



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

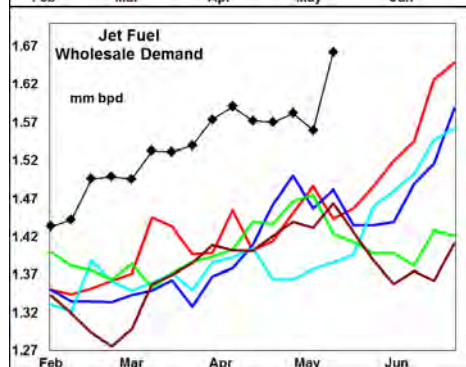
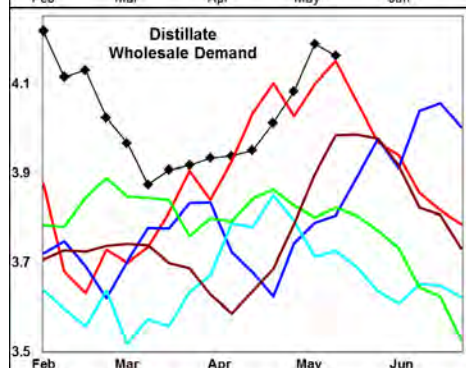
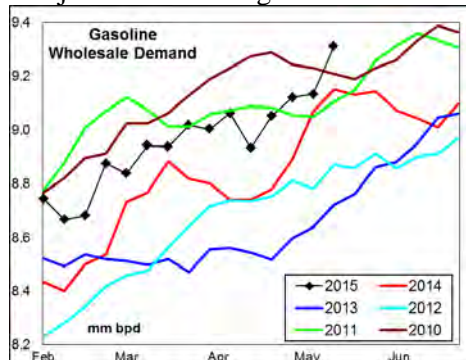
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Wednesday, May 20, 2015



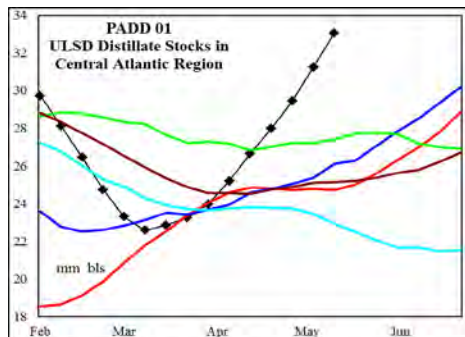
Major Fundamental Trends¹

Wholesale demand for all transport fuels exceeded last year for the latest 4-wk period, with gasoline up +1.1% and jet fuel +6.5% higher.



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 have increased +11 million barreld during the last quarter, to an all time high, increasing the likelihood of an expansion of the 'carry' in the forward price curve.

¹ Source is latest EIA Weekly Statistics



Middle distillate imports to the West Coast have spiked to record levels on continued unplanned refinery maintenance.

Crude oil stocks decreased -2.7 million barrels last week, including a -3.2 million barrel draw in combined Rockies and West Regions.

Wholesale Demand for distillate fell sharply on the week, while jet fuel spiked to record levels.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +1.1%, distillate increased +1.6%, jet fuel was +6.5% higher, while residual fuel decreased -3.7%.

Stocks forward coverage: Gasoline demand coverage fell on a -2.8 million barrel stock draw, partially offset by lower wholesale demand. Coverage ended the week at a level above four of the last 5-yrs.

Distillate demand coverage saw little change on a -0.5 million barrel stock draw offset by sharply lower wholesale demand. Coverage ended the week at a level below the 3-yr mid range.

Jet fuel coverage fell on a spike in wholesale demand, with no change in stocks, so that the level remains below the 5-yr range.

Residual fuel oil coverage remains above the 5-yr range on a +1.1 million barrel stock build and low demand.

Refinery utilization rates increased on a +245,000 bpd rise in crude oil runs last week. During the latest 4-wk period crude oil input was +289,000 bpd above last year.

Gasoline yield % on crude oil runs decreased last week on a -39,000 bpd

decline in output compared to the +245,000 rise in crude oil runs. Gasoline yield % on crude oil runs ended the week equal to the last 2-yrs.

Distillate yield % on crude oil runs decreased on a -16,000 bpd decline in output compared to the rise in crude oil runs. The yield % on crude oil runs was near 3-yr lows for the week.

Jet fuel yield % on crude oil runs decreased last week on a +5,000 bpd rise in output compared the larger increase in crude oil runs.

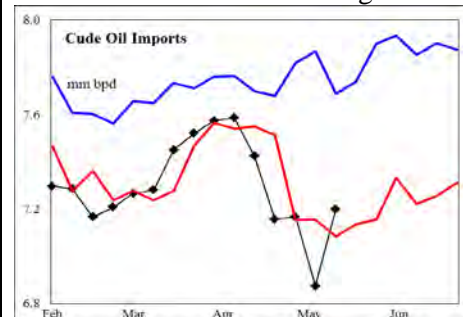
Petroleum Imports/Exports: Jet fuel imports were over 225,000 bpd for the week, more than 3X prior record highs – driven by very robust demand.

During the latest 4-wk period crude oil imports increased +26,000 bpd compared to a year ago; distillate imports were +49,000 bpd higher; finished gasoline imports were +4,000 bpd higher; gasoline blend stock imports were -105,000 bpd lower, jet fuel imports increased +97,000 bpd, while residual fuel imports were +40,000 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 -2.7 million barrels on the week, including a -3.2 million barrel decline in the combined Rockies and West Regions. Stocks saw a -0.2 million barrel draw in Cushing.

A rebound in imports led to stock builds in the East and Gulf regions.





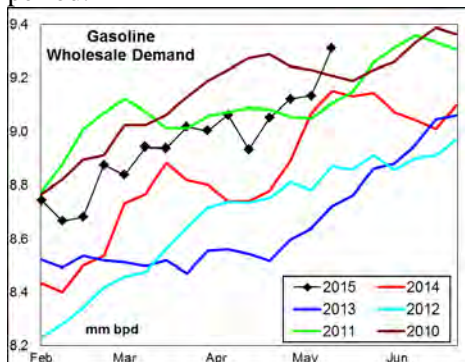
WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

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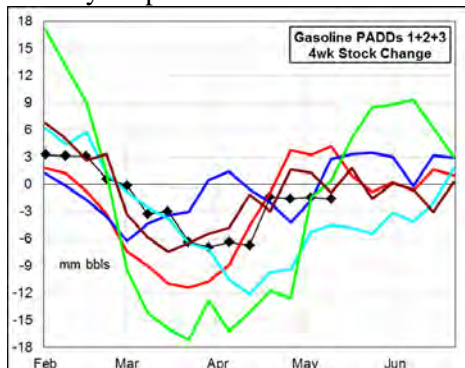
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Product Supply-Demand Trends

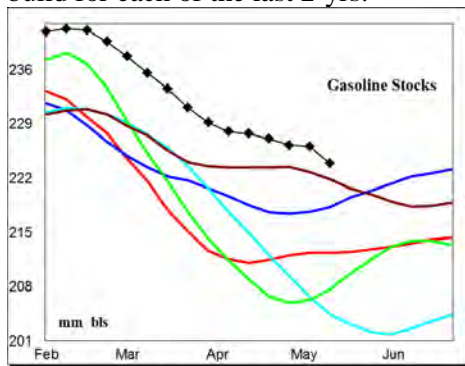
Gasoline wholesale demand fell -0.4 million bpd last week, to a level above the 5-yr range for the period. Wholesale demand was +98,000 bpd above last year for the latest 4-wk period.



Supply decreased -0.3 million bpd last week on lower imports. Supply for the latest 4-wk period exceeded a year ago by +0.26 million bpd on higher refinery output.



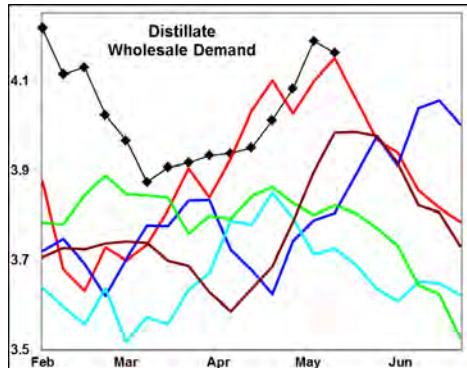
The latest 4-wk stock change East of the Rockies was a -0.9 million barrel draw, compared to a +3 million barrel build for each of the last 2-yrs.



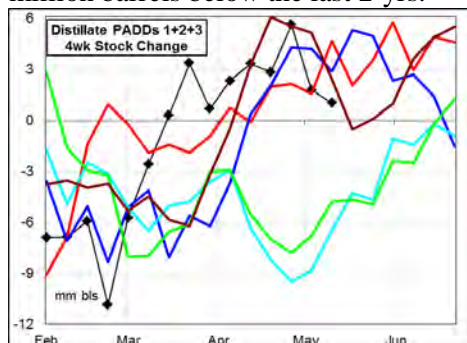
Stocks in all regions except the West Coast ended the week near 5-yr highs for the period. West coast supplies remain tight on extended refinery maintenance.

Distillate wholesale demand fell -0.4 million bpd last week, to a level that matched last year. The latest 4-wk average wholesale demand was +65,000 bpd above last year.

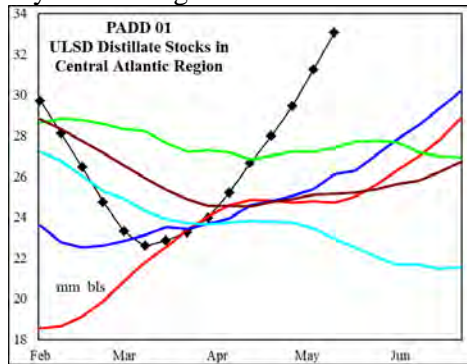
Supply decreased -83,000 bpd on lower imports and production. Stocks decreased -0.5 million barrels on the week, and included a +2.4 million barrel build on the East Coast.



Combined markets East of the Rockies have saw a +1 million barrel build, -2 million barrels below the last 2-yrs.



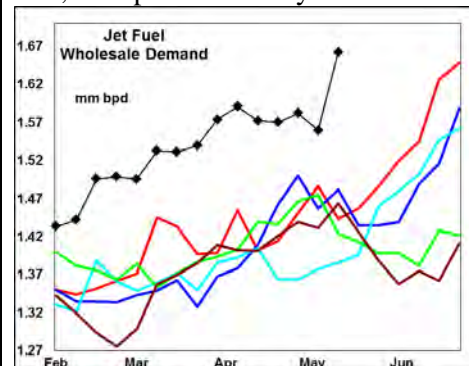
ULSD stocks in the Central Atlantic Region of PADD 01 continue to build at a record rate, with the level at a new 5-yr season high.



Stock levels in the Gulf region have dropped sharply, largely offset by an exceptional build rate of ULSD on the East Coast. Cash basis in

the Midwest continue to trend on stock draws, although stock levels remain very high.

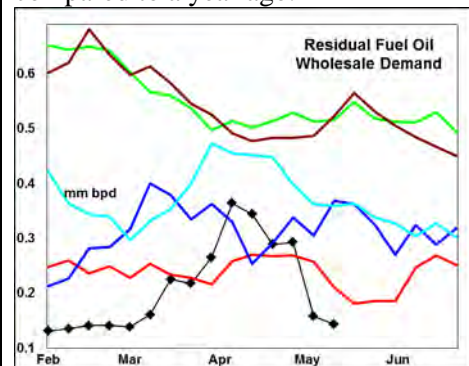
Jet Fuel wholesale demand climbed +151,000 bpd on the week, ending at a level sharply above the historic range. The latest 4-wk average demand was +96,000 bpd above last year.



Supply increased +64,000 bpd on extremely high imports and production. Stocks were unchanged on the week, with the level below the historic range.

Imports have spiked to record levels in the East and West Coast regions, a response to robust demand and a lack of domestic supply.

Residual fuel oil demand fell -49,000 bpd last week. Demand for the latest 4-wk period decreased -11,000 bpd compared to a year ago.



Supply (production + imports) increased +65000 bpd on the week, due to higher production and imports. Stocks increased +1.1 million barrels, concentrated in the Gulf region.

Stock levels in the Gulf region climbed to new all time highs.



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

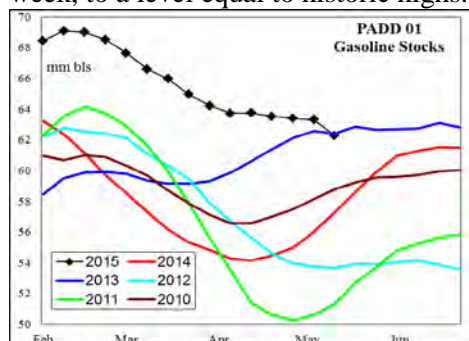
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PADD Supply Trends

PADD 1 refinery crude oil runs increased +3,000 bpd on the week to a level near 5-yr highs for the period. The latest 4-wk average thru put was +32,000 bpd above last year.

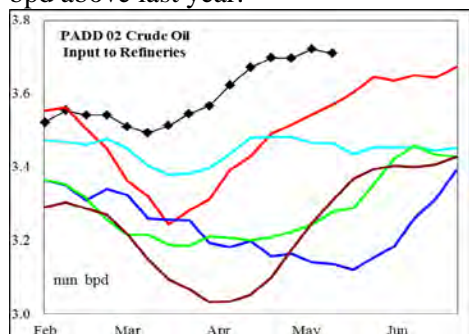
Gasoline supply decreased -25,000 bpd on the week, with the 4-wk average +13,000 bpd above last year. Stocks declined -1 million barrels last week, to a level equal to historic highs.



Distillate supply fell -136,000 bpd last week on a drop in imports, with the 4-wk average +10,000 bpd above last year. Stocks jumped +2.4 million barrels, to a level near 3-yr highs for the period.

Jet fuel supply decreased -21,000 bpd on lower imports. Stocks ended the week at the low end of the historic range.

PADD 2 crude oil refinery runs decreased -31,000 bpd on the week. The latest 4-wk average was +170,000 bpd above last year.



Crude oil stocks decreased -1.2 million barrels last week, driven by record refinery thru put and a drop in imports; that included a -0.2 million barrel draw in Cushing.

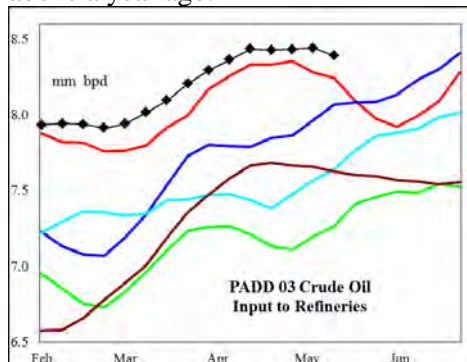
Gasoline supply increased +81,000 bpd on the week. Production for the most recent 4-wk period was -245,000

bpd below a year ago. Stocks decreased -0.9 million barrels on the week, to a level near the 5-yr highs for the period.

Distillate supply increased +28,000 bpd on the week, to a level that matched last year. The latest 4-wk average production was +38,000 bpd above last year and a record for this time of year. Stocks decreased -0.2 million barrels on the week, although the level remains well above the 5-yr range.

Jet fuel supply decreased -57,000 bpd last week, although the level remains above the 5-yr range.

PADD 3 refinery runs increased +122,000 bpd last week, to a level above the 5-yr range. During the latest 4-wk period, runs were +146,000 above a year ago.



Crude oil imports were nearly unchanged on the week, with the 4-wk average -101,000 bpd below last year.

Crude oil stocks increased +0.8 million barrels, to a level +31 million barrels (+15%) above the prior high for the period.

Gasoline supply decreased -191,000 bpd last week, with the latest 4-wk average -92,000 bpd below a year ago. Stocks decreased -0.2 million barrels on the week, with the level above the 5-yr range.

Distillate supply decreased -95,000 bpd on the week, with the latest 4-wk average supply -94,000 bpd below a year ago. Stocks extended a counter seasonal draw down ending at a level equal to highs of the last 3-yr for the period.

Jet fuel production increased

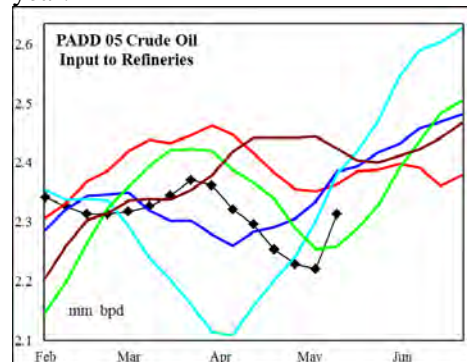
+55,000 bpd on the week, to a level above the 5-yr range. Stock levels ended the week at the 3-yr mid range.

PADD 4 refinery crude runs increased +13,000 bpd last week, to a new record high for the period. The latest 4-wk average was +72,000 bpd above a year ago (+13%).

Gasoline supply was unchanged last week, with stock levels near historic highs for the period.

Distillate supply increased +8,000 bpd last week, with the latest 4-wk average production -3,000 below last year. Stock levels remain just above the 5-yr range.


PADD 5 crude oil refinery runs increased +138,000 bpd on the week at a level below the last 3-yr. The 4-wk run rate was -132,000 bpd below last year.



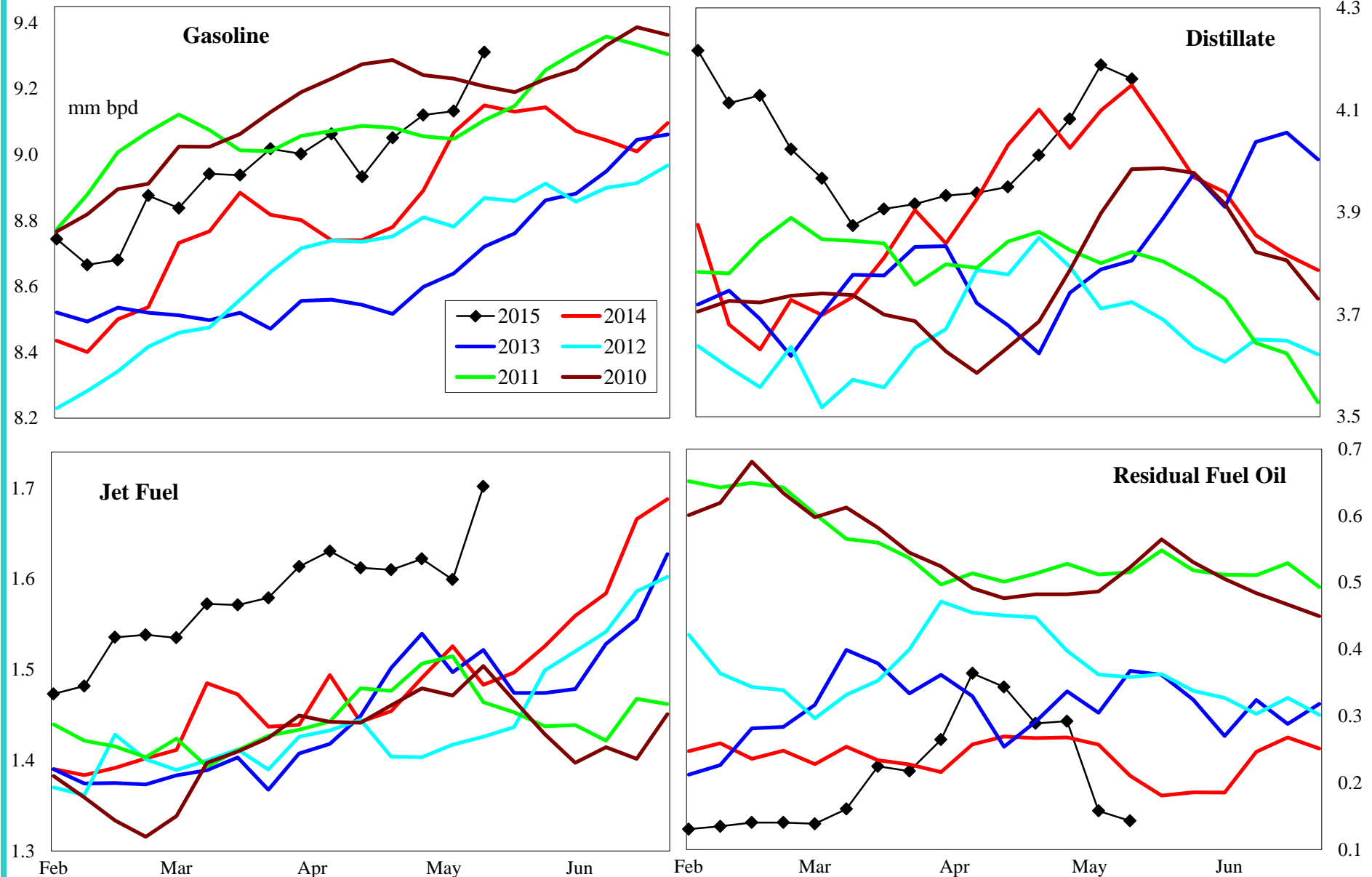
Gasoline supply decreased -57,000 bpd on the week, driven by lower production and imports; with the latest 4-wk average -29,000 bpd below last year. Production remains below last year's record high. Stocks fell -0.8 million barrels, with the level still above the last 3-yr for the period.

Distillate supply increased +113,000 bpd on the week, driven by a spike in imports. The 4-wk average supply was +8,000 bpd above a year ago, driven by lower crude oil runs. Stocks decreased -0.5 million barrels on the week, to a level equal to the last 2-yr.

Jet fuel imports surged to more than 150,000 bpd last week compared to production of 375,000 bpd, while stock levels remain at record lows.

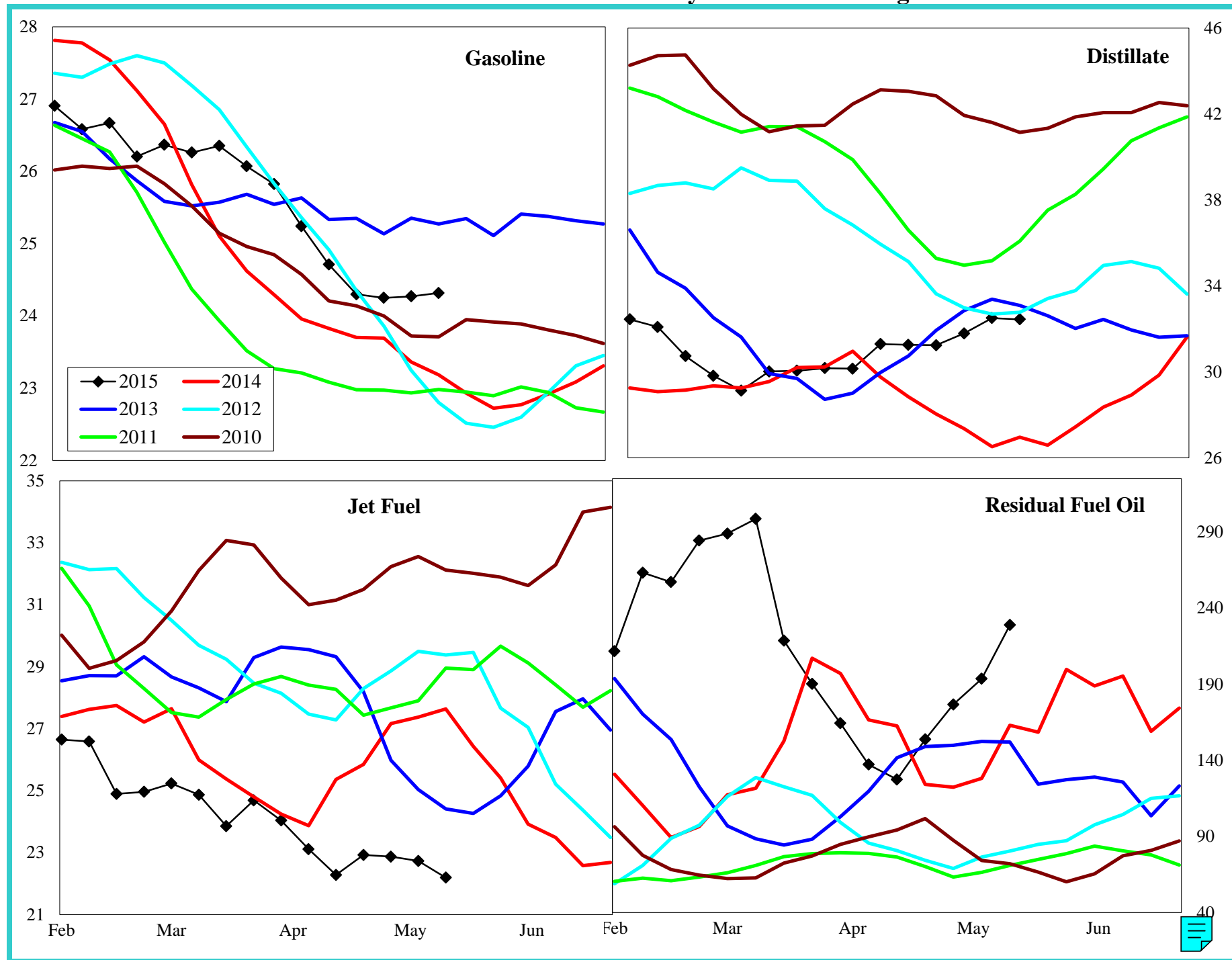
 FUNDAMENTAL PETROLEUM TRENDS		PETROLEUM: Graph Link and Weekly Summary					
		A Fundamental Petroleum Trends Weekly Report				May 20, 2015	
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Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization Product Yield %			Imports	
Supply/Demand Trends	15-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	-2,674	962	-1,185	793	-1,049	-2,196
	Imports	318	506	-19	-14	29	-185
	Input	245	3	-31	122	13	138
	% Utilization	1.20					
Gasoline	Stocks	-2,774	-951	-908	-190	40	-764
	Production	-39	165	82	-186	0	-20
	Imports	-234	-190	-1	-5	0	-37
	Supplied	60					
Distillate	Stocks	-546	2,384	-224	-2,248	47	-504
	Production	-16	-14	29	-85	9	45
	Imports	-67	-122	-1	-10	-1	68
	Supplied	-363					
Jet Fuel	Stocks	-10	141	-166	-26	44	-2
	Production	5	17	-57	55	1	-10
	Imports	59	-38	0	0	0	97
	Supplied	151					
Residual Fuel Oil	Stocks	1,124	232	-97	1,353	-10	-353
	Production	23	-6	21	23	-3	-13
	Imports	42	23	5	56	0	-40
	Supplied	-49					

United States Wholesale Petroleum Demand

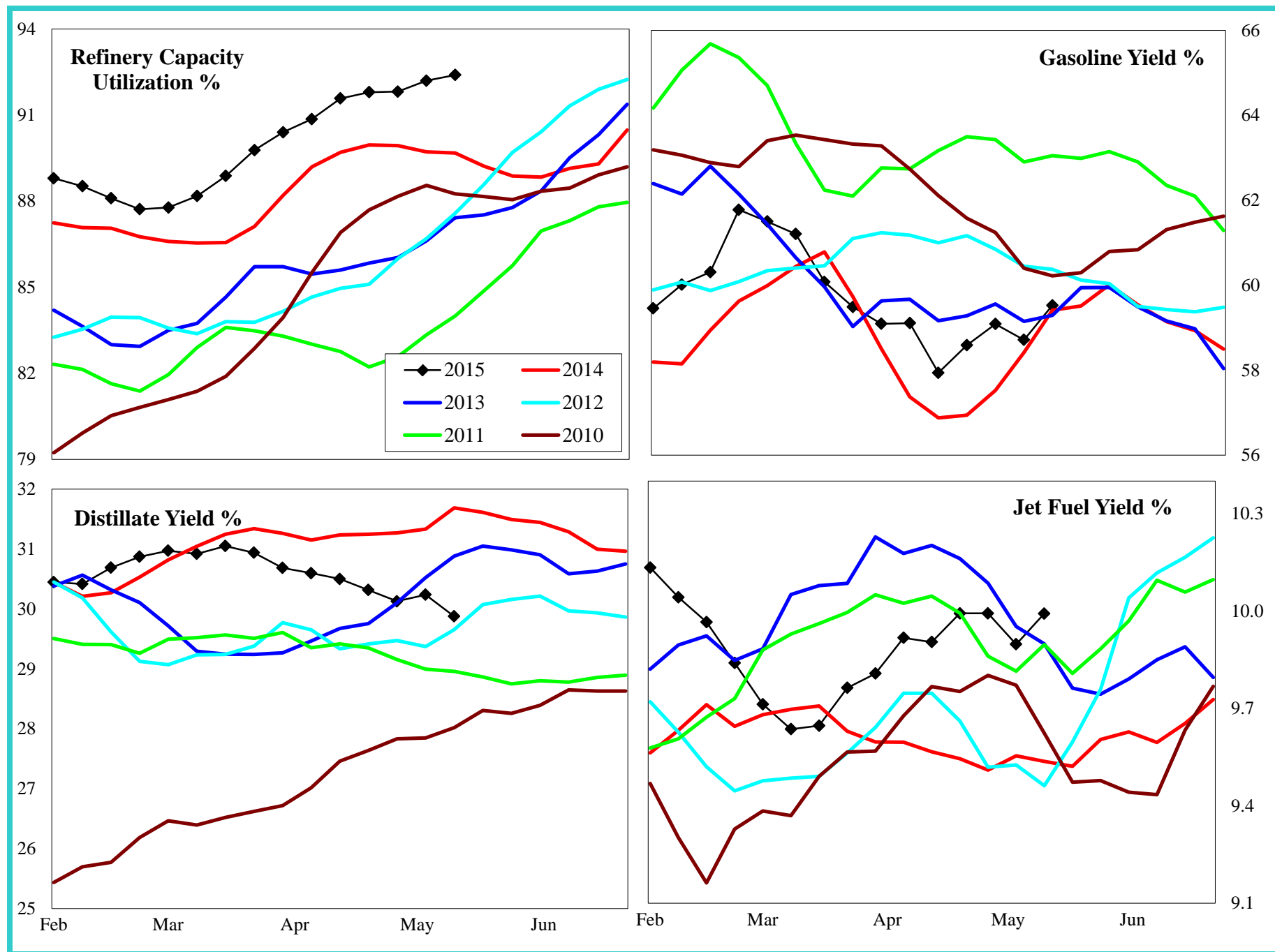


	000 bpd change from prior year				% change from prior year			
	4wk avg	Apr	Mar	Feb	4wk avg	Apr	Mar	Feb
Gasoline	98	-28	297	-49	1.1	-0.3	3.4	-0.6
Distillate	65	-88	-102	353	1.6	-2.2	-2.5	8.4
Jet Fuel	96	139	84	69	6.5	9.6	5.8	5.0
Resid	-11	37	25	-10	-3.7	13.4	11.6	-4.8

