



## WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

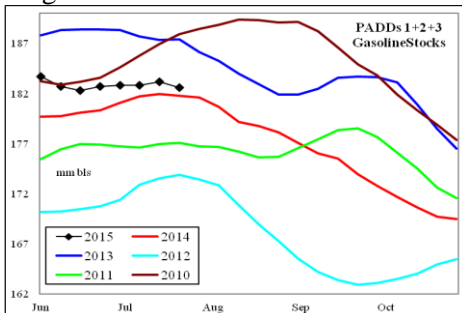
### A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com) Wednesday, July 29, 2015

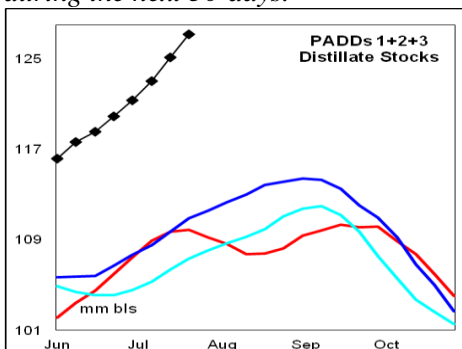


#### Major Fundamental Trends<sup>1</sup>

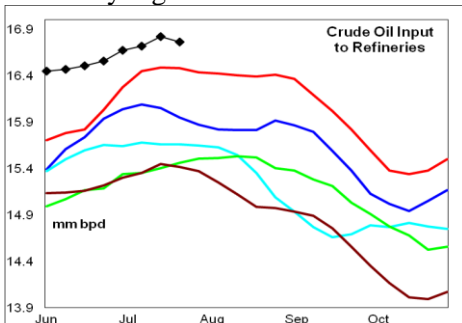
Gasoline stocks ended the week just above a year ago and near the 3-yr mid range. Markets remain well supplied East of the Rockies, while stocks on the West Coast are below the 5-yr range.



*Look for significant regional differences in the gasoline supply balance to continue as a result of peak demand and unplanned maintenance during the next 30-days.*



Distillate stocks continue to build at a rapid rate on the East Coast with stock levels in that region now +25% above last year. Combined stock levels in markets East of the Rockies are extremely high.



Crude oil refinery runs were -108,000

bpd lower on the week, although the level remains +257,000 bpd above a year ago for the most recent 4-wks. Runs were higher in all regions, except the mid west, for the period.

Crude oil stock draws of -2.2 million barrels during the latest 4-wk period are sharply below the -15 million barrel average of the last 2-yrs - pointing to continued over supply.

**Wholesale Demand** for transport fuels fell -0.8 million bpd last week, with gasoline and distillate each down sharply.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +6.2%, distillate decreased -3.6%, jet fuel was -3.1% lower, while residual fuel was unchanged.

**Stocks forward coverage:** Gasoline demand coverage was unchanged last week on a -0.4 million barrel stock draw, offset by as -0.4 million bpd drop in wholesale demand. Coverage ended the week at a level below the 5-yr range.

Distillate demand coverage increased on a +2.6 million barrel stock build and -0.4 million bpd drop in wholesale demand. Coverage ended the week at a level well above the last 3-yrs.

Jet fuel coverage saw little change with both inventories and wholesale demand near week ago levels. Coverage levels were sharply above the last 3-yrs.

**Refinery utilization** rates decreased on a -108,000 bpd decline in crude oil runs last week. During the latest 4-wk period crude oil input was +0.3 million bpd above last year.

Gasoline yield % on crude oil runs decreased last week on a -0.4 million bpd decline in output compared to the -108,000 bpd drop in crude oil runs. Gasoline yield % on crude oil runs ended the week at a level near 5-yr lows.

Distillate yield % on crude oil runs increased on a +23,000 bpd rise in output compared to the decline in

crude oil runs. The yield % on crude oil runs was below the 2-yr average.

Jet fuel yield % on crude oil runs decreased last week on a -18,000 bpd decline in output compared to the lower crude oil runs, with yields near the last 2-yrs.

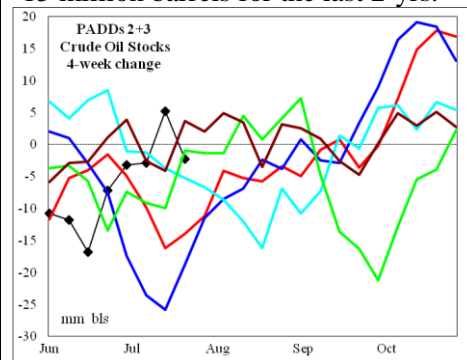
**Petroleum Imports/Exports:** Crude oil imports fell -0.4 million bpd last week, with imports of transport fuels also lower.

During the latest 4-wk period crude oil imports decreased -0.1 million bpd compared to a year ago; distillate imports were +66,000 bpd higher; finished gasoline imports were +16,000 bpd higher; gasoline blend stock imports were +112,000 bpd higher, jet fuel imports increased +85,000 bpd, while residual fuel imports were +27,000 bpd higher.

*Exports of distillate for the week ending 19Jun15 were +142,000 bpd above a year ago, gasoline -13,000 bpd lower, jet fuel +28,000 bpd higher and residual fuel oil was +6,000 bpd higher.*

**Crude Oil** stocks decreased -4.2 million barrels on the week, with draws concentrated in the Gulf and West coast. Cushing saw a -0.2 million barrel draw on the week.

The latest 4-wk draw of -2.2 million barrels in the Midwest and Gulf regions compares to an average of -15 million barrels for the last 2-yrs.



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



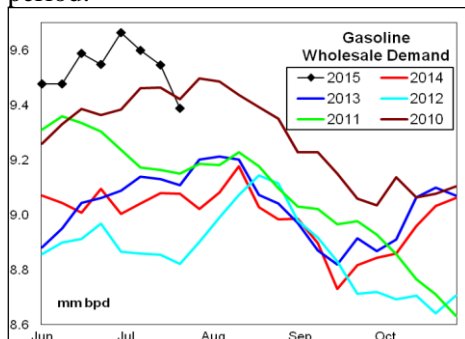
## WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

### A Fundamental Petroleum Trends Weekly Report

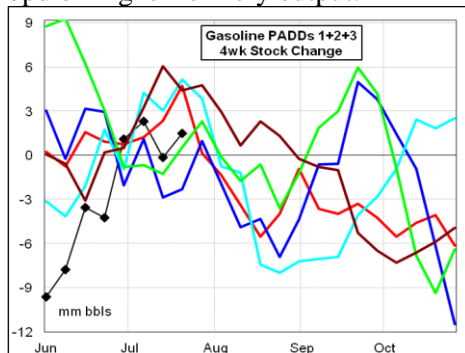
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#### Product Supply-Demand Trends

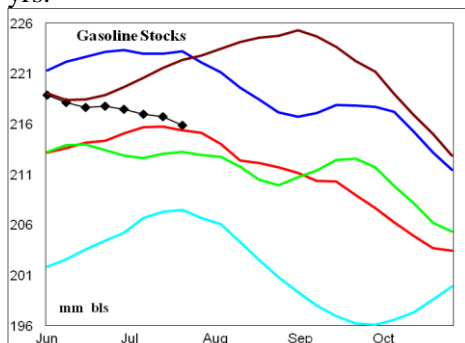
**Gasoline** wholesale demand decreased -0.4 million bpd on the week. Wholesale demand was +0.6 million bpd above last year for the latest 4-wk period.



