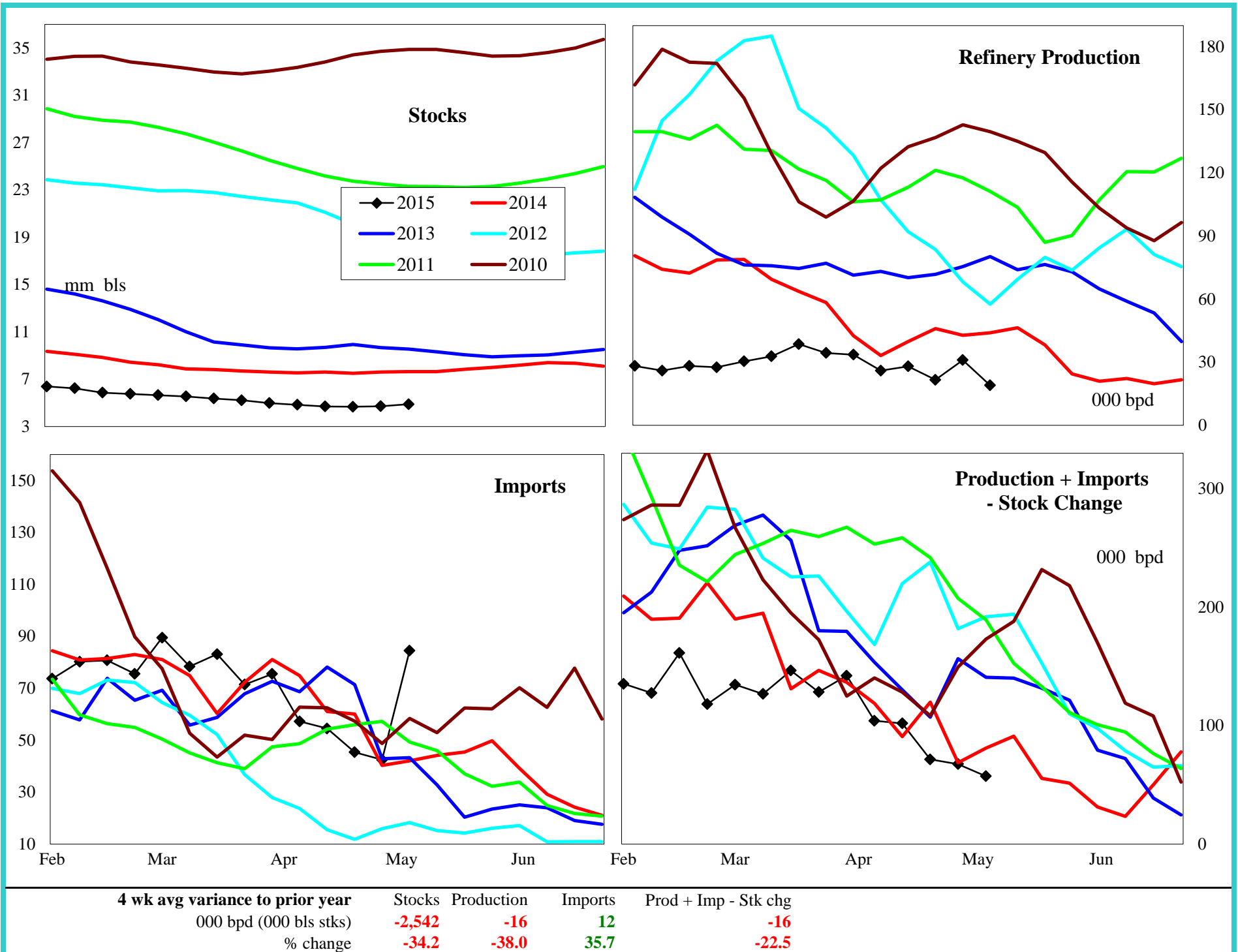
PADD 1 Low Sulfur Distillate Supply



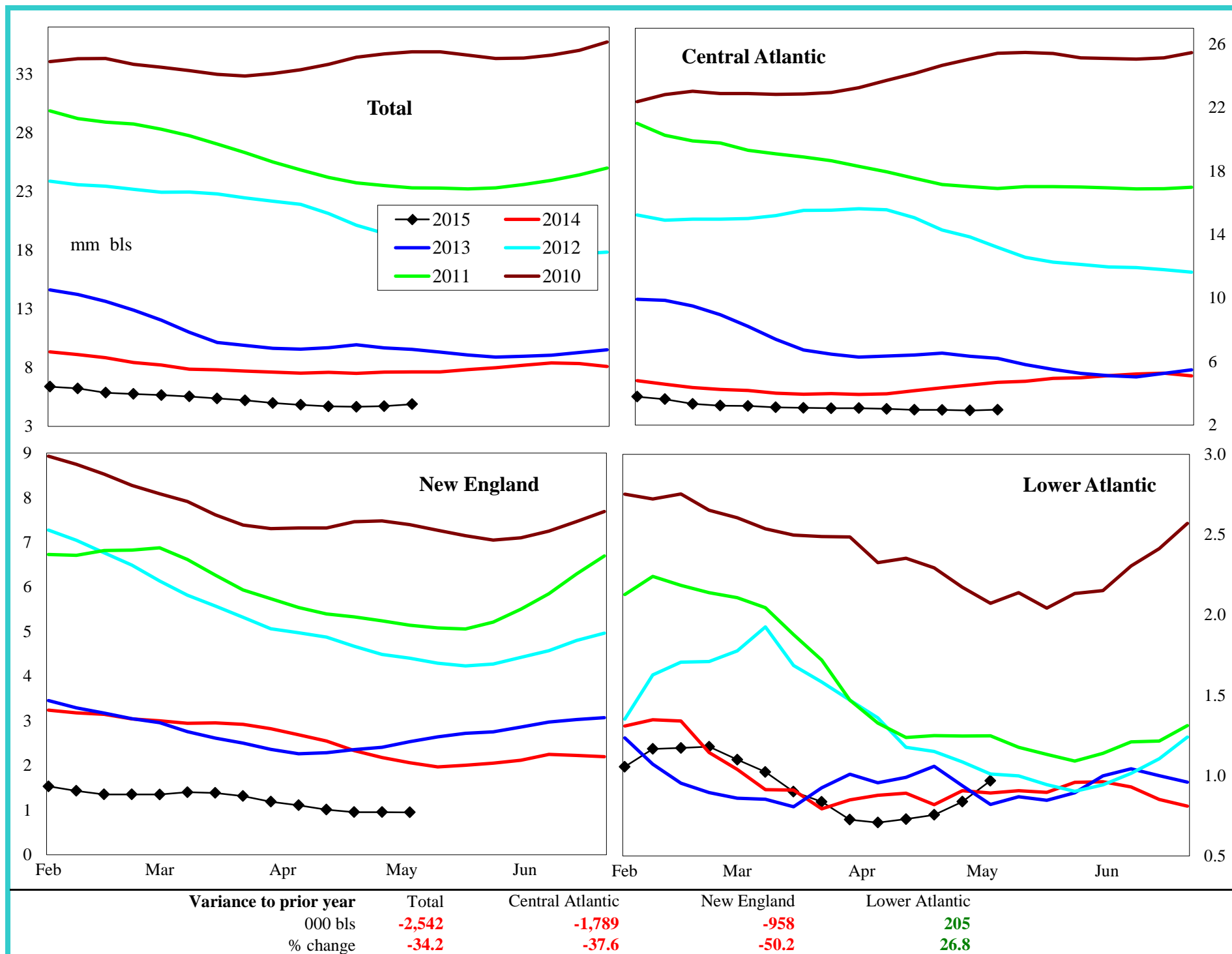
PADD 1 Low Sulfur Distillate Stocks by Region



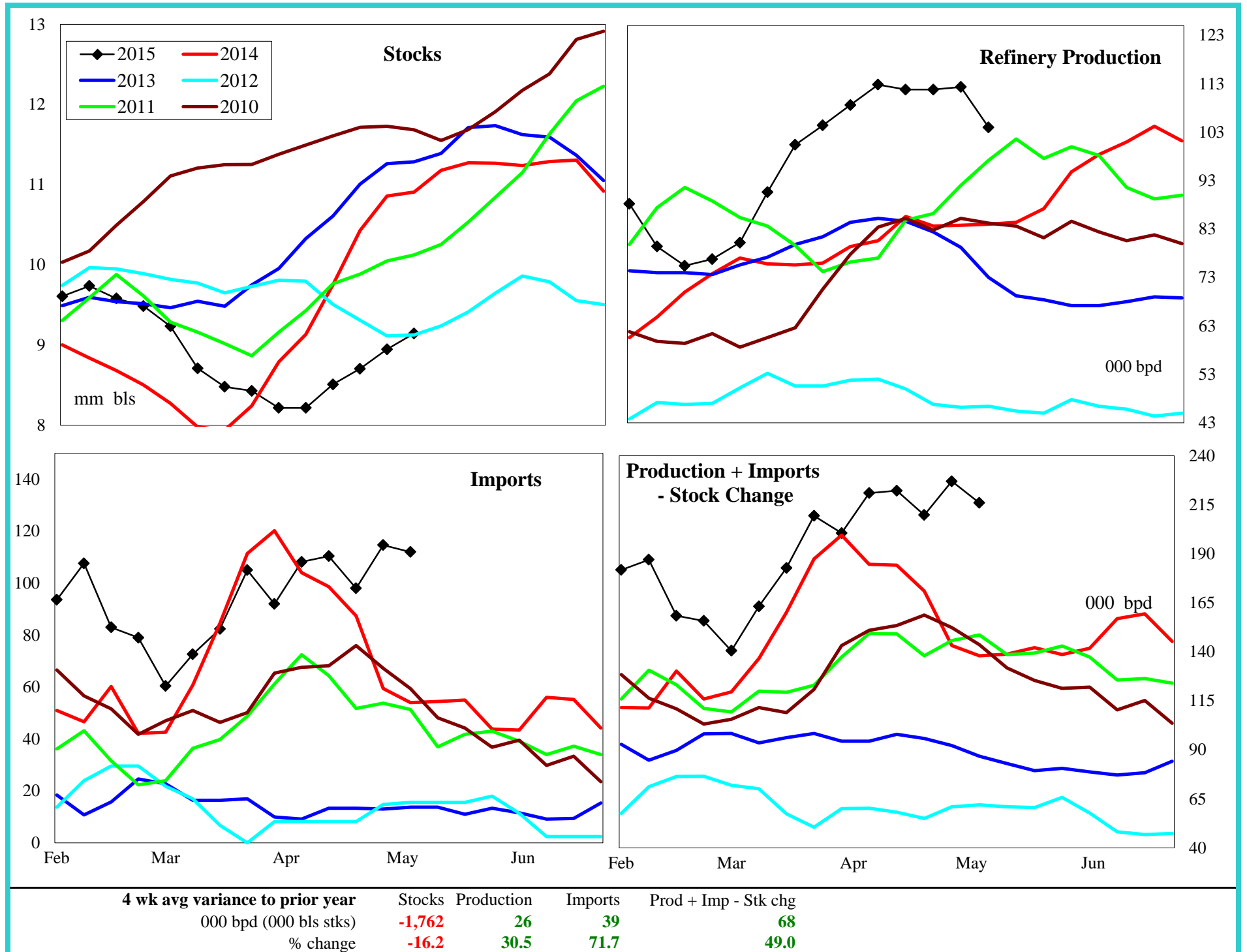
PADD 1 High Sulfur Distillate Supply



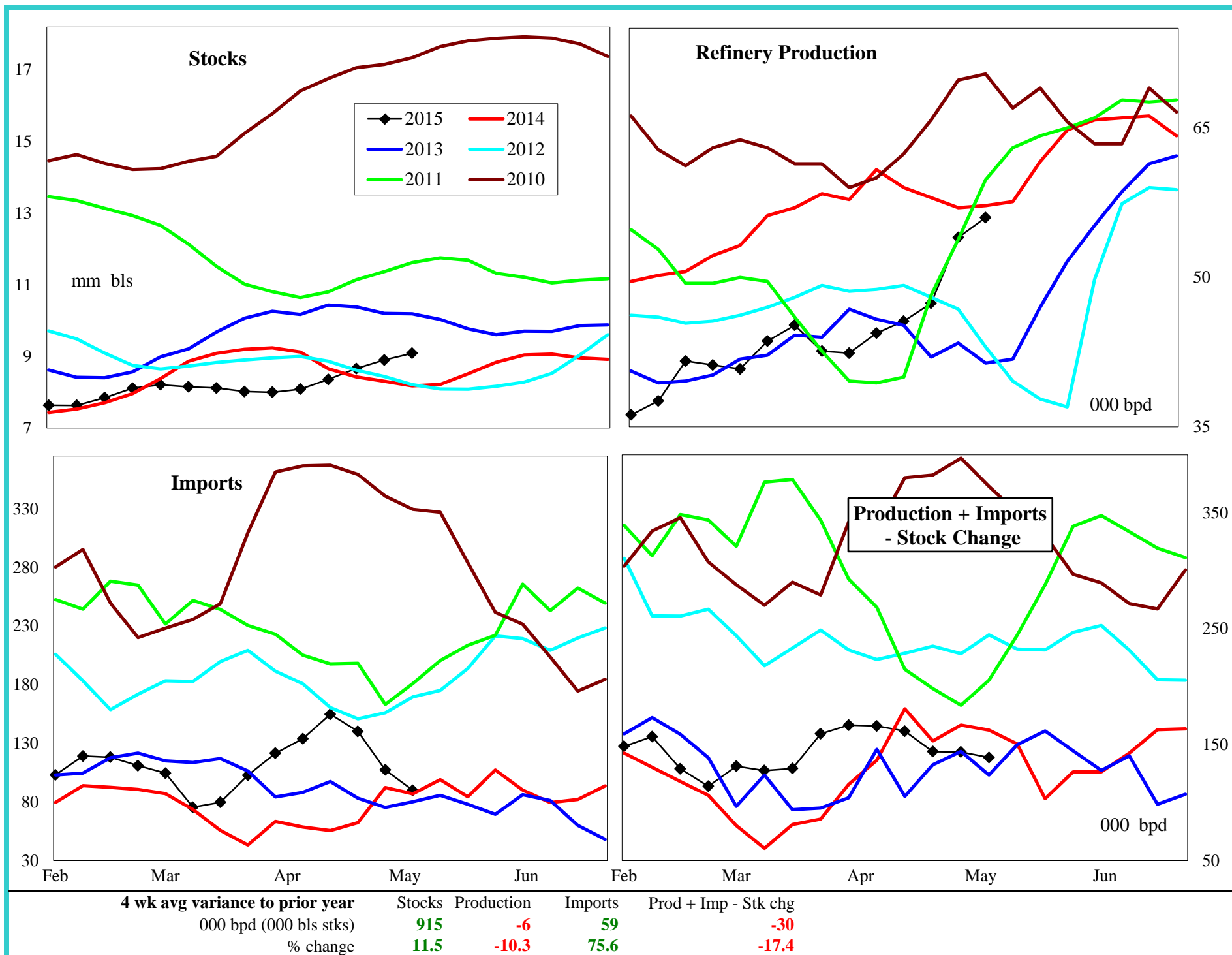
PADD 1 High Sulfur Distillate Stocks by Region