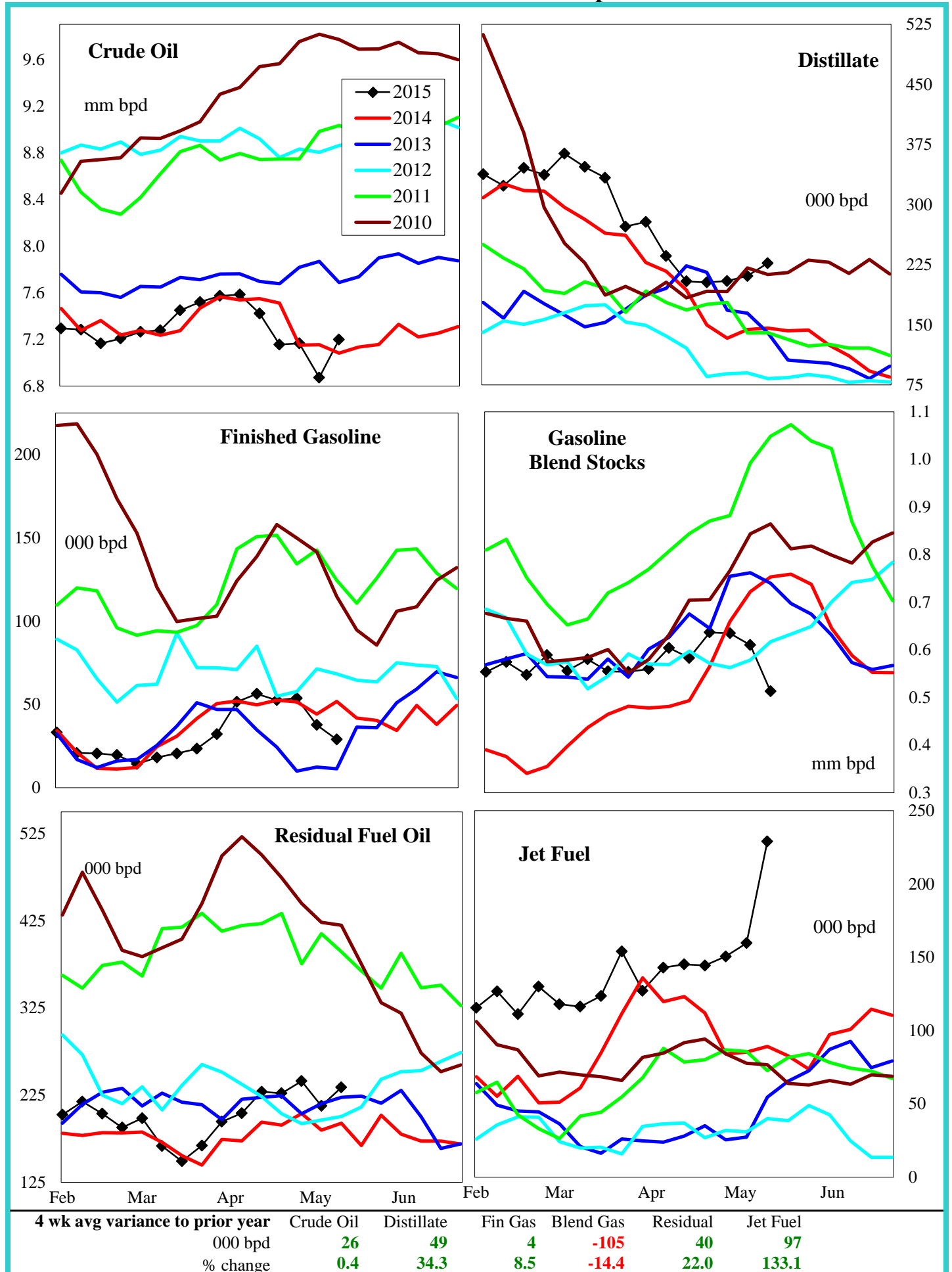


United States Product Stocks: Days Forward Coverage

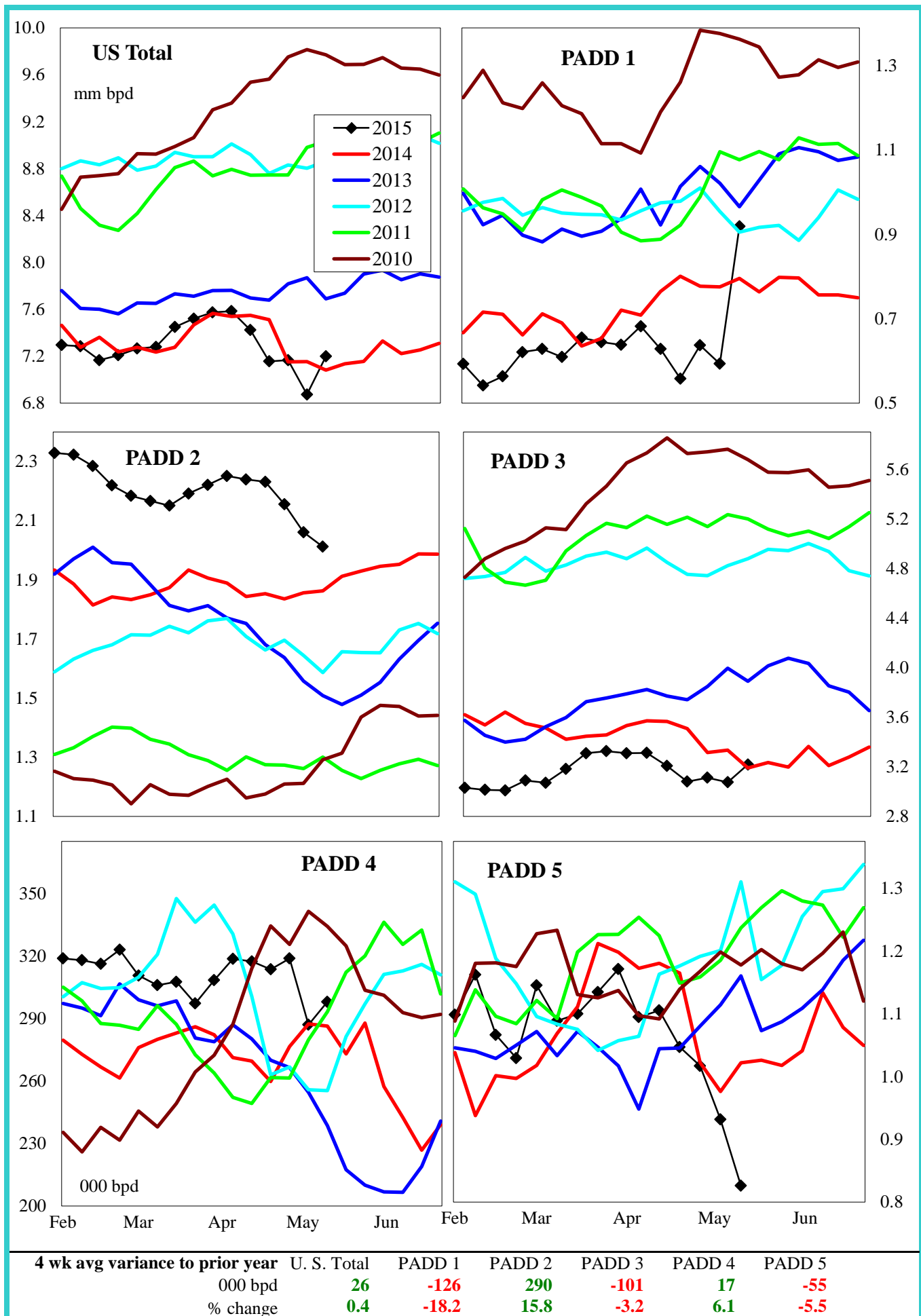
United States Refinery Percent Utilization Rate and Product Yields



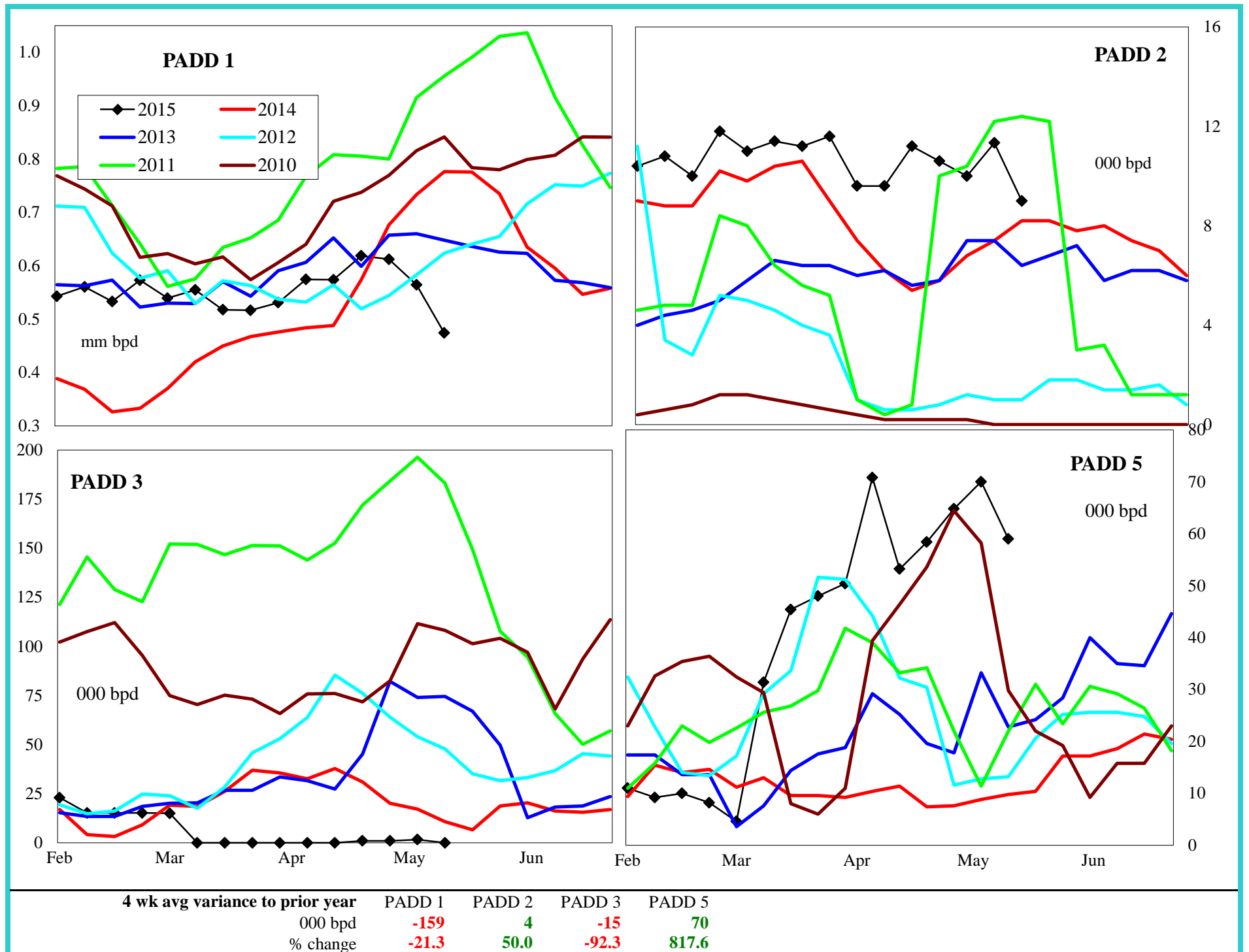
United States Petroleum Imports



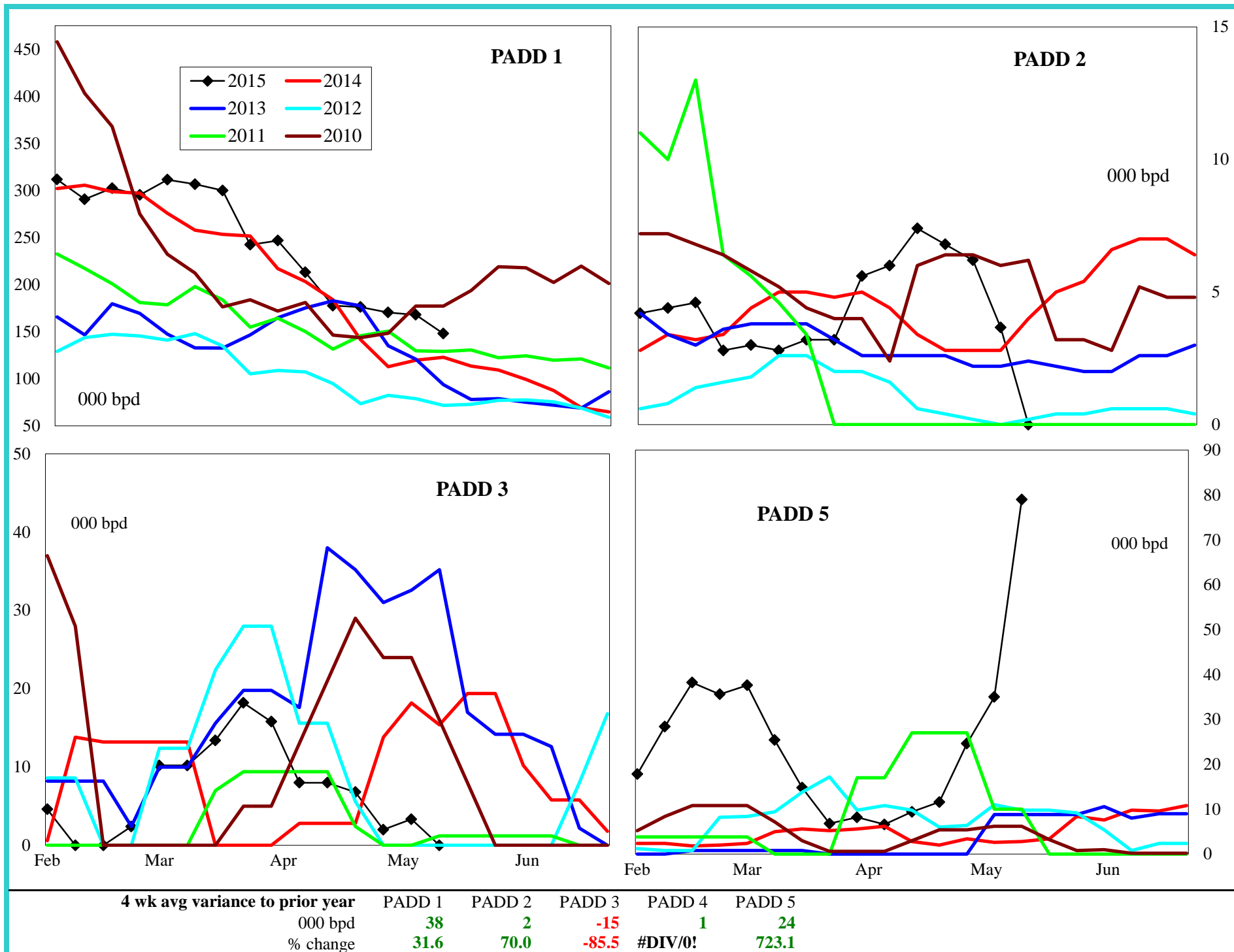
Crude Oil Imports by PADD



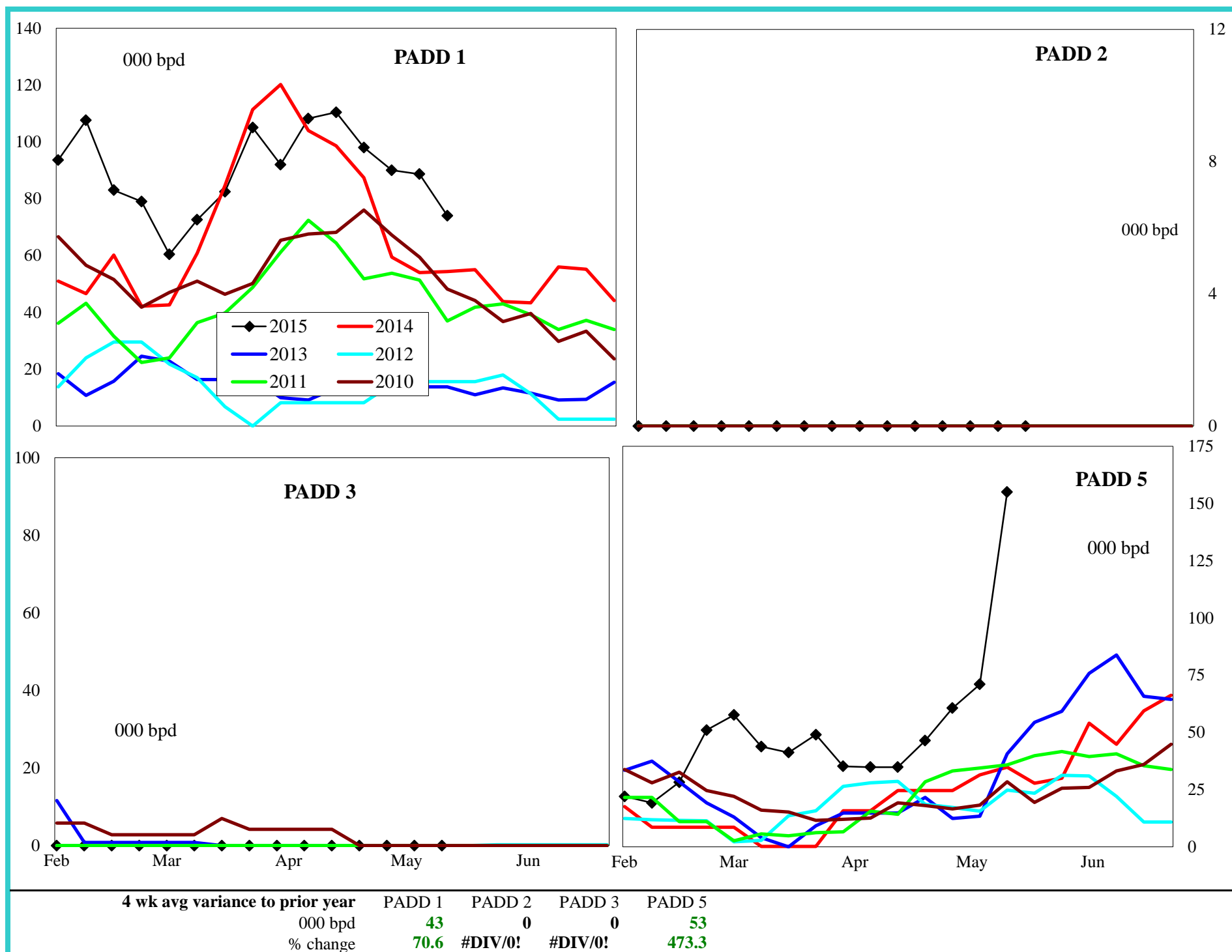
Gasoline Imports by PADD (Finished + Blend Stocks)



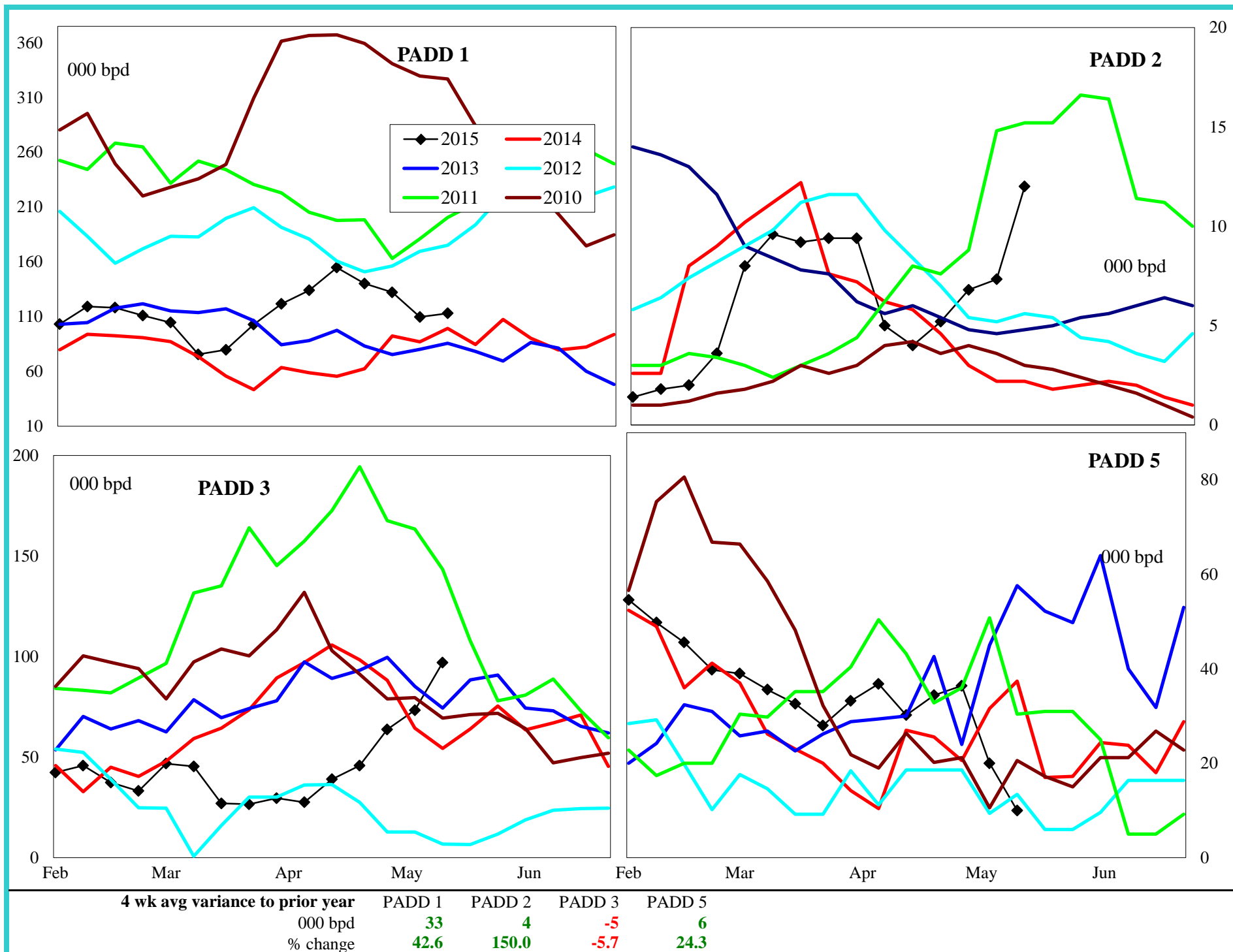
Distillate Imports by PADD



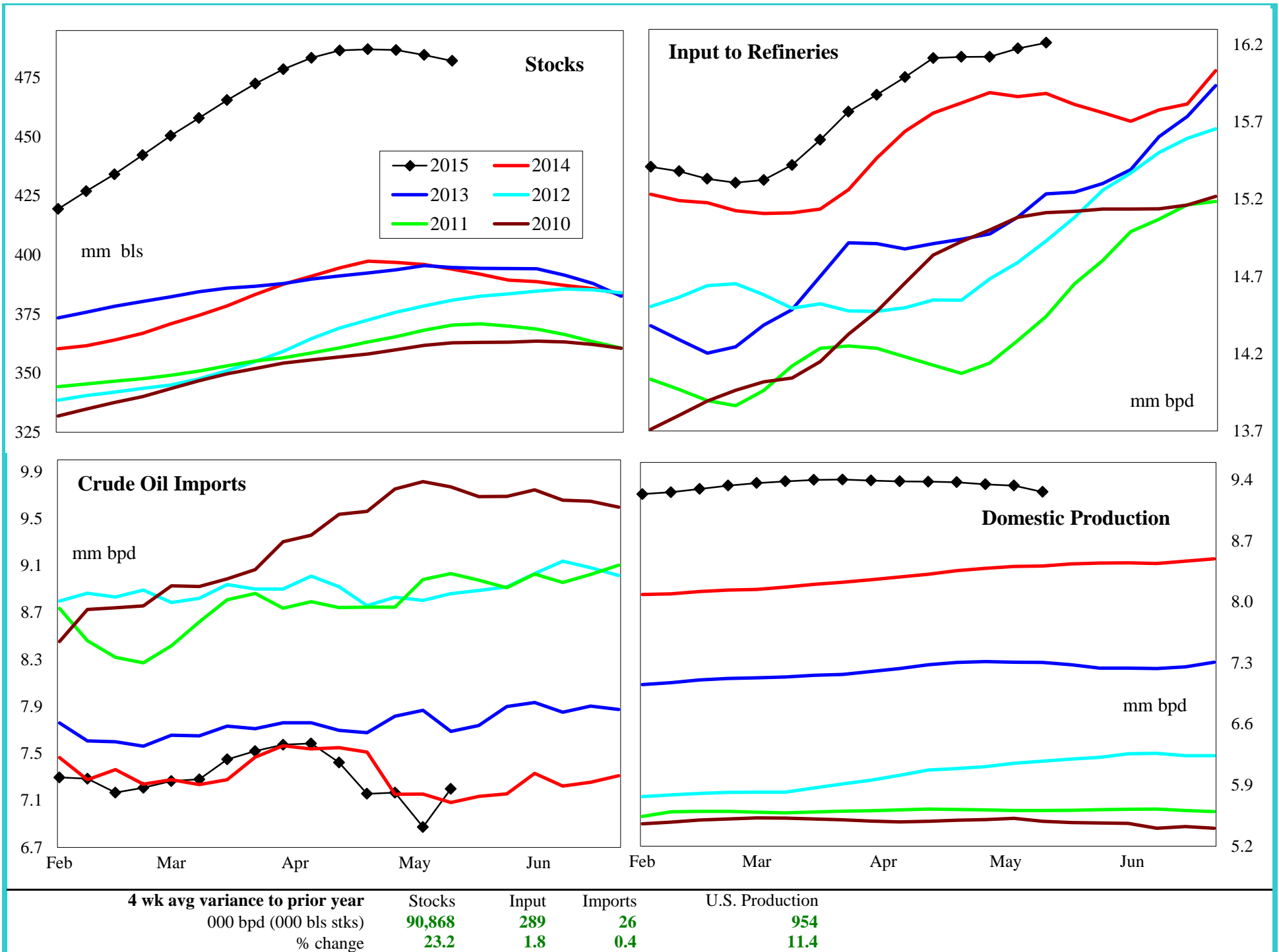
Jet Fuel Imports by PADD



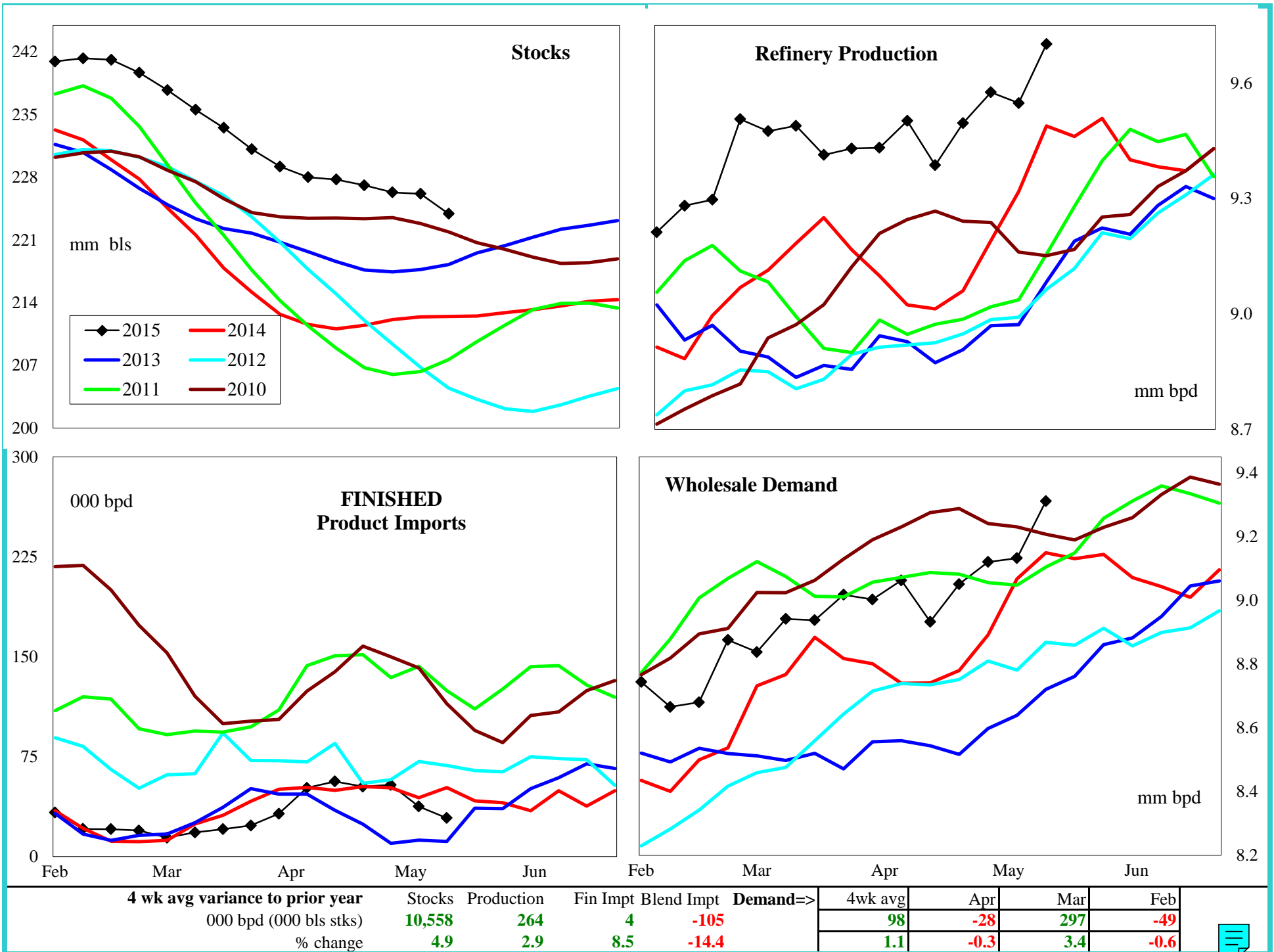
Residual Fuel Oil Imports by PADD



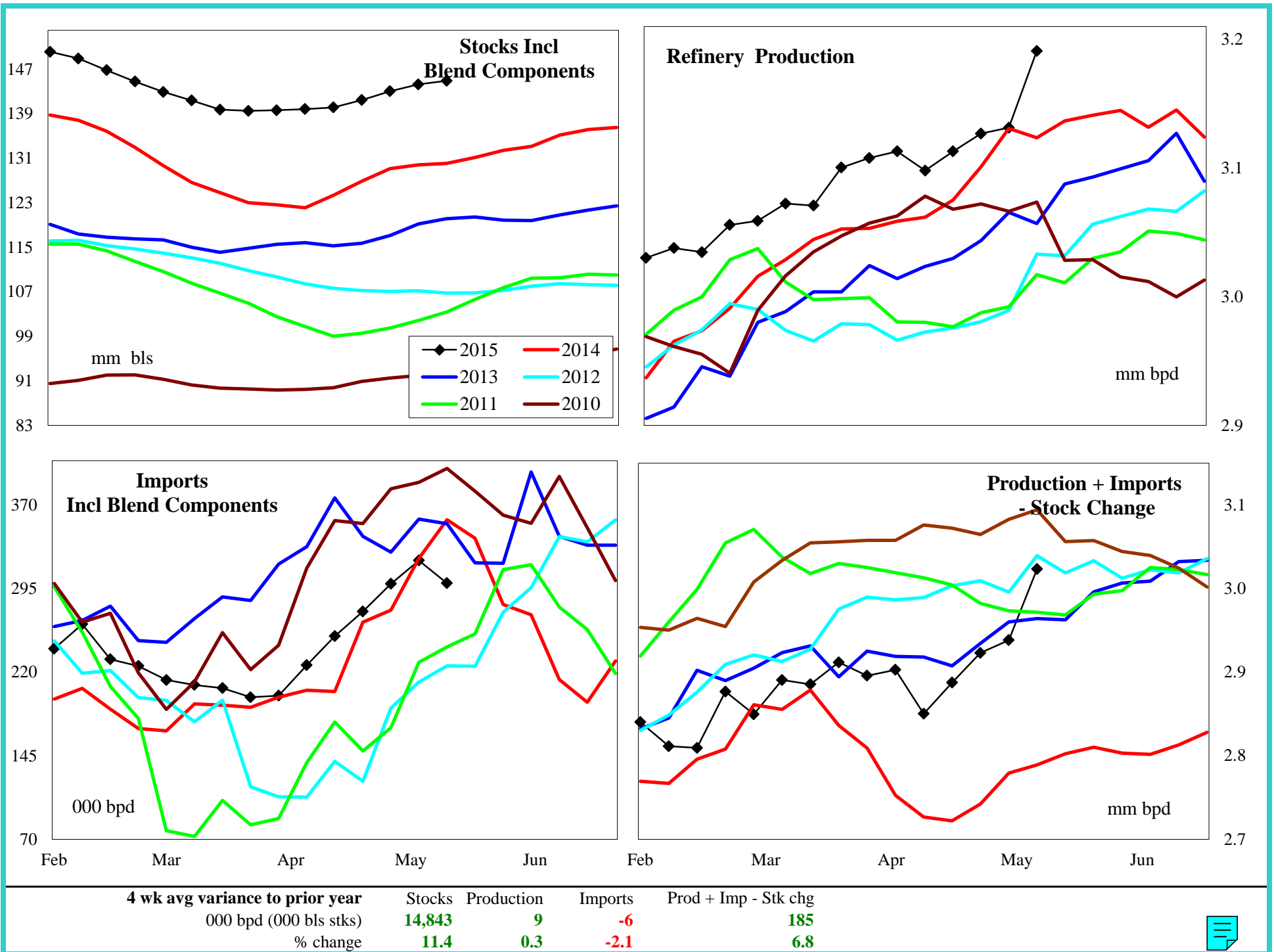
United States Crude Oil Supply and Demand Balance