Supply fell -0.6 million bpd last week. Supply for the latest 4-wk period exceeded a year ago by +0.5 million bpd on higher refinery output.



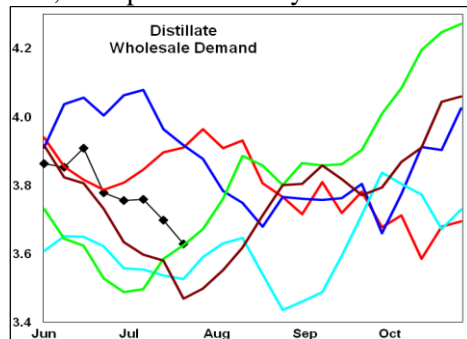
The latest 4-wk stock change East of the Rockies was a +1.5 million barrel build, a level below two of the last 3-yrs.



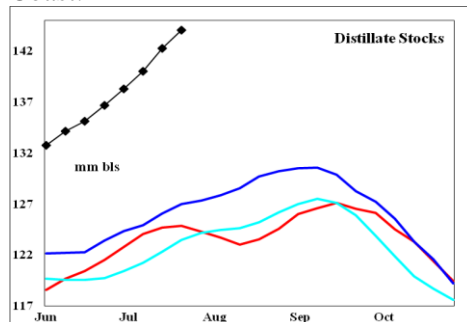
Look for below average stock draws next month on high production and imports, for a balanced market East of the Rockies.

**Distillate** wholesale demand decreased -0.4 million bpd last week, to a level near 3-yr lows. The latest 4-wk average wholesale demand was -

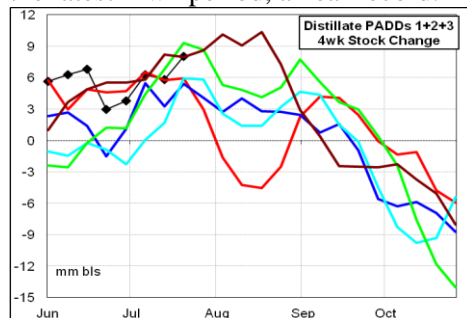
140,000 bpd below last year.



Supply decreased -40,000 bpd on lower imports. Stocks increased +2.6 million barrels last week, including a +2.4 million barrel build on the East Coast.



Combined markets East of the Rockies have saw a +8 million barrel build for the latest 4-wk period, a near record.

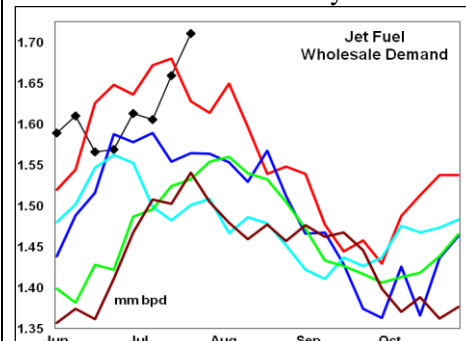


Lower seasonal demand during the summer quarter, combined with season high production and a high rate of stock building on the East Coast increases risk of substantial over supply during the 3-rd quarter.

**Jet Fuel** wholesale demand was unchanged on the week, at a record high for the season. The latest 4-wk average demand was -53,000 bpd below last year.

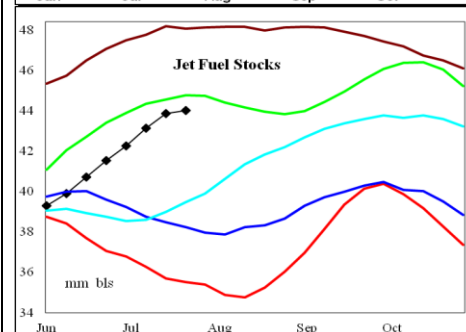
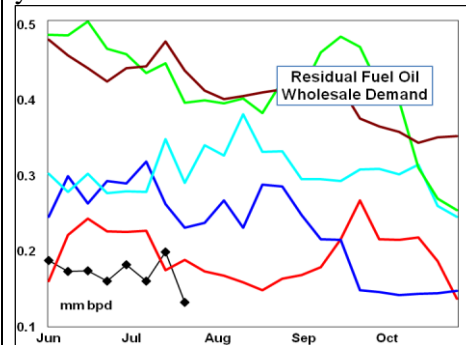
Supply decreased -101,000 on the week, driven by lower imports, with the 4-wk average +132,000 bpd above a year ago. Stocks decreased -0.1

million barrels on the week, with the level well above the last 3-yrs.



Lower seasonal demand during the next quarter, combined with high production and imports should result in continued high stock levels.

**Residual fuel oil** demand fell -211,000 bpd last week. Demand for the latest 4-wk period was unchanged from last year.



Supply (production + imports) increased +35,000 bpd on the week, due to higher imports. Stocks increased +0.8 million barrels, to a level +11% above last year. Stock levels remain well above the historic range in the key Gulf region.



## WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

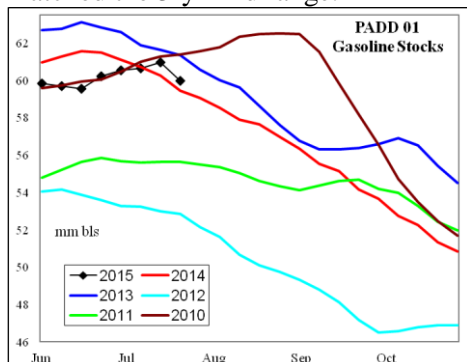
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#### PADD Supply Trends

**PADD 1** refinery crude oil runs decreased -15,000 bpd on the week to a level above the last 3-yrs. The latest 4-wk average thru put was +38,000 bpd above last year.

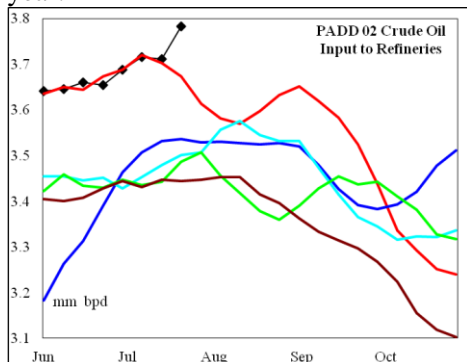
Gasoline supply decreased -170,000 bpd on the week, with the 4-wk average +23,000 bpd above last year. Stocks decreased -0.8 million barrels last week, ending at a level that matched the 3-yr mid range.