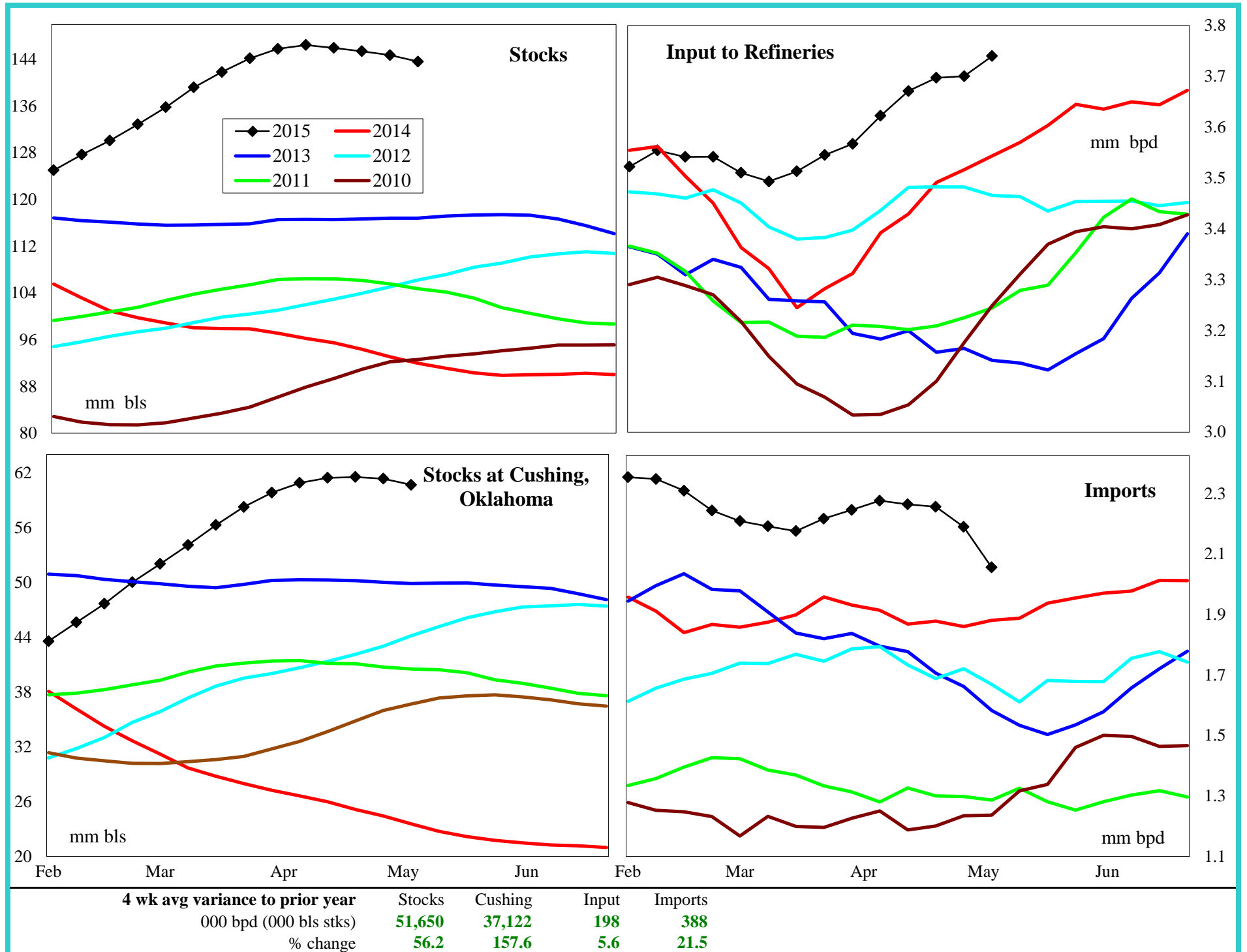
PADD 1 Jet Fuel Supply



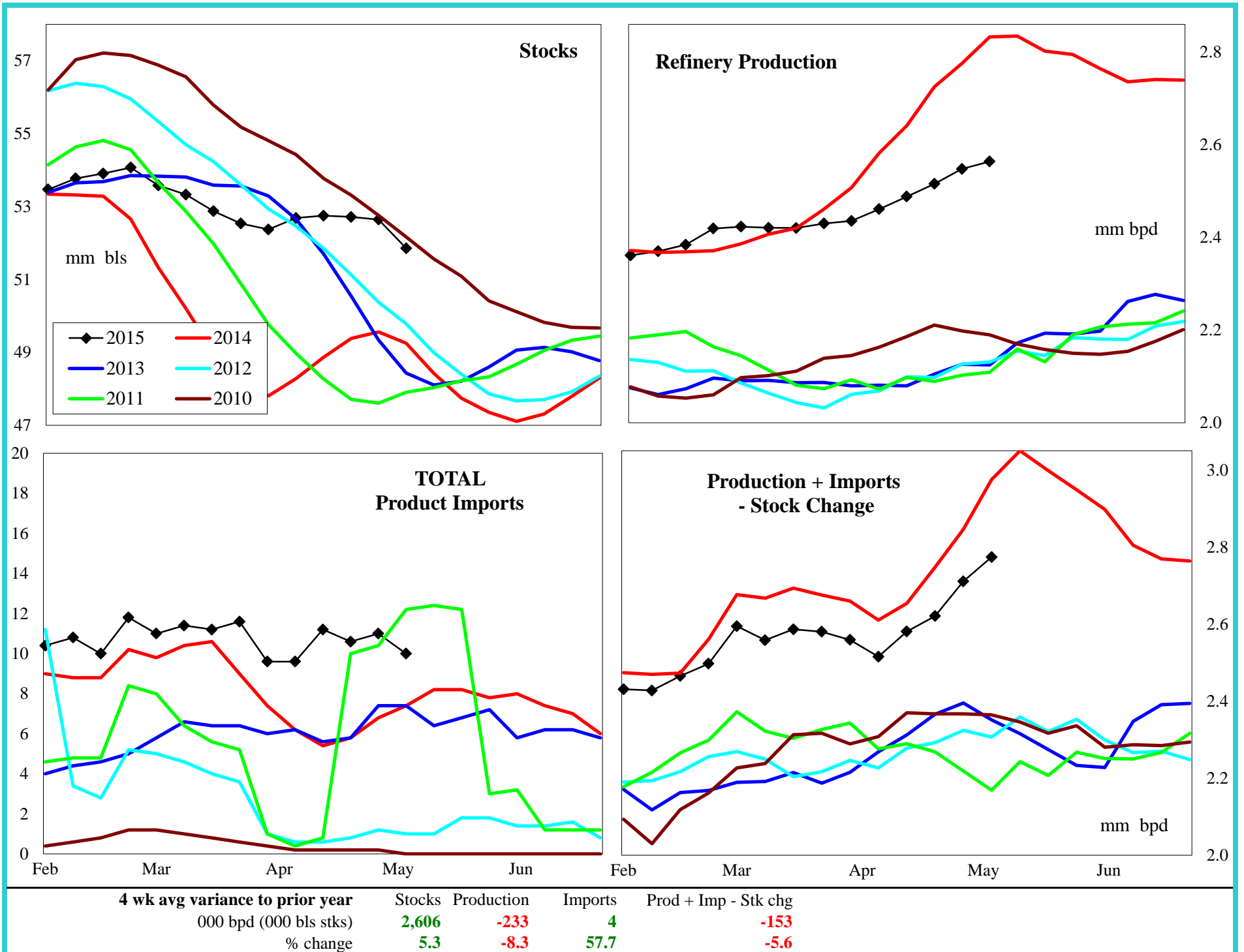
PADD 1 Residual Fuel Oil Supply



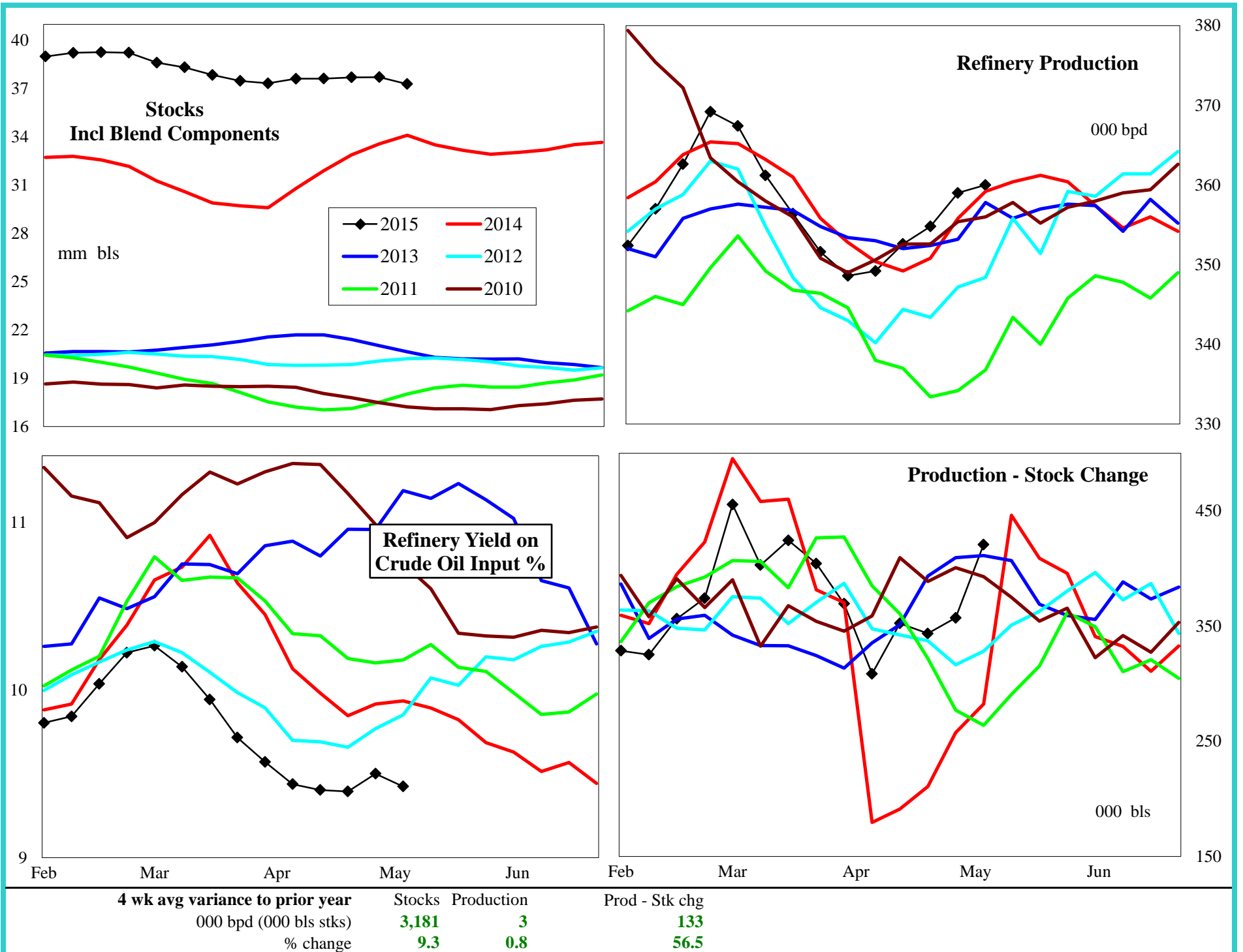
PADD 2 Crude Oil Supply and Refining



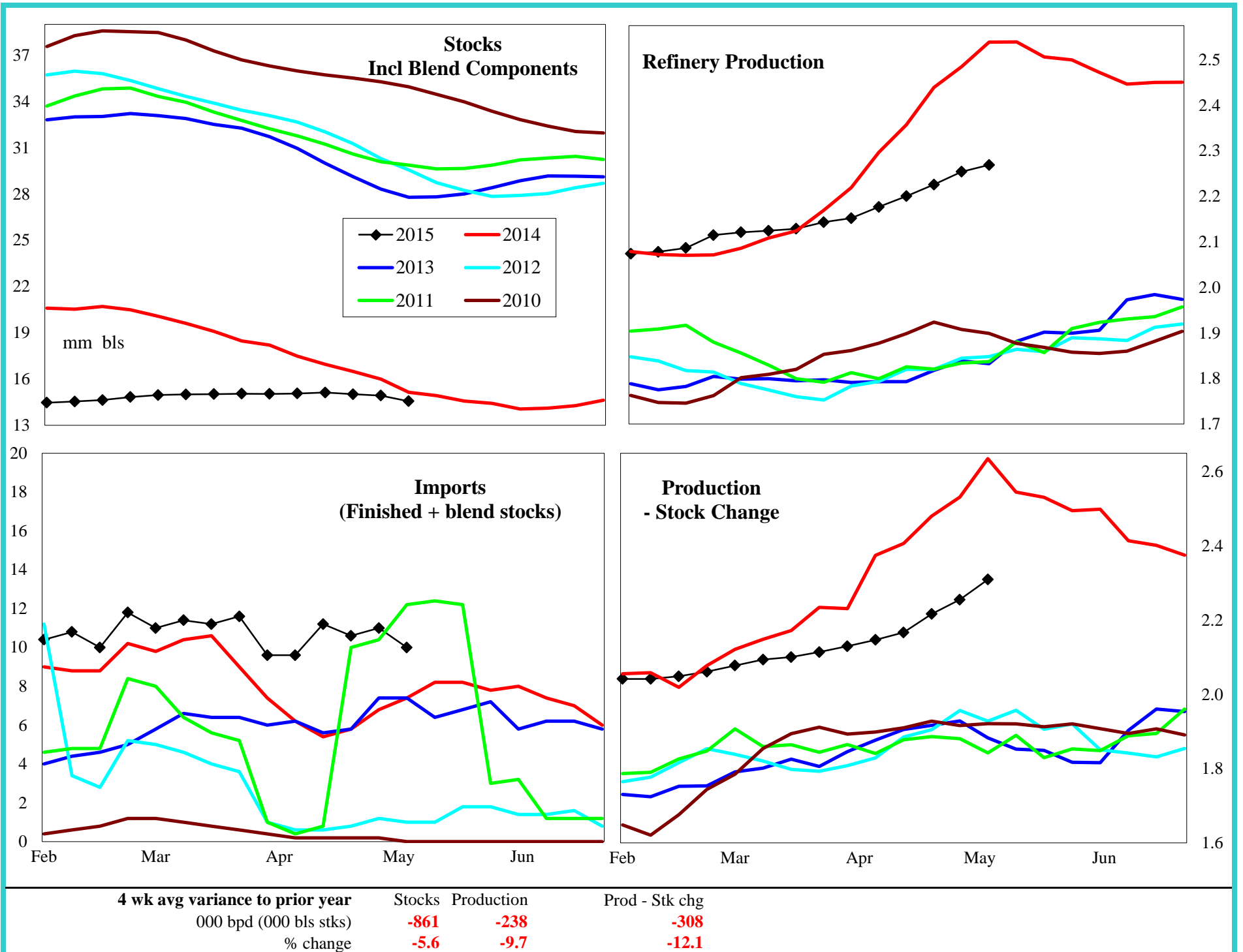
PADD 2 Gasoline Supply



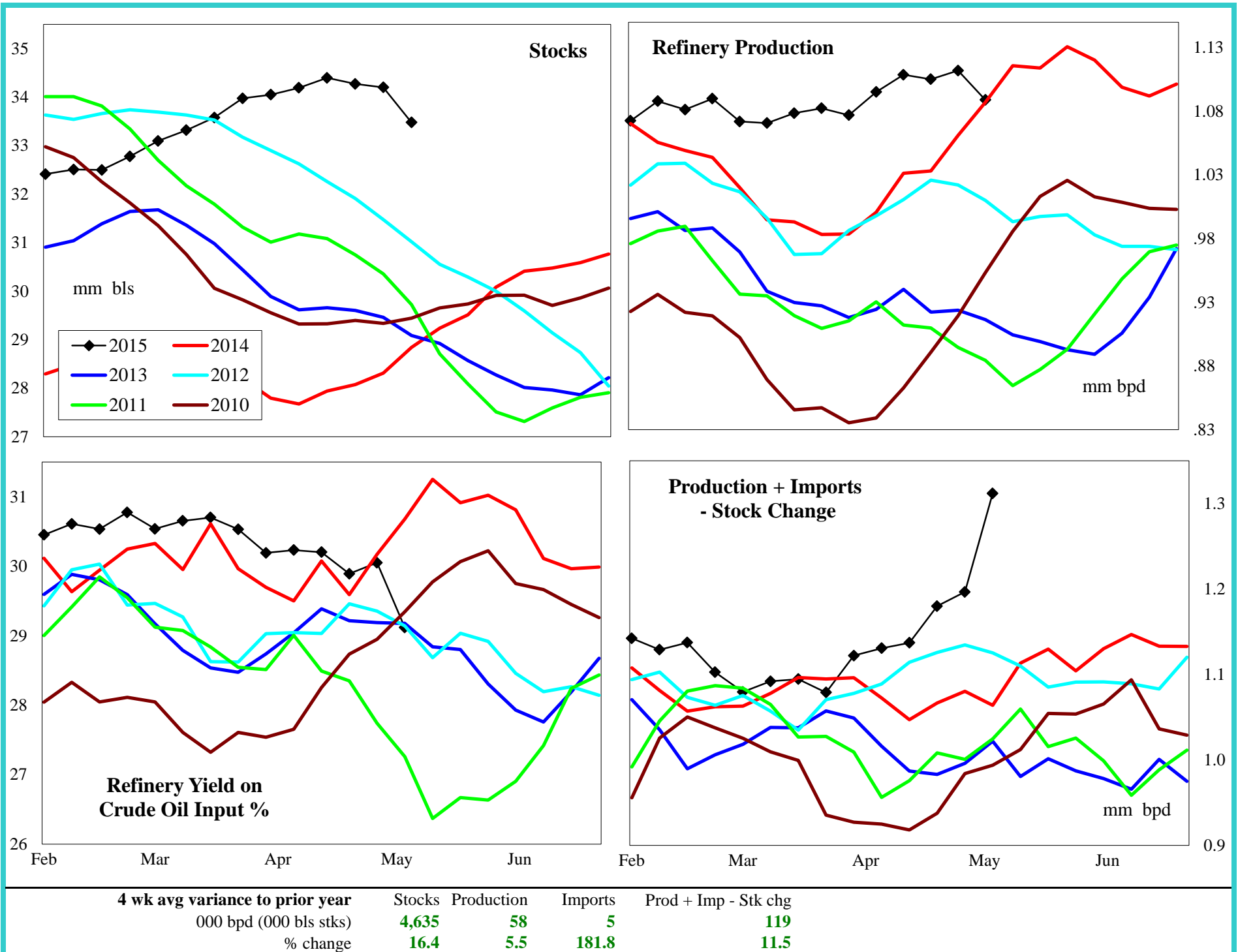
PADD 2 Reformulated Gasoline Supply



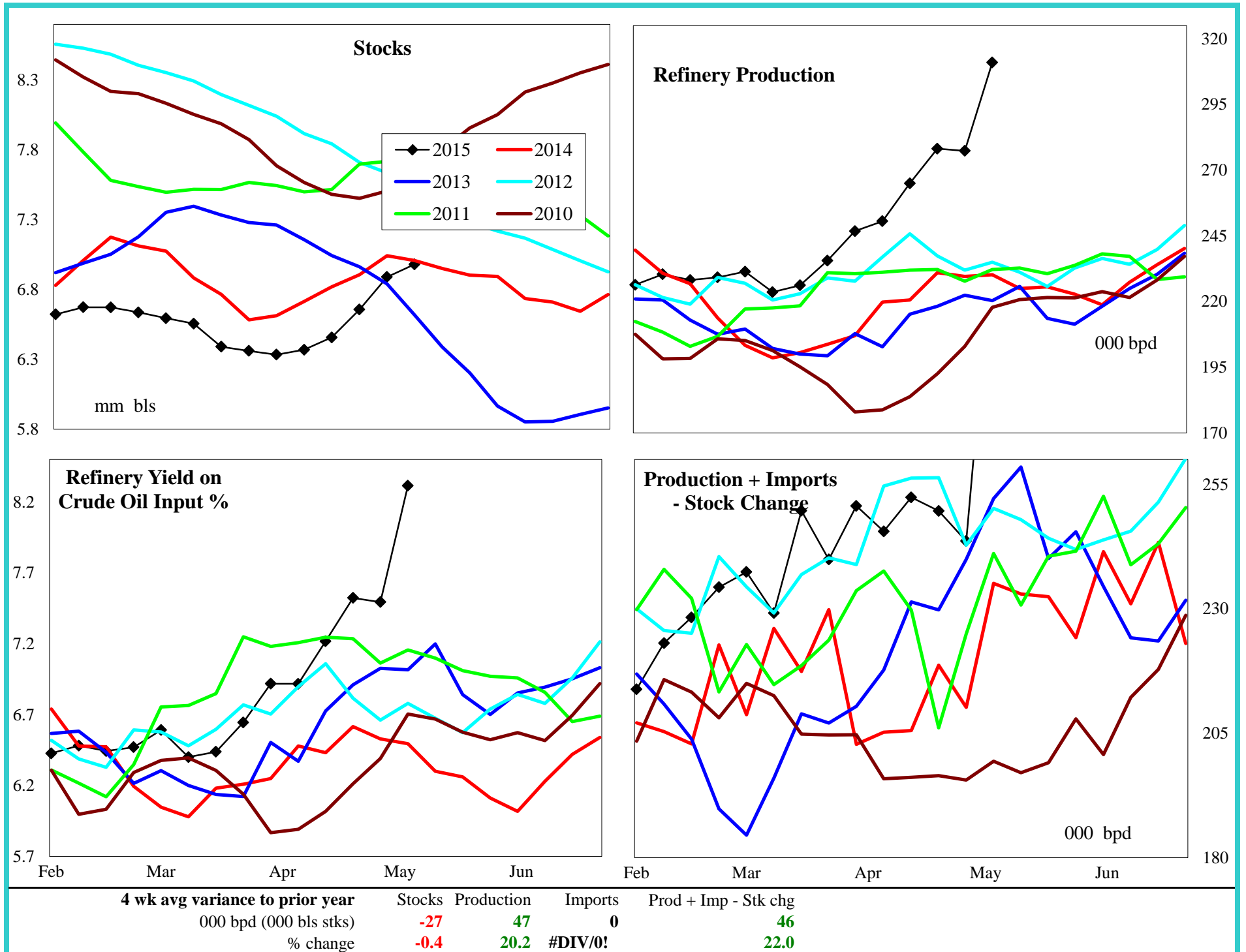