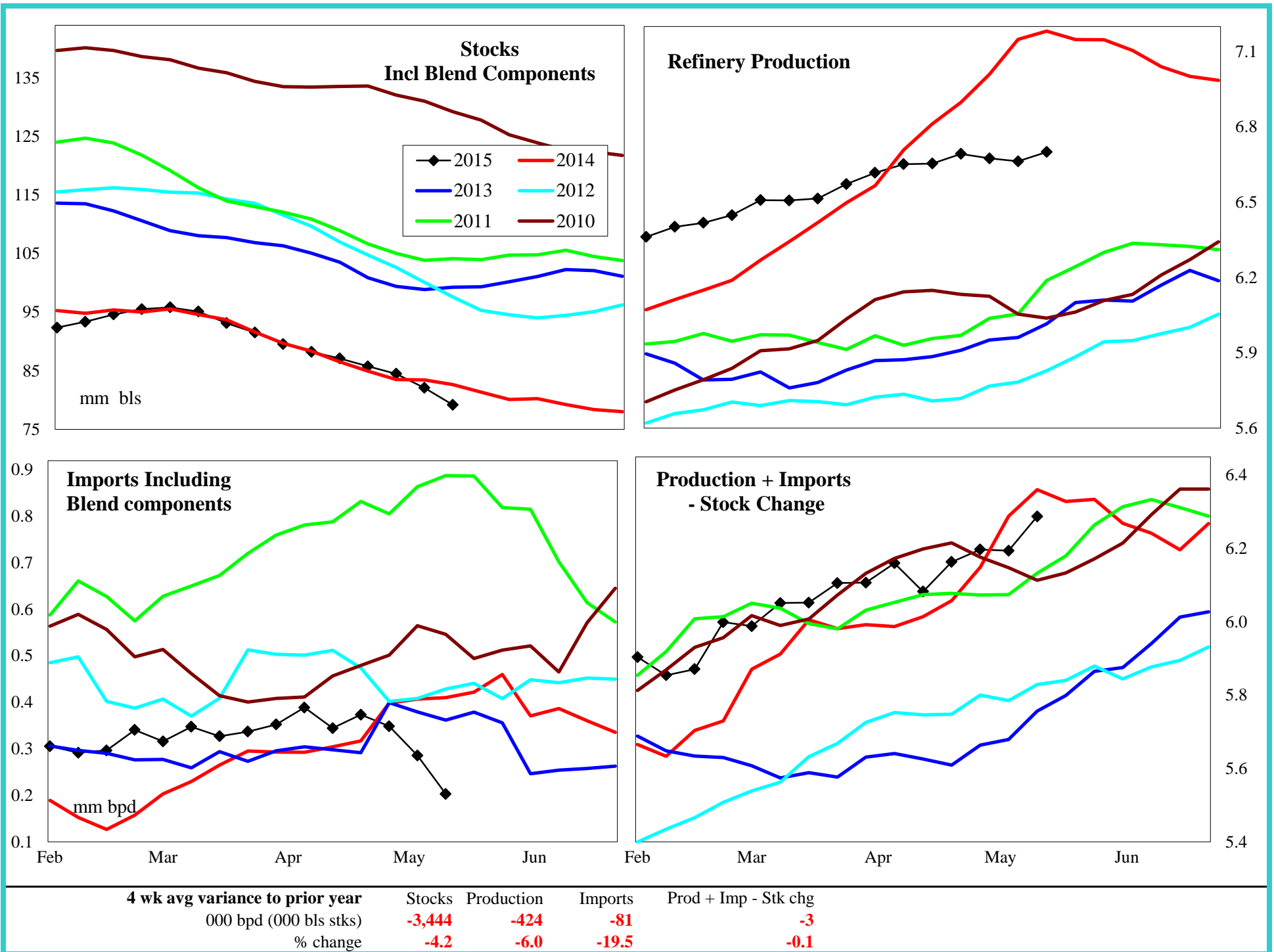
United States Gasoline Supply and Demand Balance



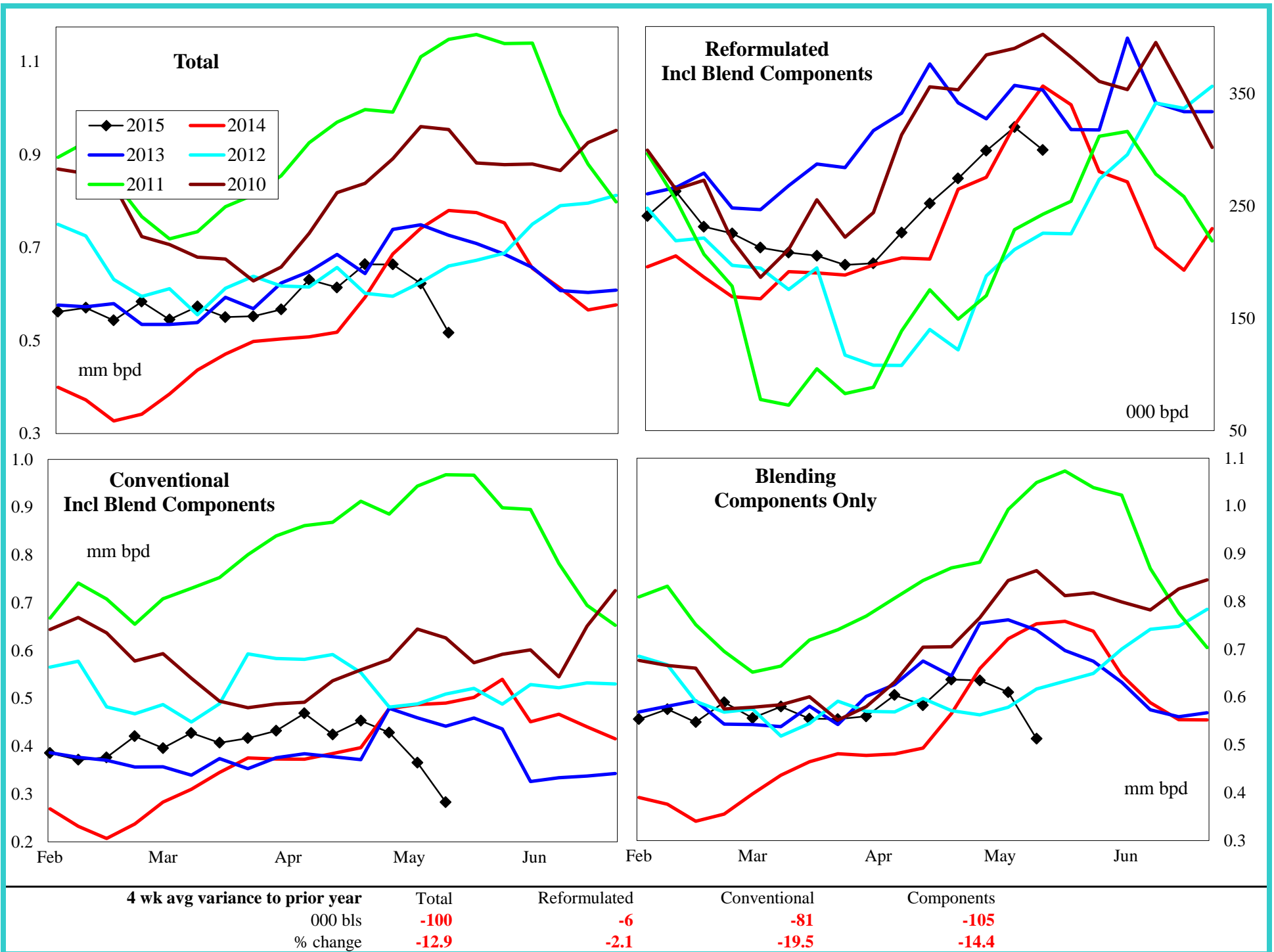
United States Reformulated Gasoline Supply



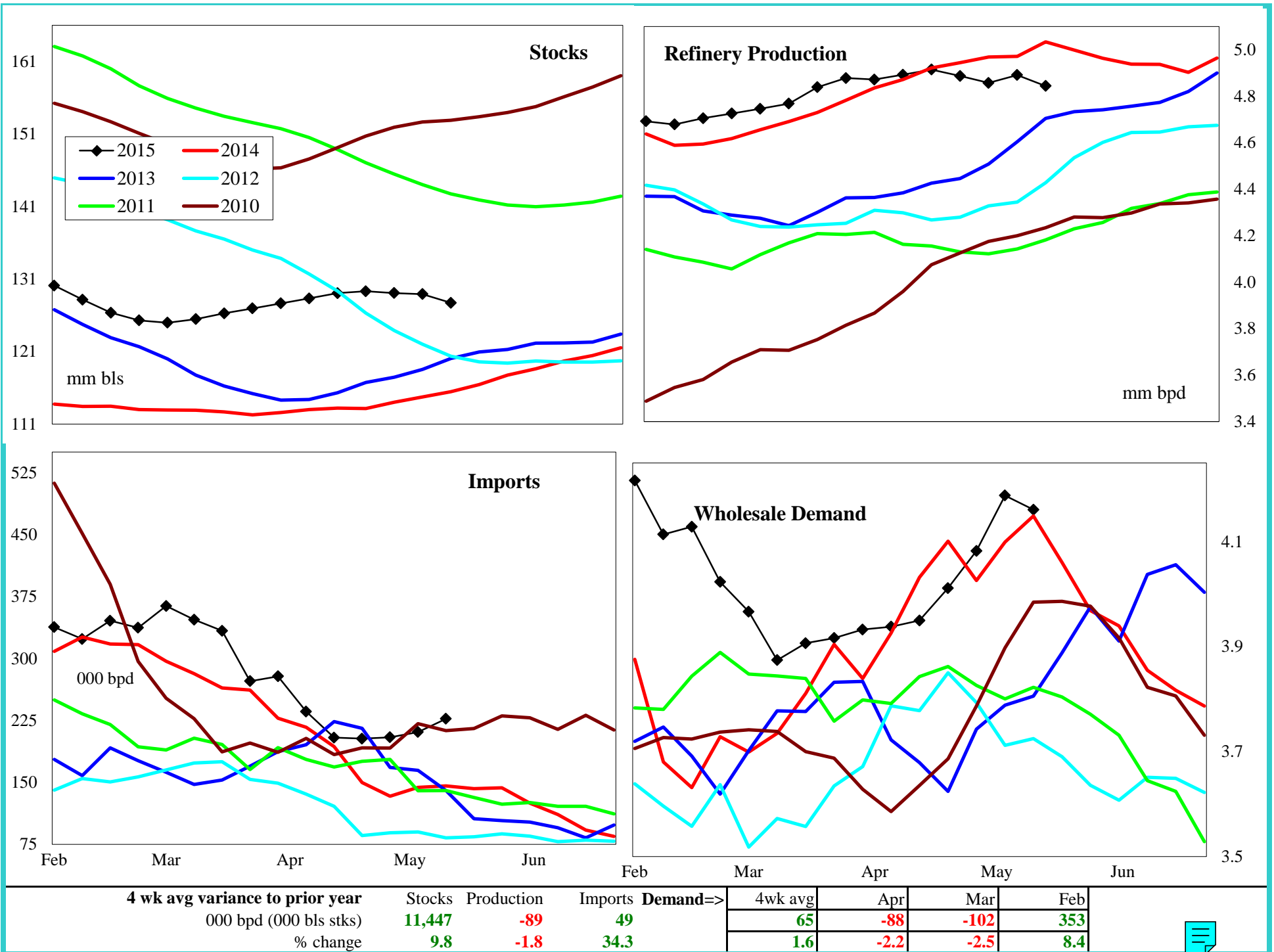
United States Conventional Gasoline Supply



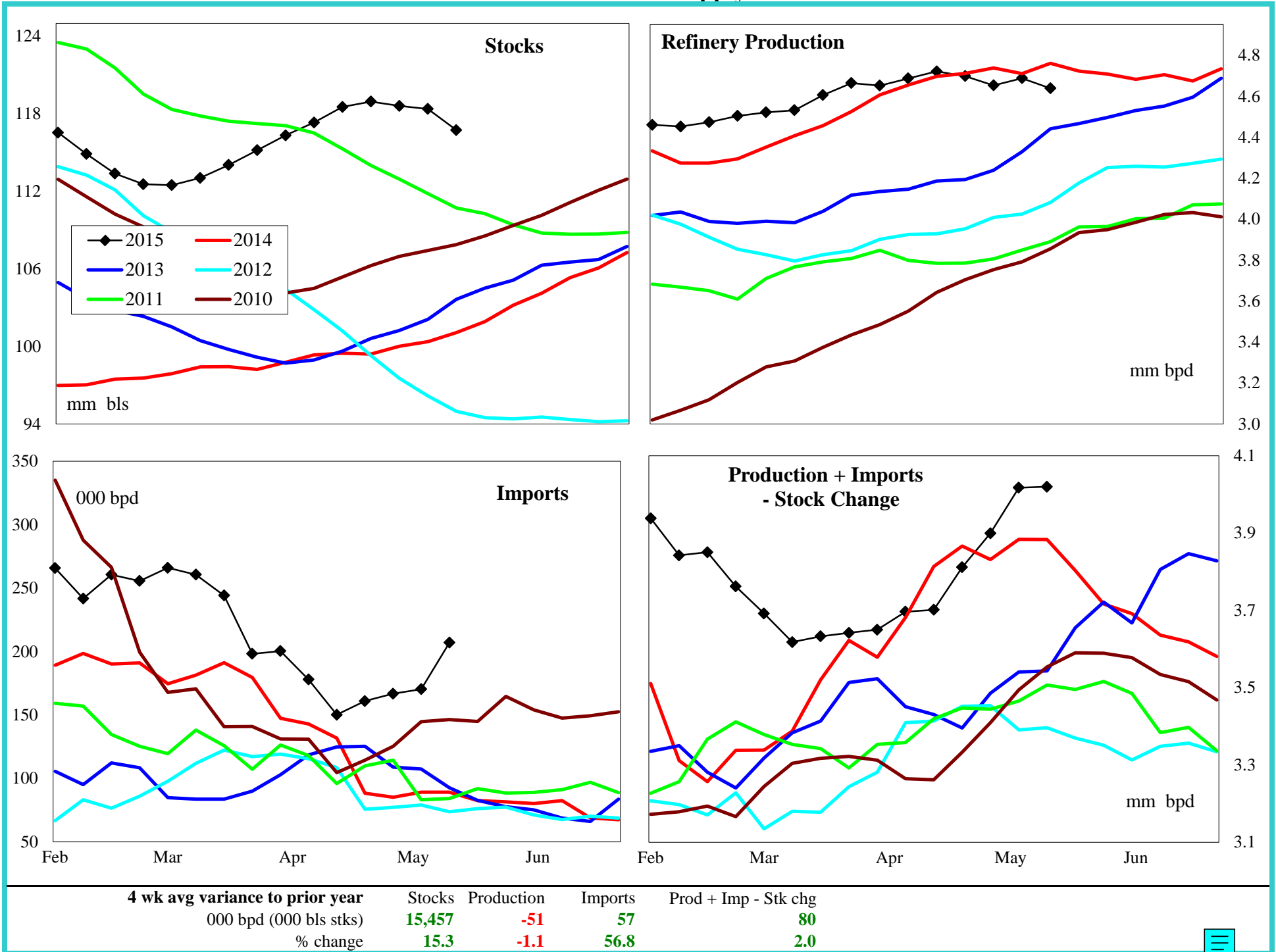
United States Gasoline Imports by Type



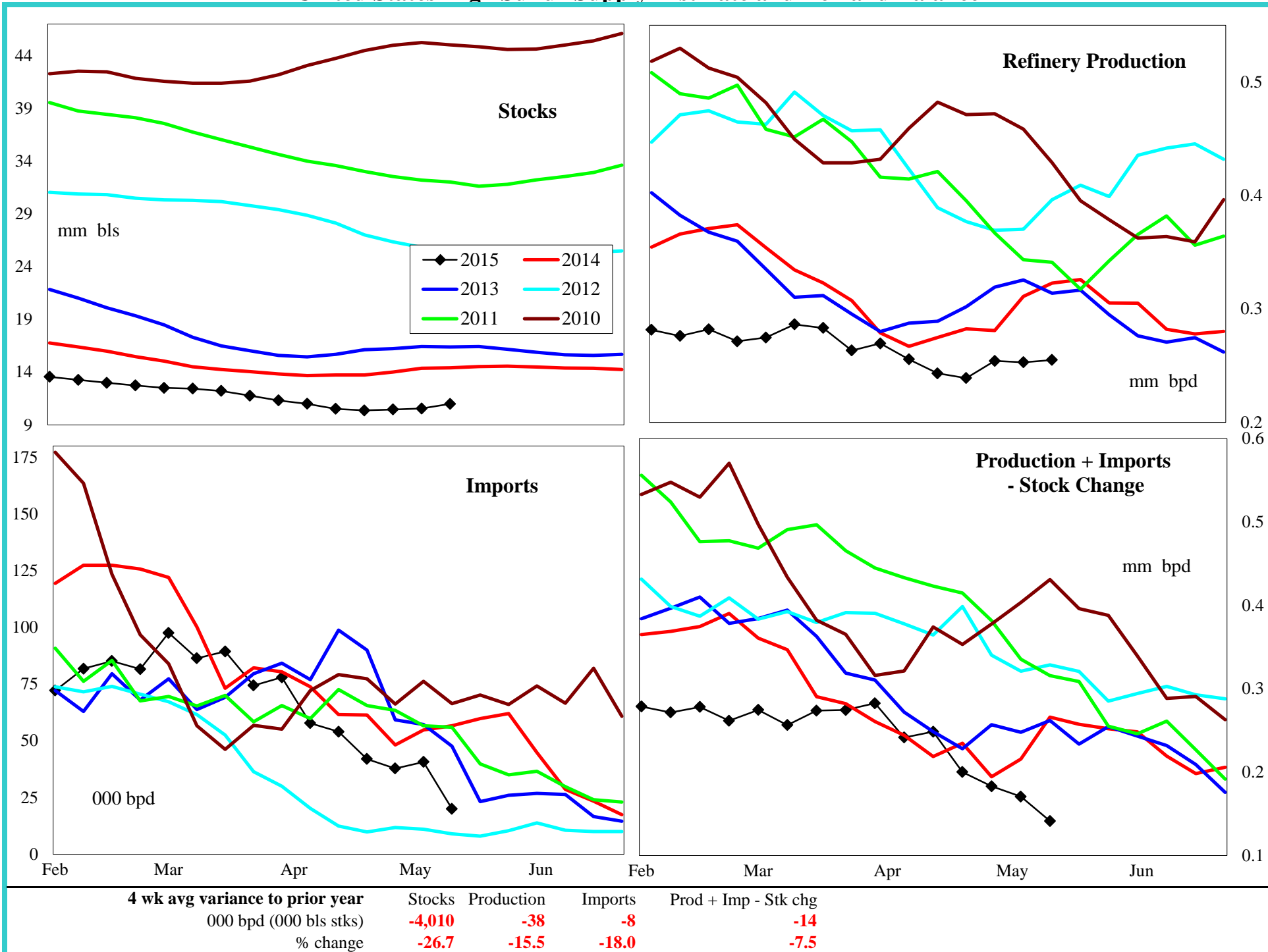
United States Distillate Supply and Demand Balance



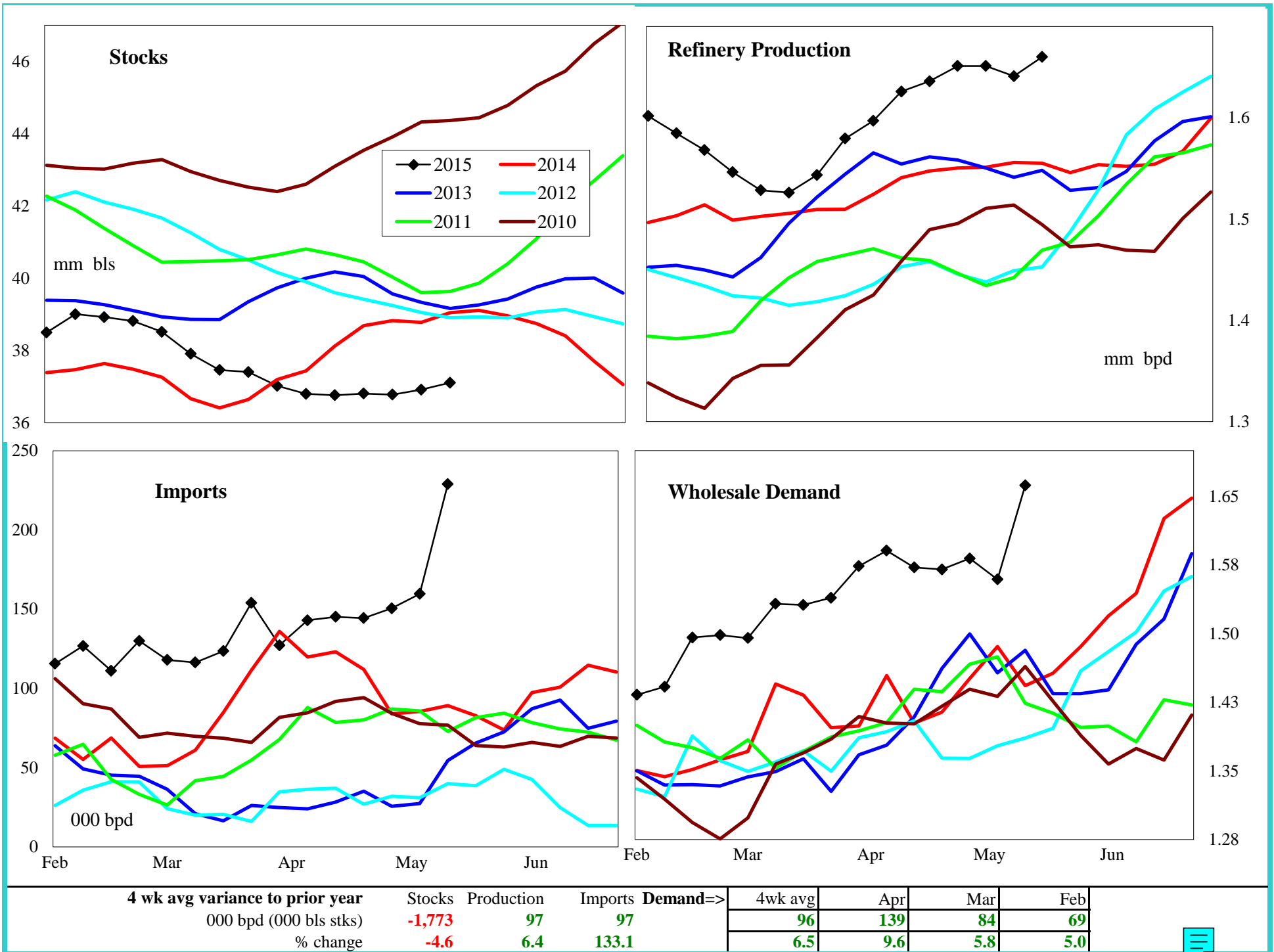
United States Low Sulfur Distillate Supply and Demand Balance



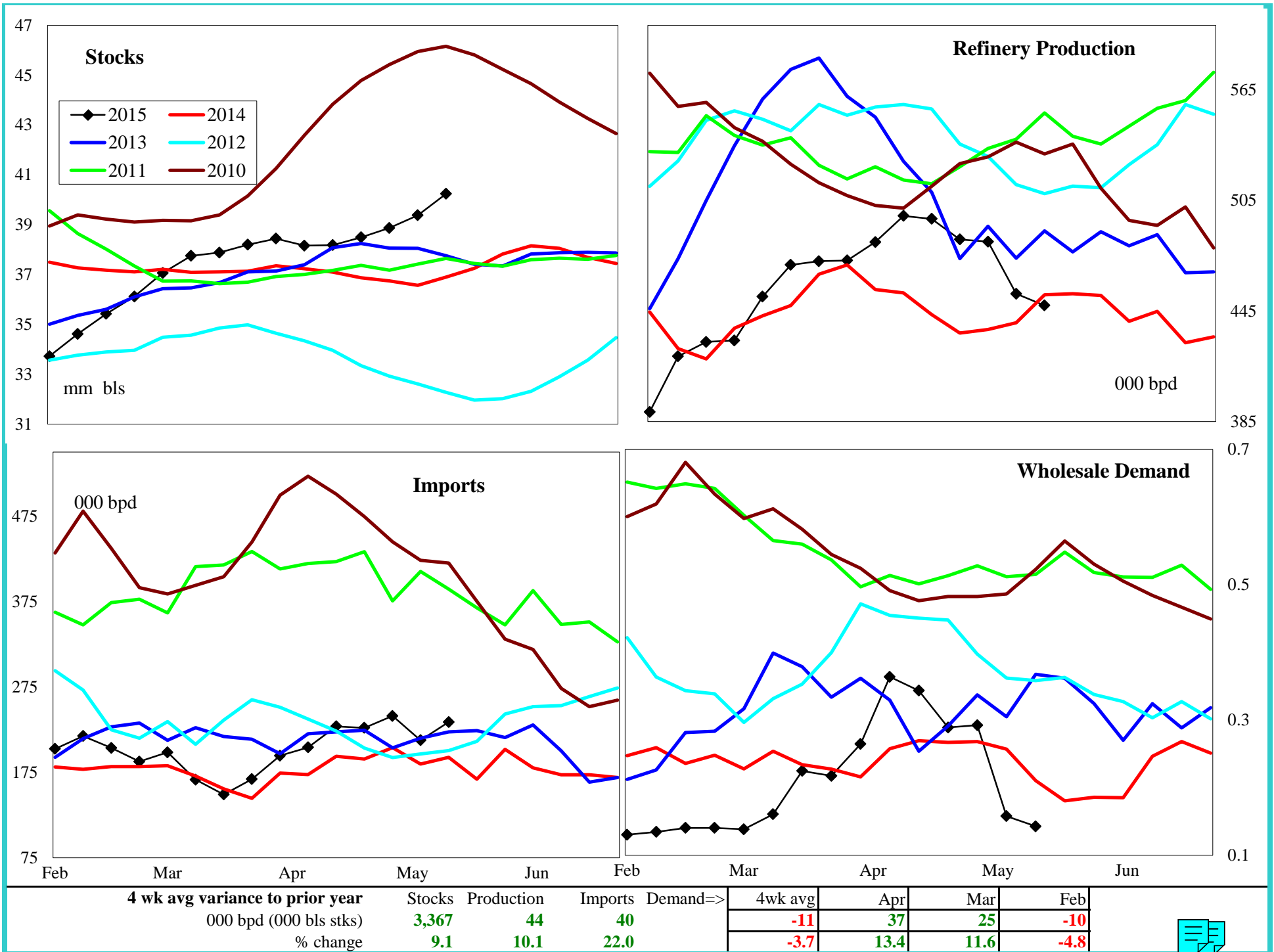
United States High Sulfur Supply Distillate and Demand Balance



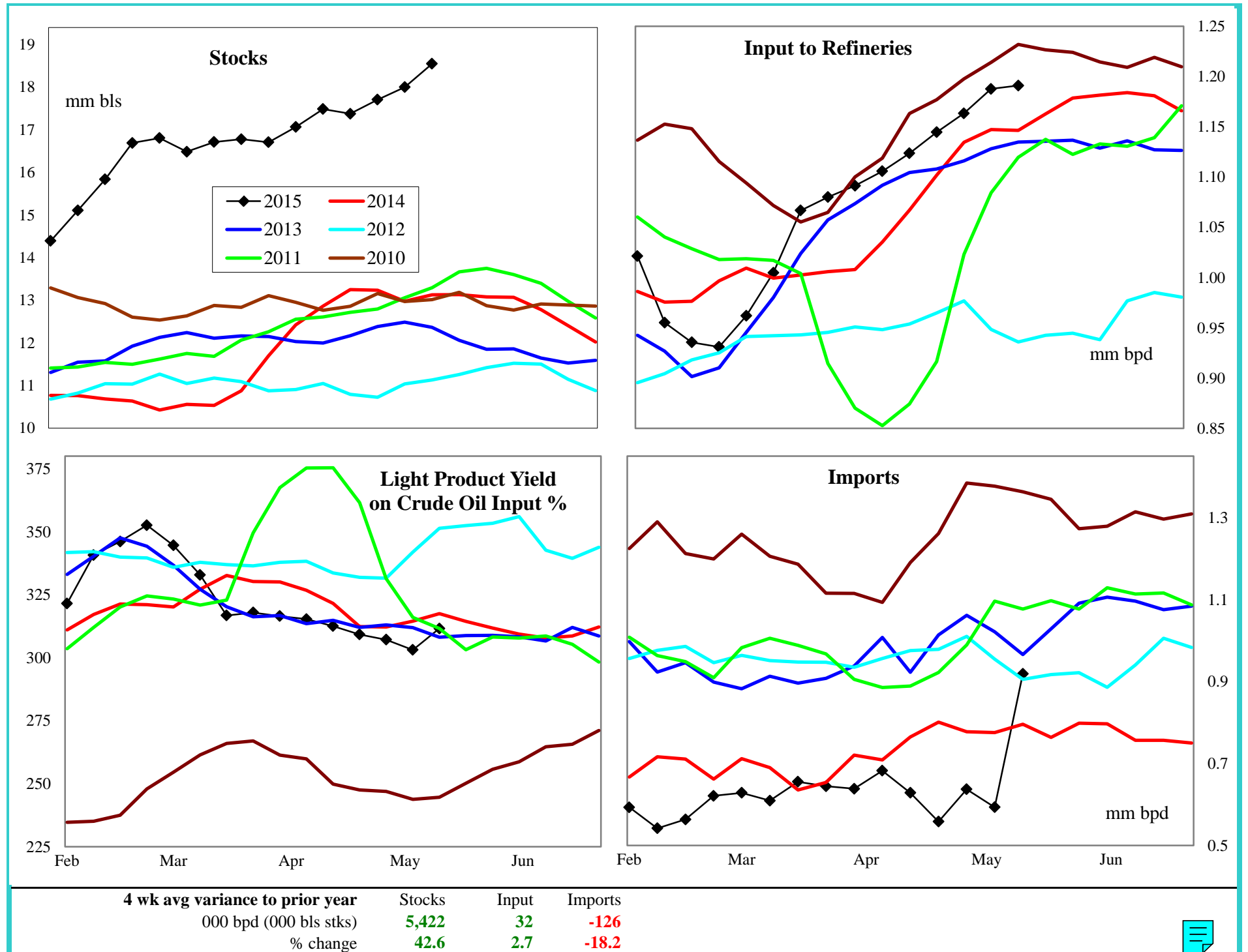
United States Jet Fuel Supply and Demand Balance