Distillate supply decreased -45,000 bpd on the week, with the 4-wk average +23,000 bpd above last year. Stocks increased +2.4 million barrels on the week, to a level +25% above last year.

Jet fuel supply fell -96,000 bpd on the week, while stocks fell -0.8 million barrels to a level just above the last 3-yrs.

**PADD 2** crude oil refinery runs increased +41,000 bpd on the week, to a new record high. The latest 4-wk average was -20,000 bpd below last year.



Crude oil stocks increased +0.2 million barrels last week, driven by record imports. Cushing saw a -0.2 million barrel draw for the week.

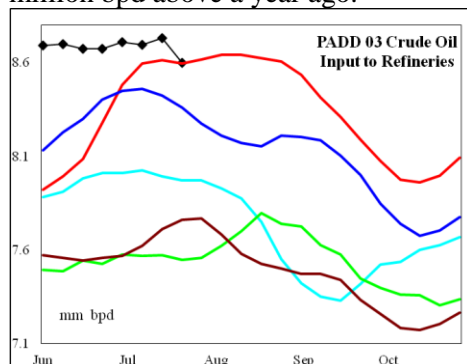
Gasoline supply increased +99,000

bpd on the week. Production for the most recent 4-wk period was -152,000 bpd below a year ago. Stocks increased +0.5 million barrels on the week, to a level above the 3-yr mid range.

Distillate supply increased +49,000 bpd on the week, to a level that matched 5-yr highs. The latest 4-wk average production was -89,000 bpd below last year. Stocks decreased -0.2 million barrels on the week, but remain above the last 3-yrs.

Jet fuel supply remains above the 5-yr range, although stocks have dropped to record lows.

**PADD 3** refinery runs decreased -132,000 bpd last week, to a level that matched historic highs. During the latest 4-wk period, runs were +0.1 million bpd above a year ago.



Crude oil imports decreased -0.2 million bpd on the week, with the 4-wk average -0.2 million bpd below last year.

Crude oil stocks decreased -3.2 million barrels, to a level +34 million barrels (+17%) above the prior high for the period.

Gasoline supply increased +67,000 bpd last week, with the latest 4-wk average +146,000 bpd above a year ago. Stocks increased +0.2 million barrels on the week, to a level that matched the 3-yr mid range.

Distillate supply decreased -32,000 bpd on the week, with the latest 4-wk average supply +88,000 bpd above a year ago. Stocks increased +0.5 million barrels to a level +11% above last year.

Jet fuel production decreased -

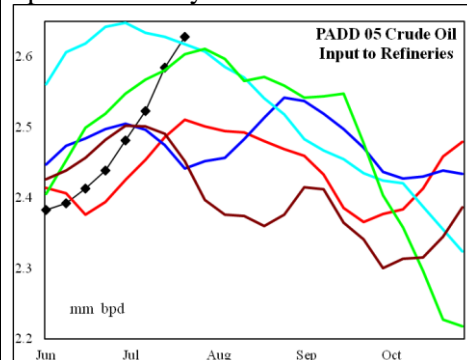
19,000 bpd on the week, a level +3% above last year. Stocks increased +0.1 million barrels to a level +51% above last year and equal to 5-yr highs.

**PADD 4** refinery crude runs decreased -13,000 bpd last week, although the level remains above the historic range. The latest 4-wk average was +76,000 bpd above a year ago (+14%).

Gasoline supply decreased -33,000 bpd last week, to a level below the last 3-yrs.

Distillate supply was unchanged on the week, with the level equal to historic lows for the period. Stock levels ended the week +19% above a year ago.


**PADD 5** crude oil refinery runs increased +10,000 bpd on the week to a level that matched 5-yr highs. The 4-wk average thru put rate was +70,000 bpd above last year.



Gasoline supply declined -8,000 bpd on the week, driven by lower imports; with the latest 4-wk average +43,000 bpd above last year. Production levels matched historic highs for the week. Stocks decreased -0.2 million barrels on the week, to a level just below the historic range.

Distillate supply decreased -11,000 bpd on the week, due to lower imports. The 4-wk average supply was +10,000 bpd above last year. Stocks increased +0.1 million barrels on the week, to a level that matched 3-yr highs for the period.

Jet fuel stocks increased +0.6 million barrels on the week, ending at a level above the last 3-yrs. Imports and production are each at record levels.



# PETROLEUM: Graph Link and Weekly Summary

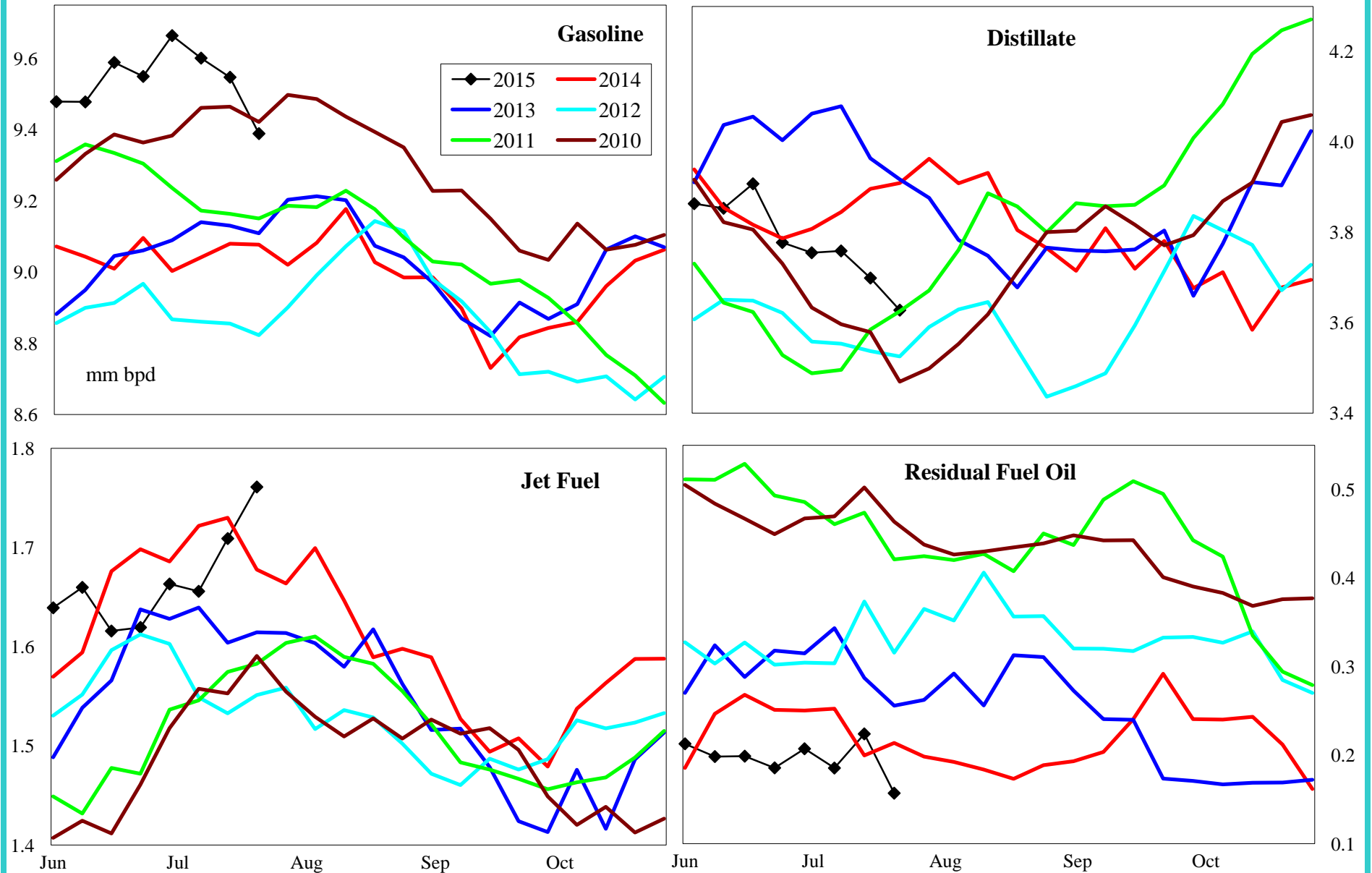
A Fundamental Petroleum Trends Weekly Report      July 29, 2015