PADD 2 Conventional Gasoline Supply



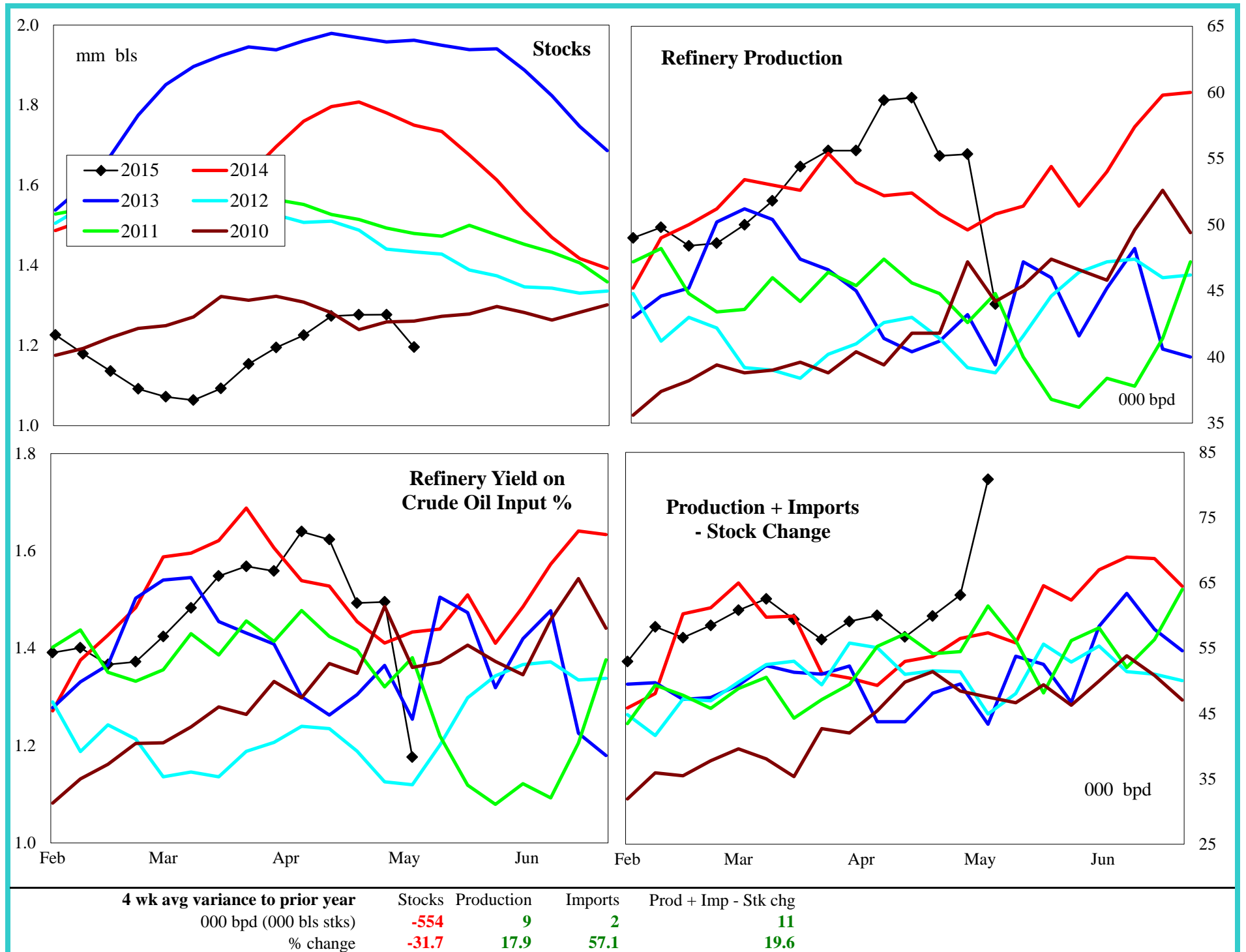
PADD 2 Distillate Supply



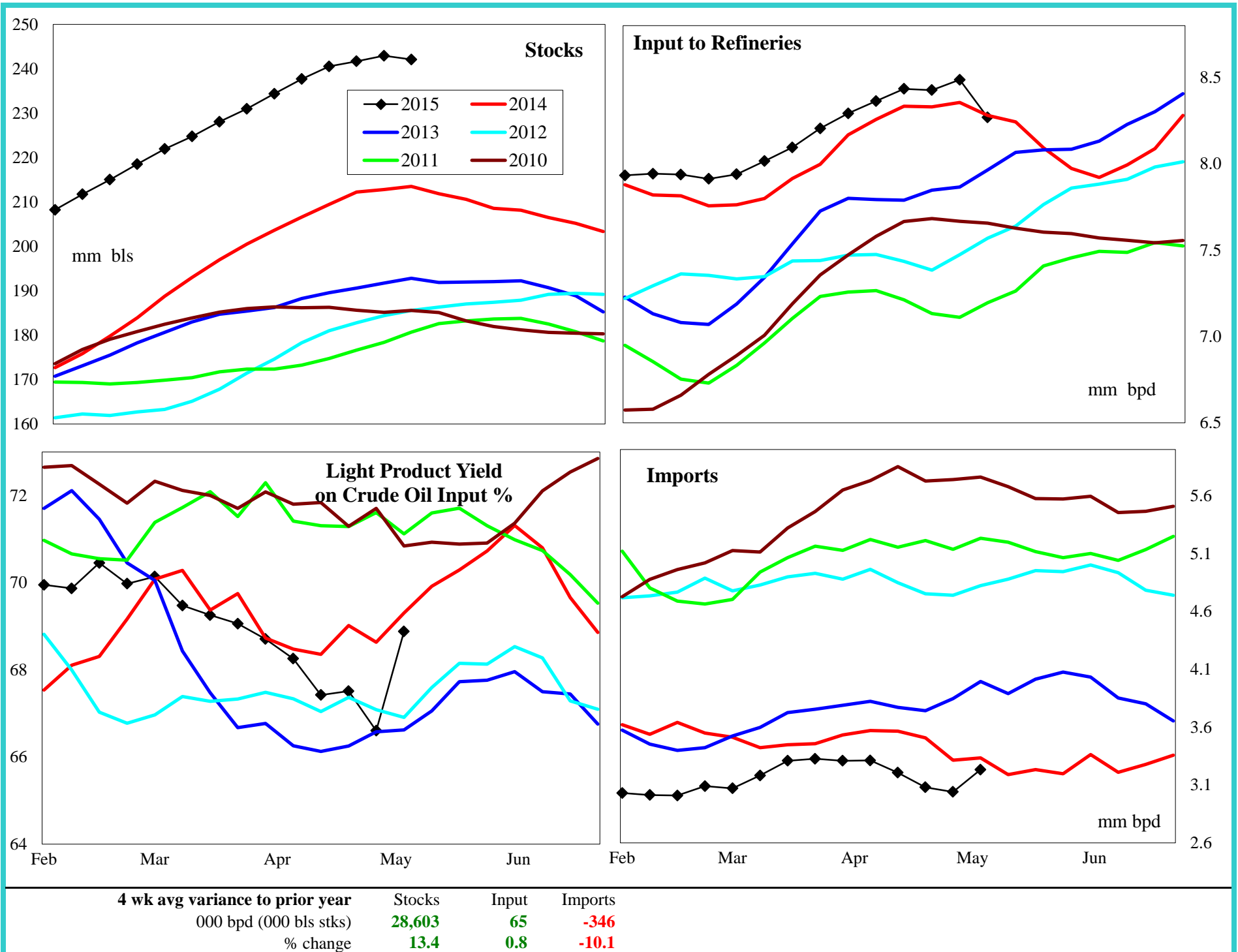
PADD 2 Jet Fuel Supply



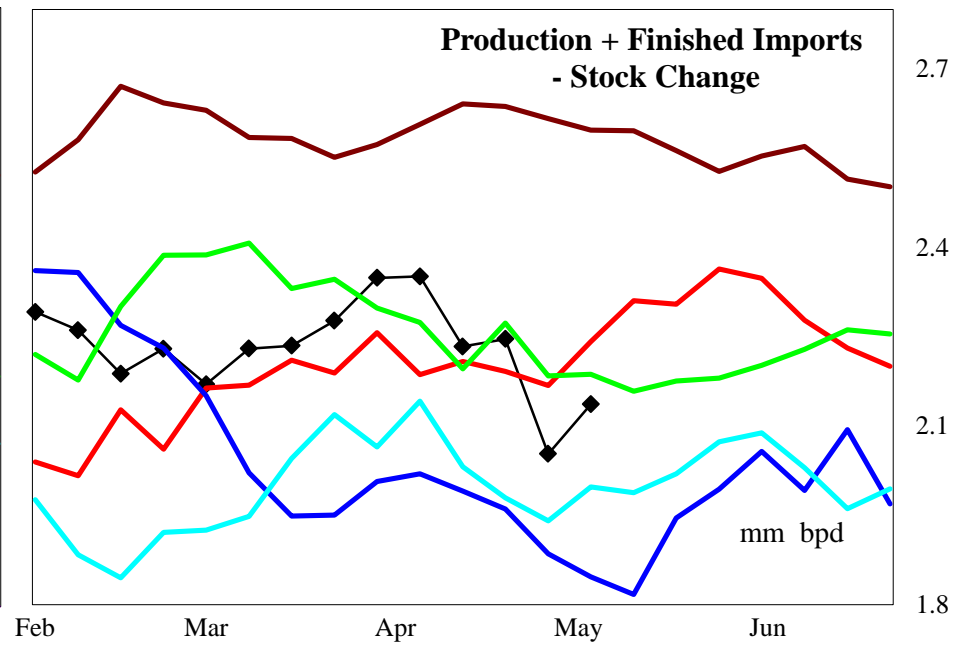
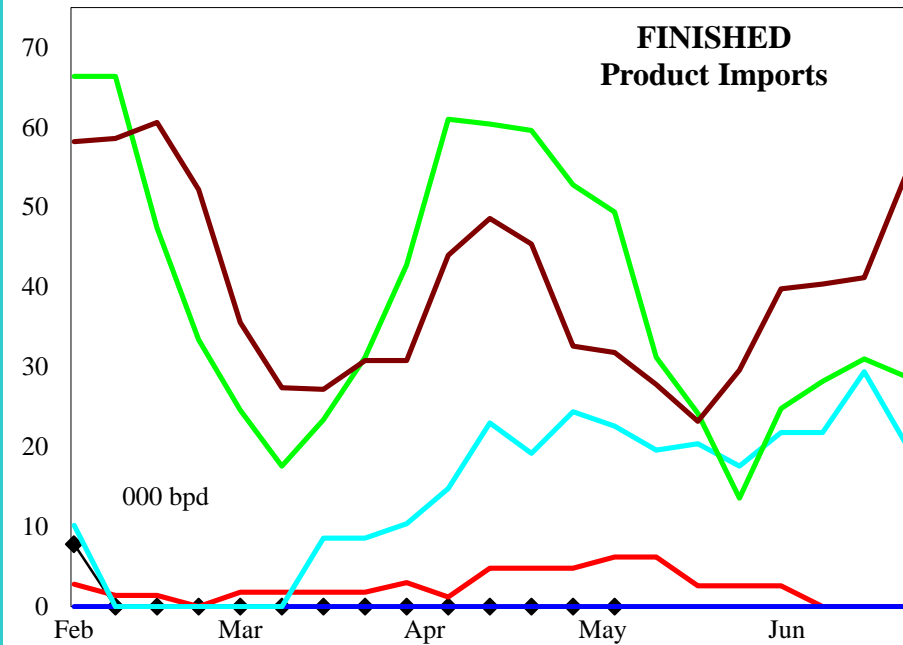
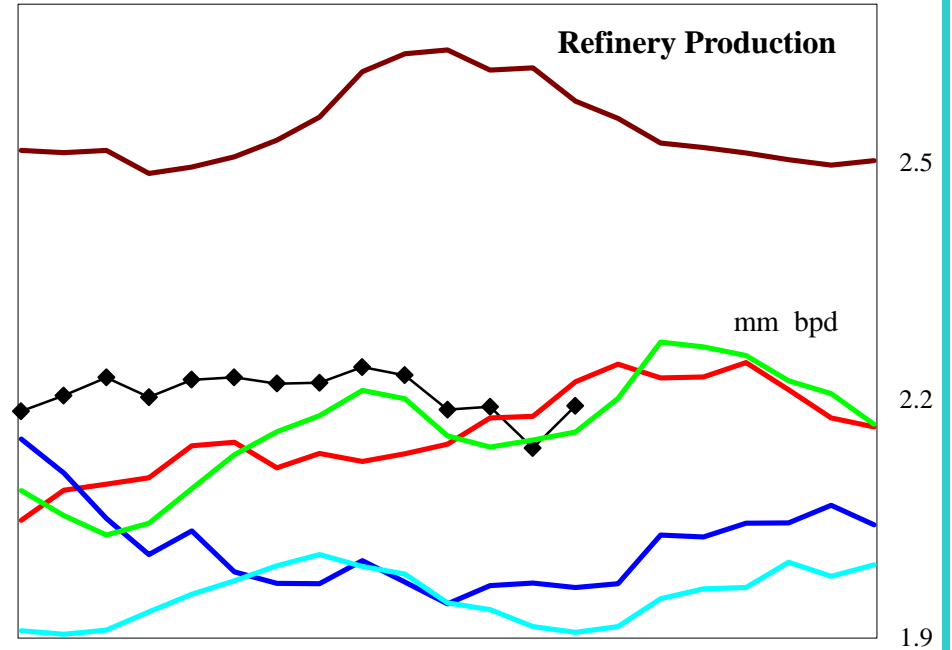
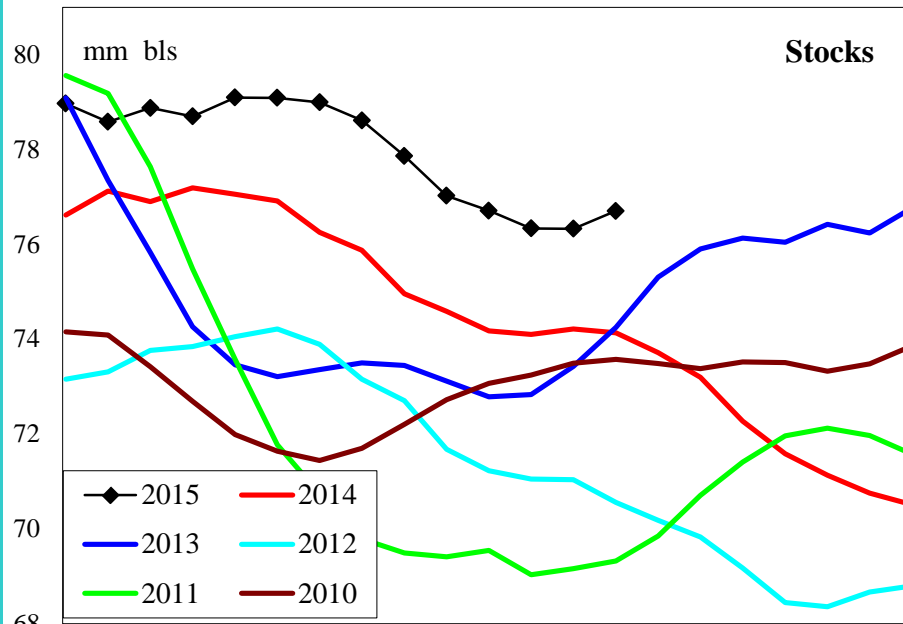
PADD 2 Residual Fuel Oil Supply