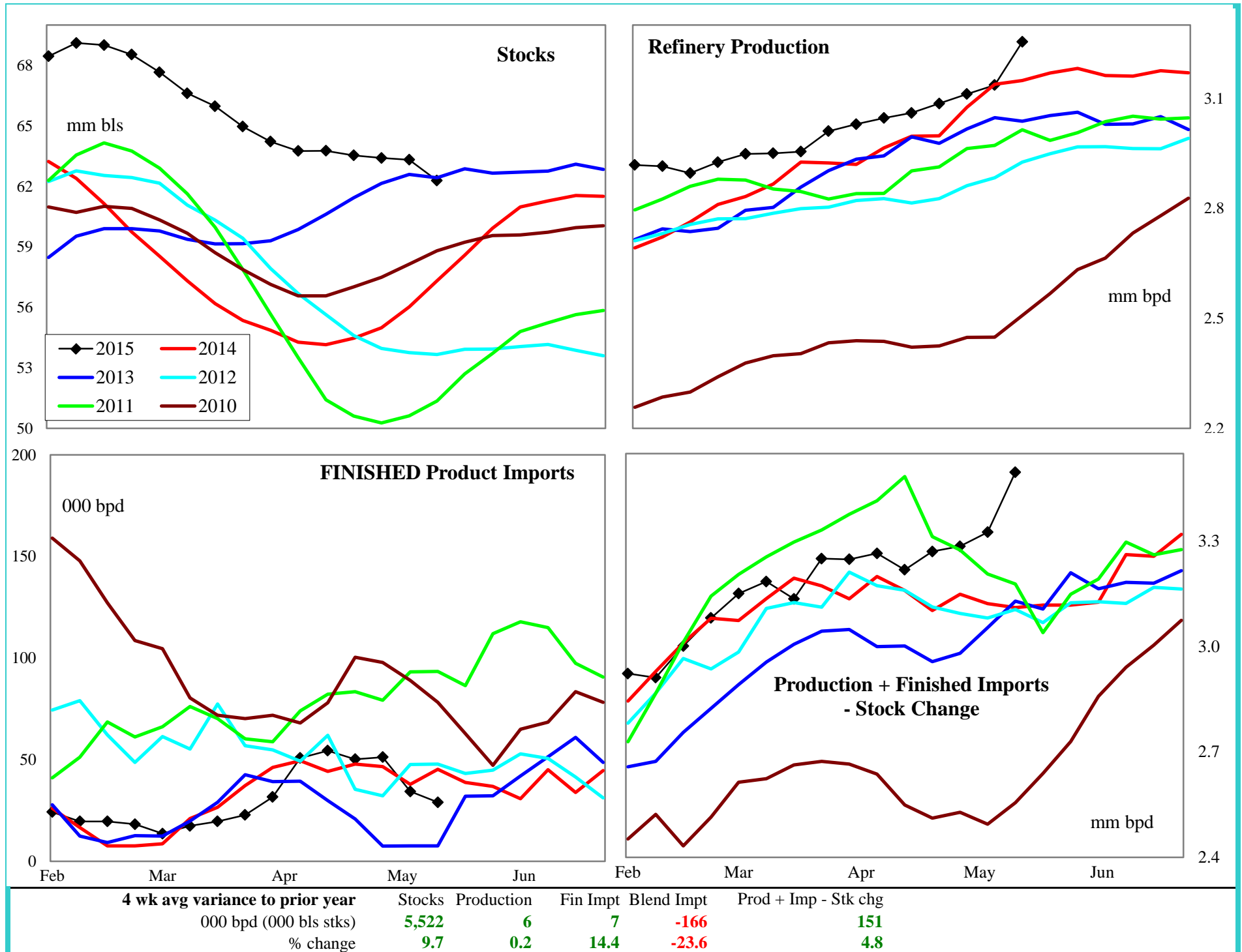
United States Residual Fuel Supply and Demand Balance



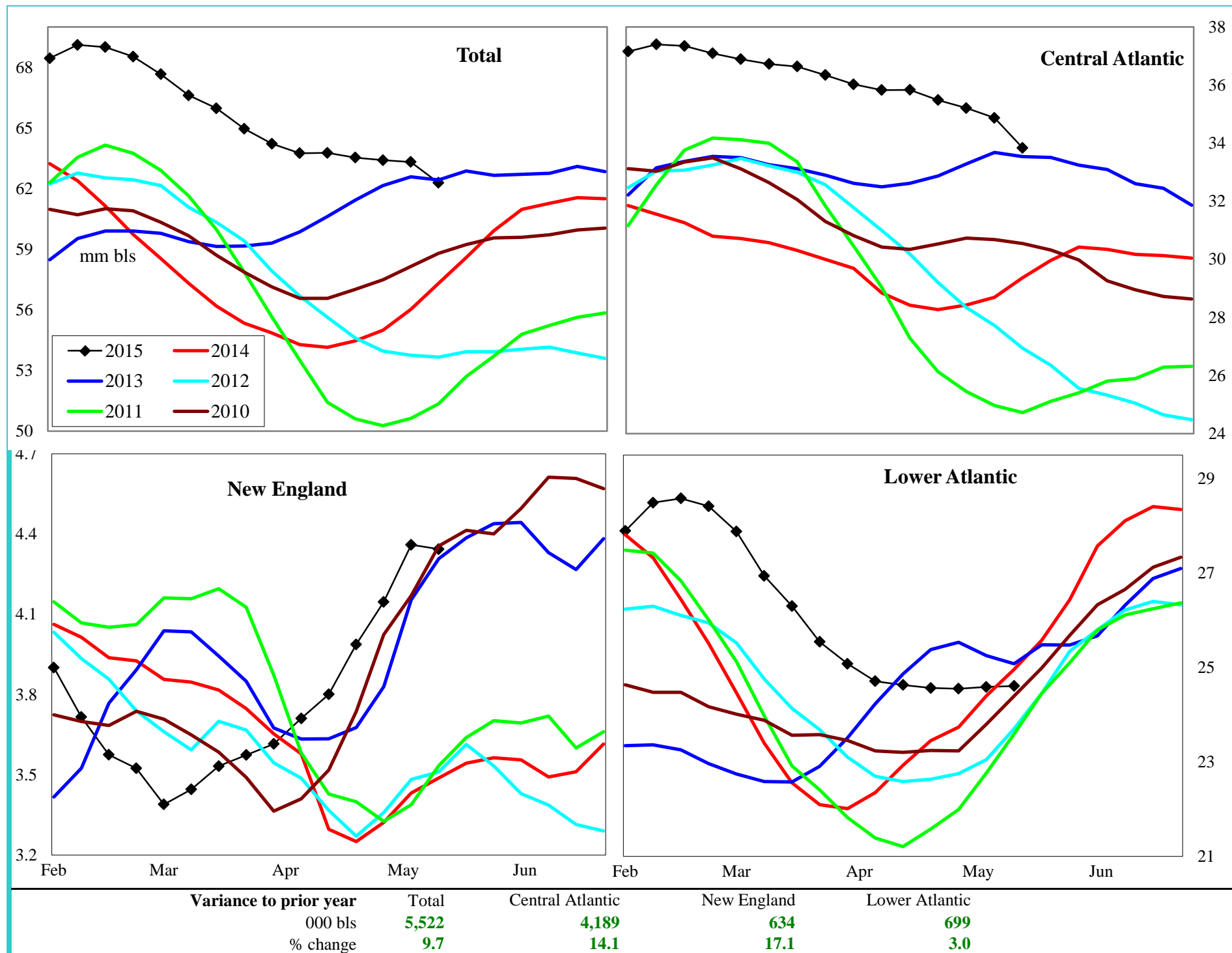
PADD 1 Crude Oil Supply and Refining



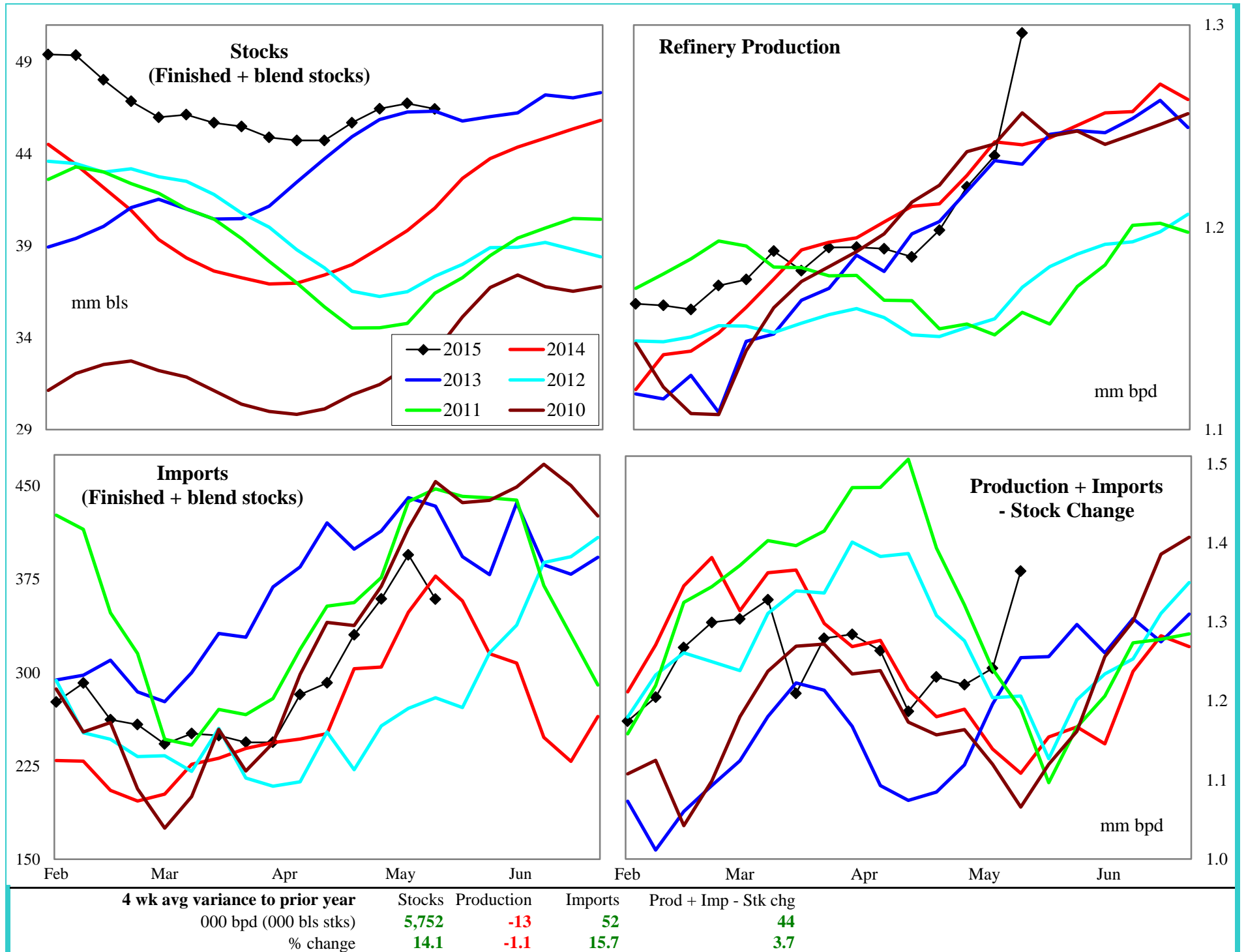
PADD 1 Gasoline Supply



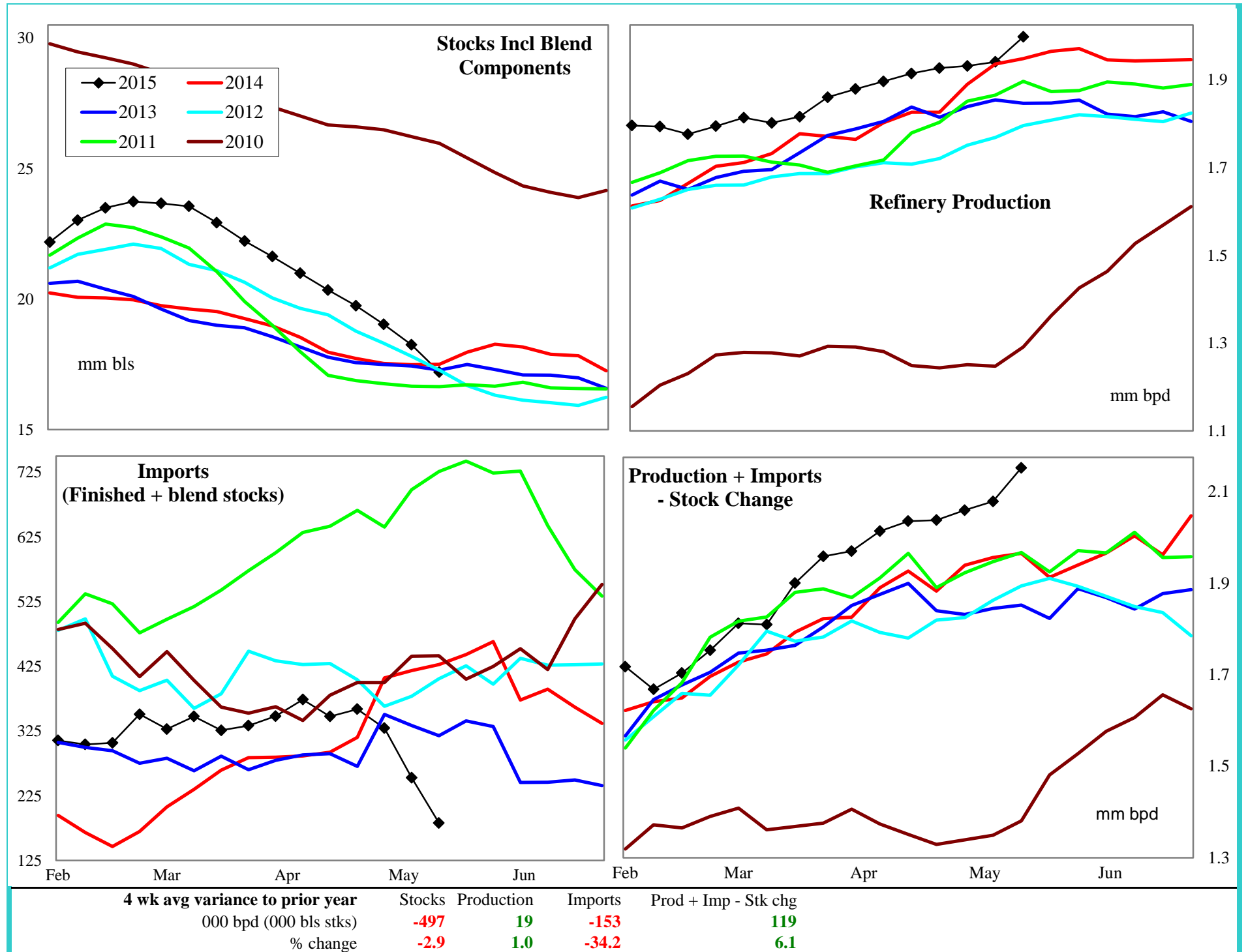
PADD 1 Gasoline Stocks by Region



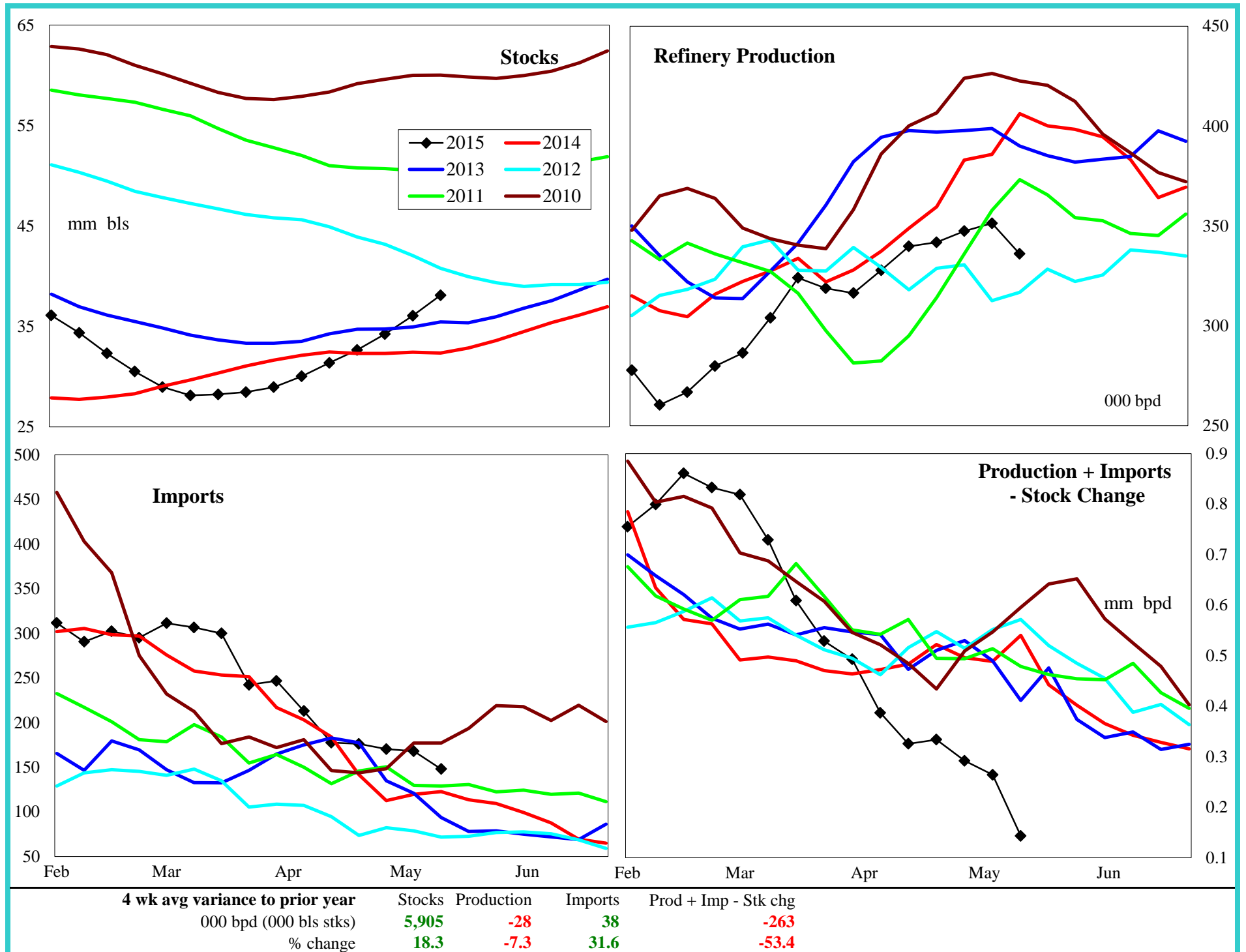
PADD 1 Reformulated Gasoline Supply



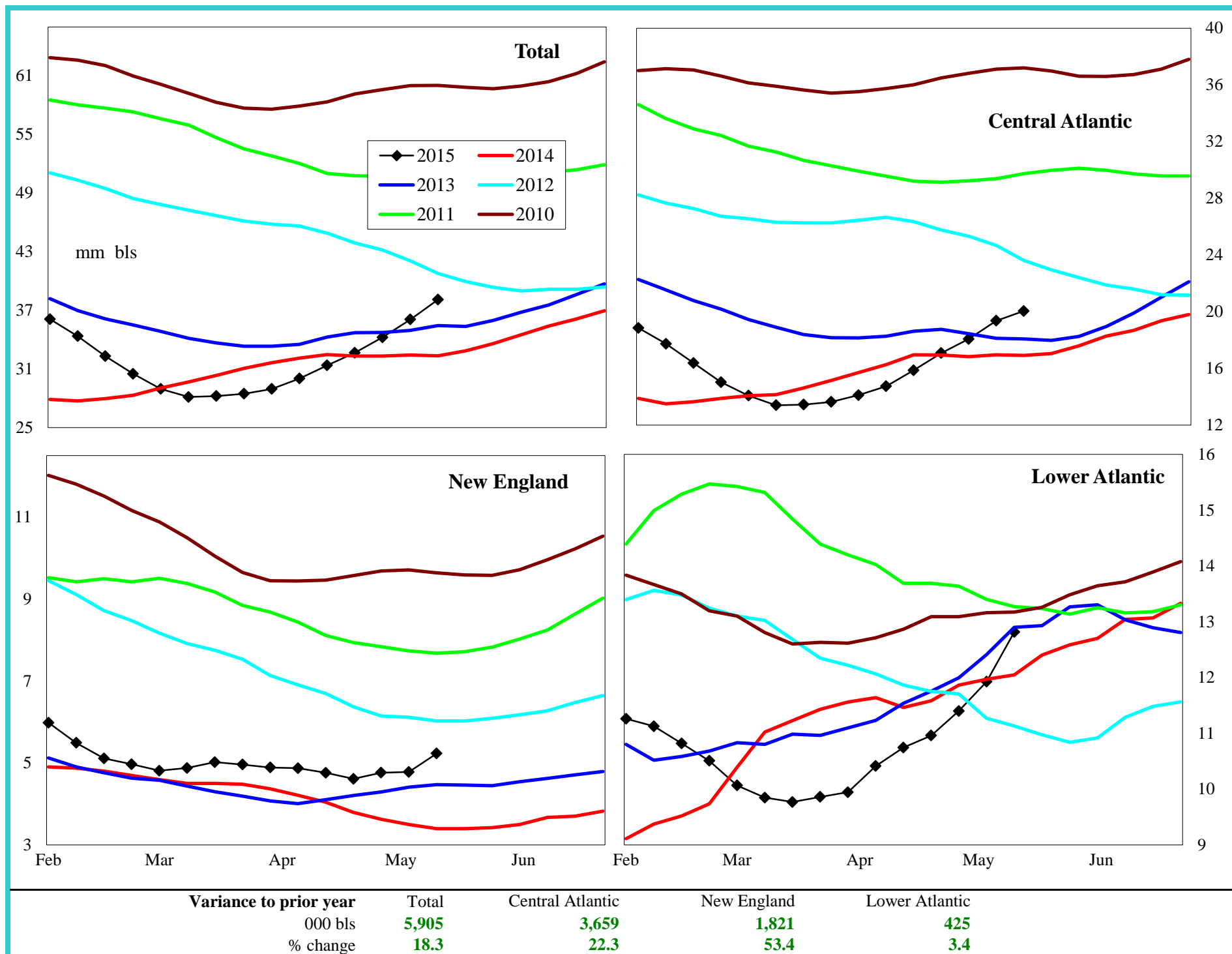
PADD 1 Conventional Gasoline Supply



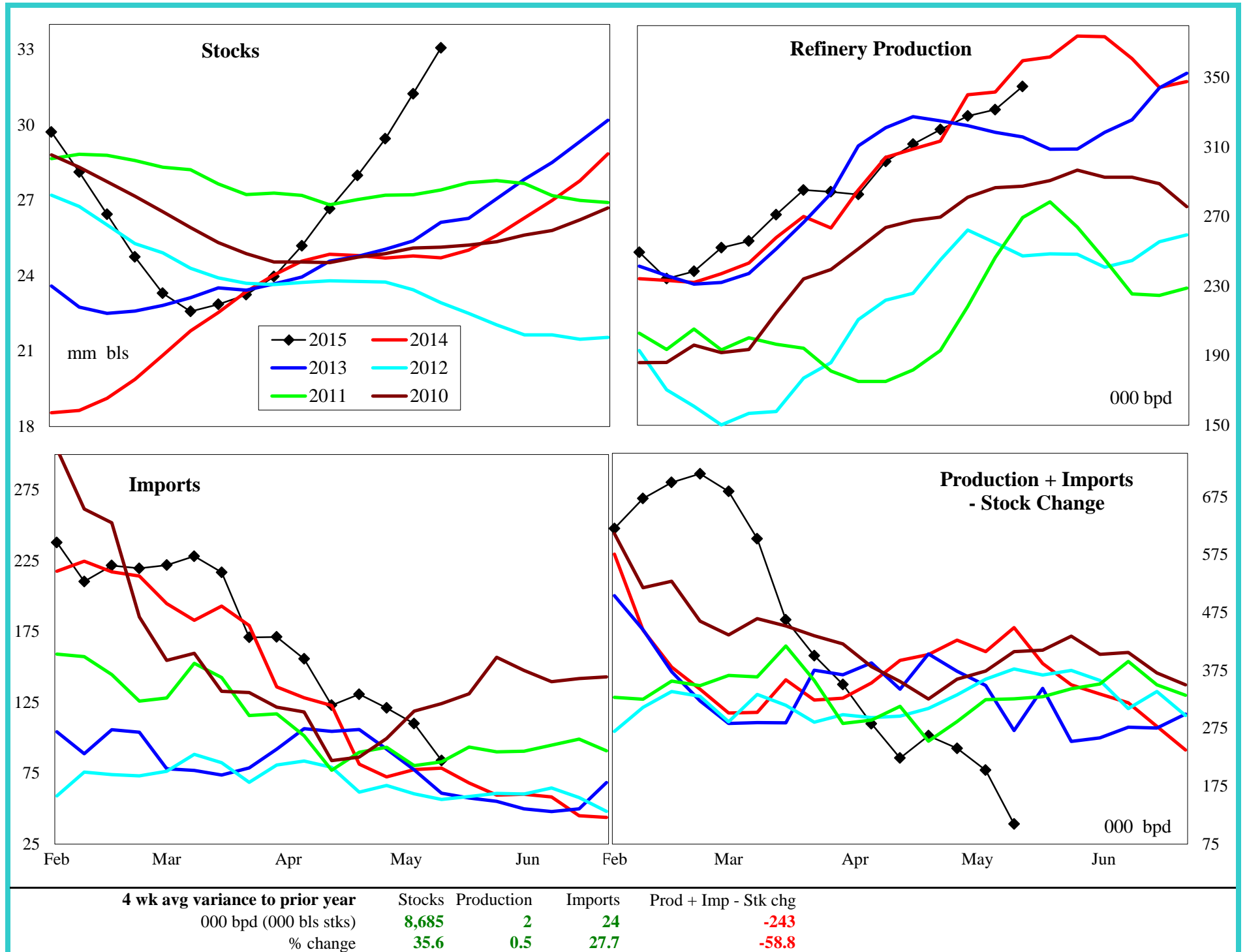
PADD 1 Distillate Supply



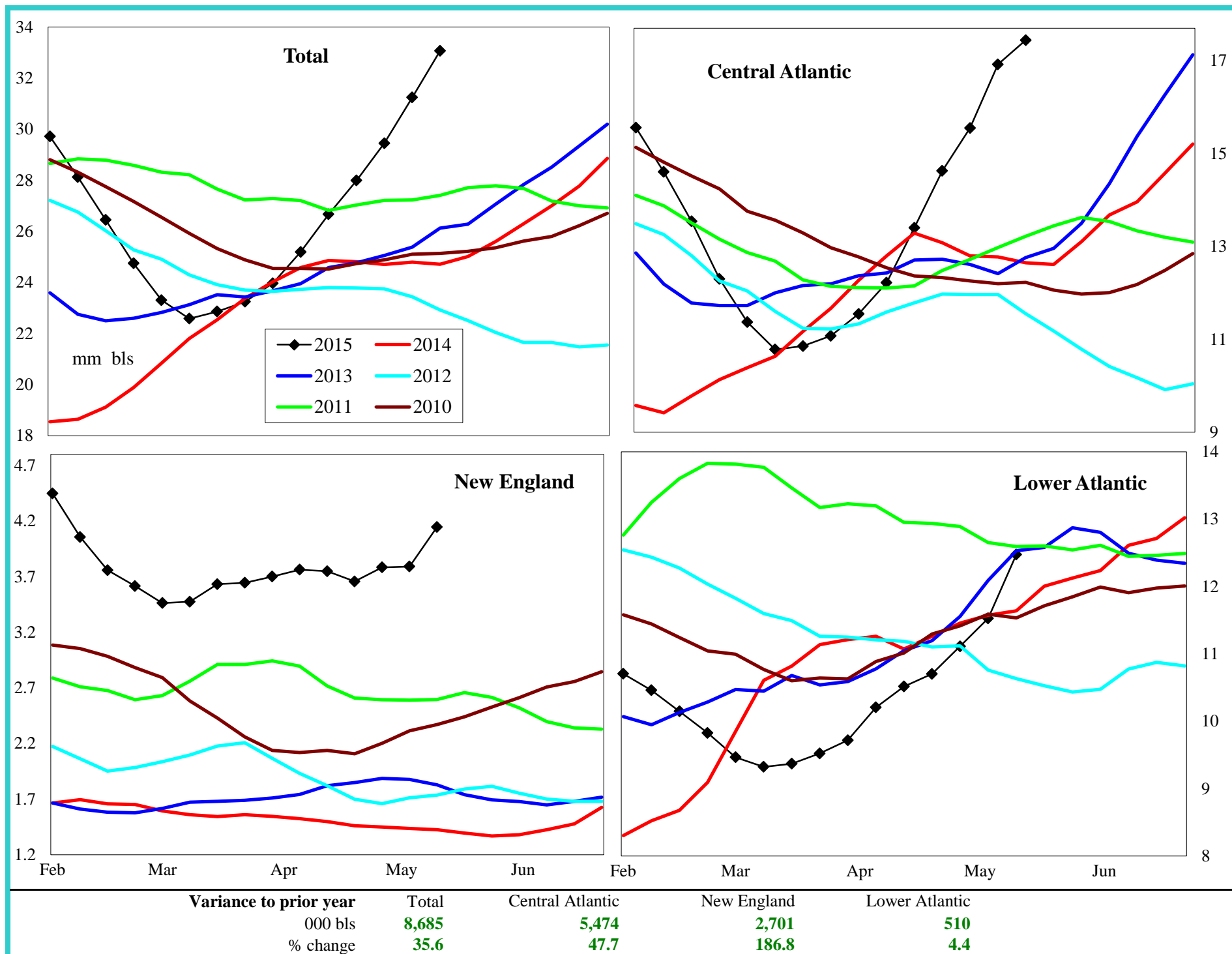
PADD 1 Distillate Stocks by Region



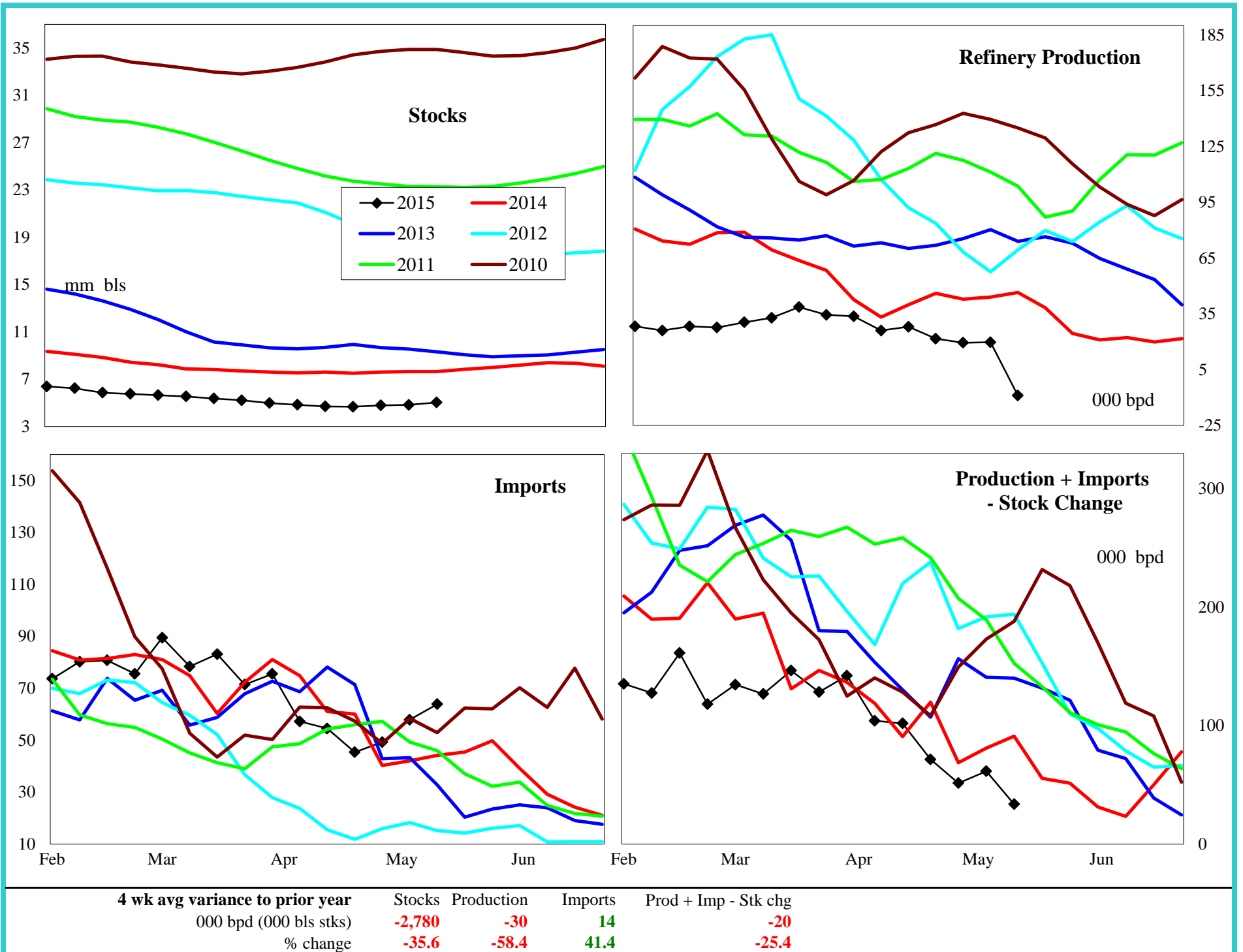
PADD 1 Low Sulfur Distillate Supply



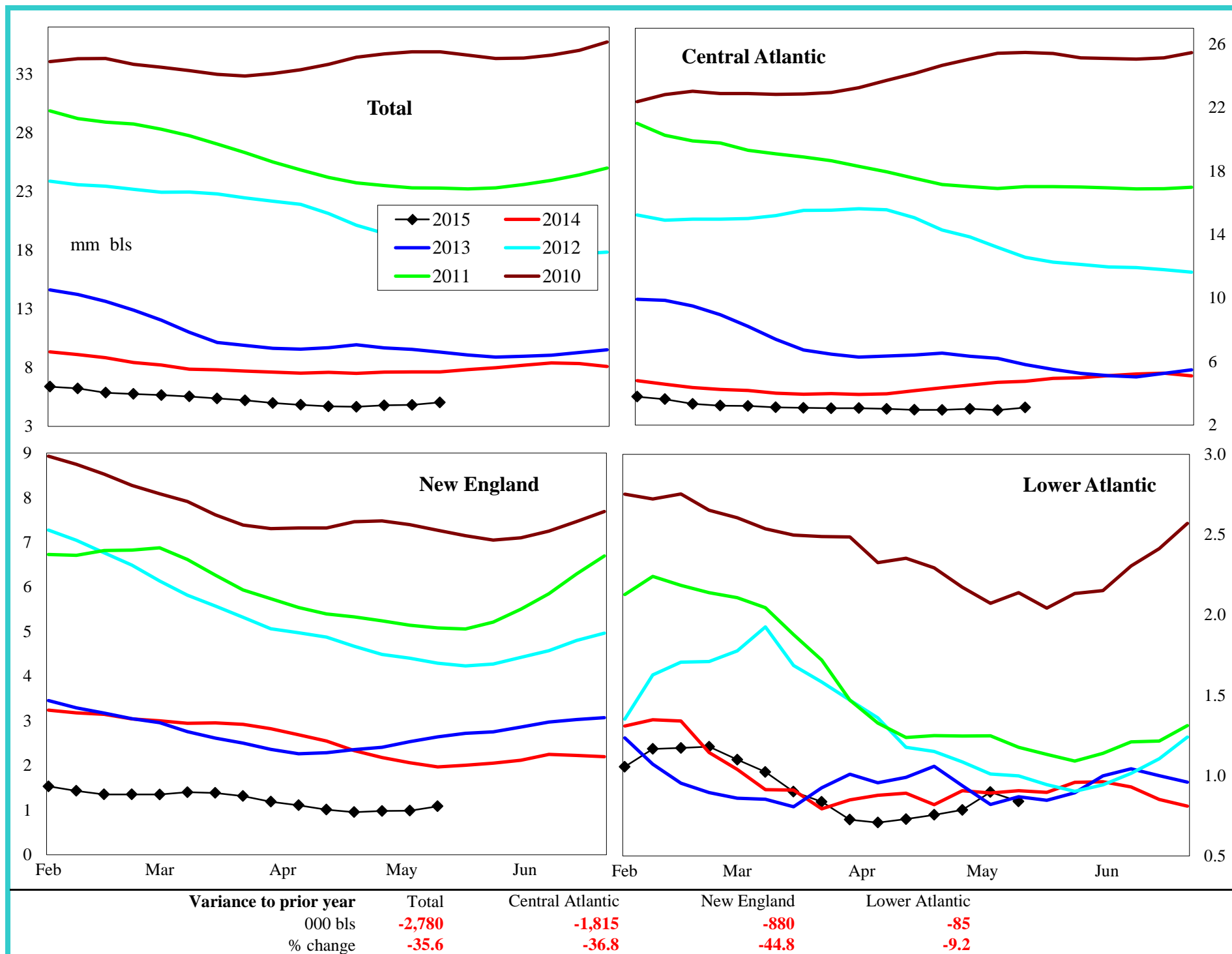
PADD 1 Low Sulfur Distillate Stocks by Region