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Fundamental Trends	<a href="#">Wholesale Demand</a>	<a href="#">Stocks Days Fwd Coverage</a>	<a href="#">Refinery Utilization</a>		<a href="#">Imports</a>		
Supply/Demand Trends	24-Jul-15	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
<a href="#">Crude Oil</a>	Stocks	-4,203	308	189	-3,164	-218	-1,318
	Imports	-396	-269	141	-233	-91	57
	Input	-108	-15	41	-132	-13	10
	% Utilization	-0.40					
<a href="#">Gasoline</a>	Stocks	-363	-823	534	229	-63	-240
	Production	-428	-12	93	108	-35	4
	Imports	-202	-158	6	-41	2	-12
	Supplied	-410					
<a href="#">Distillate</a>	Stocks	2,588	2,423	-230	468	-224	148
	Production	23	-12	49	-32	0	19
	Imports	-63	-33	0	0	-1	-30
	Supplied	-376					
<a href="#">Jet Fuel</a>	Stocks	-91	-829	-51	128	55	607
	Production	-18	7	15	-19	6	-26
	Imports	-83	-103	0	0	0	19
	Supplied	-2					
<a href="#">Residual Fuel Oil</a>	Stocks	792	672	115	-874	7	871
	Production	-82	0	-18	-66	5	-3
	Imports	117	75	0	36	0	7
	Supplied	-211					



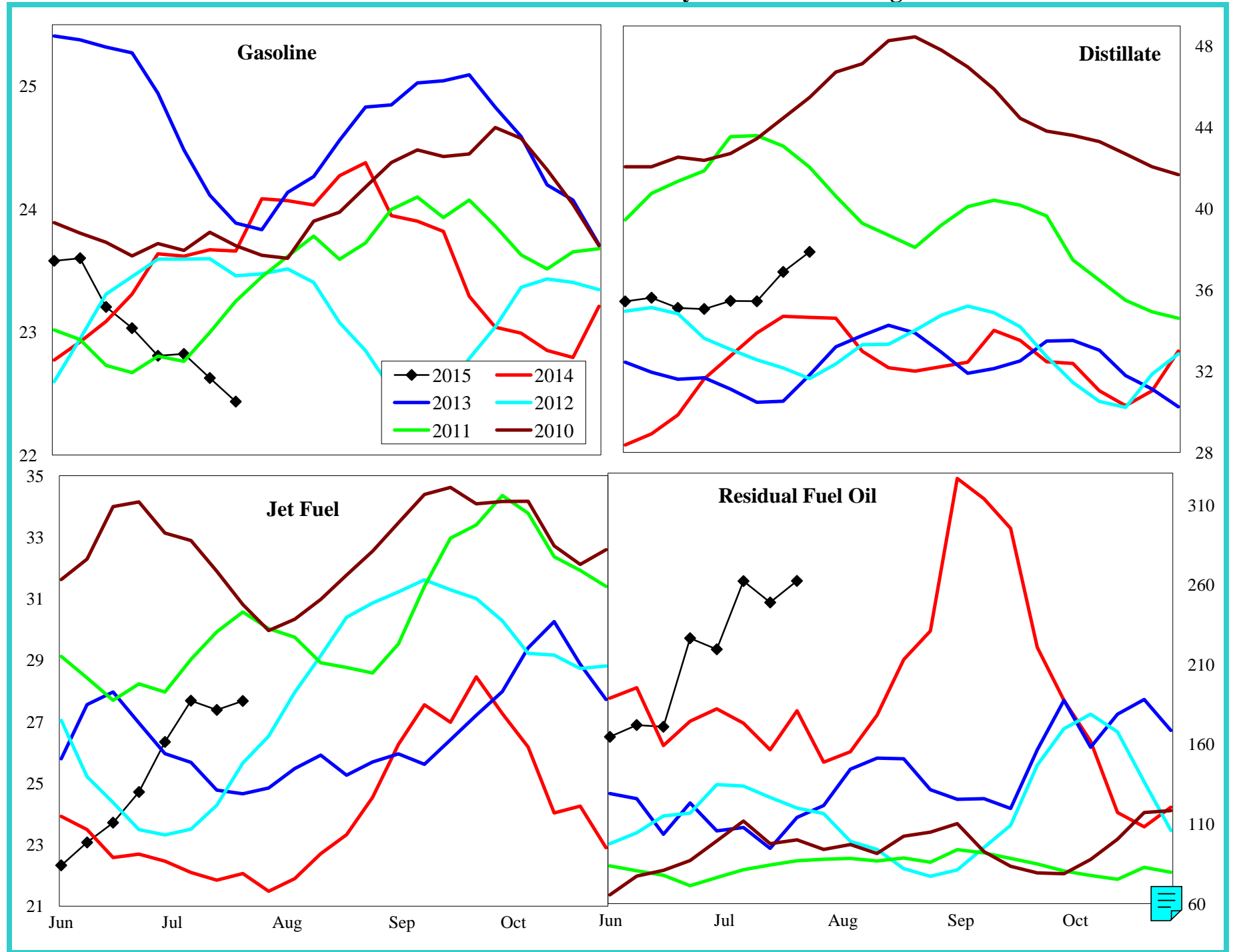
# United States Wholesale Petroleum Demand