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

2,508

3.4

Production

-21

-1.0

Fin Impt

-6

-100.0

Blend Impt

-18

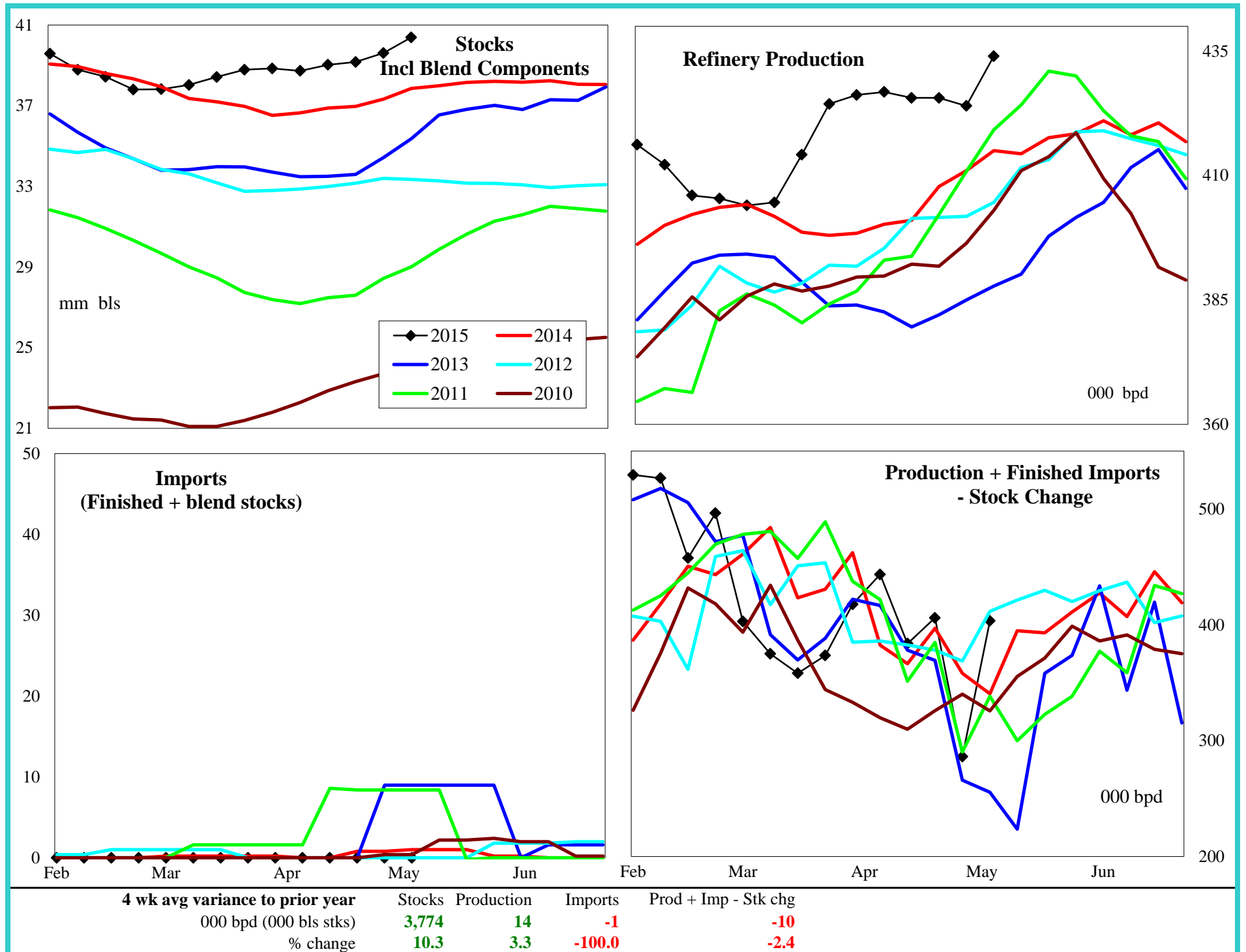
-93.5

Prod + Imp - Stk chg

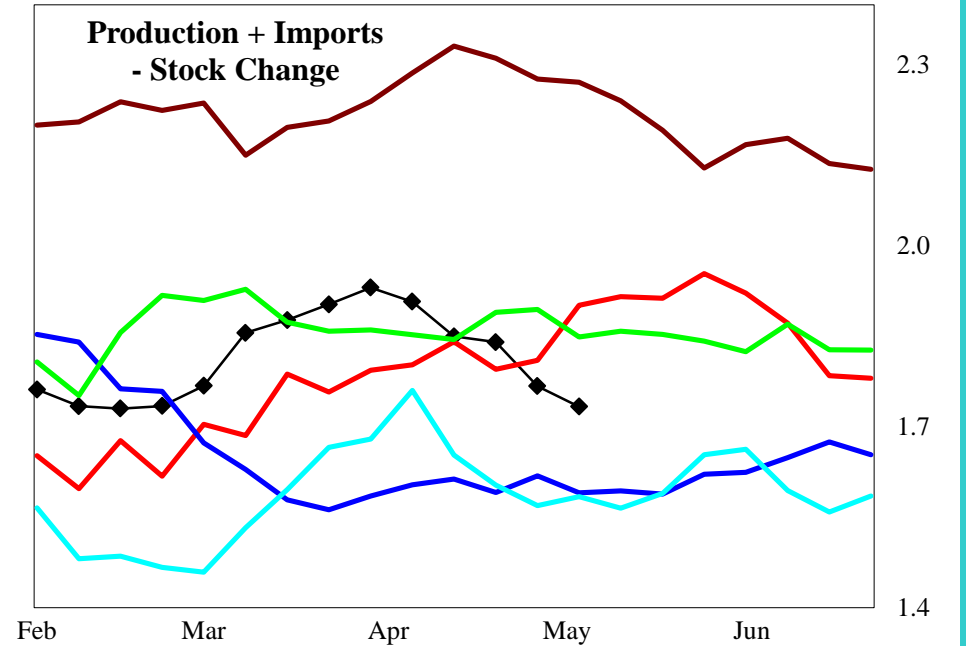
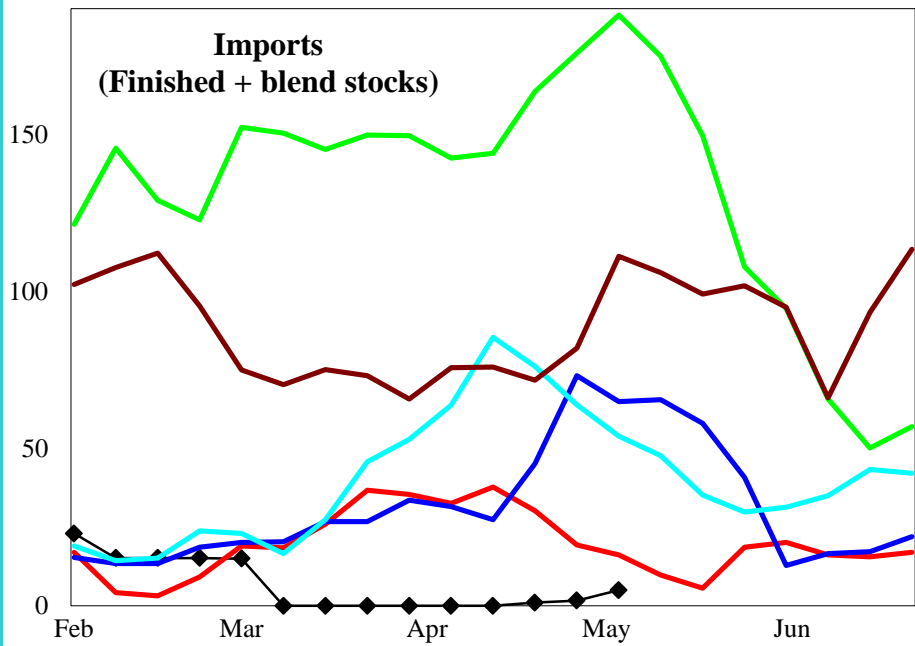
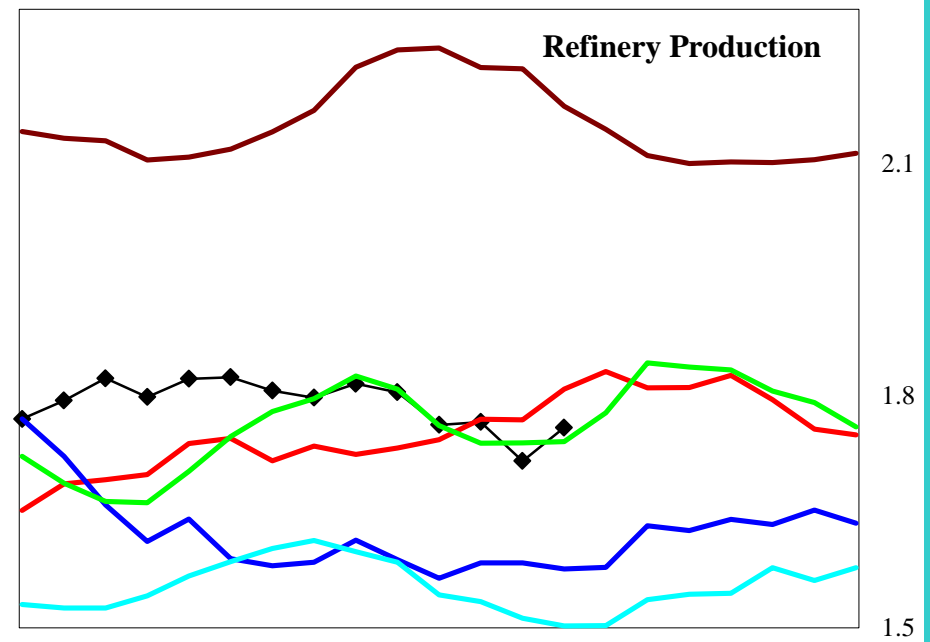
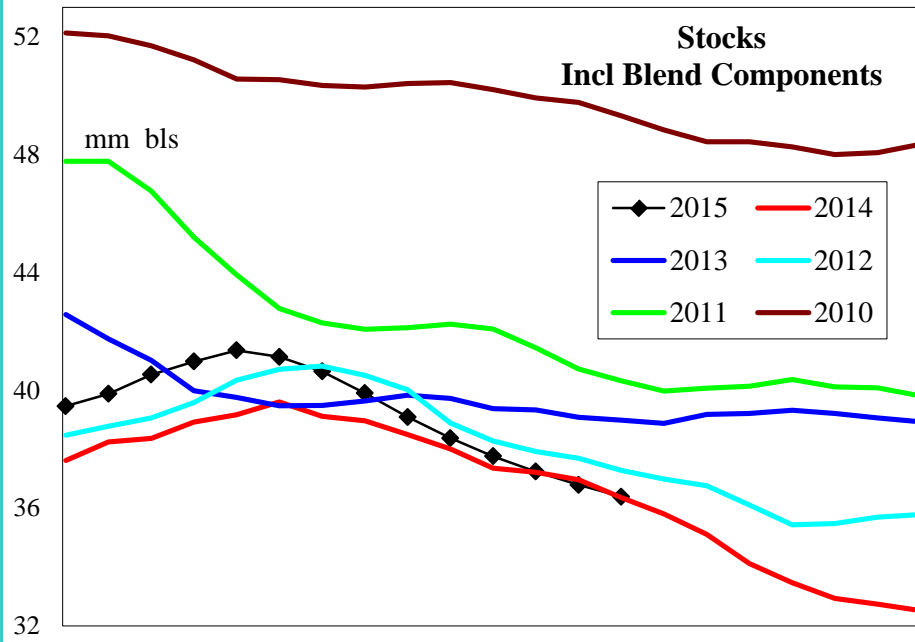
29