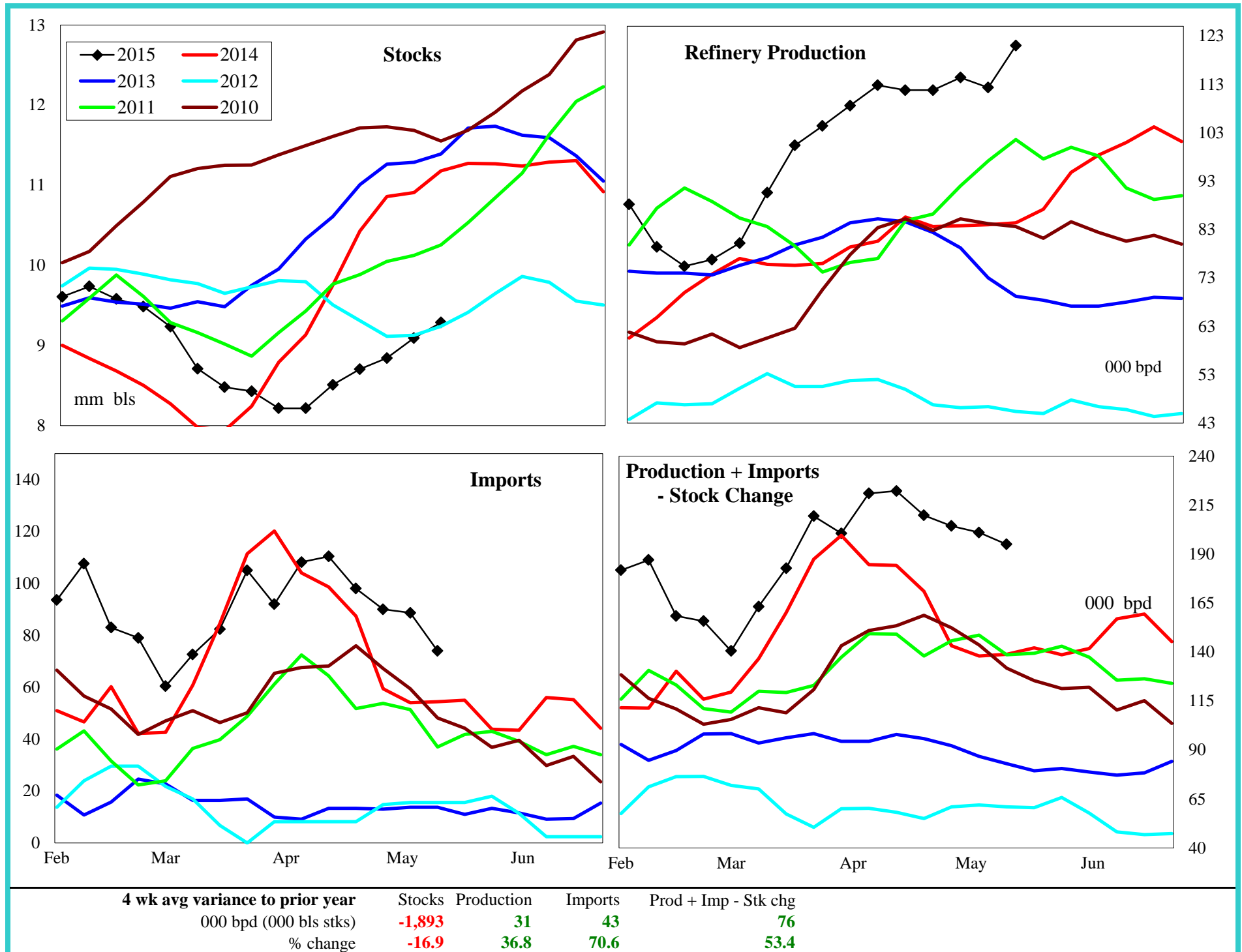
PADD 1 High Sulfur Distillate Supply



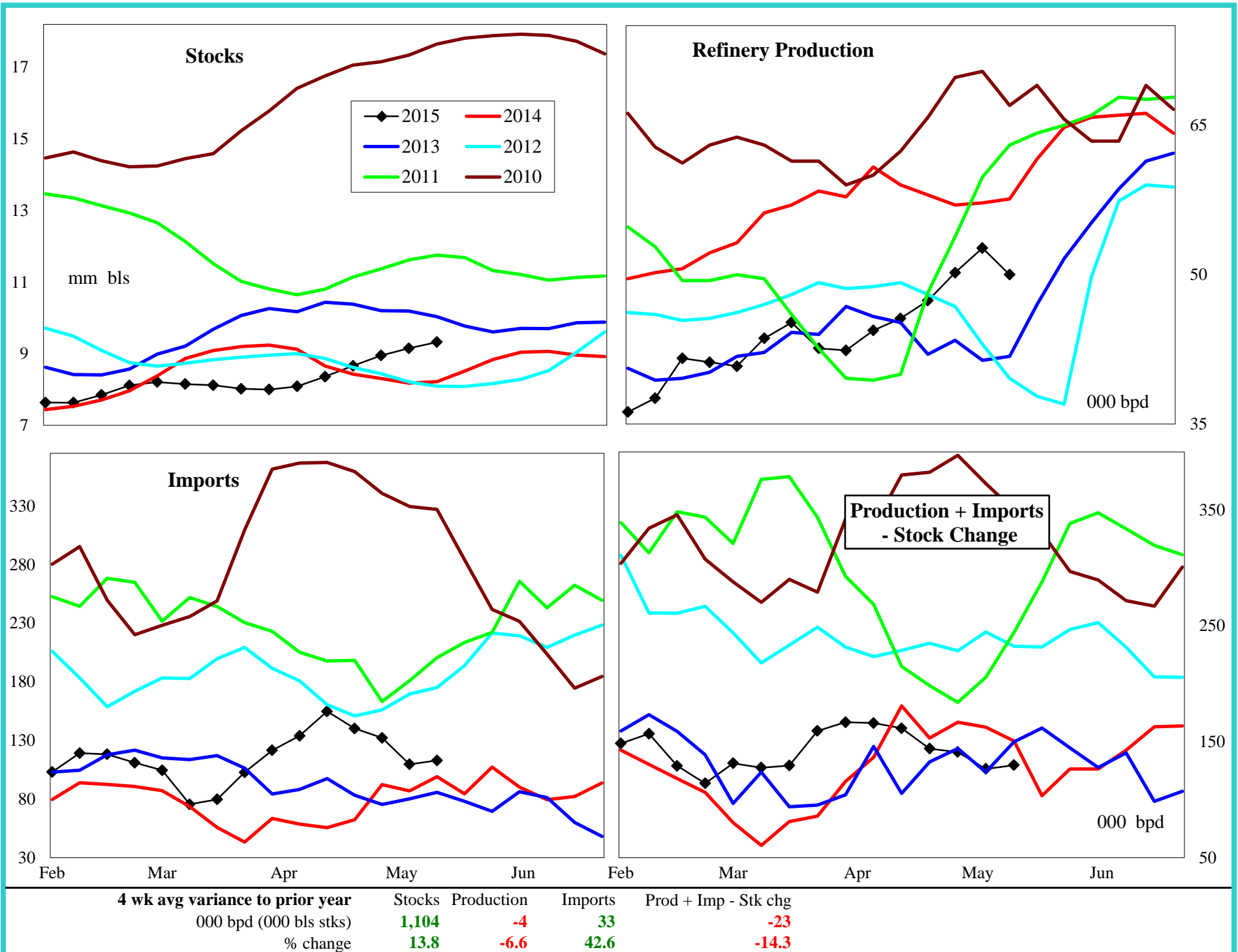
PADD 1 High Sulfur Distillate Stocks by Region