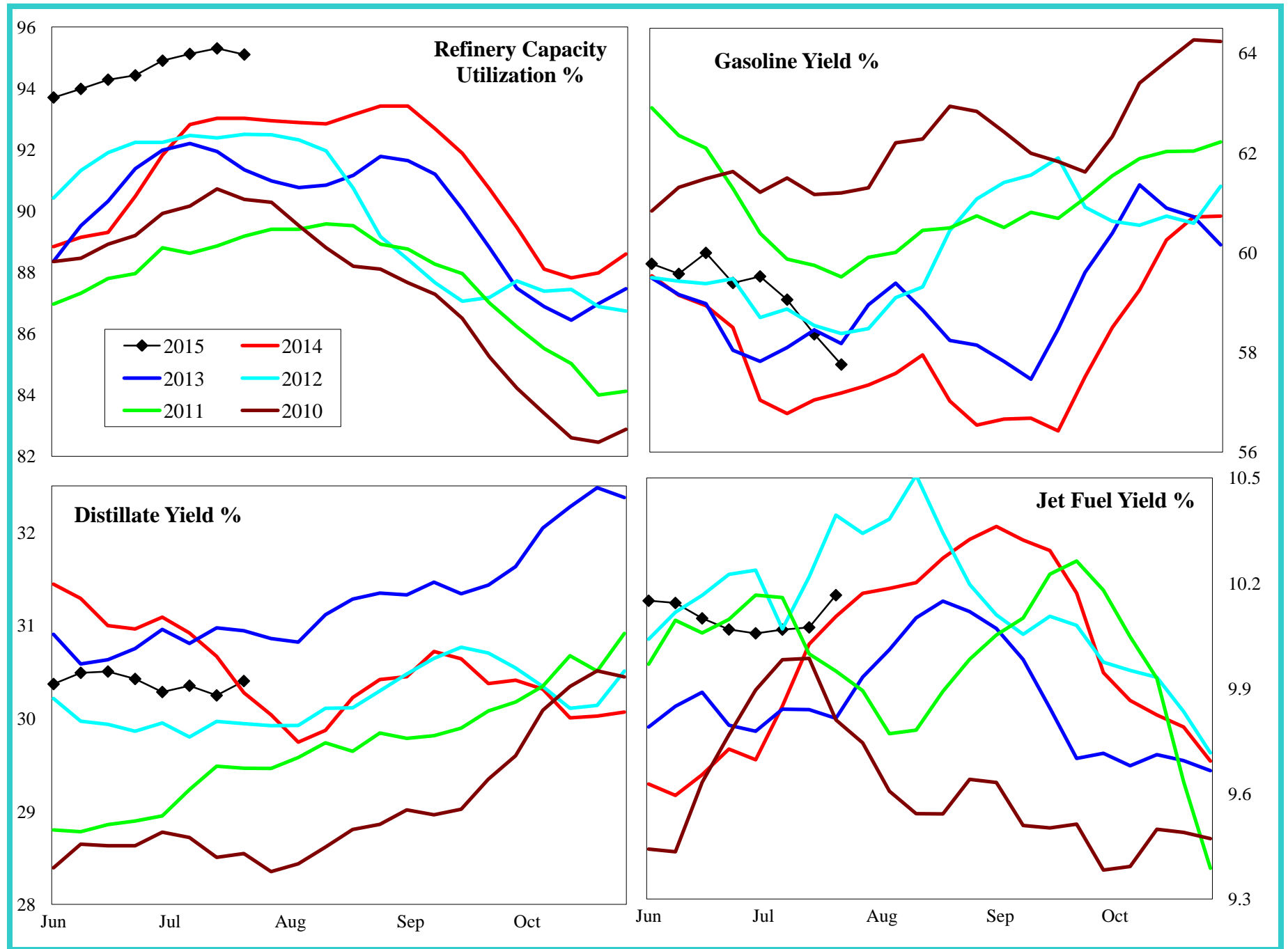
	000 bpd change from prior year				% change from prior year			
	4wk avg	Jun	Jan	Jan	4wk avg	Jun	May	Apr
Gasoline	559	507	278	160	6.2	5.6	3.1	1.8
Distillate	-140	56	104	26	-3.6	1.4	2.6	0.7
Jet Fuel	-53	20	182	37	-3.1	1.3	13.0	2.6
Resid	-2	-45	-70	-125	-0.9	-17.2	-29.8	-45.3



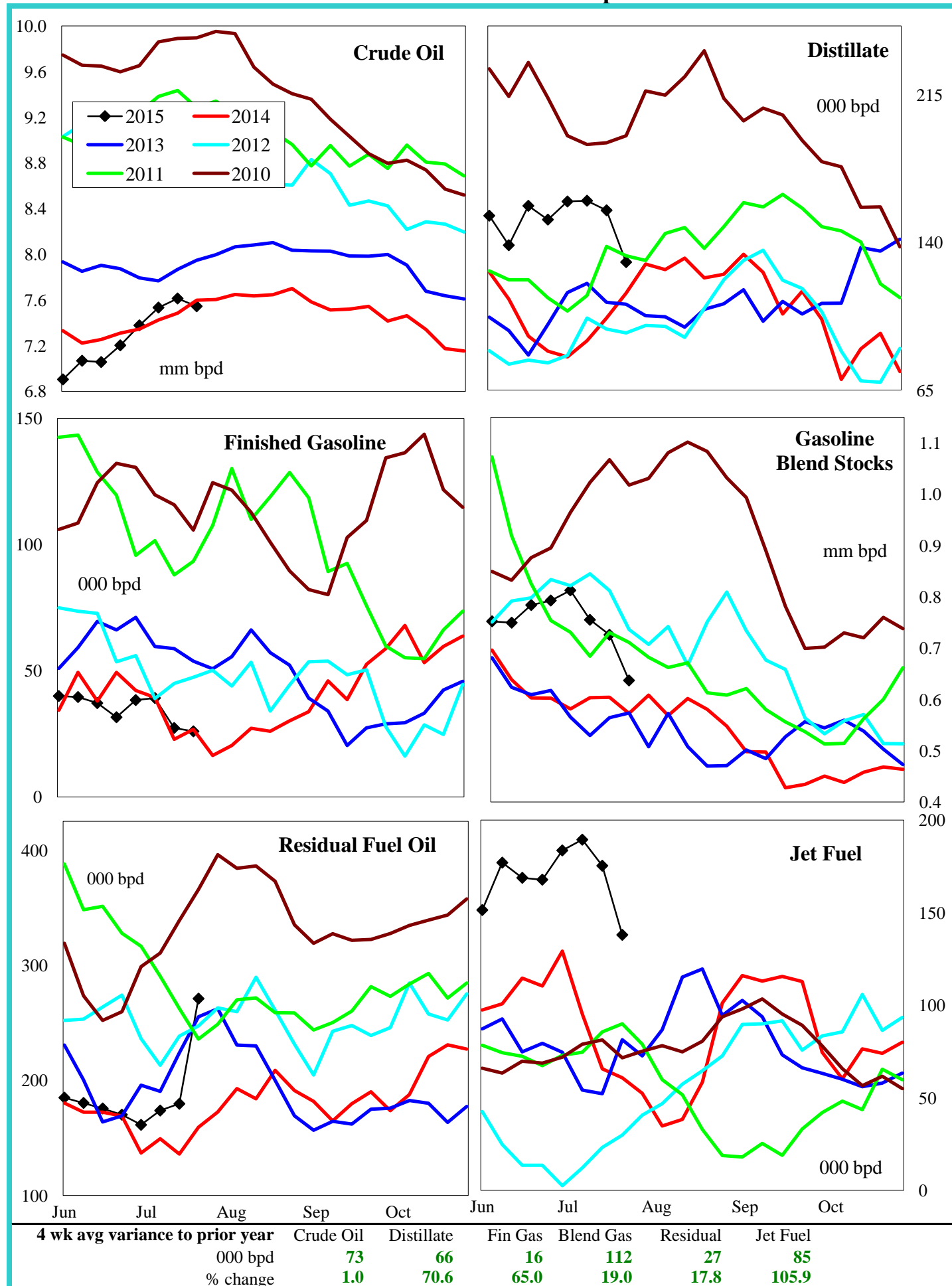
# United States Product Stocks: Days Forward Coverage