1.3

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

-1,274

-35

-23

39

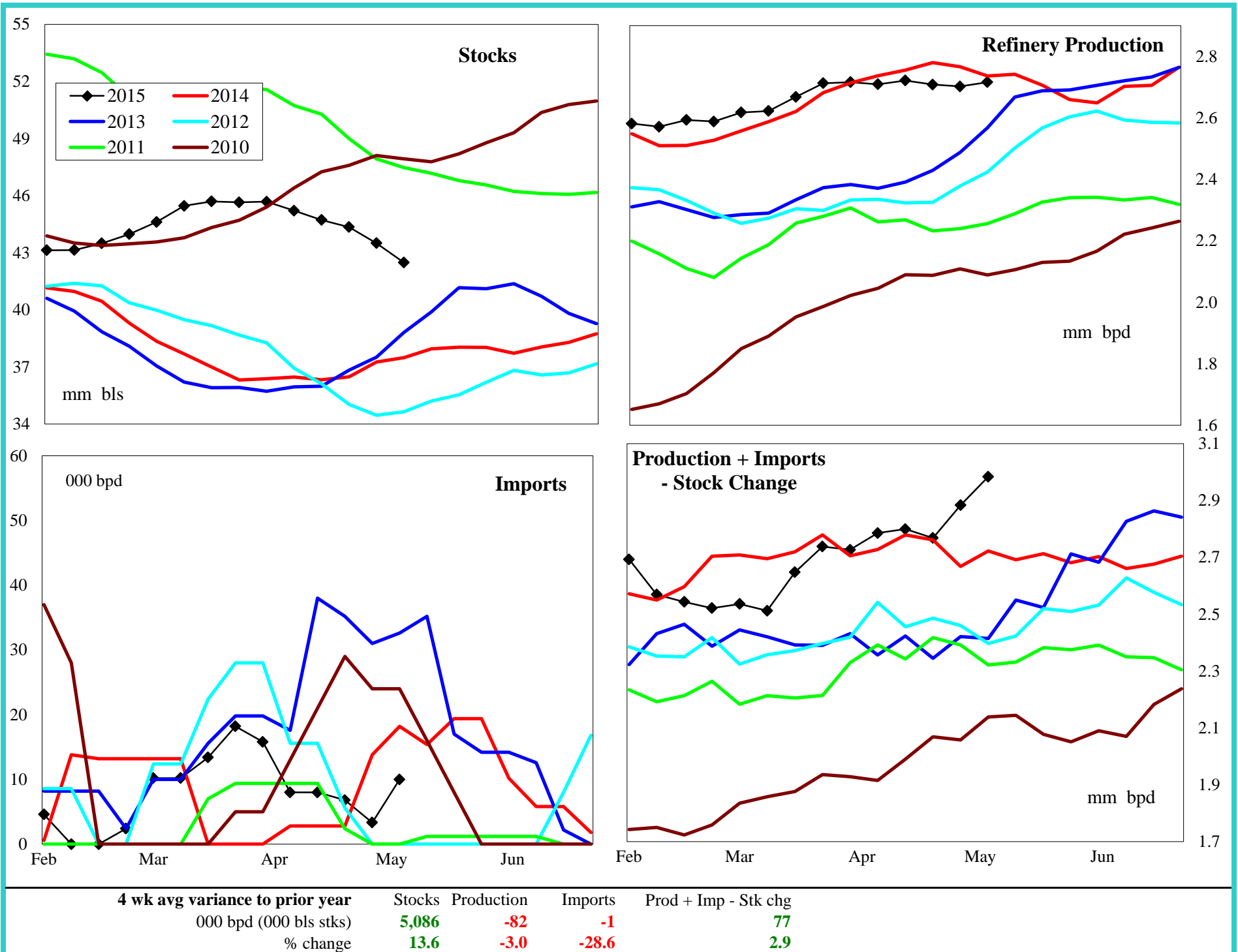
-3.4

-2.0

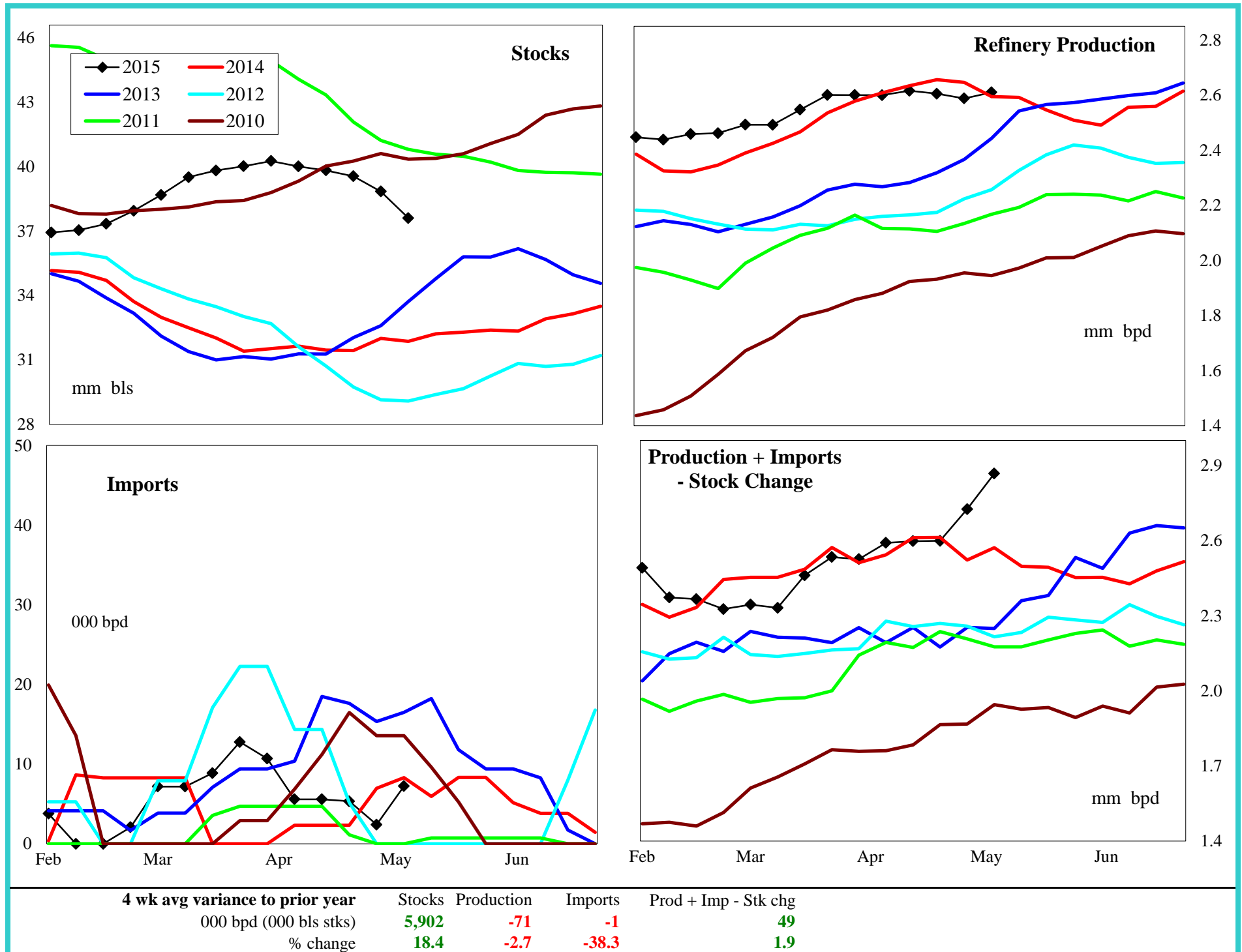
-94.8

2.2

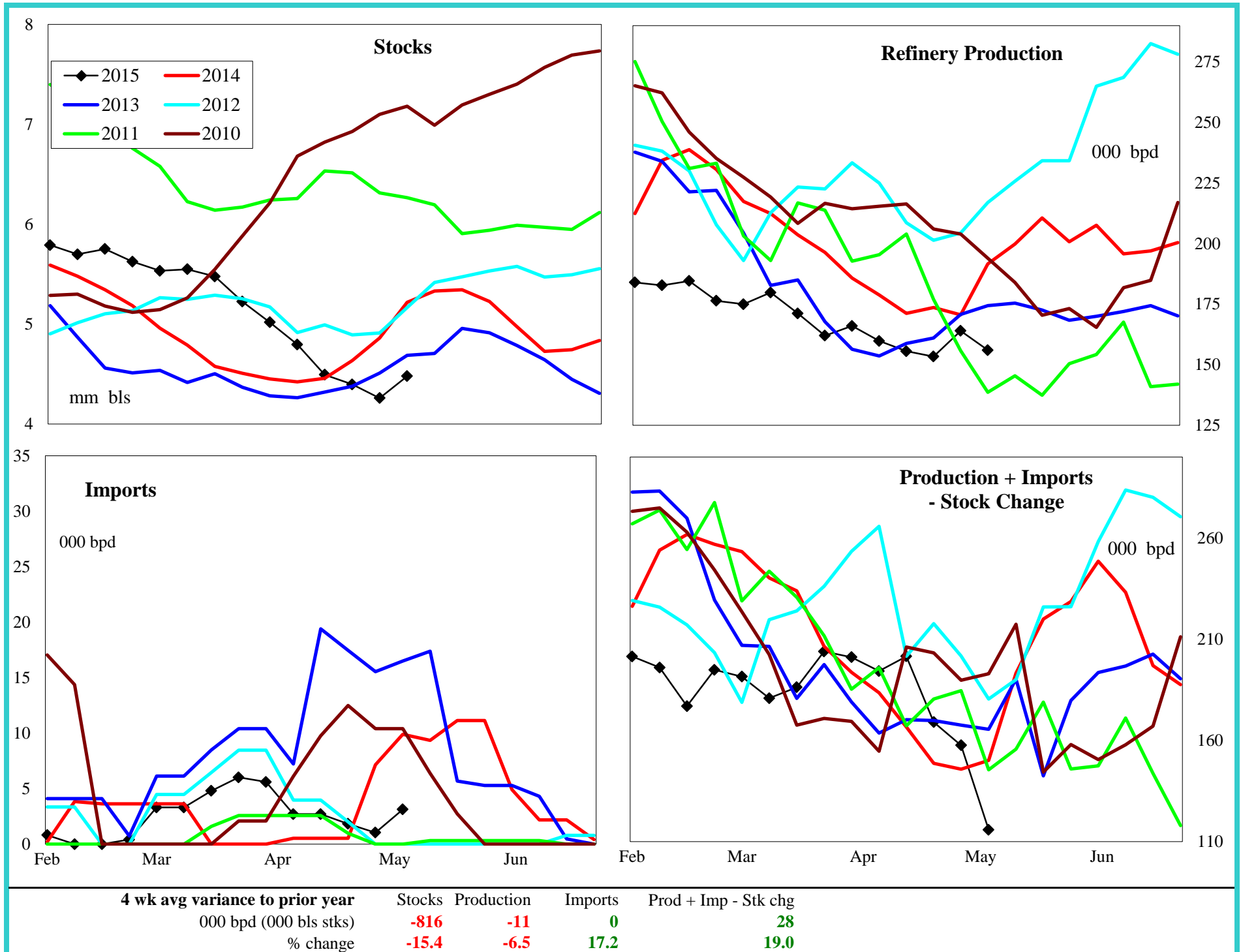
PADD 3 Distillate Supply



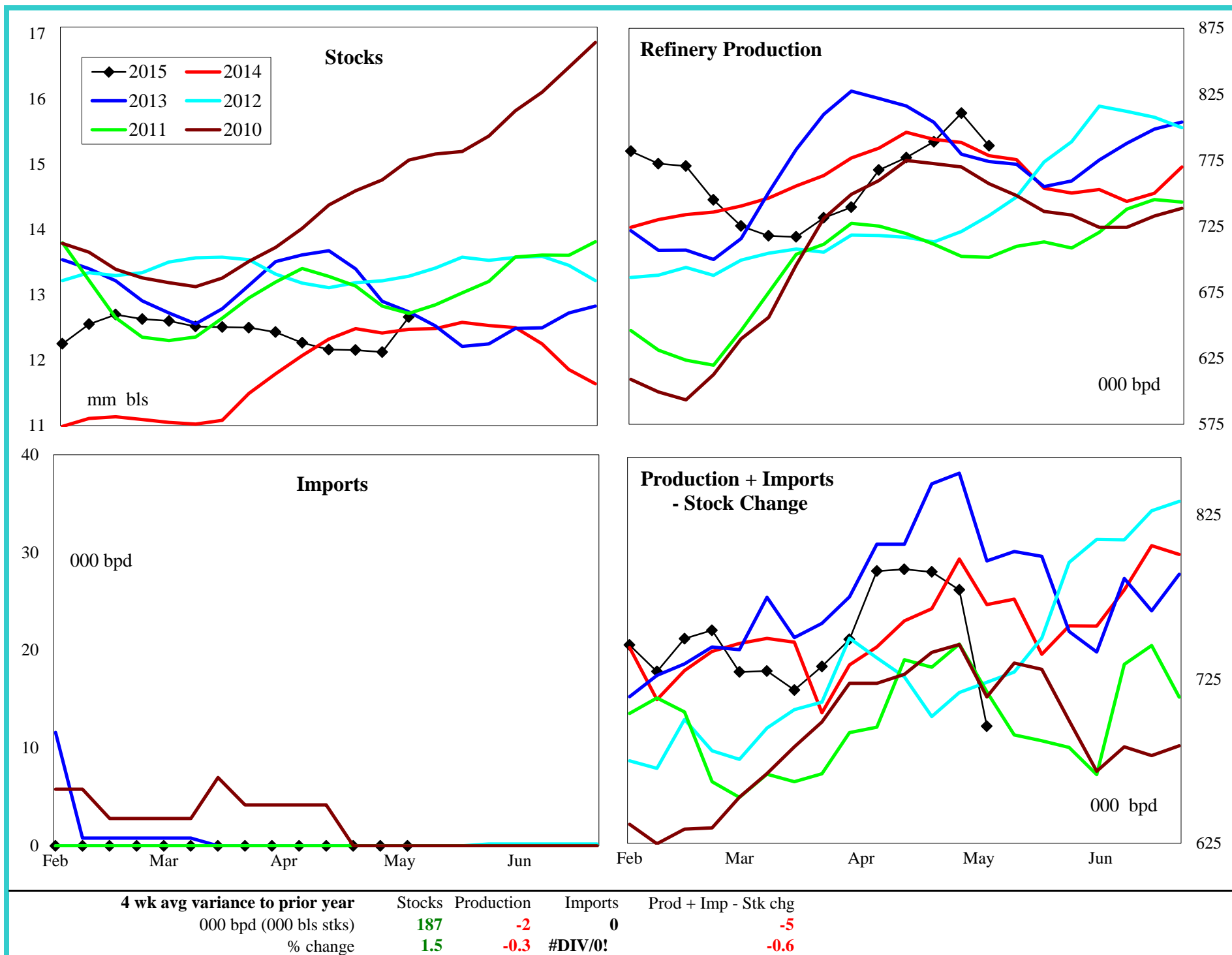
PADD 3 Low Sulfur Distillate Supply



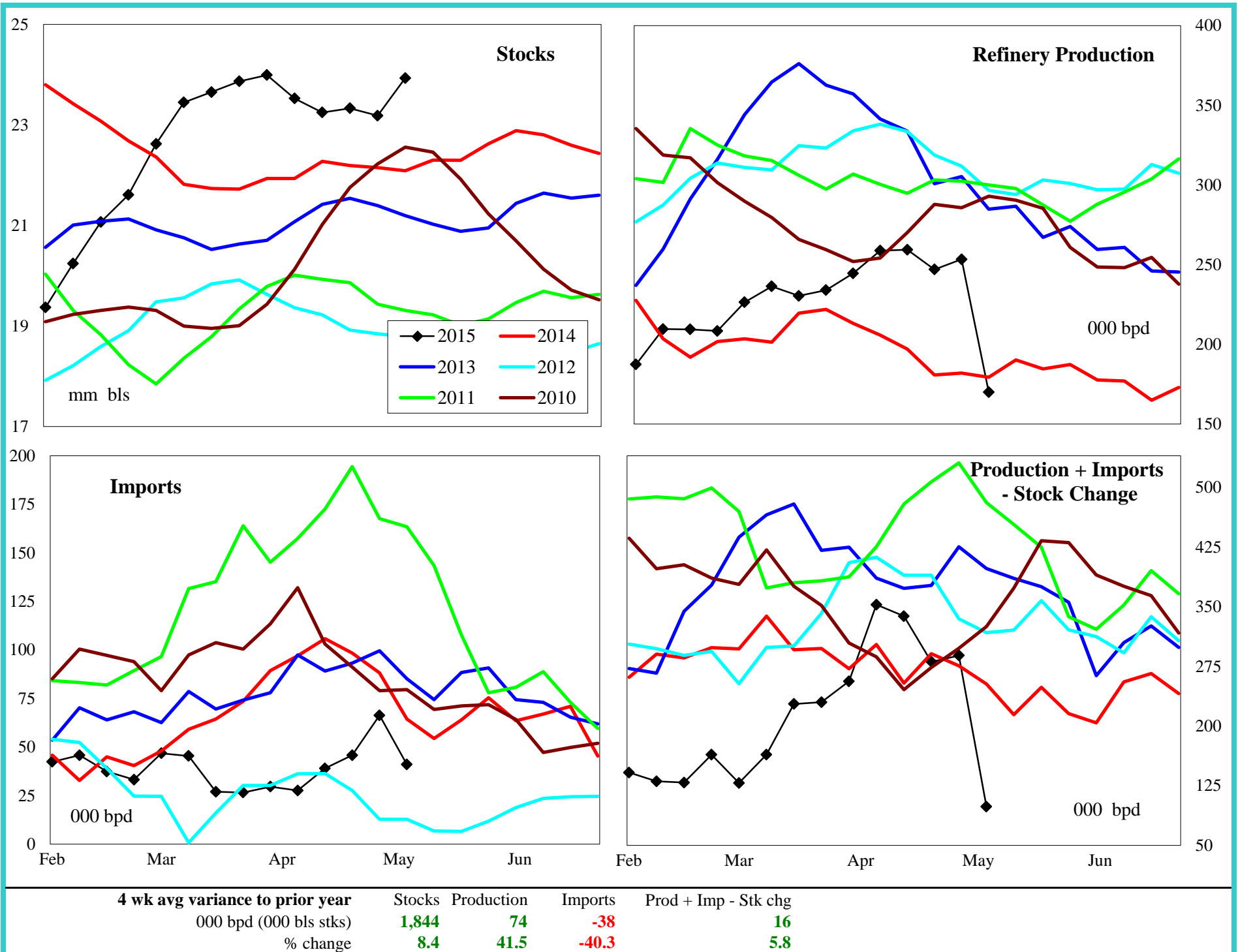
PADD 3 High Sulfur Distillate Supply



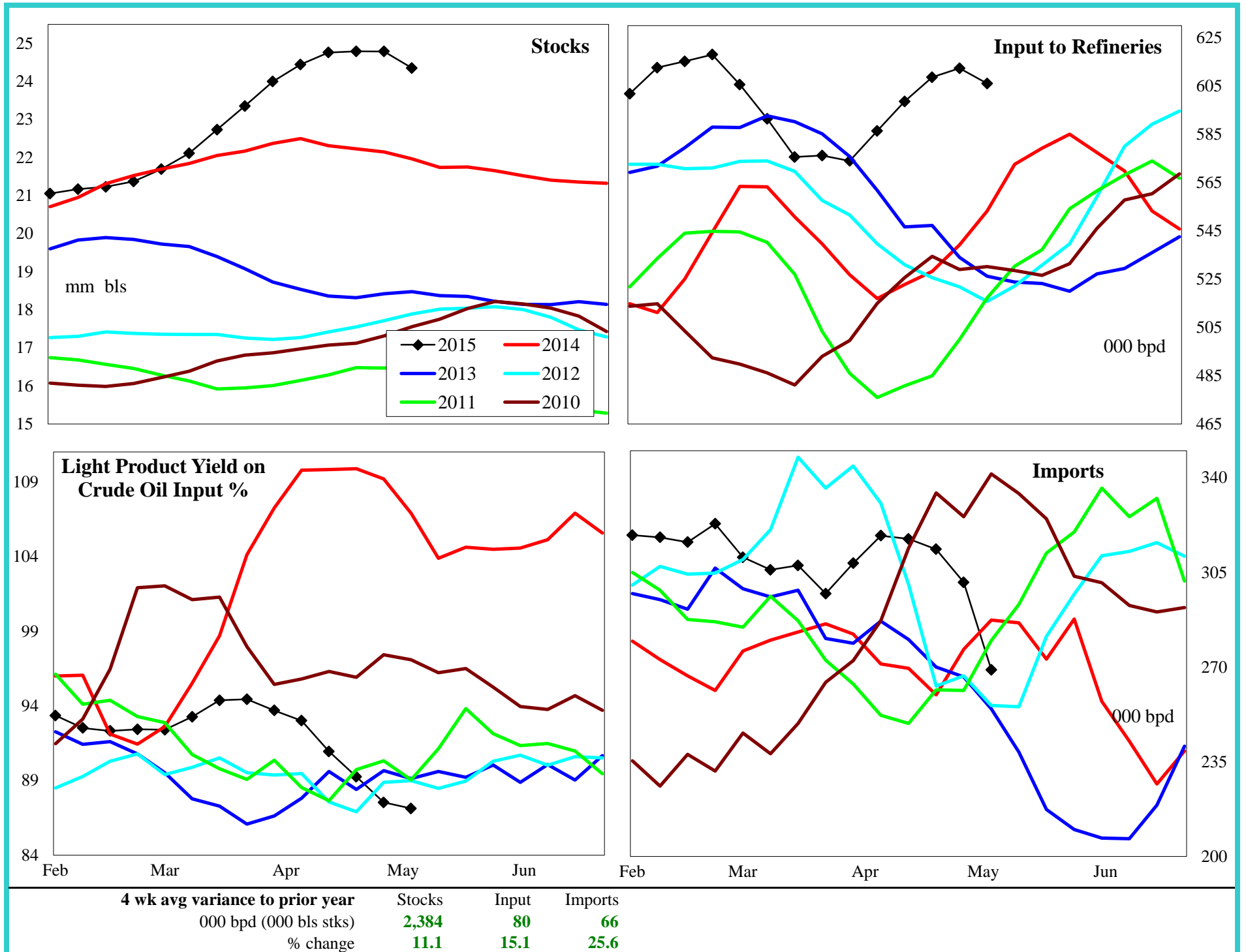
PADD 3 Jet Fuel Supply