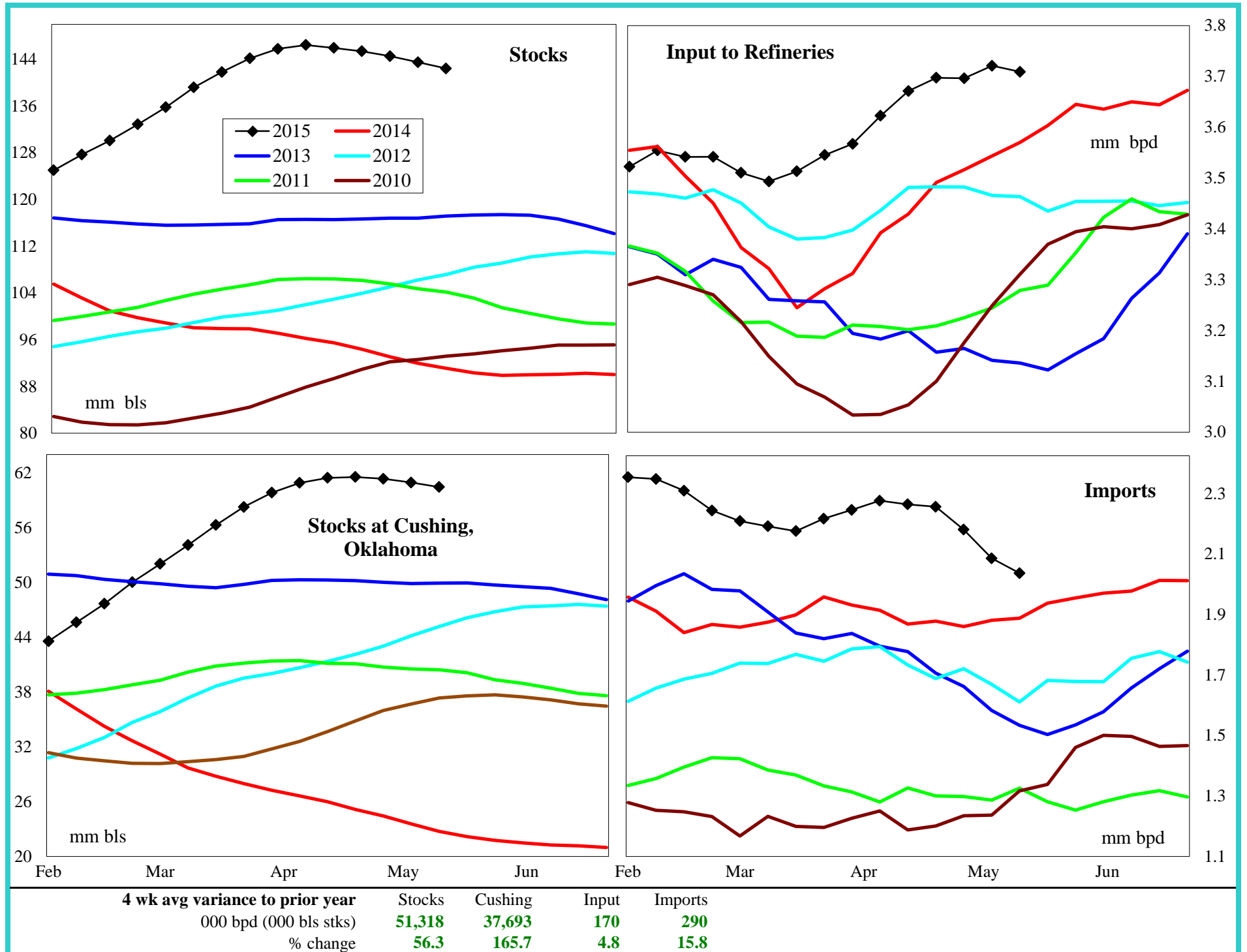
PADD 1 Jet Fuel Supply



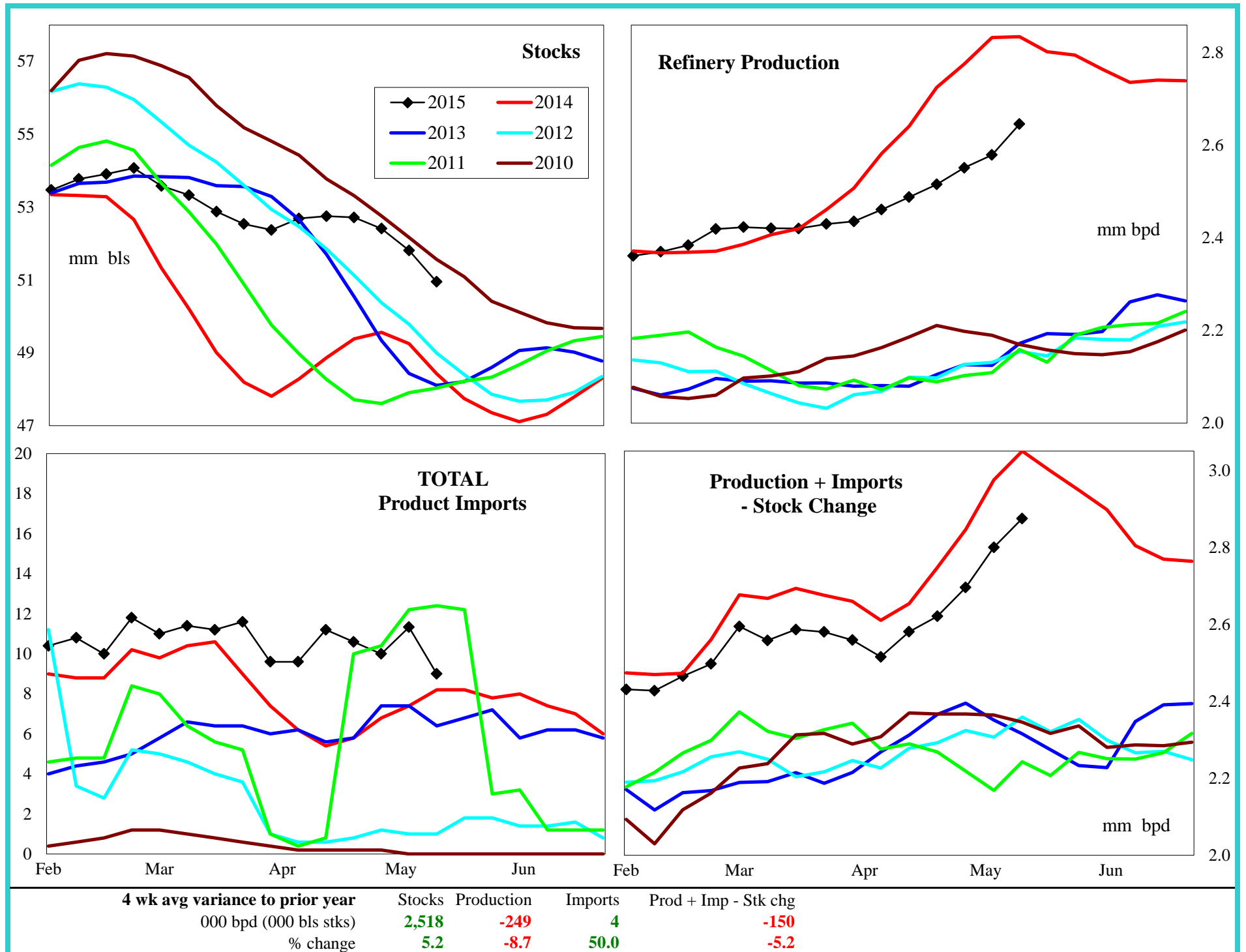
PADD 1 Residual Fuel Oil Supply



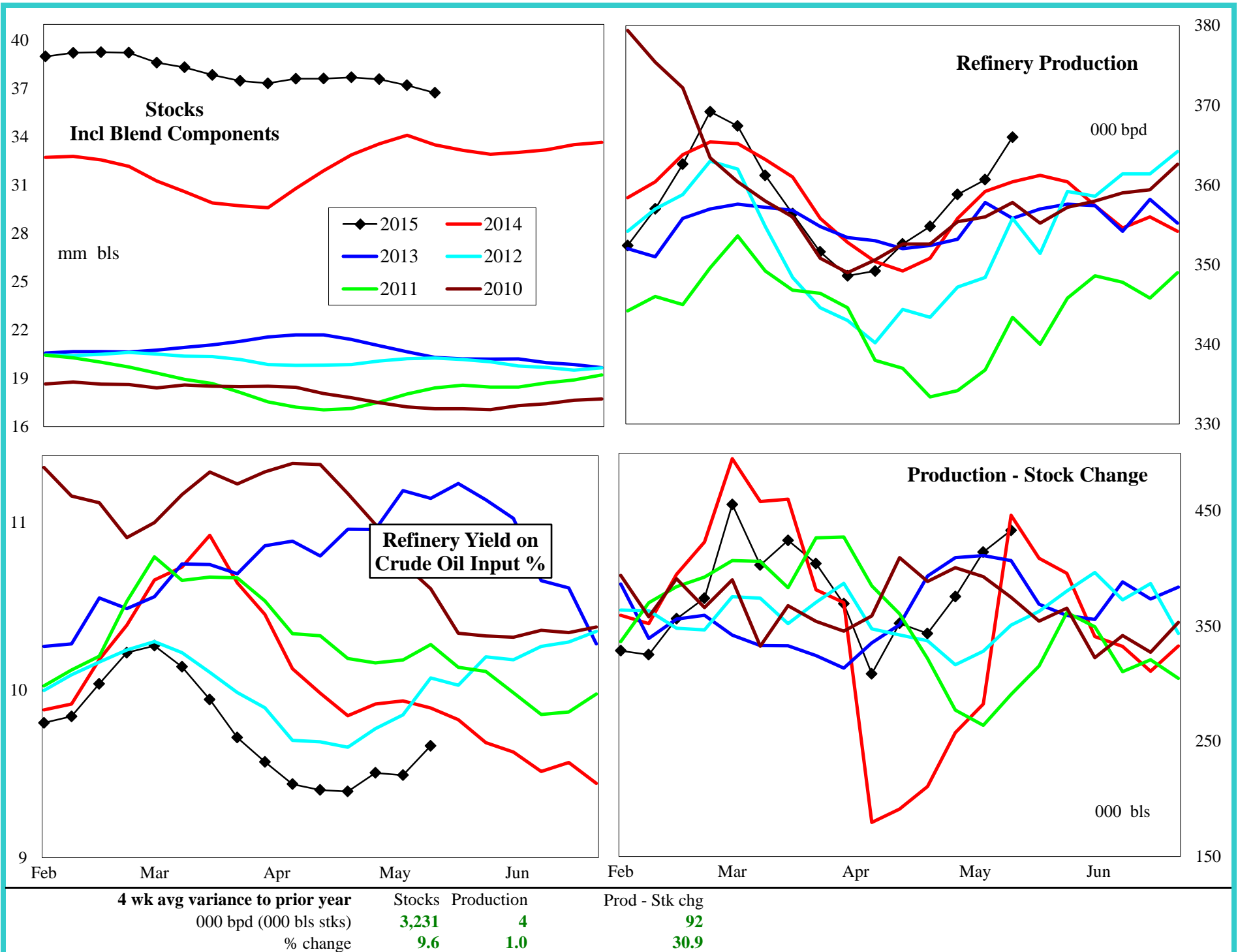
PADD 2 Crude Oil Supply and Refining



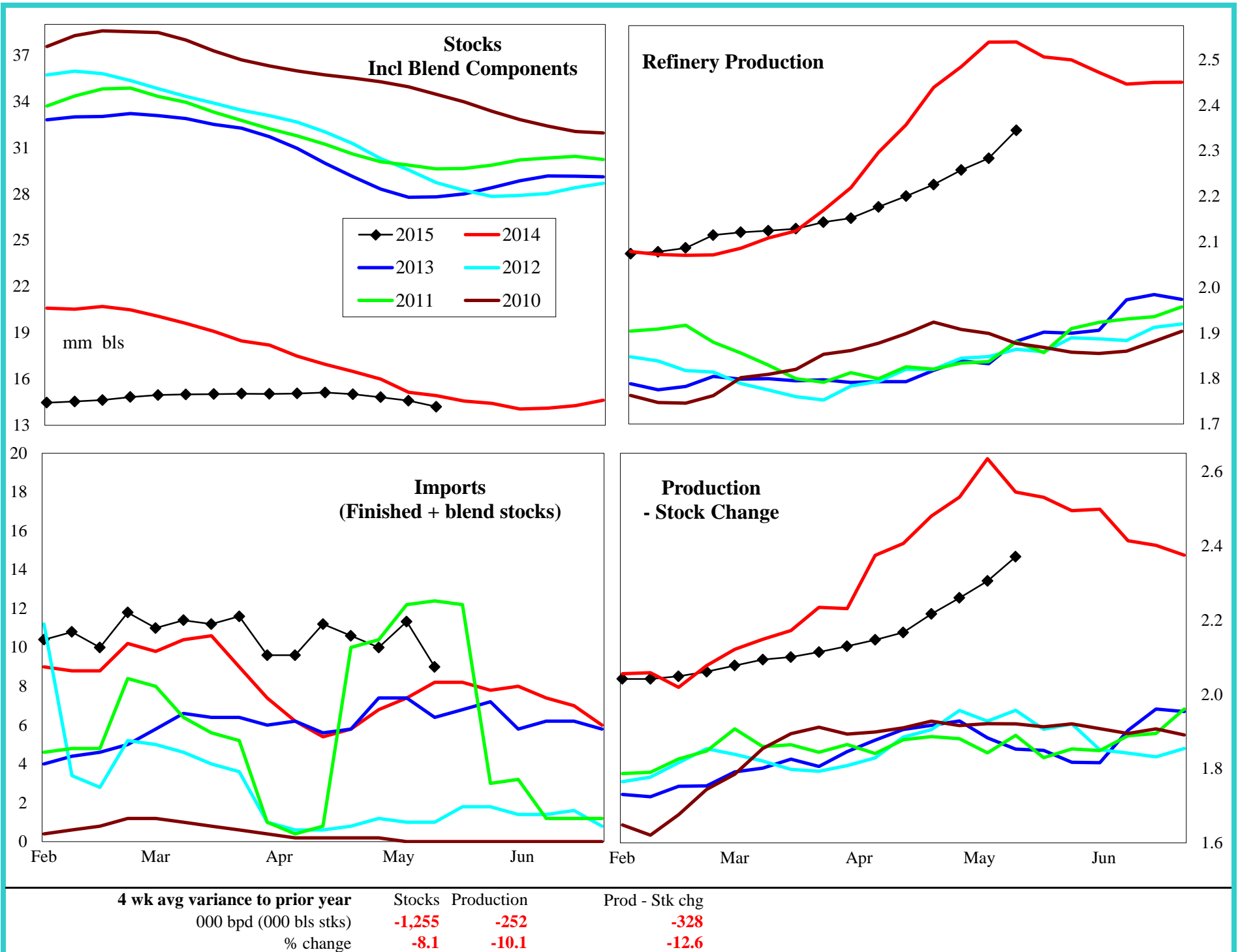
PADD 2 Gasoline Supply



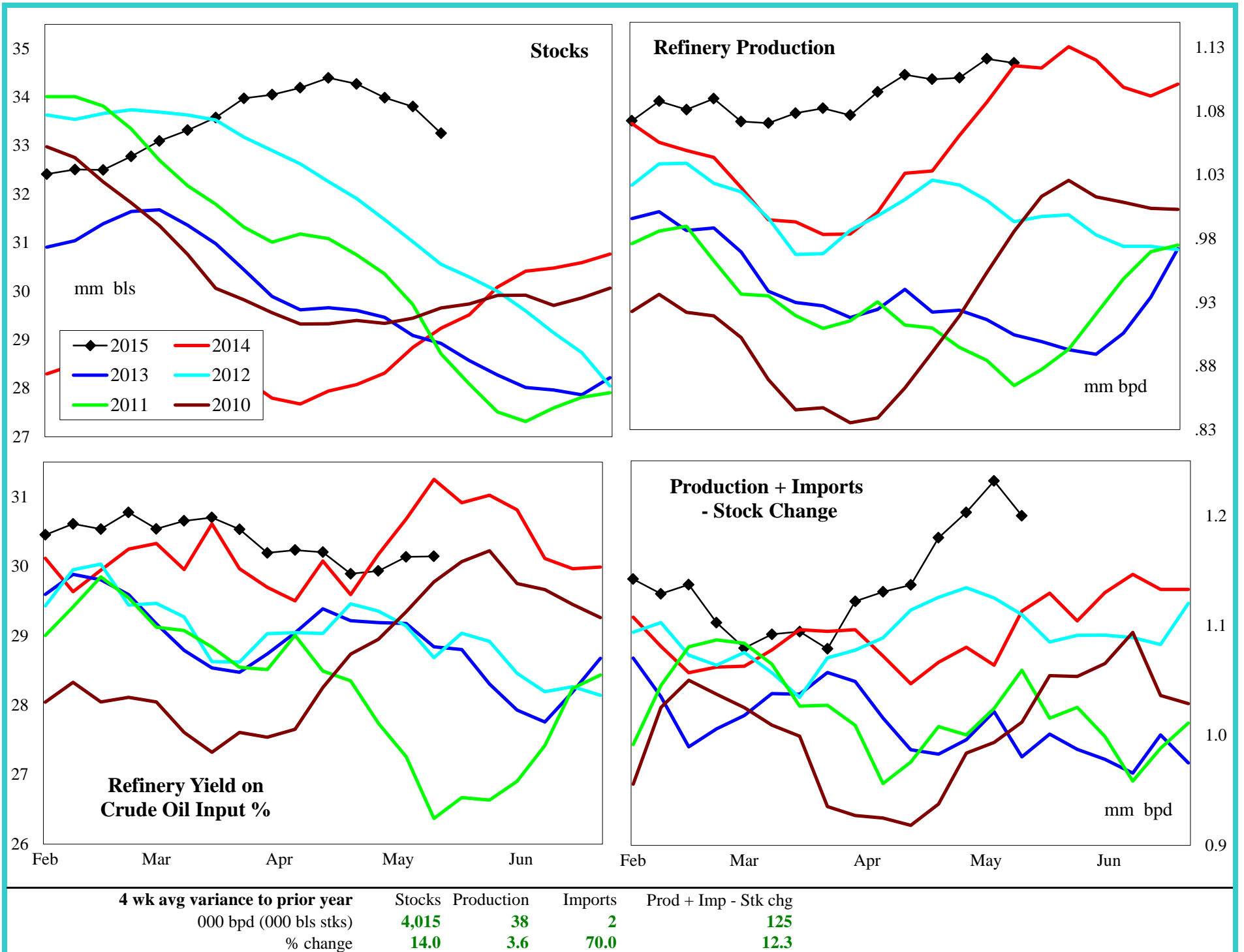
PADD 2 Reformulated Gasoline Supply



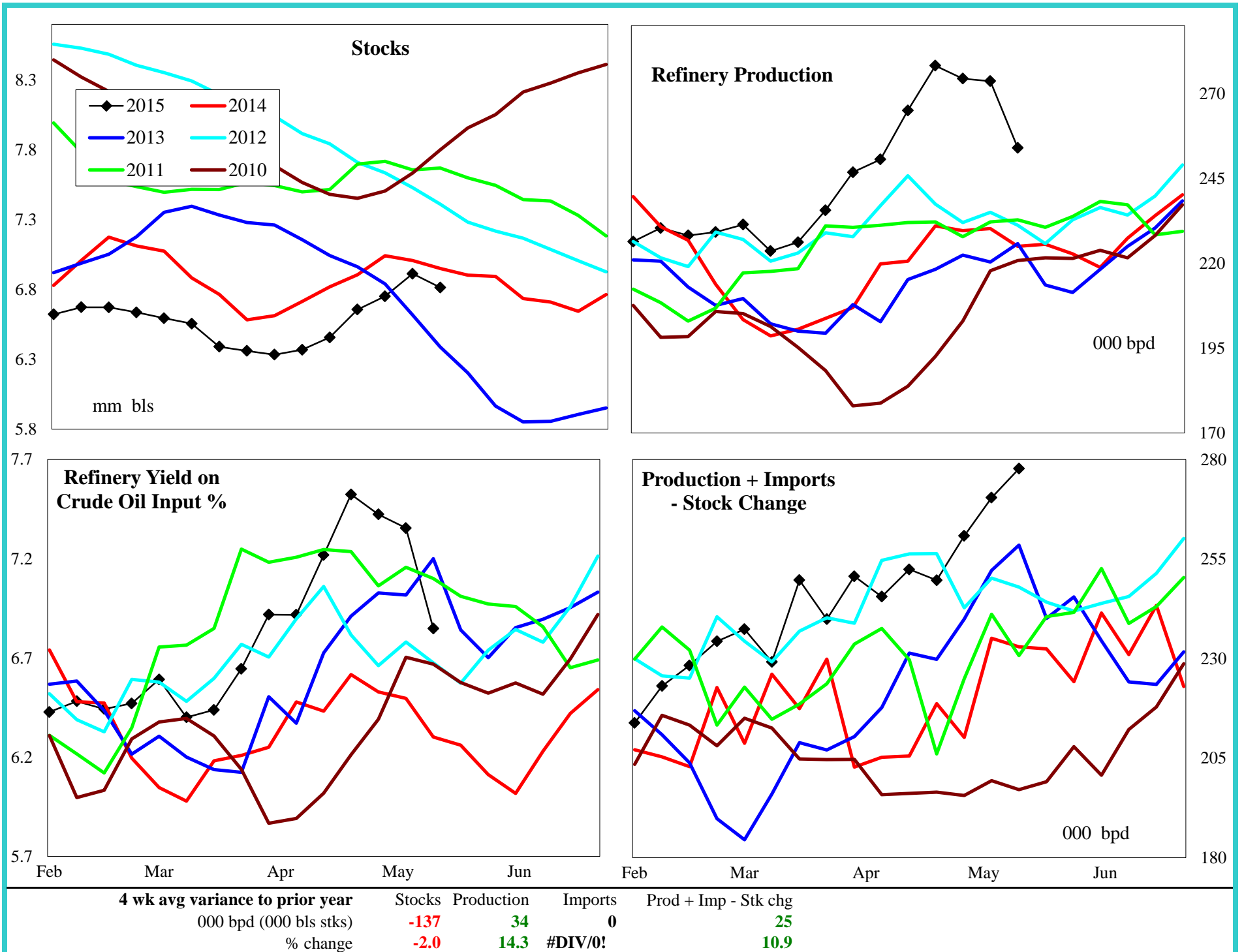
PADD 2 Conventional Gasoline Supply



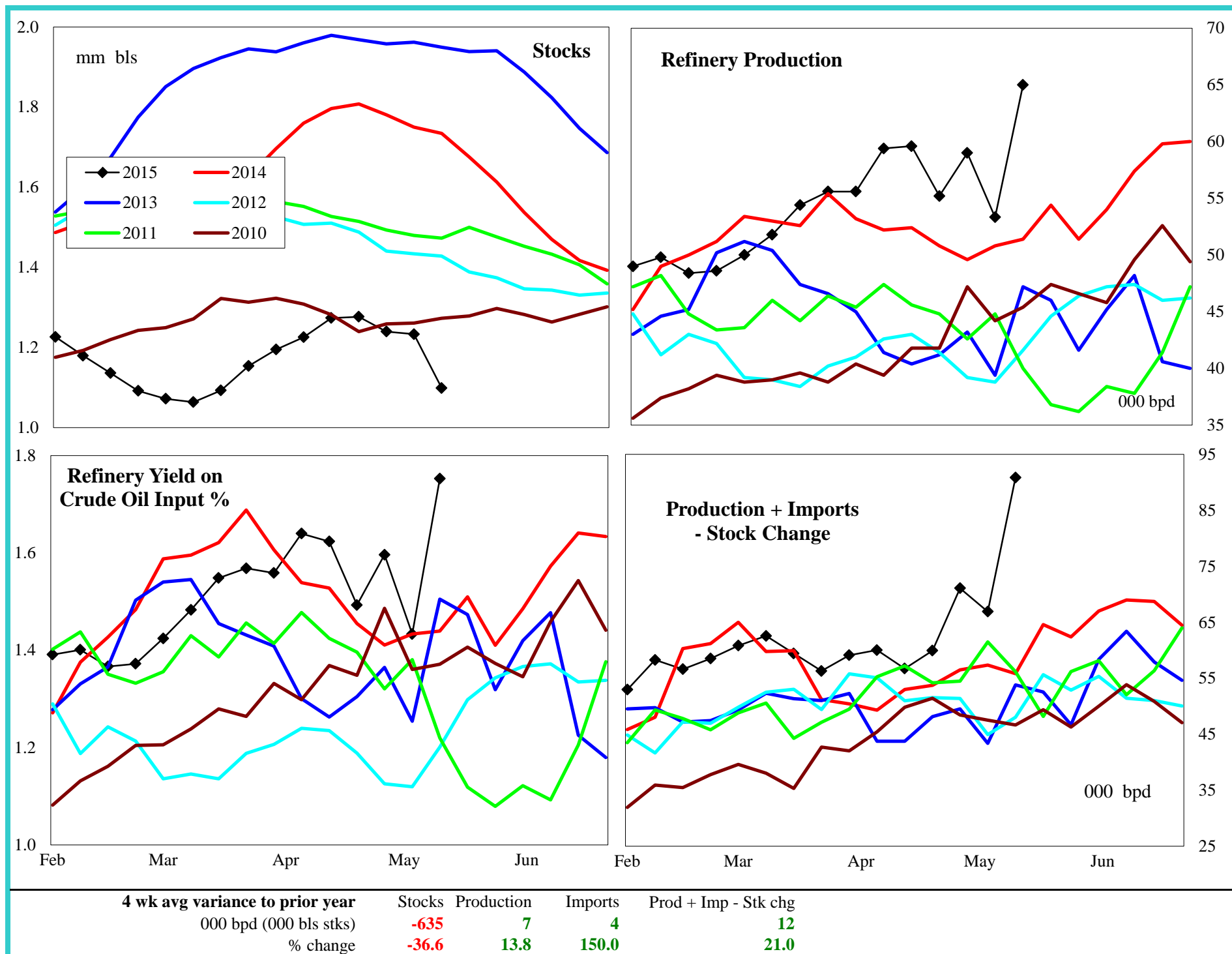
PADD 2 Distillate Supply



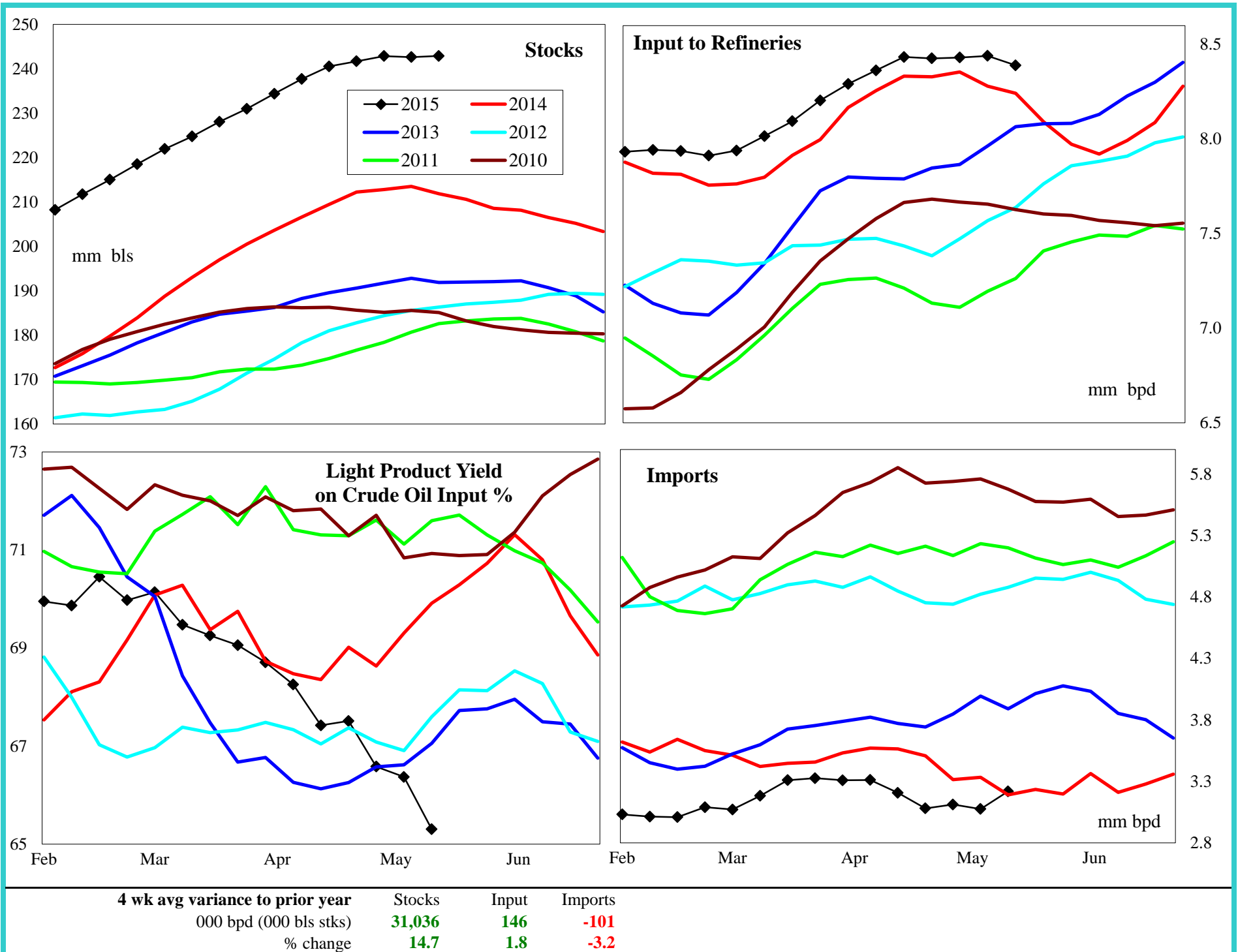
PADD 2 Jet Fuel Supply



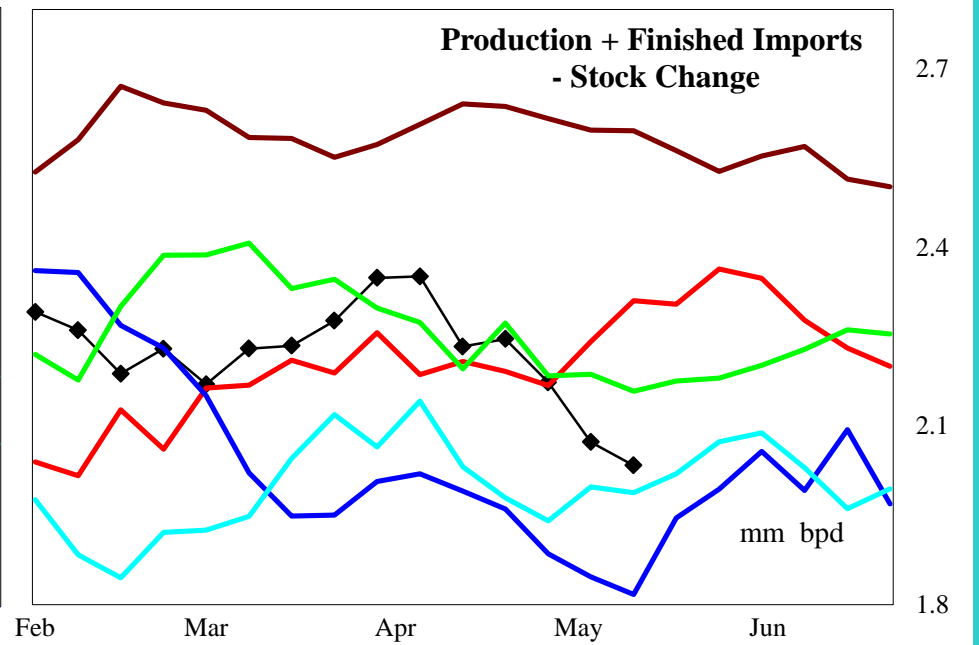
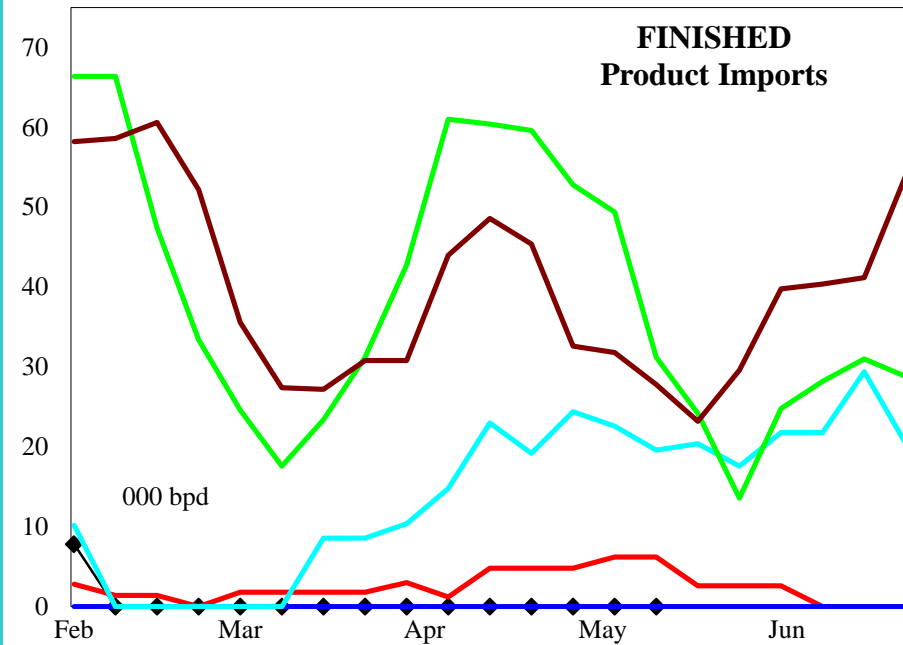
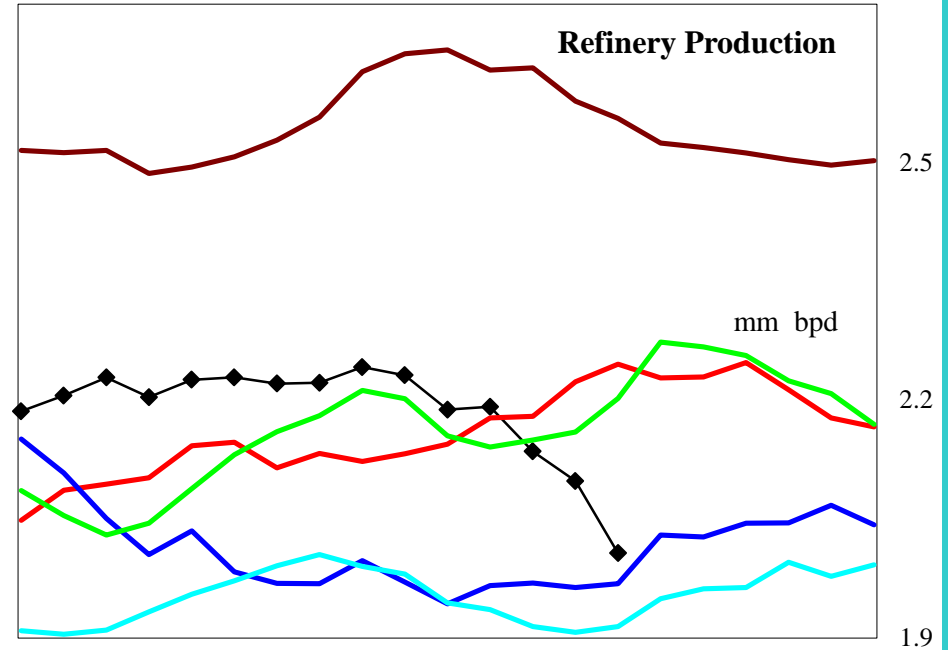
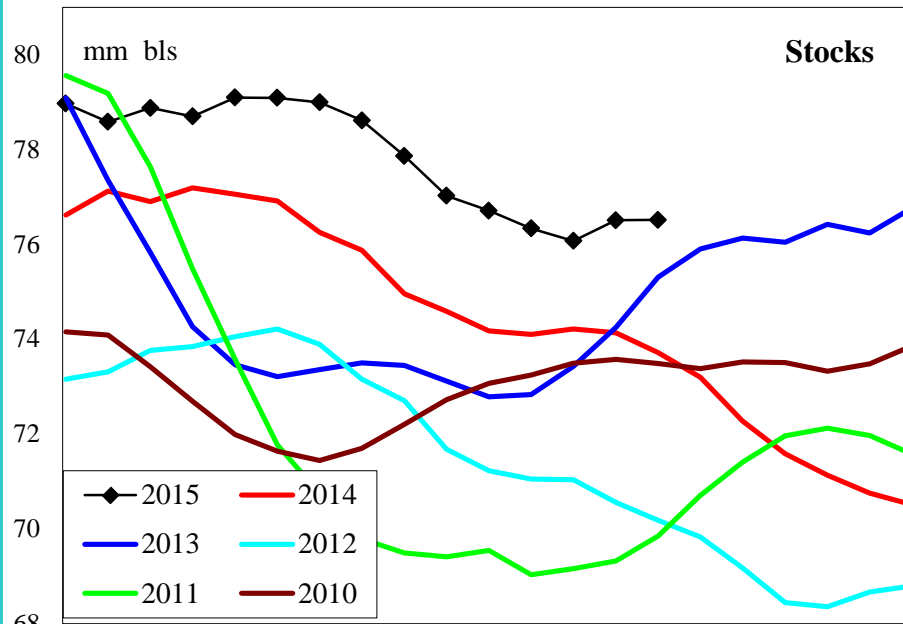
PADD 2 Residual Fuel Oil Supply



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

2,163

2.9

Production

-87

-4.0

Fin Impt

-5

-100.0

Blend Impt

-11

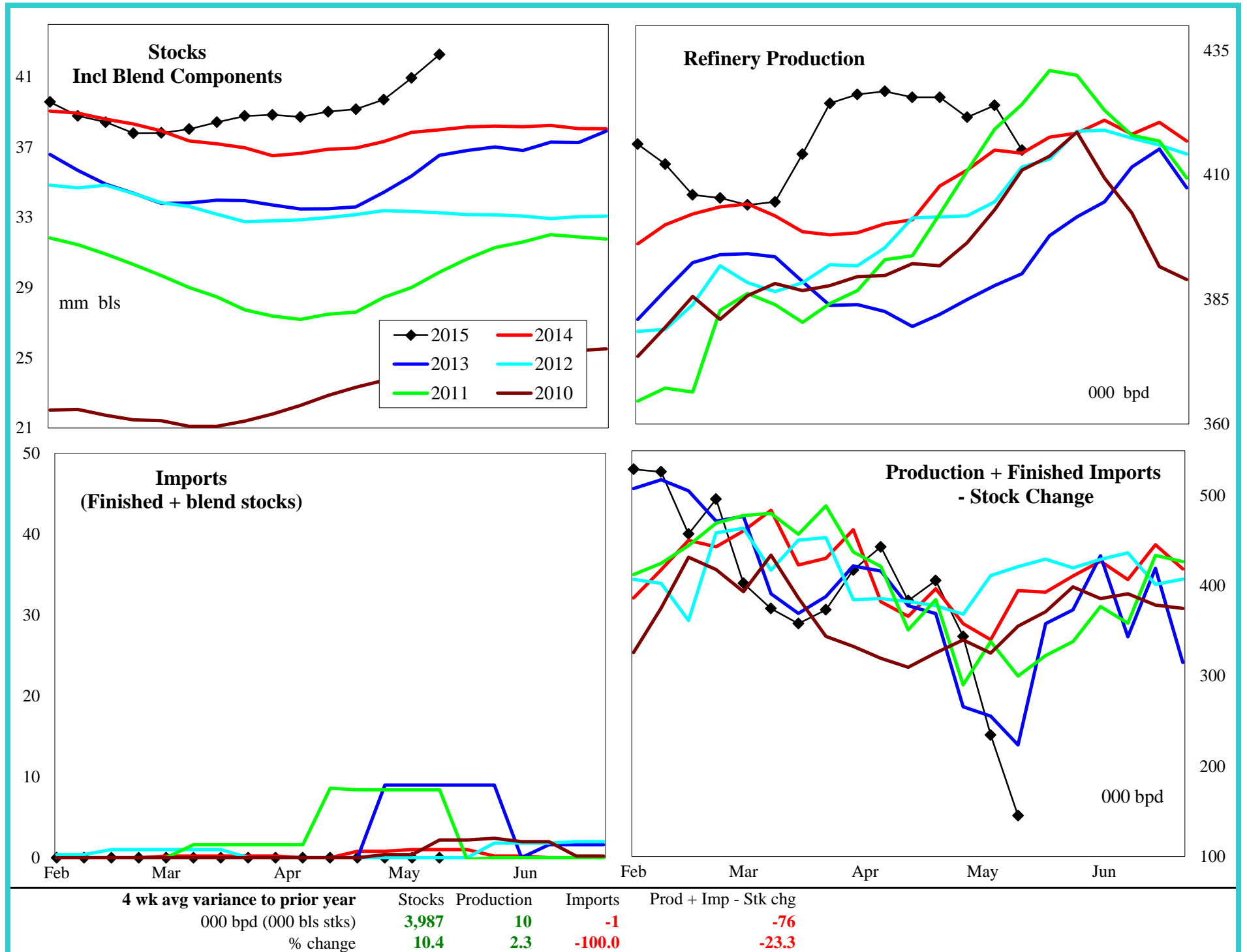
-89.4

Prod + Imp - Stk chg

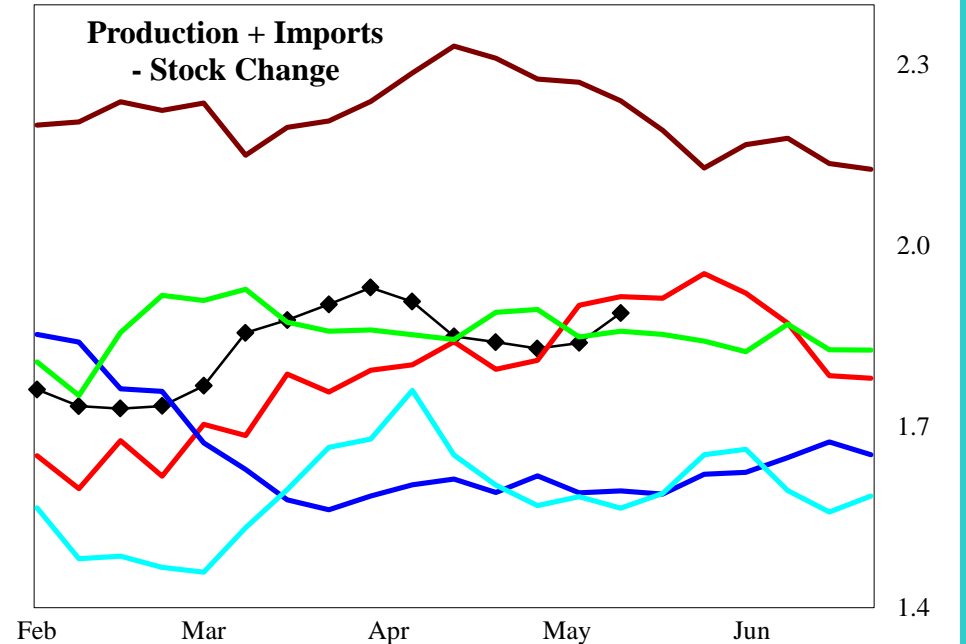
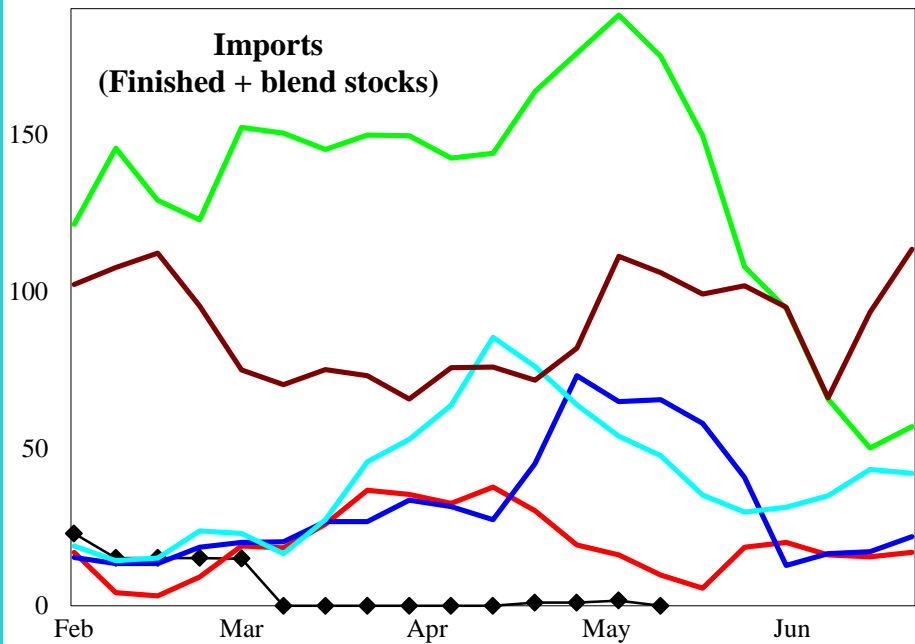
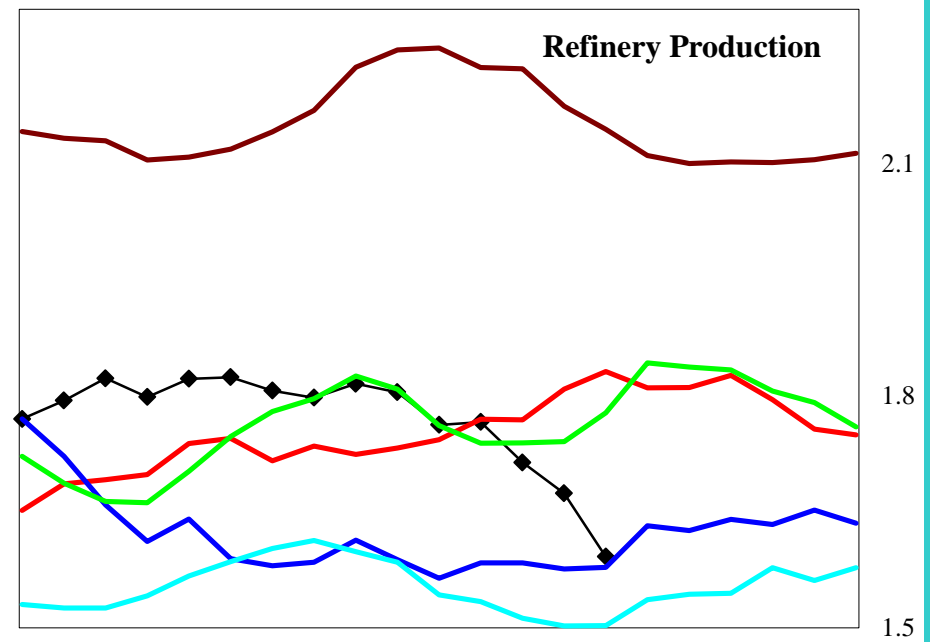
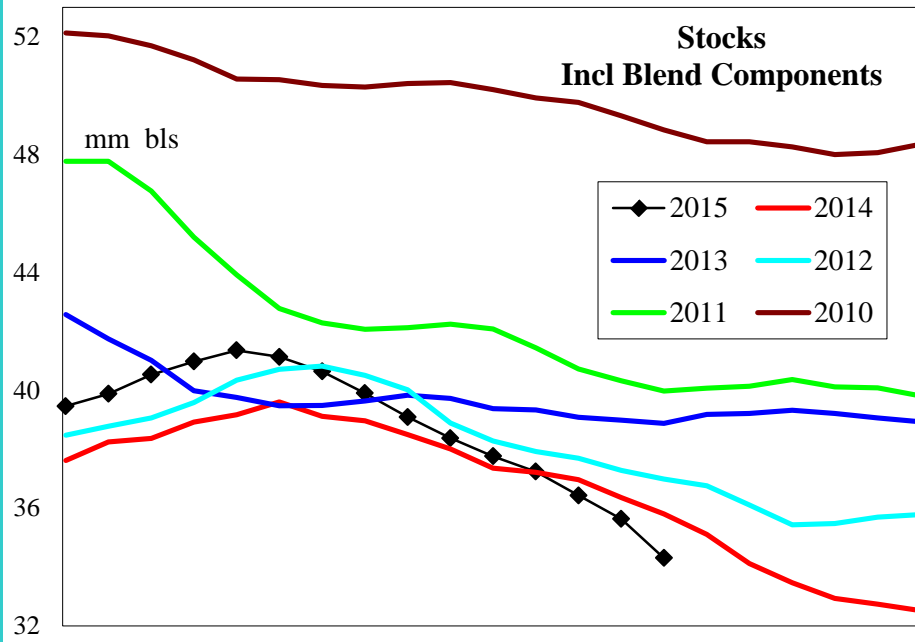
-114