## United States Refinery Percent Utilization Rate and Product Yields

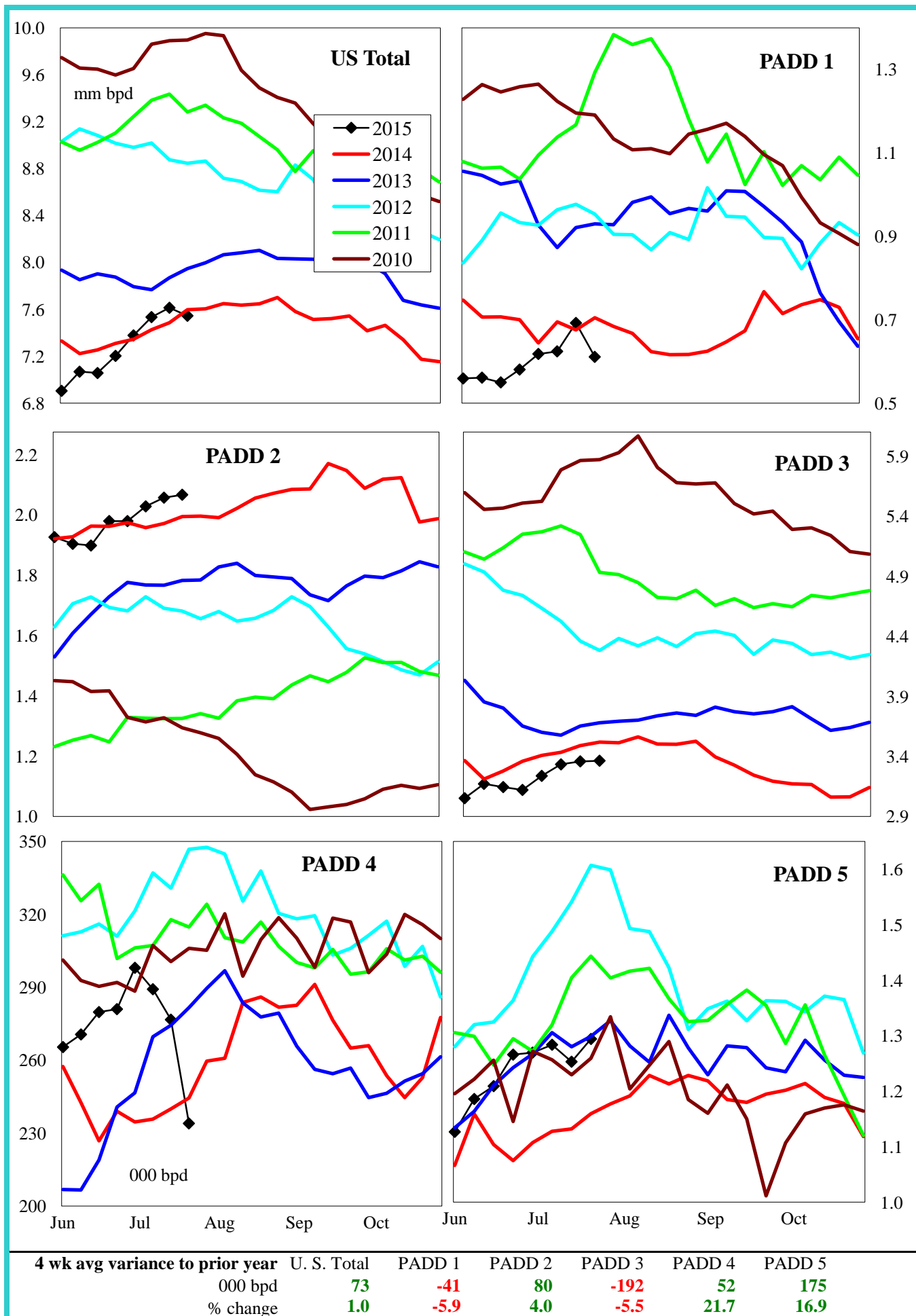


# United States Petroleum Imports