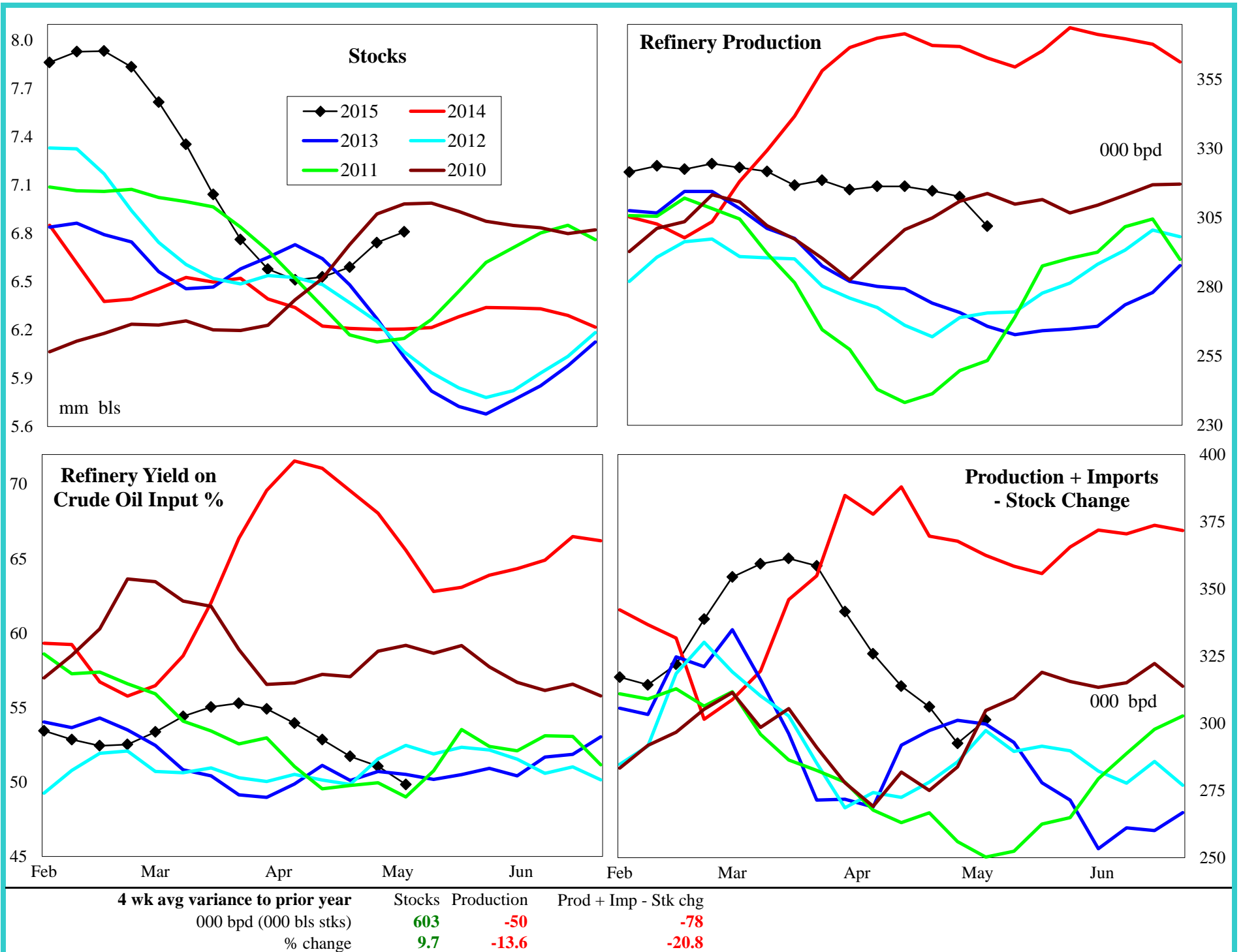
PADD 3 Residual Fuel Oil Supply



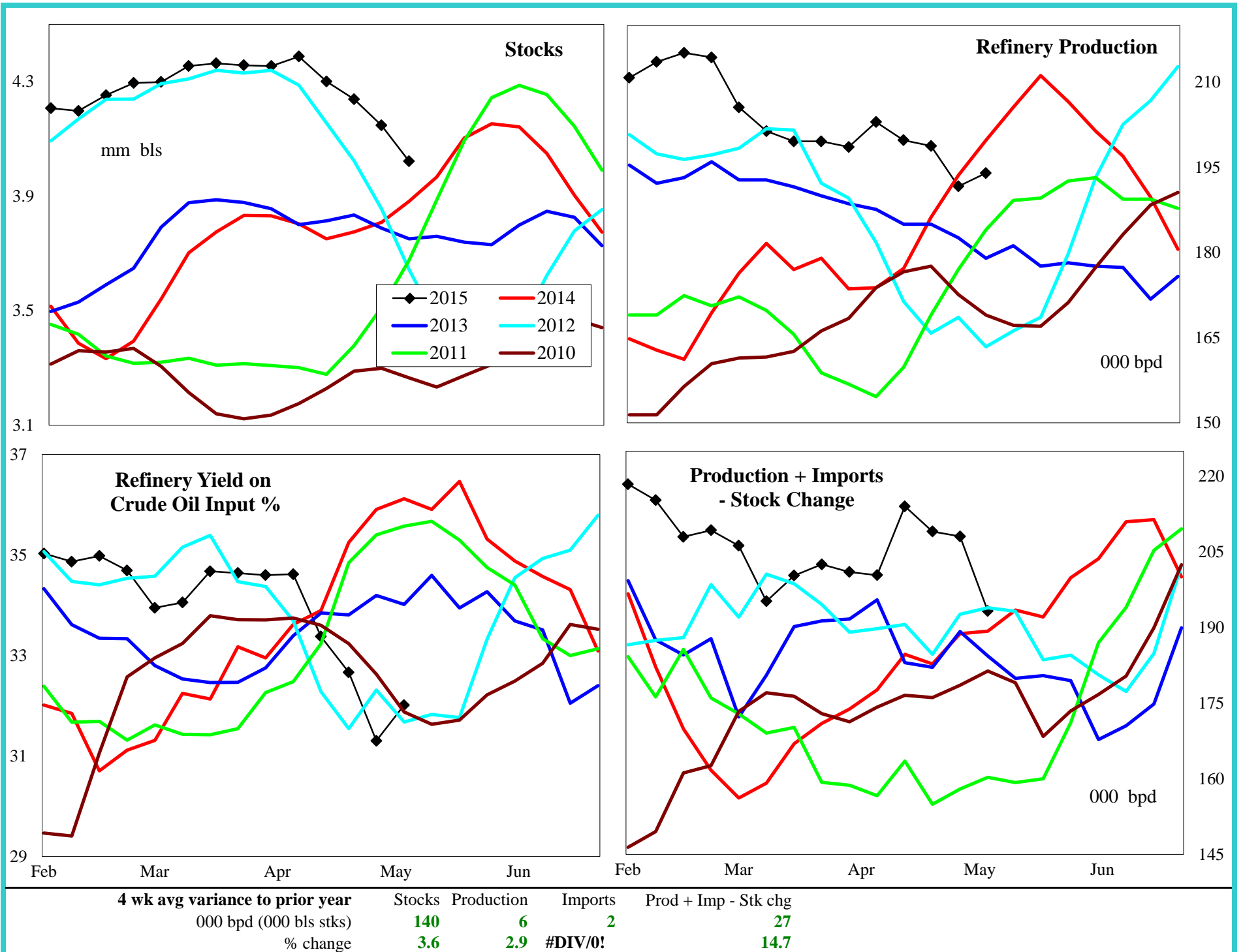
PADD 4 Crude Oil Supply and Refining



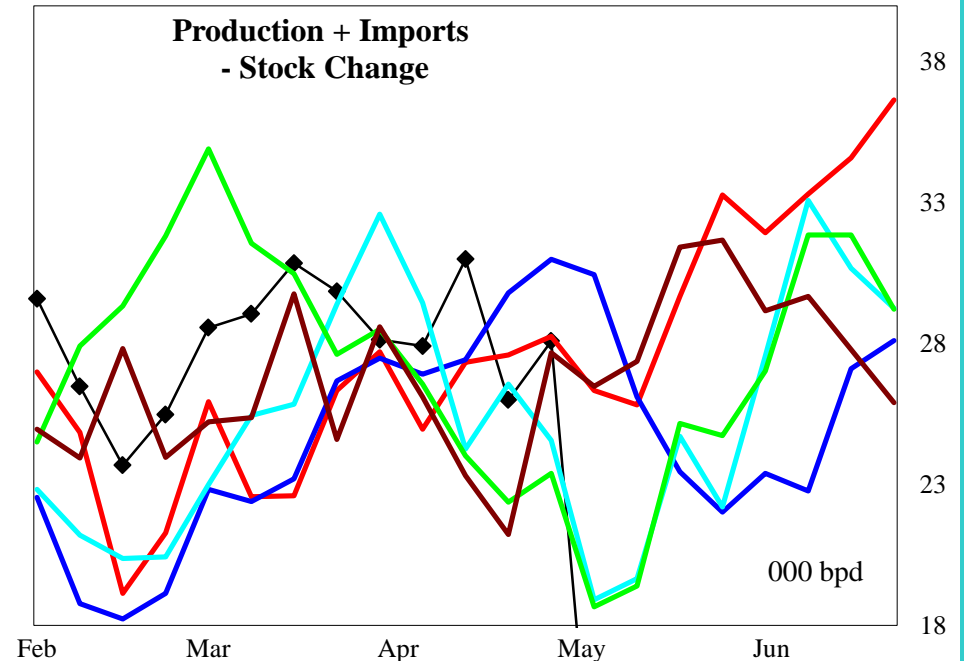
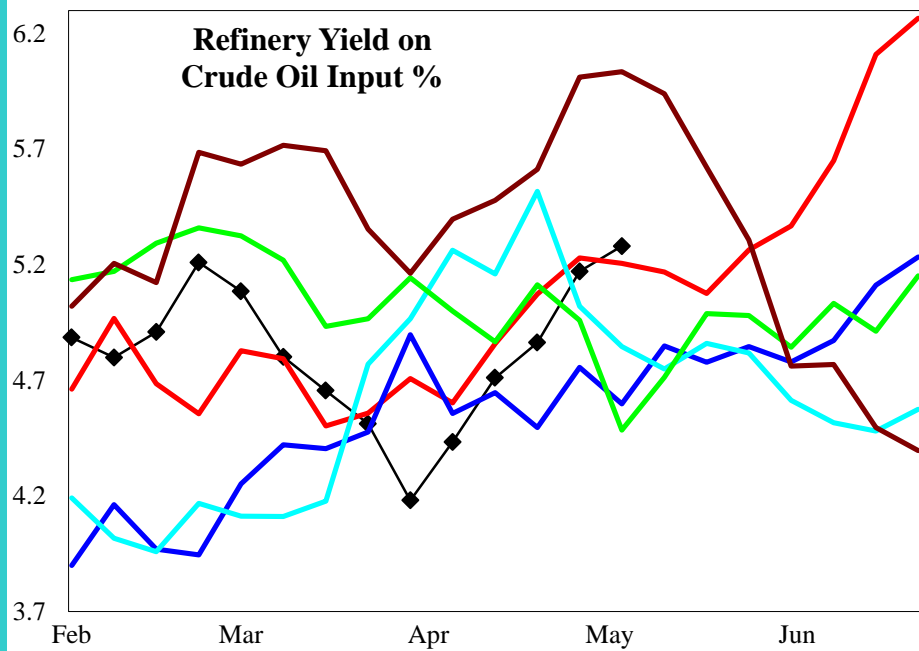
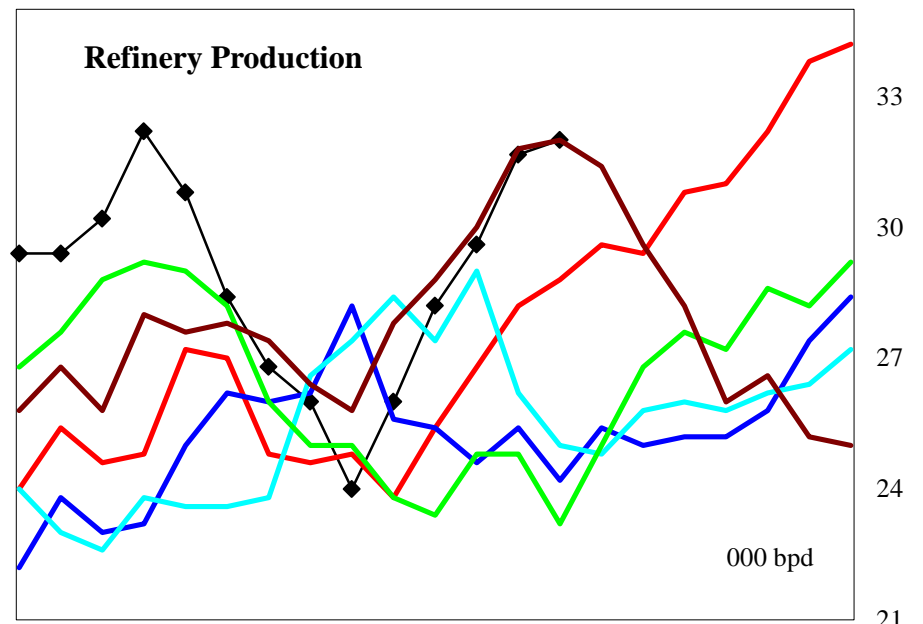
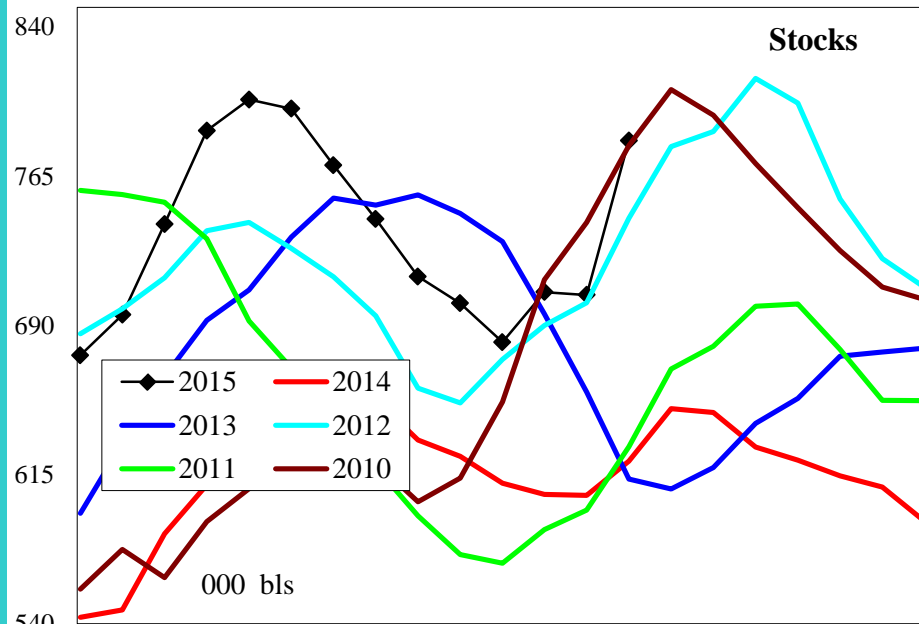
PADD 4 Gasoline Supply



PADD 4 Distillate Supply



PADD 4 Jet Fuel Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Prod + Imp - Stk chg