-5.3

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

-1,830

-97

-14

-37

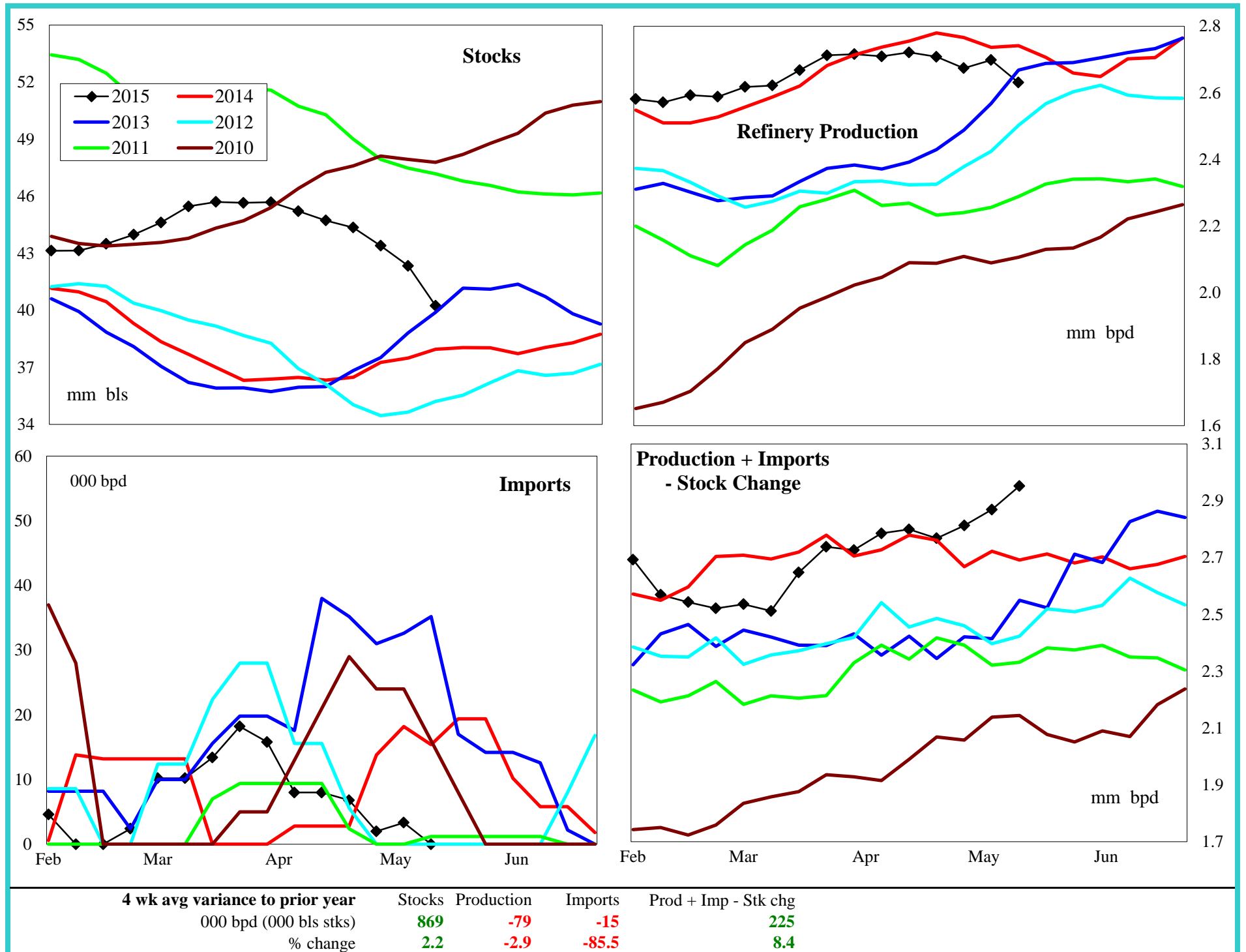
-5.1

-5.4

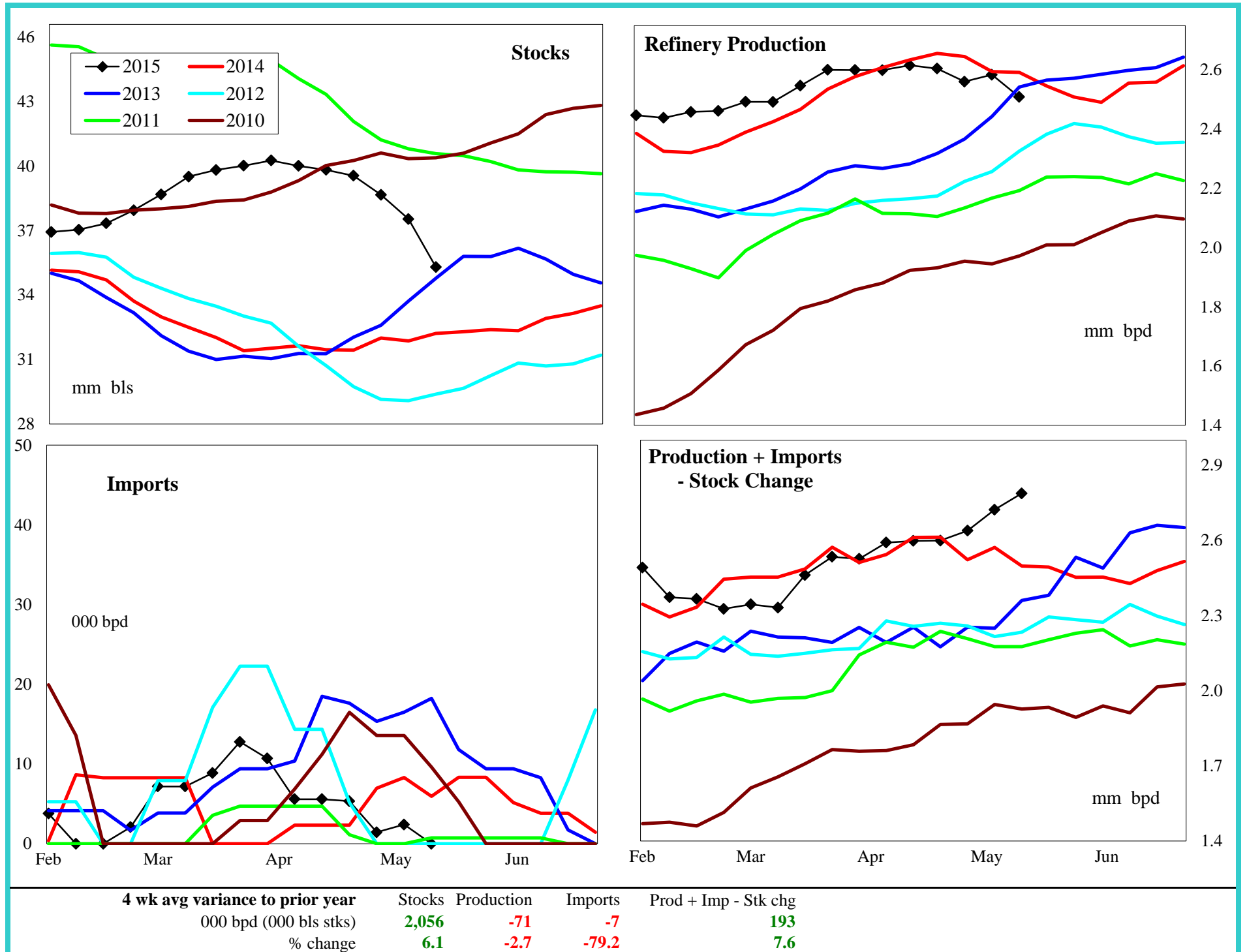
-91.8

-2.0

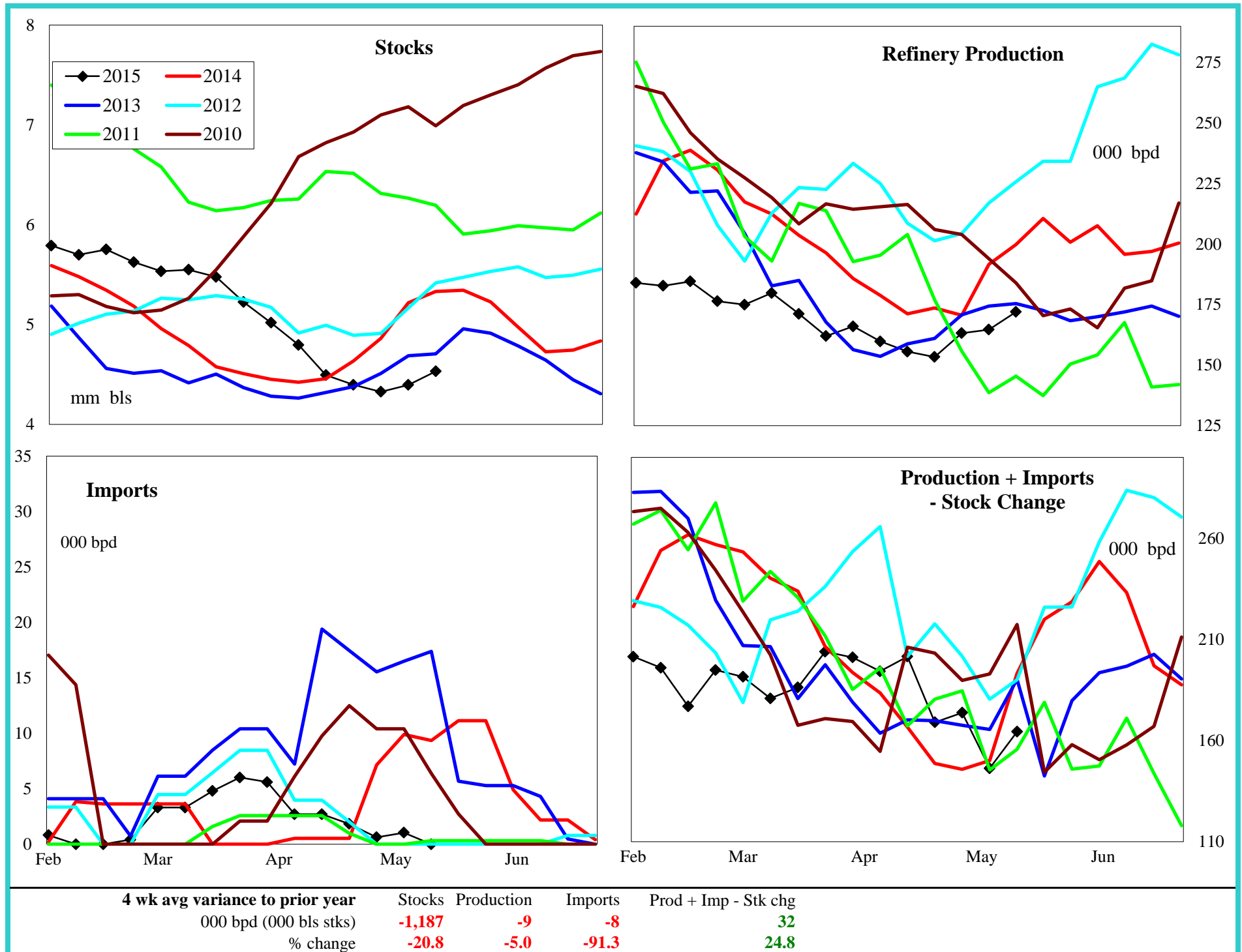
PADD 3 Distillate Supply



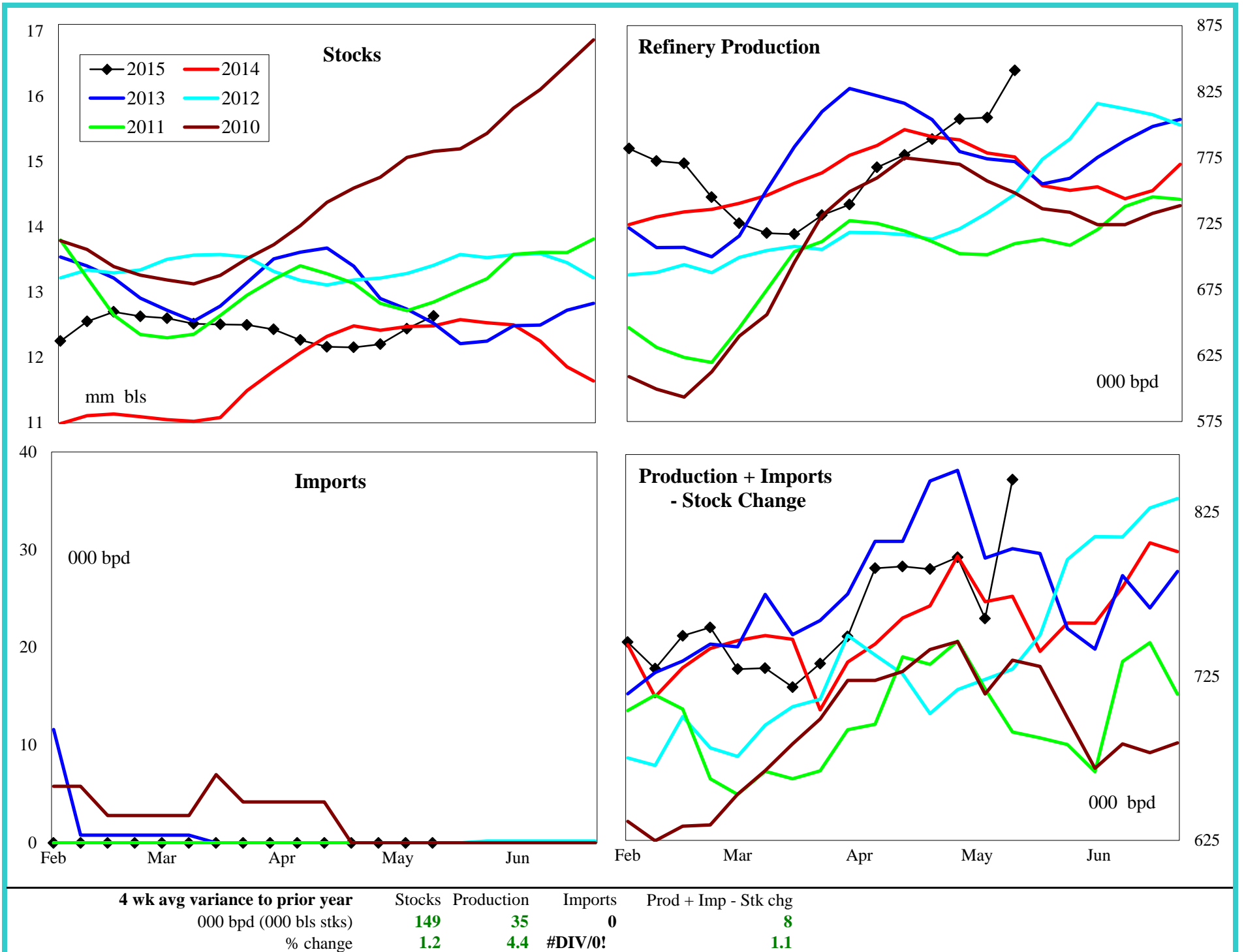
PADD 3 Low Sulfur Distillate Supply



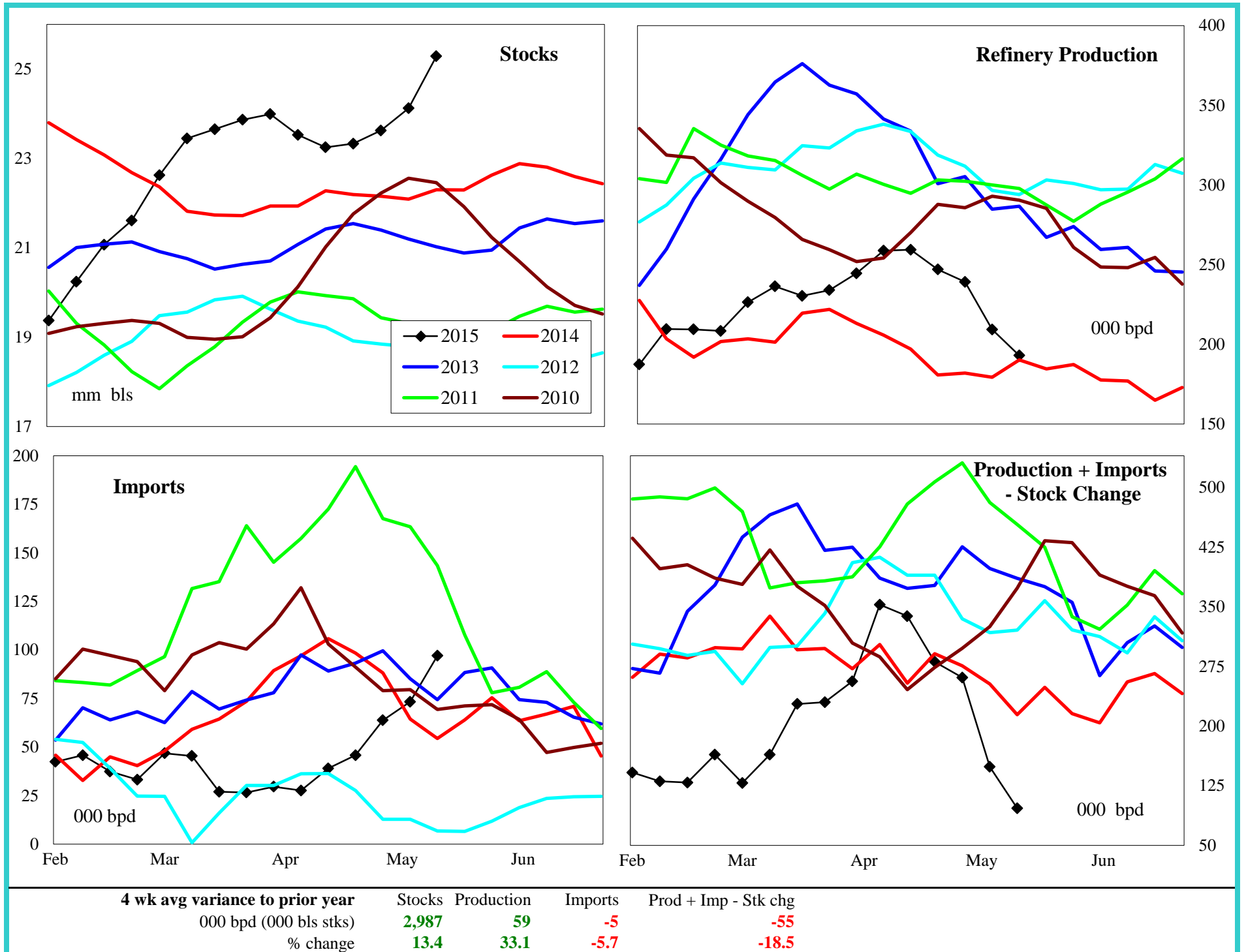
PADD 3 High Sulfur Distillate Supply



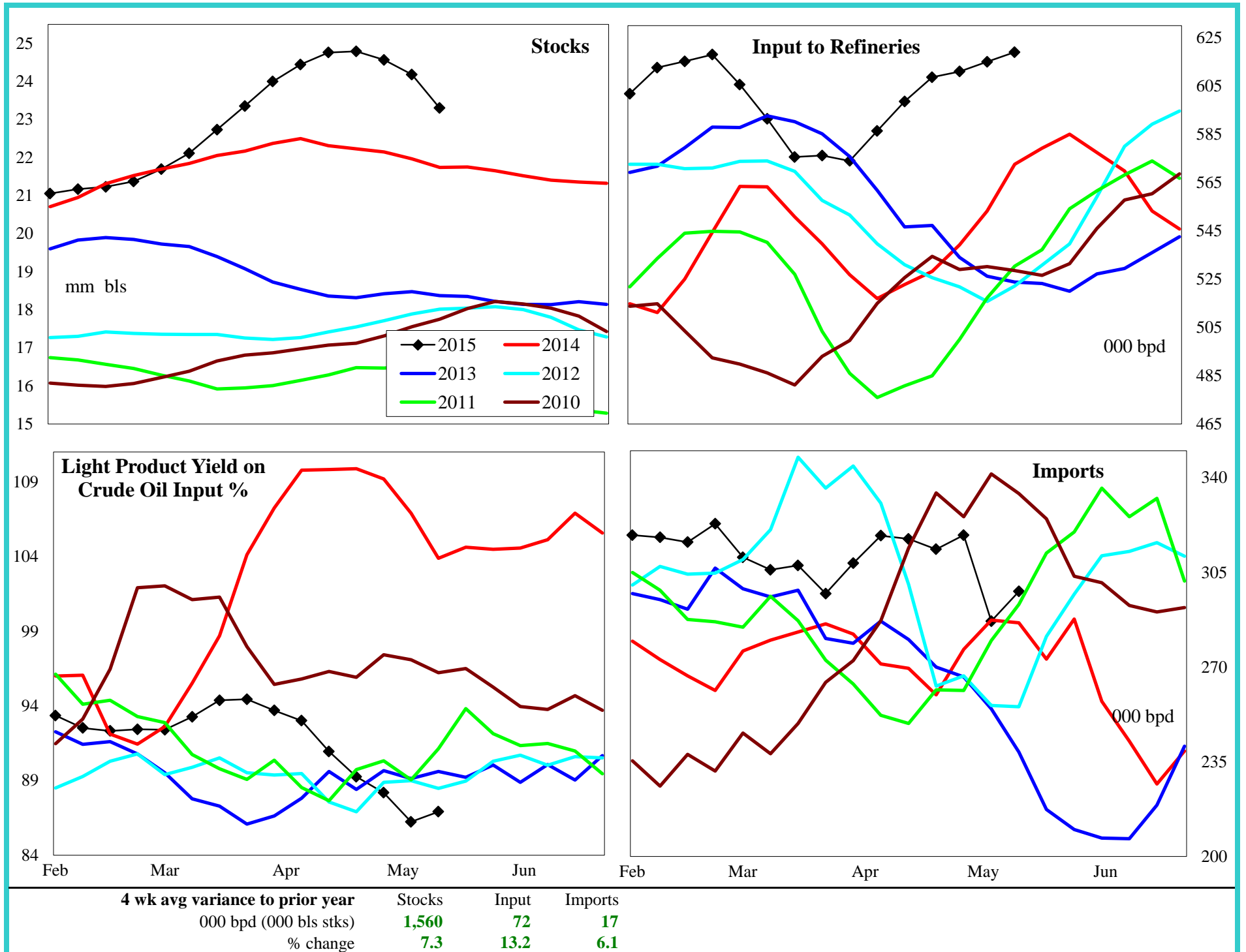
PADD 3 Jet Fuel Supply



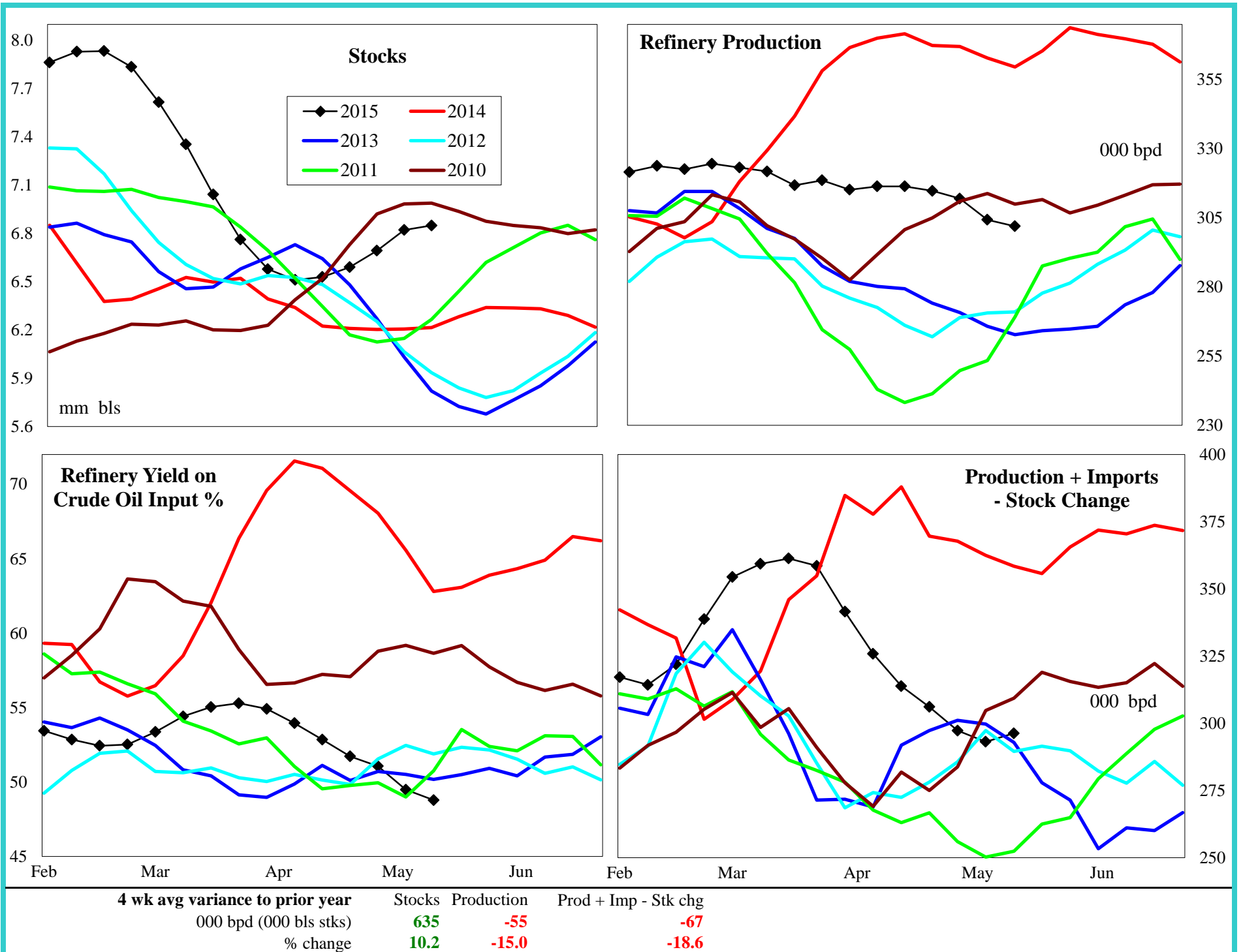
PADD 3 Residual Fuel Oil Supply



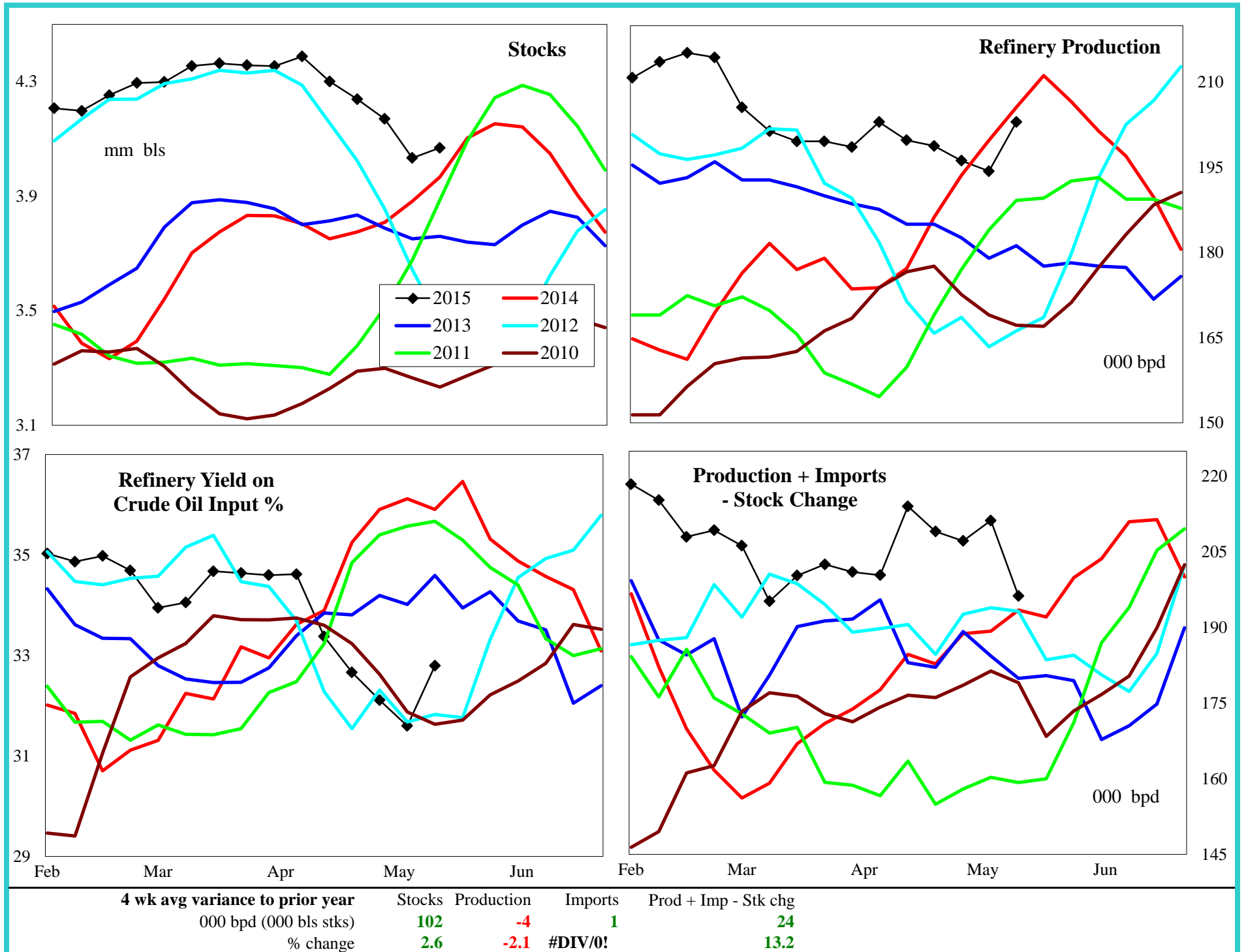
PADD 4 Crude Oil Supply and Refining



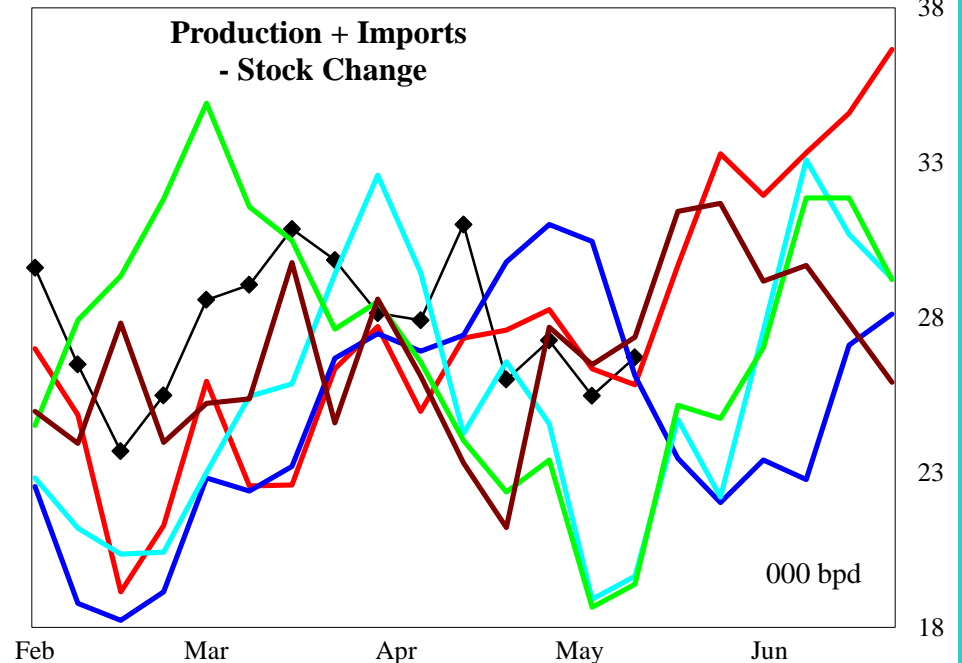
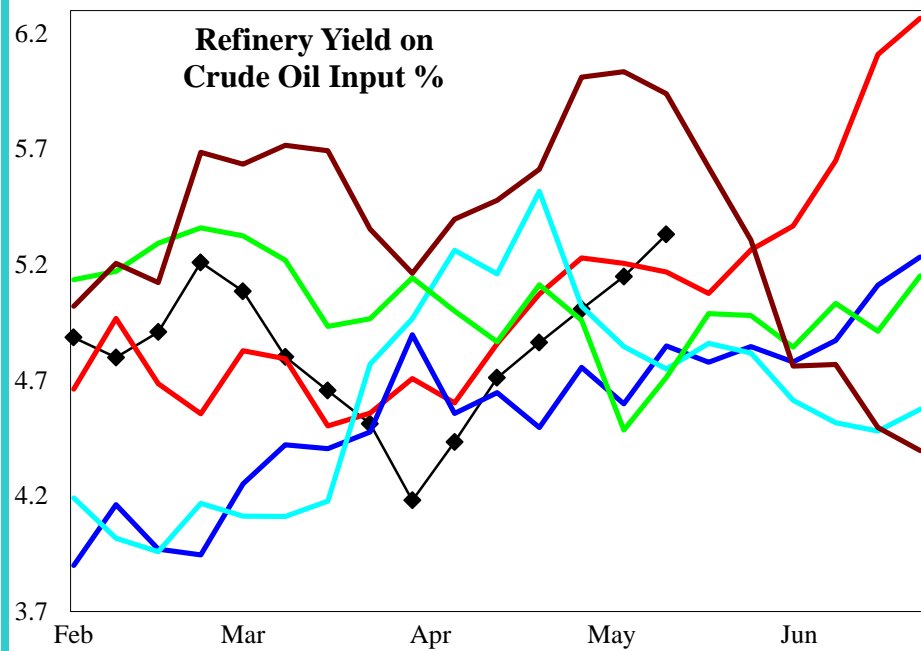
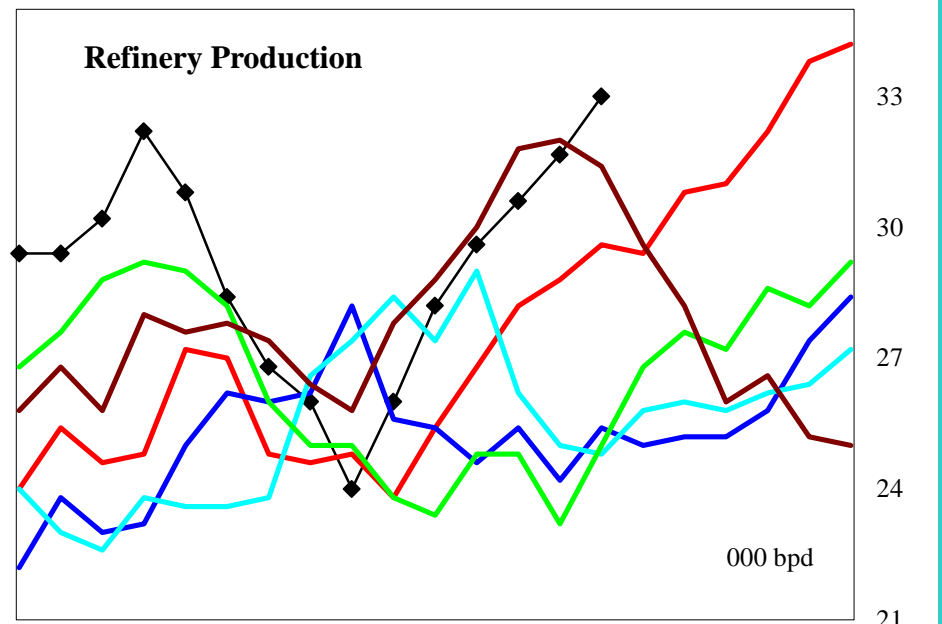
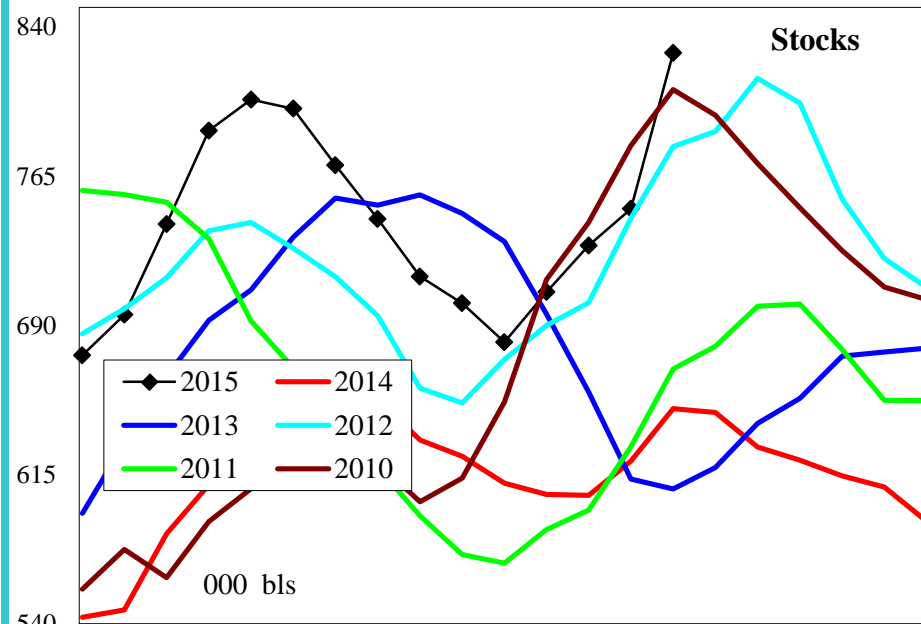
PADD 4 Gasoline Supply