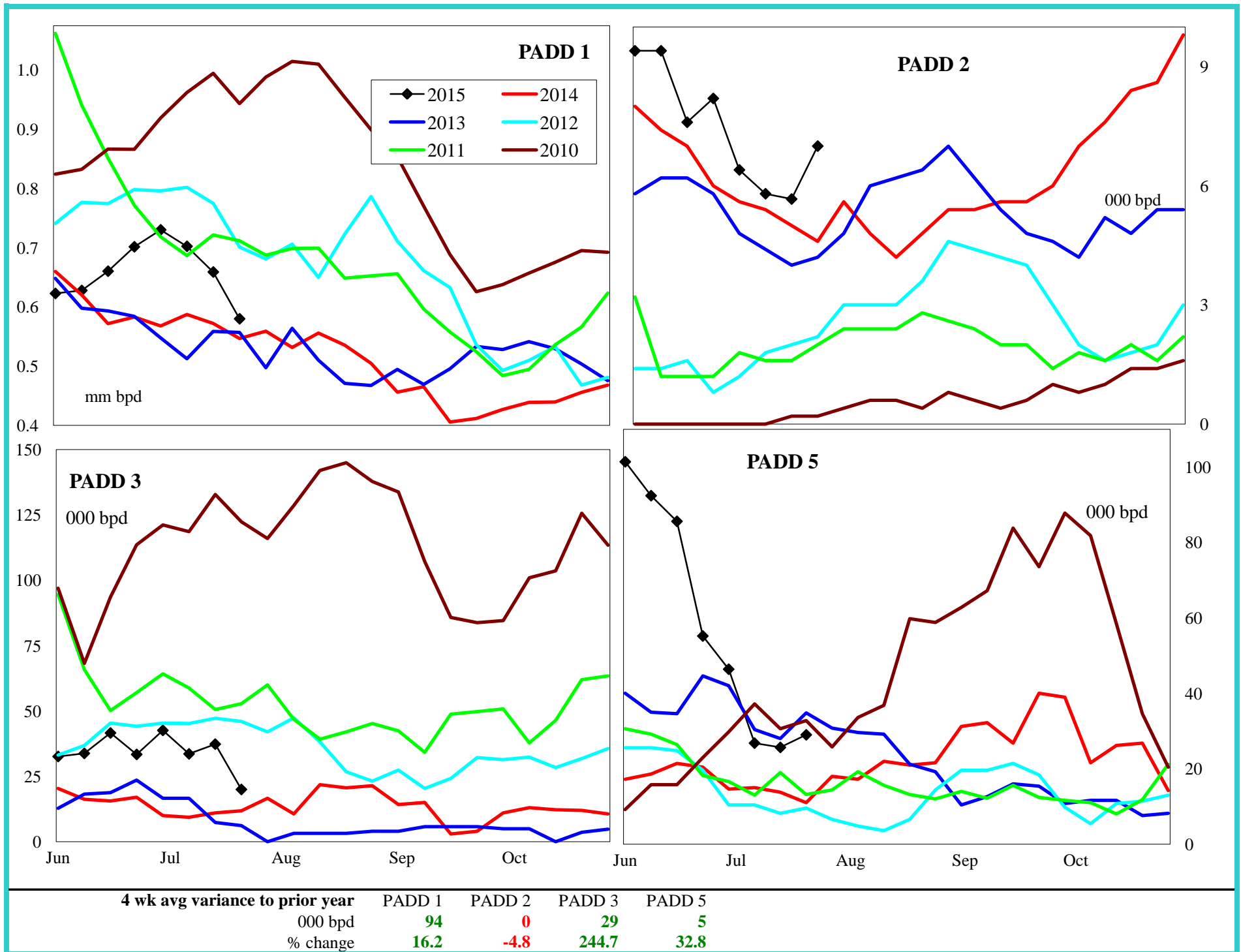




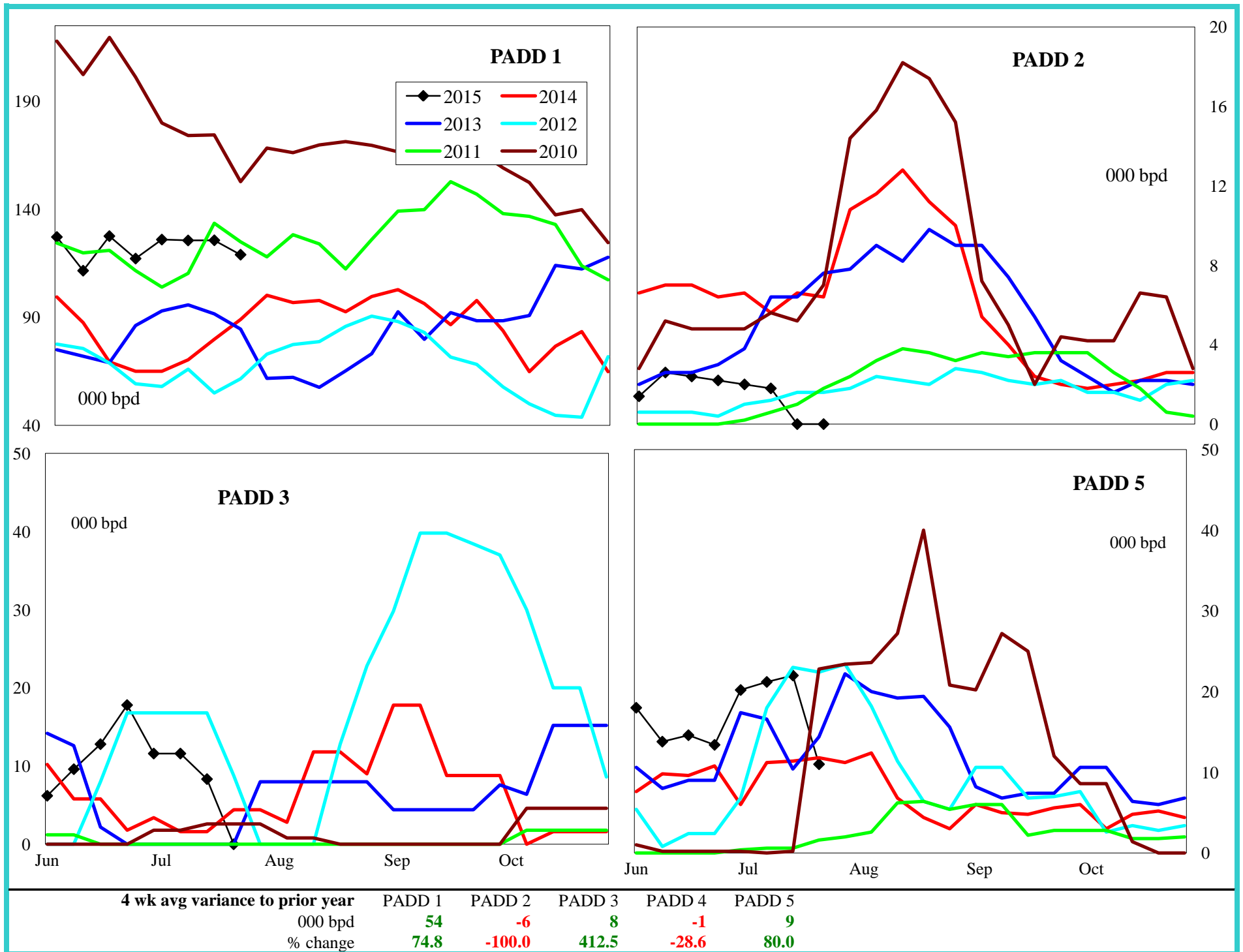
## Crude Oil Imports by PADD



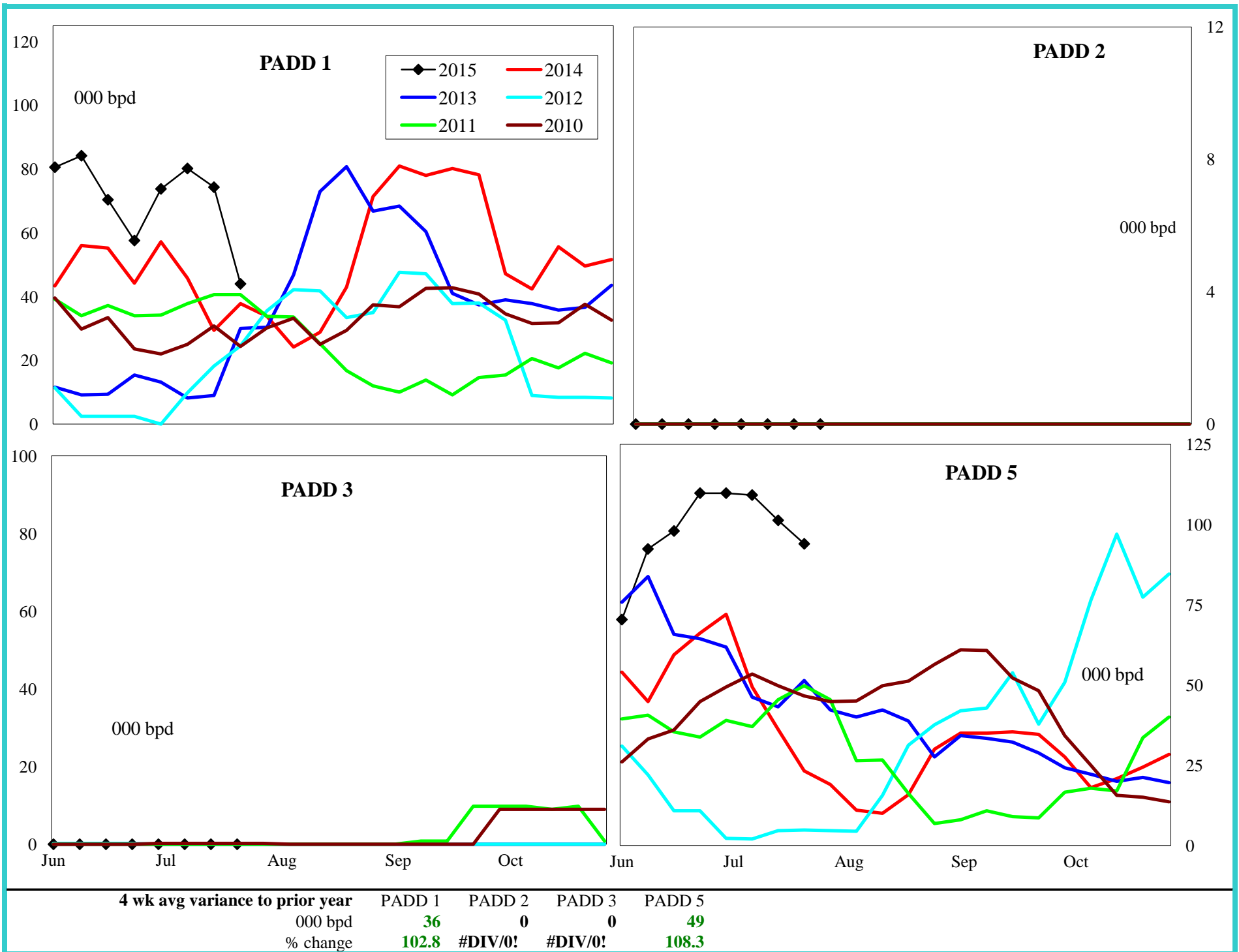