161

3

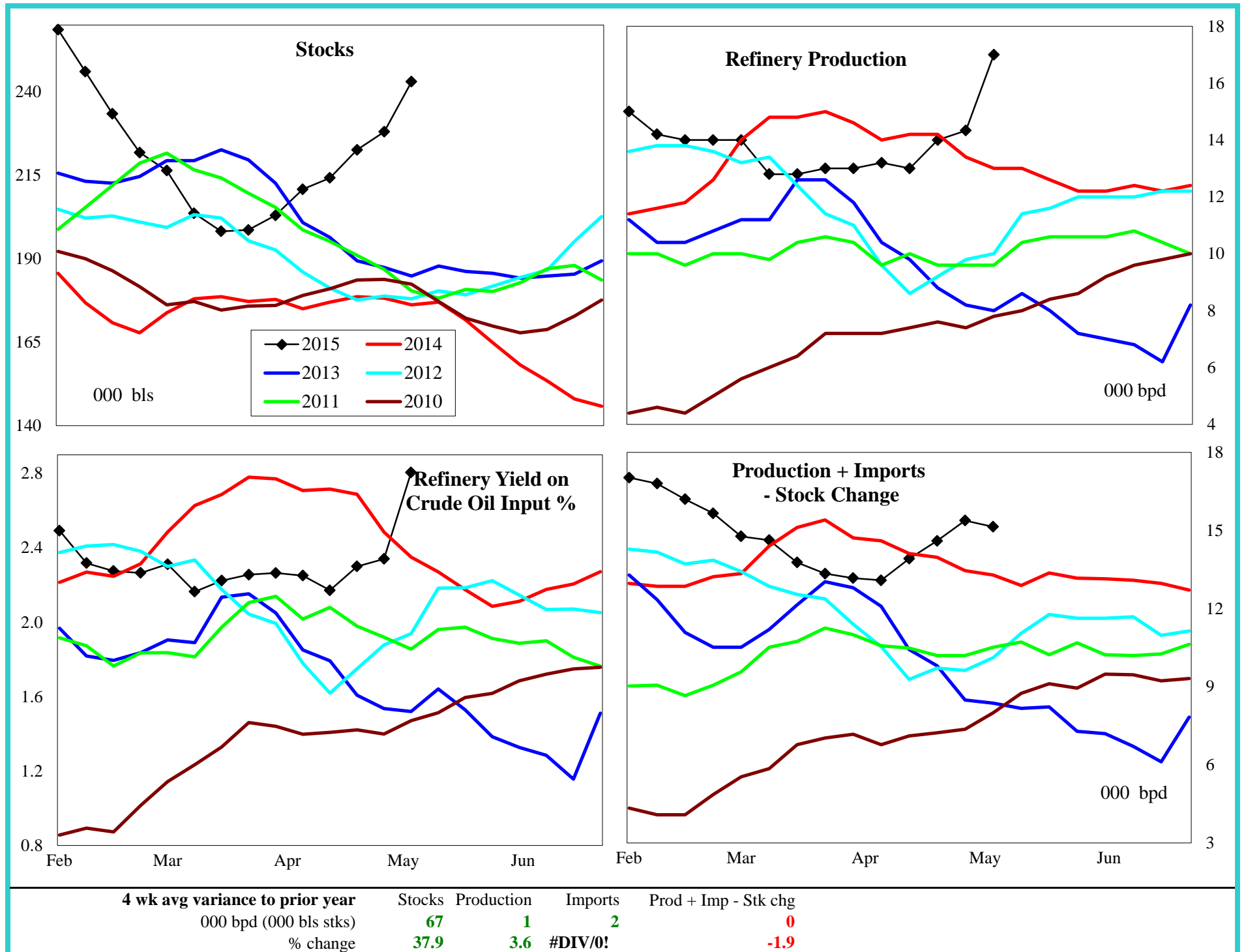
0

25.9

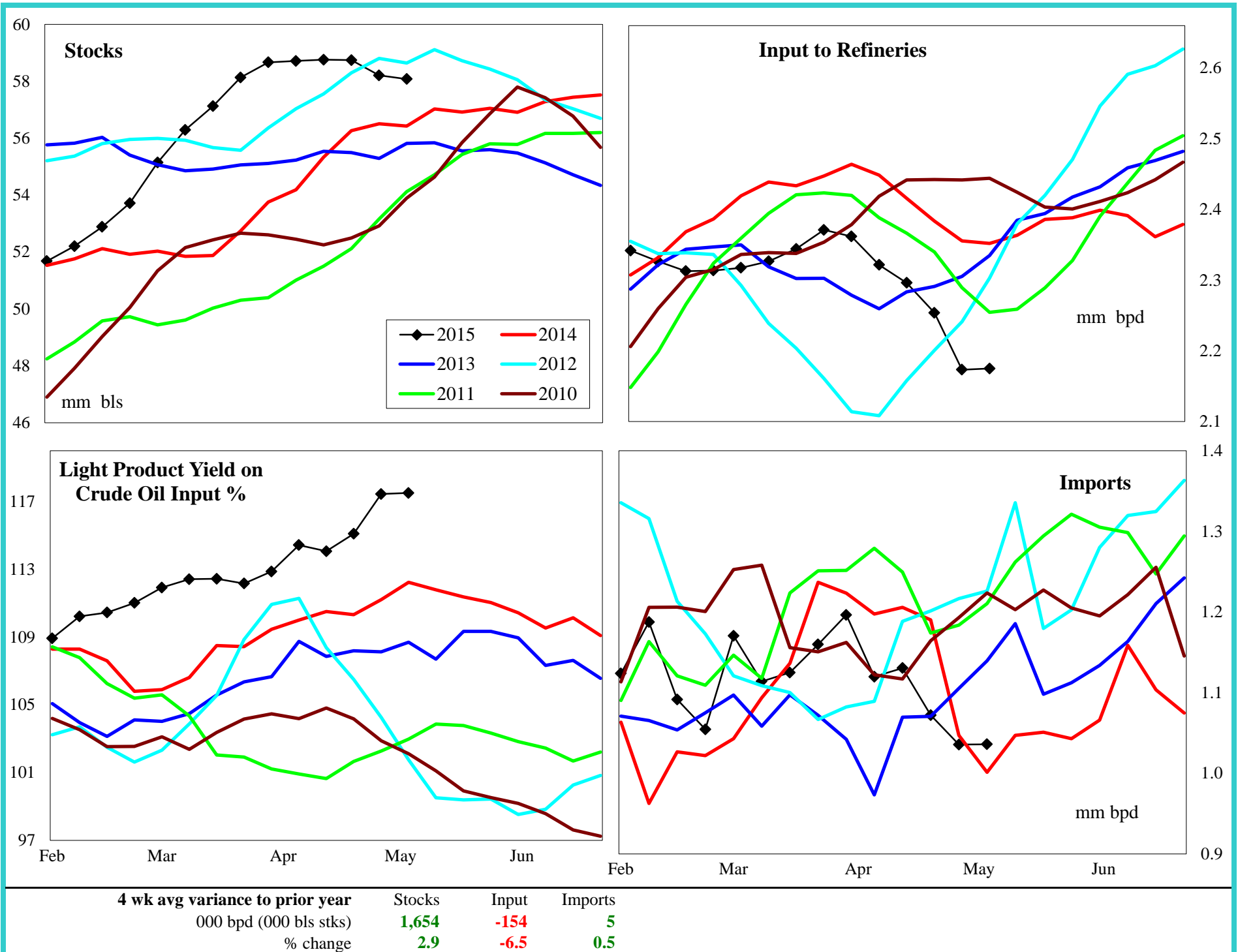
9.1

-1.3

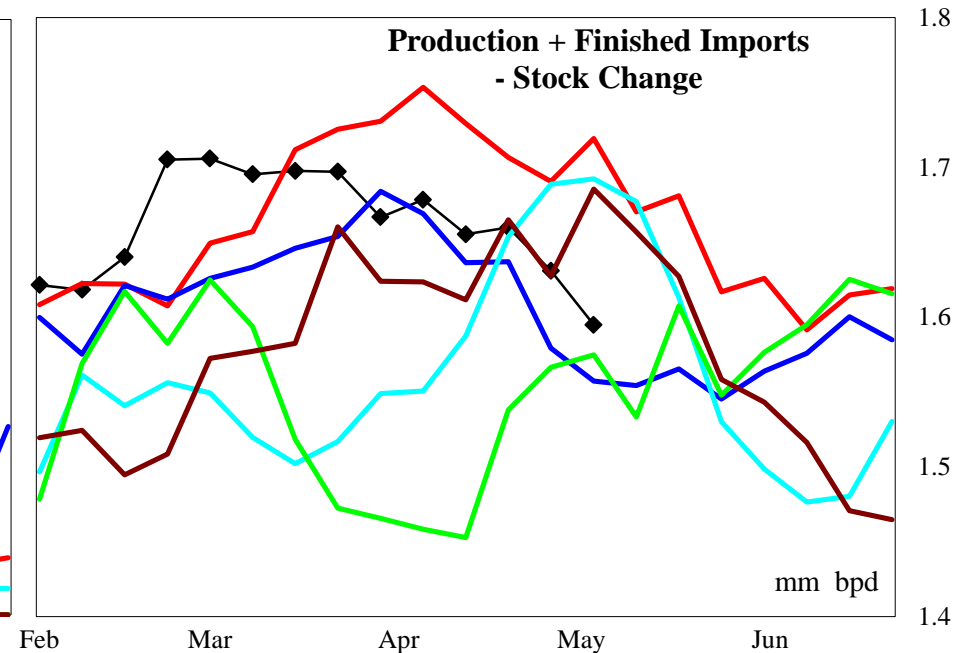
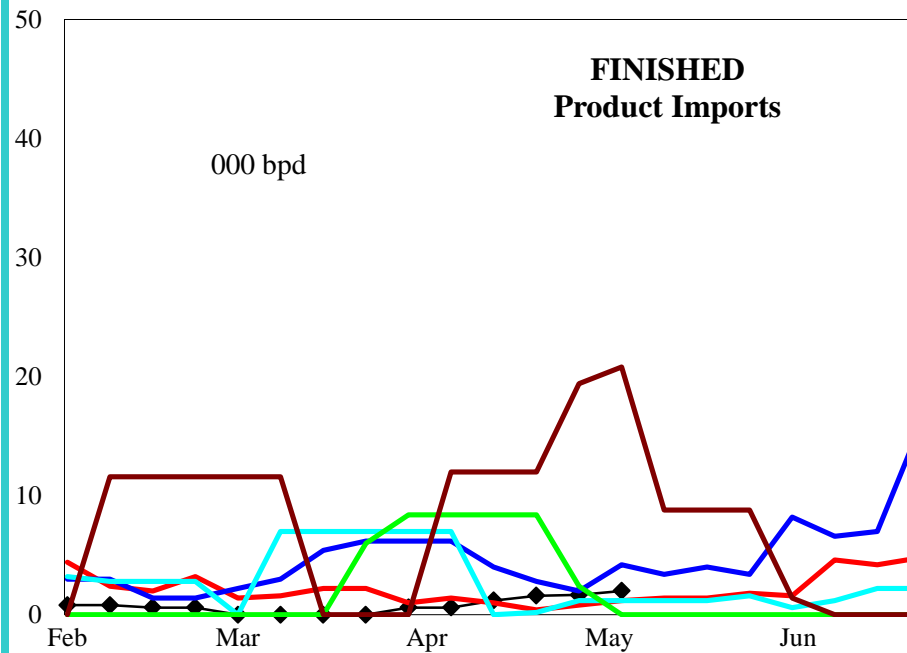
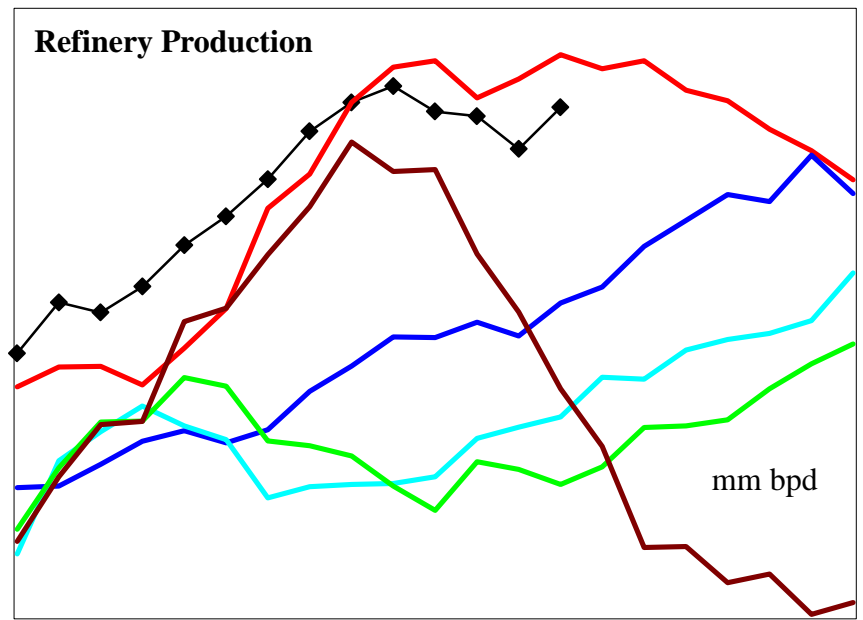
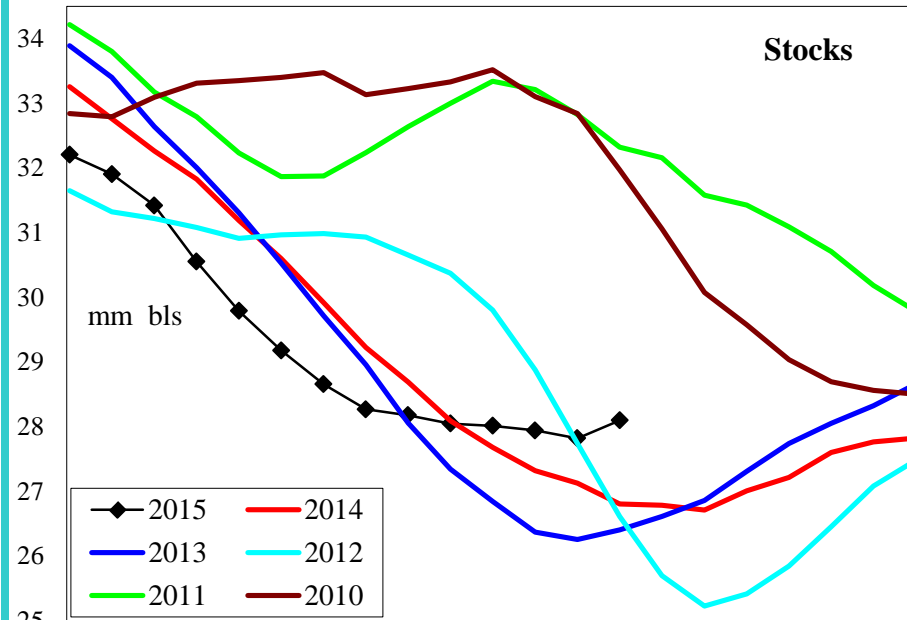
PADD 4 Residual Fuel Oil Supply