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

179

3

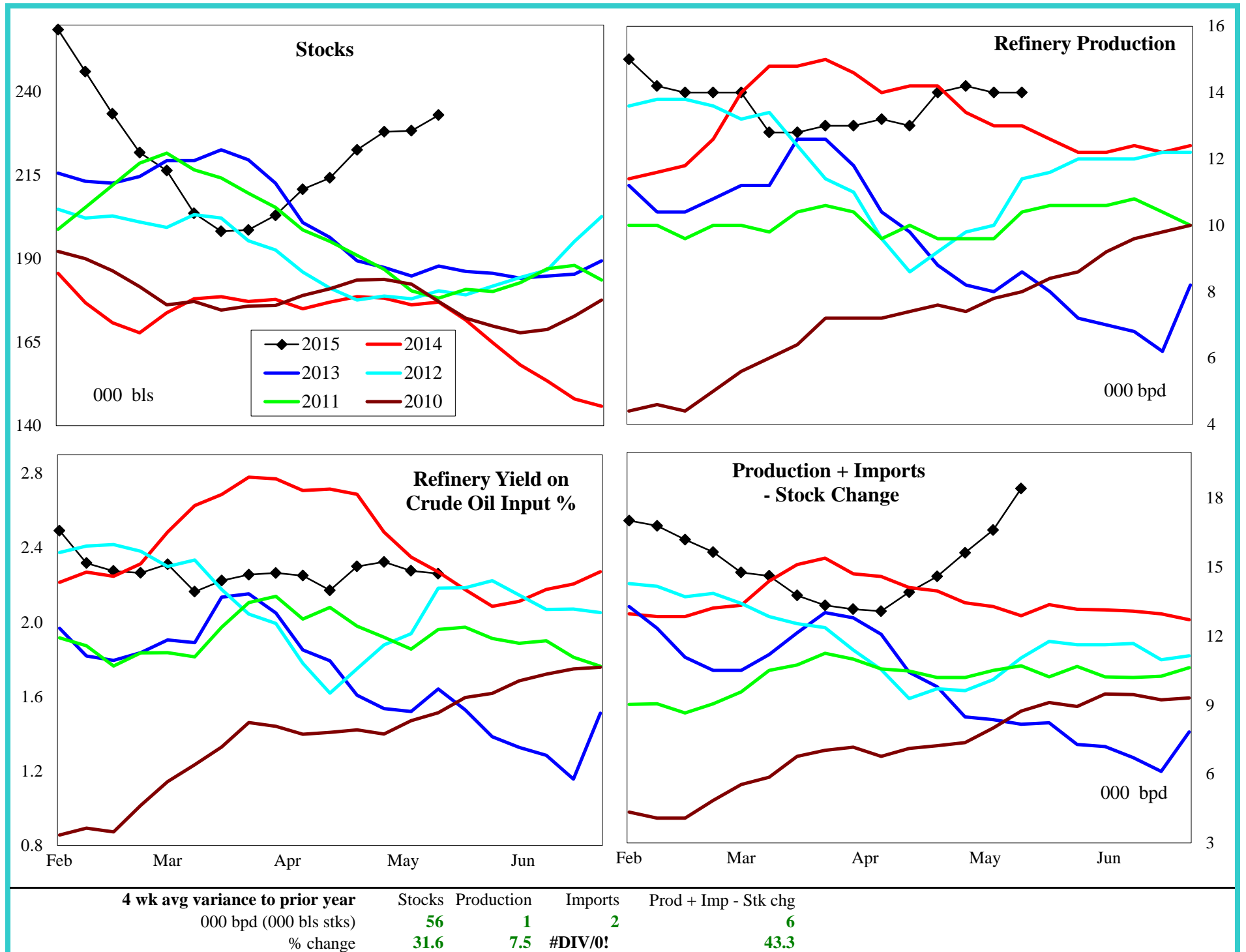
3

27.6

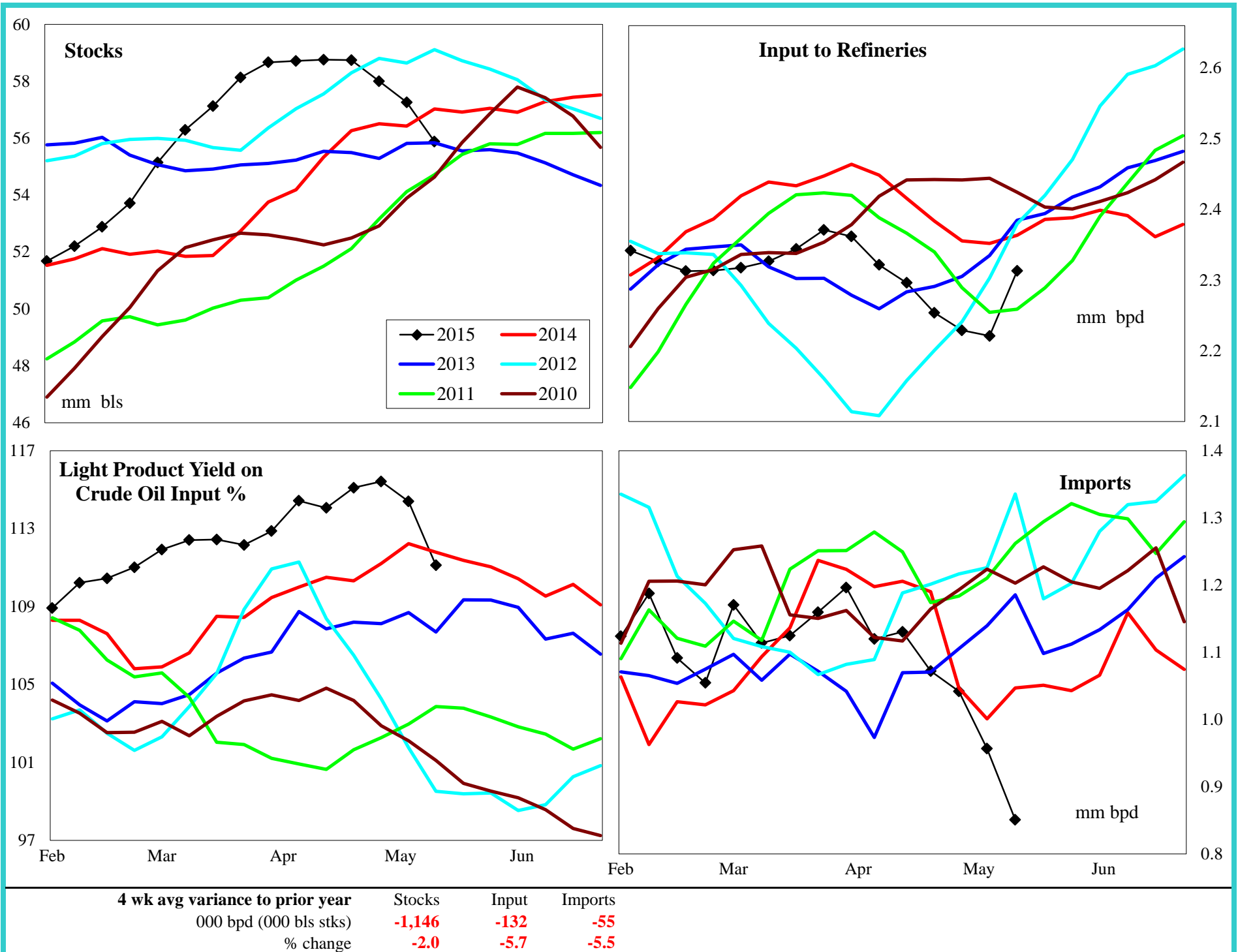
11.3

10.2

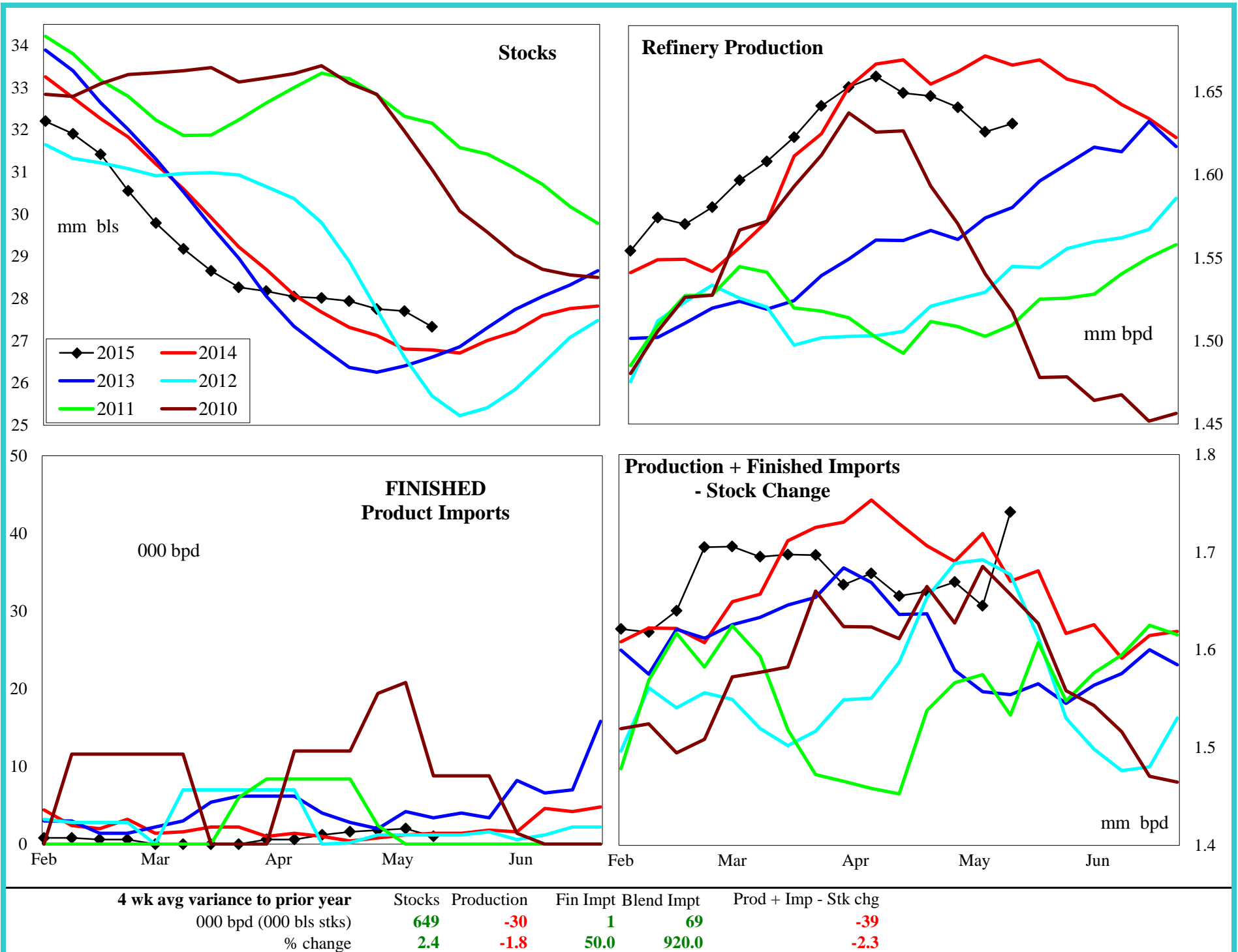
PADD 4 Residual Fuel Oil Supply



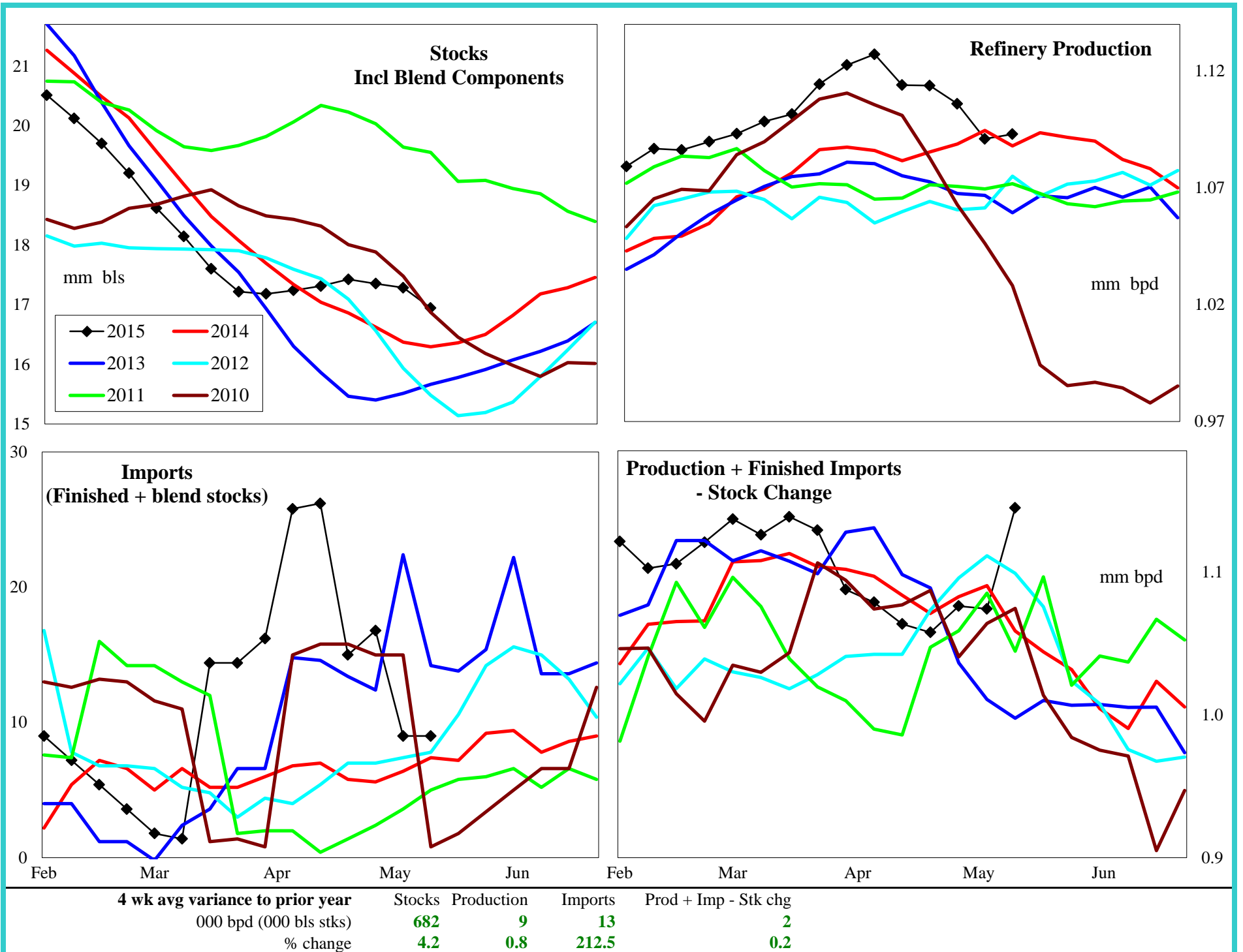
PADD 5 Crude Oil Supply and Refining



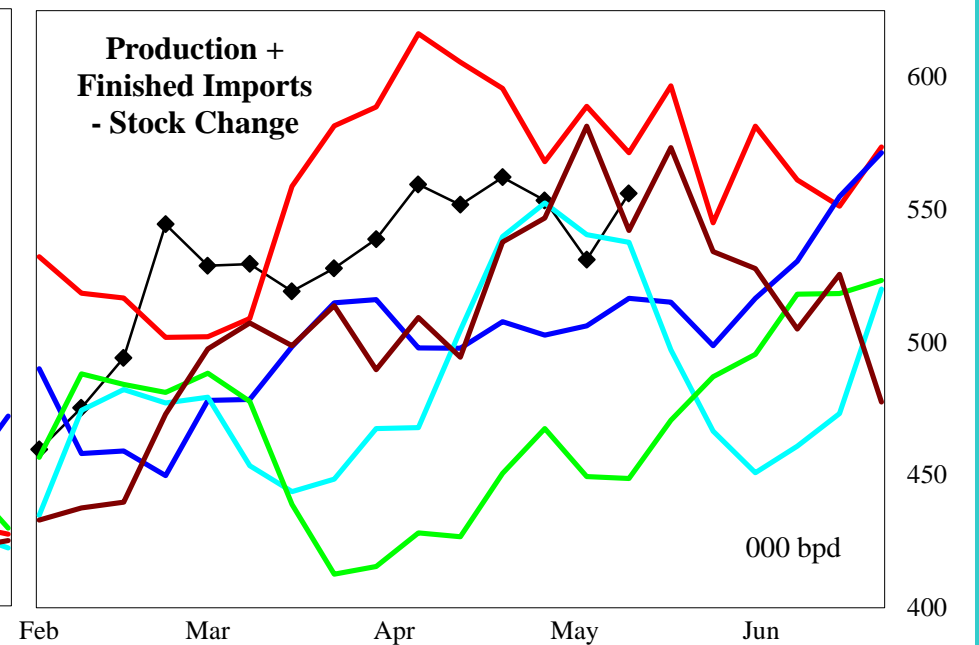
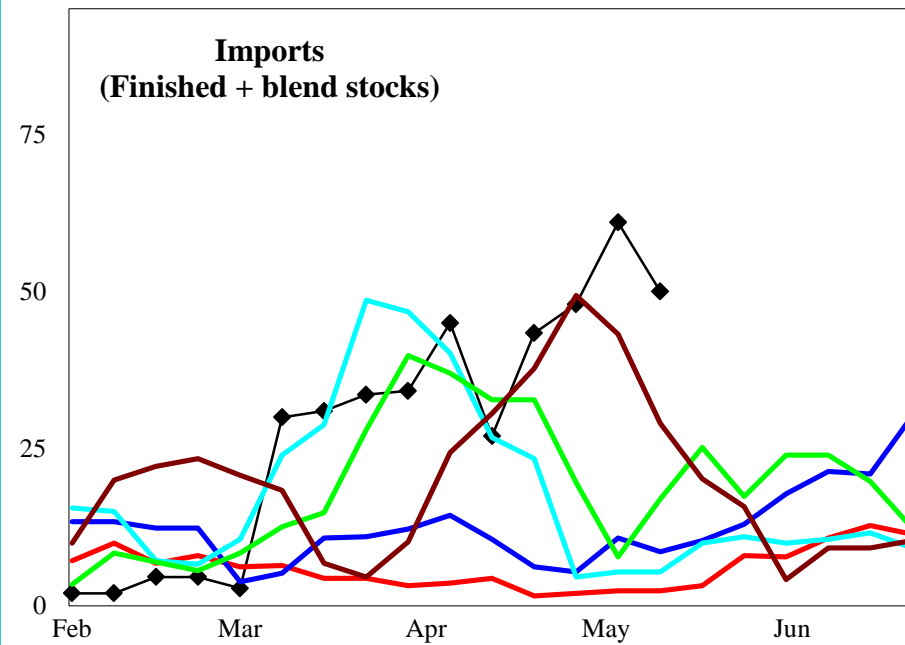
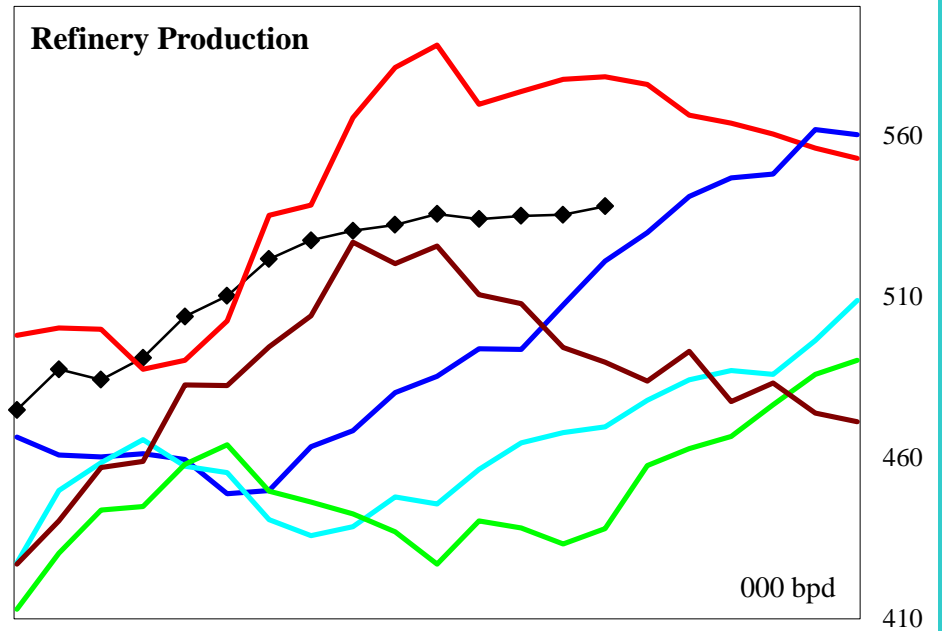
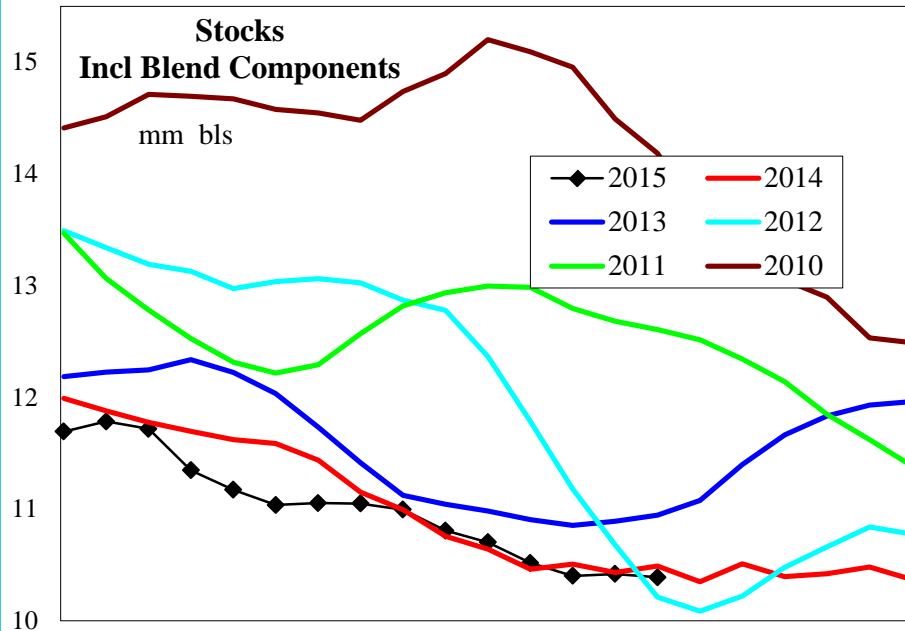
PADD 5 Gasoline Supply



PADD 5 Reformulated Gasoline Supply



PADD 5 Conventional Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

-33

-39

57

-41

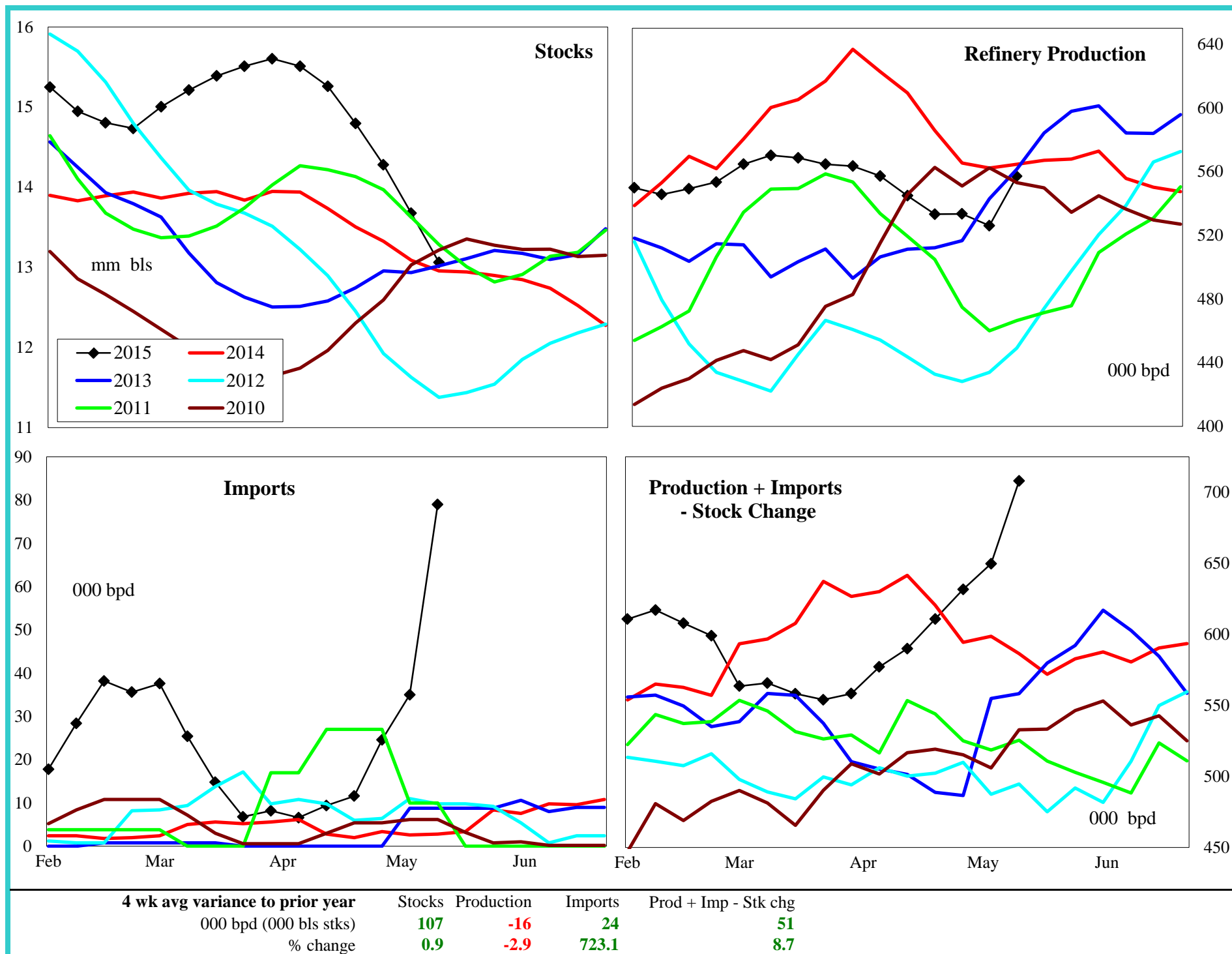
-0.3

-6.8

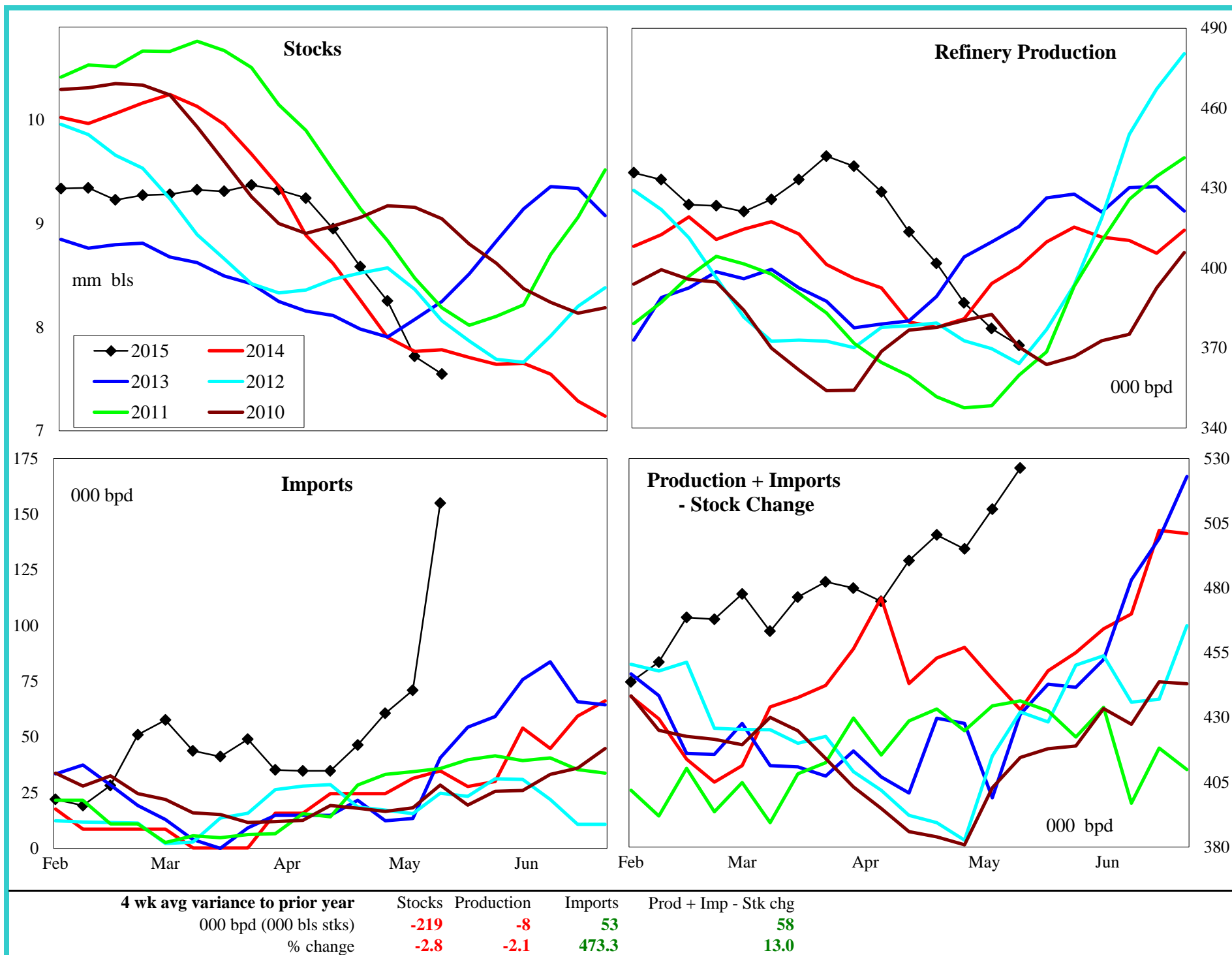
2,270.0

-7.0

PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply



PADD 5 Residual Fuel Oil Supply