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

1,275

4.8

Production

-15

-0.9

Fin Impt

2

300.0

Blend Impt

58

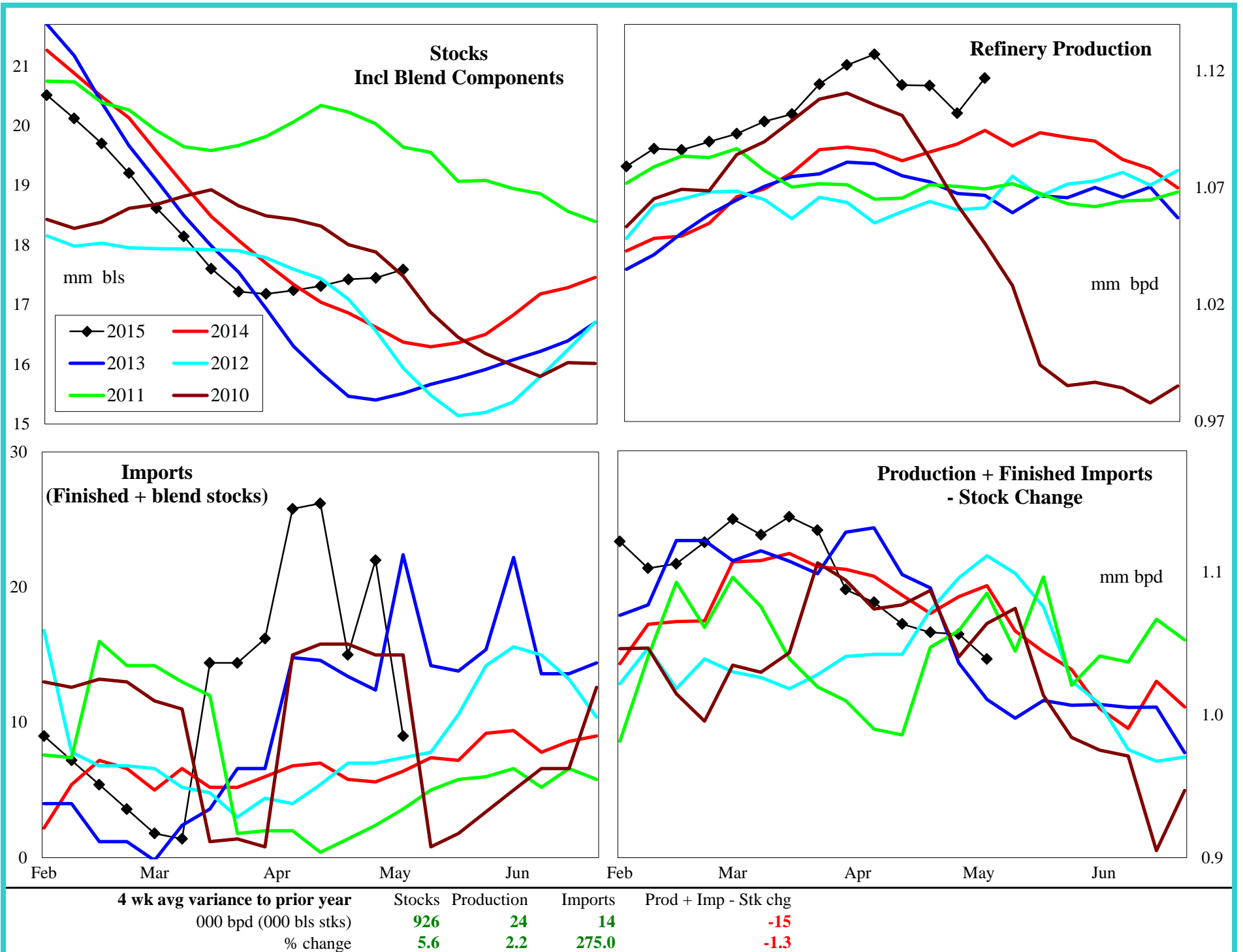
888.5

Prod + Imp - Stk chg

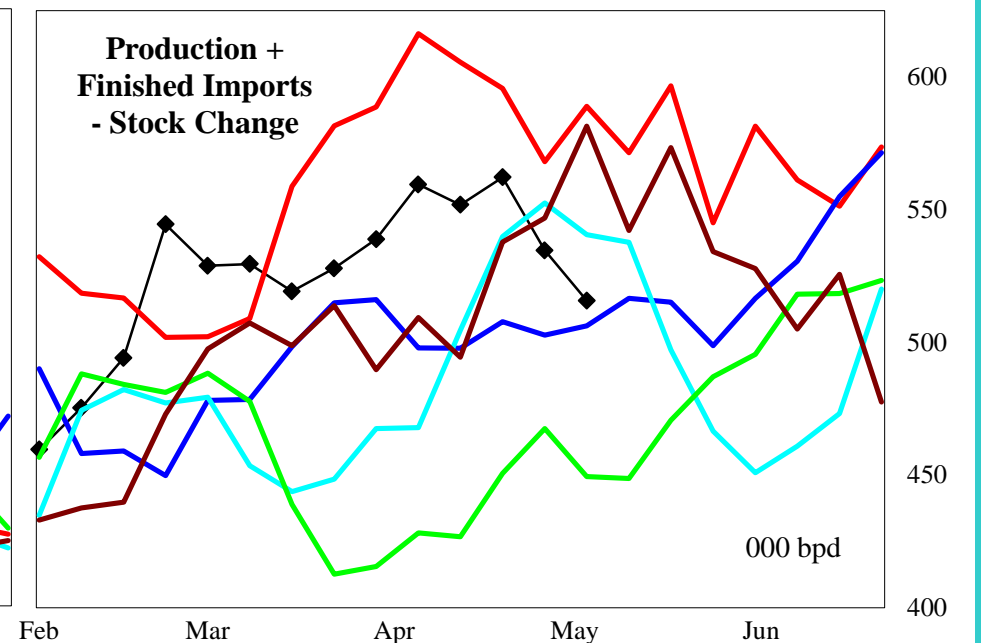
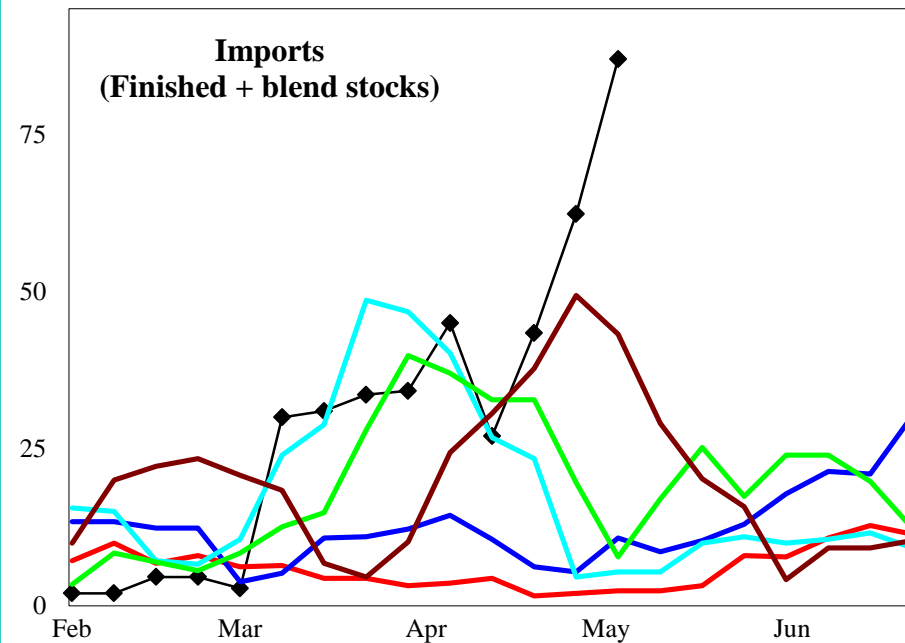
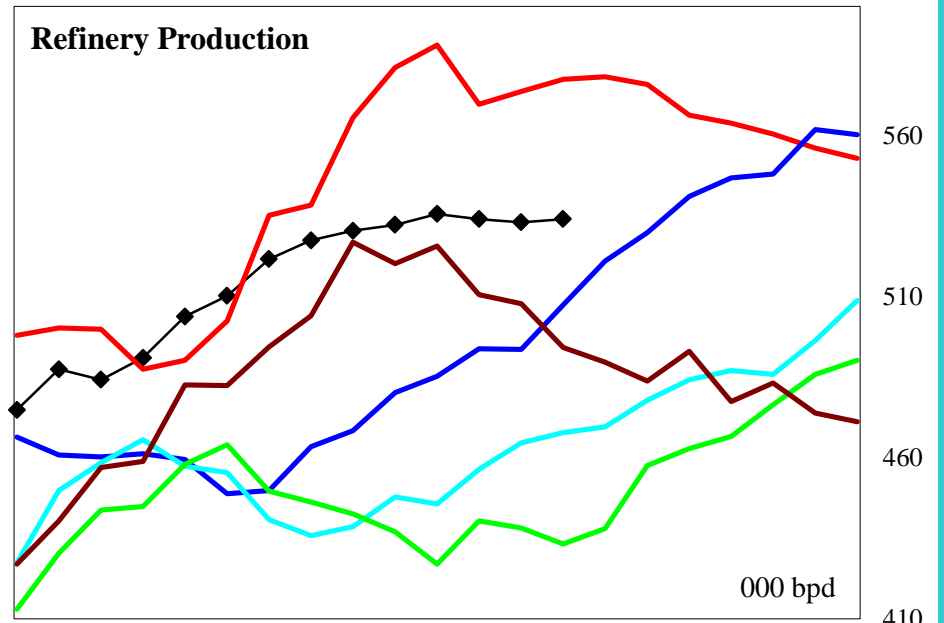
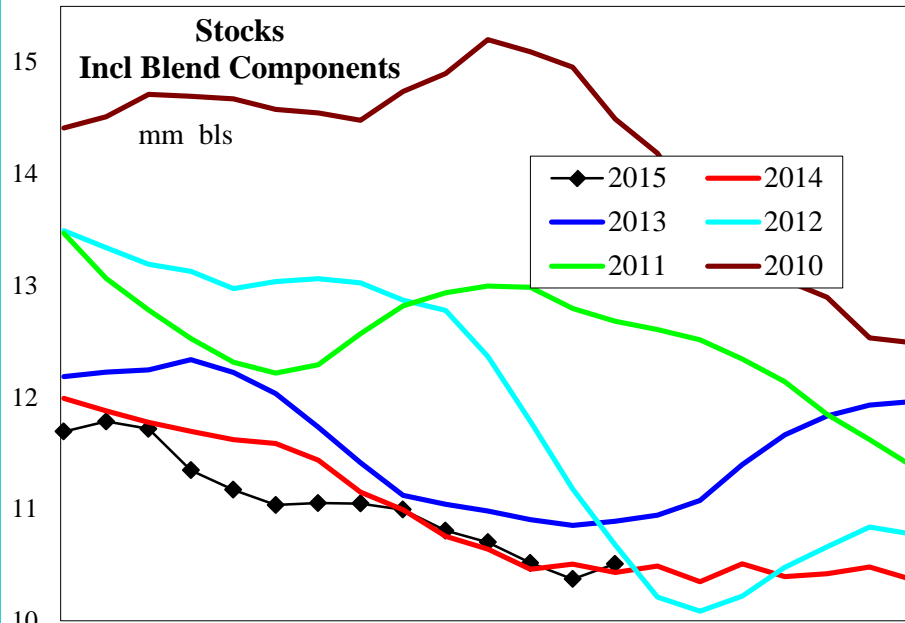
-36

-2.2

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

349

-38

46

-22

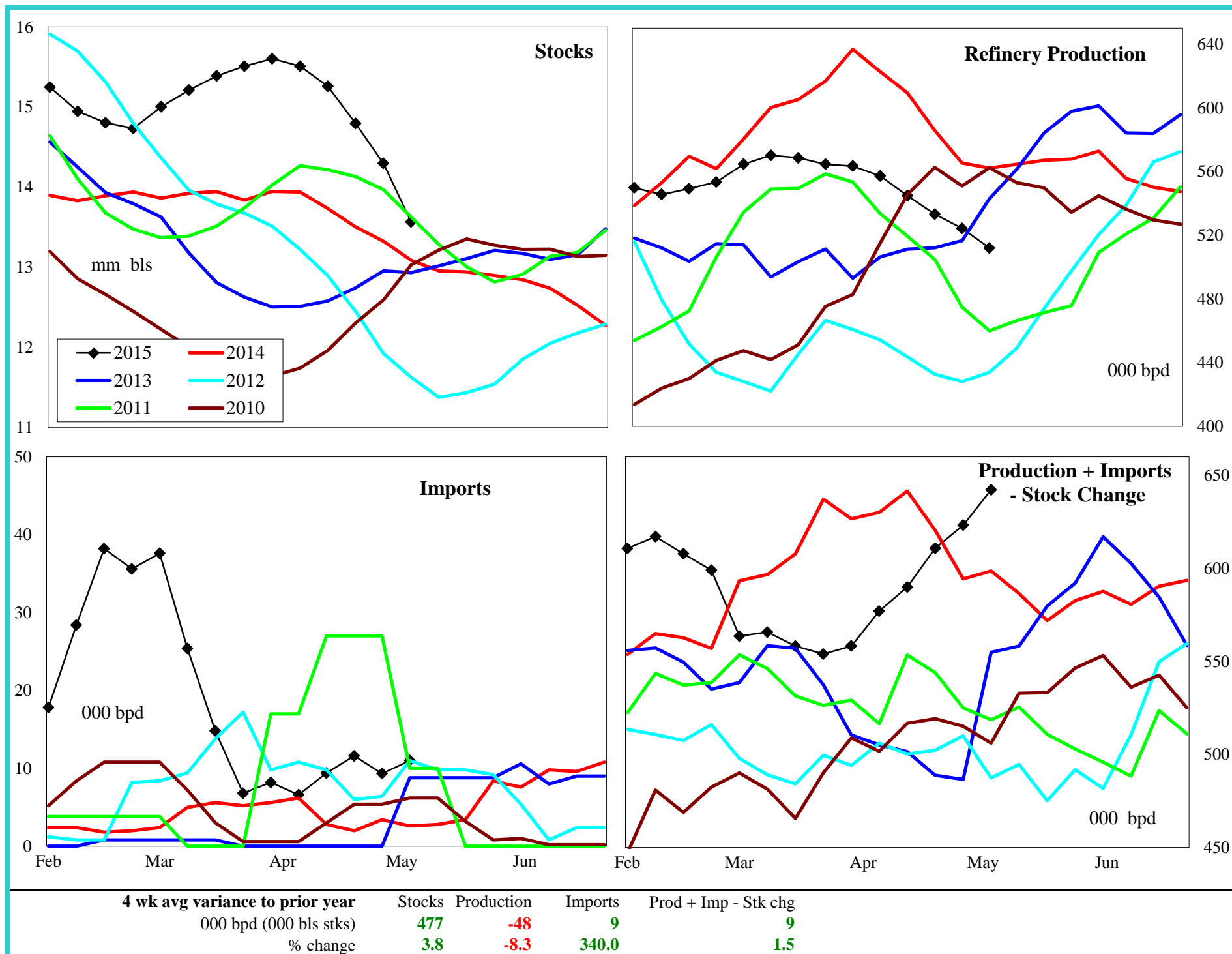
3.4

-6.7

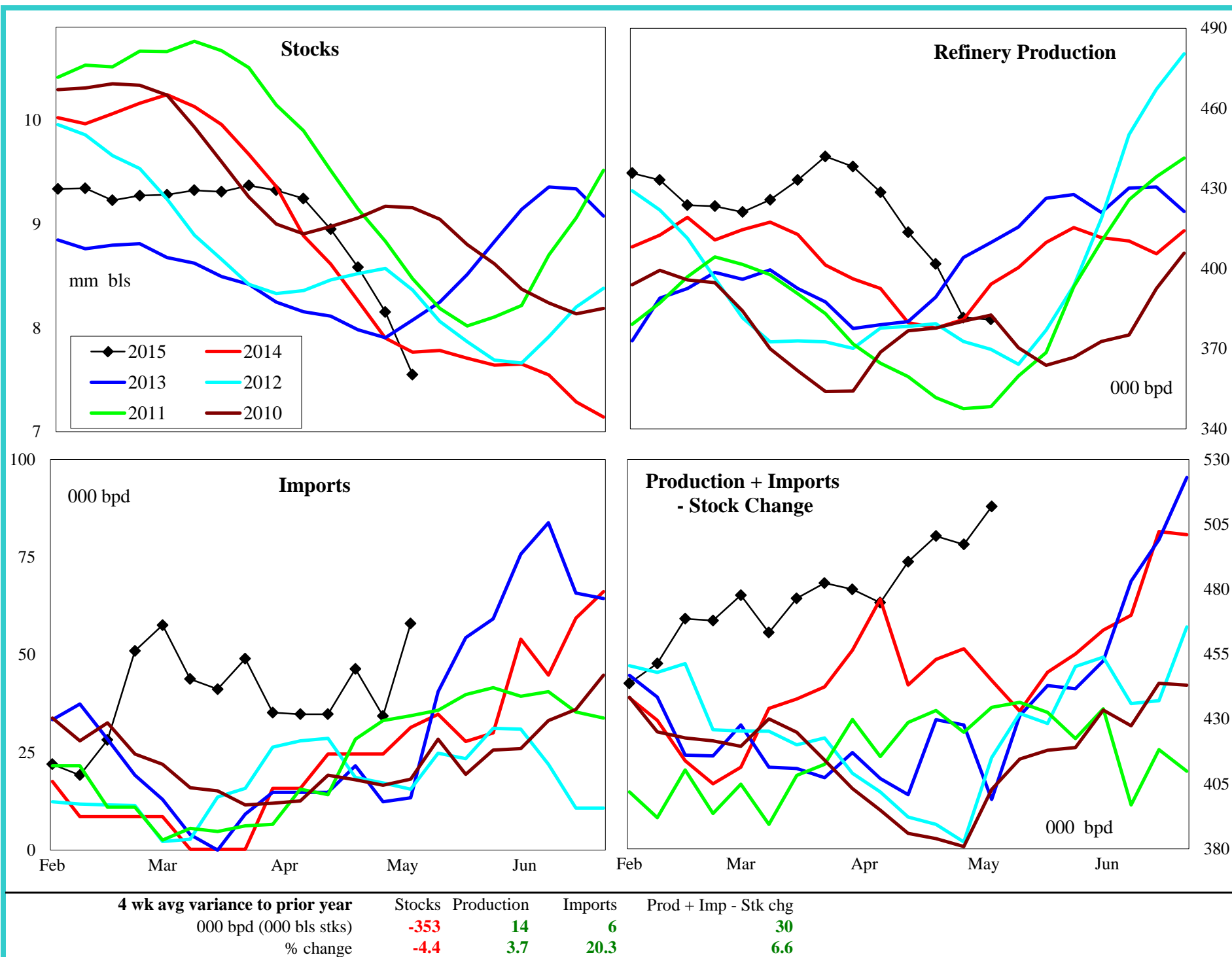
2,275.0

-3.8

PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply



PADD 5 Residual Fuel Oil Supply