# Gasoline Imports by PADD (Finished + Blend Stocks)



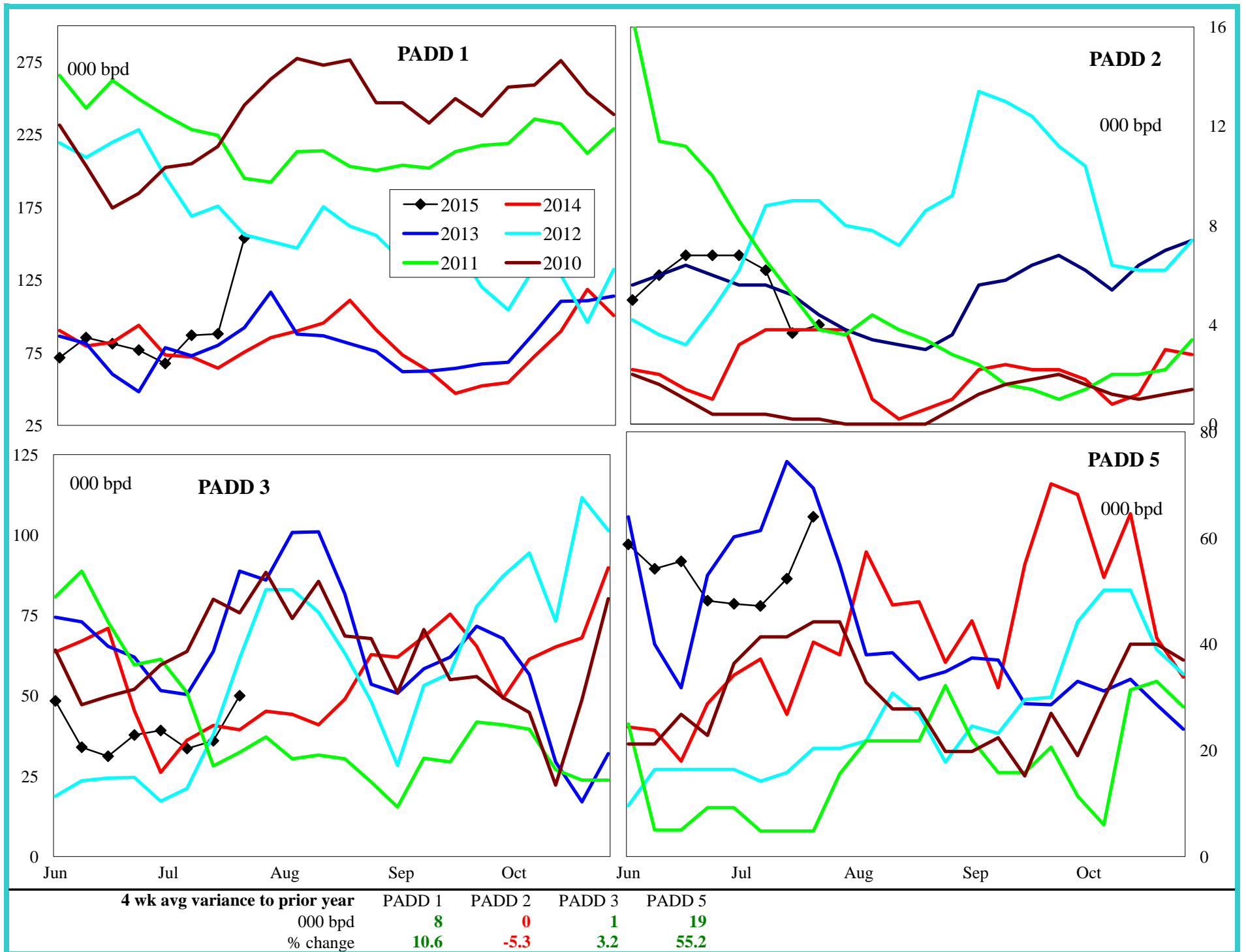
# Distillate Imports by PADD



# Jet Fuel Imports by PADD

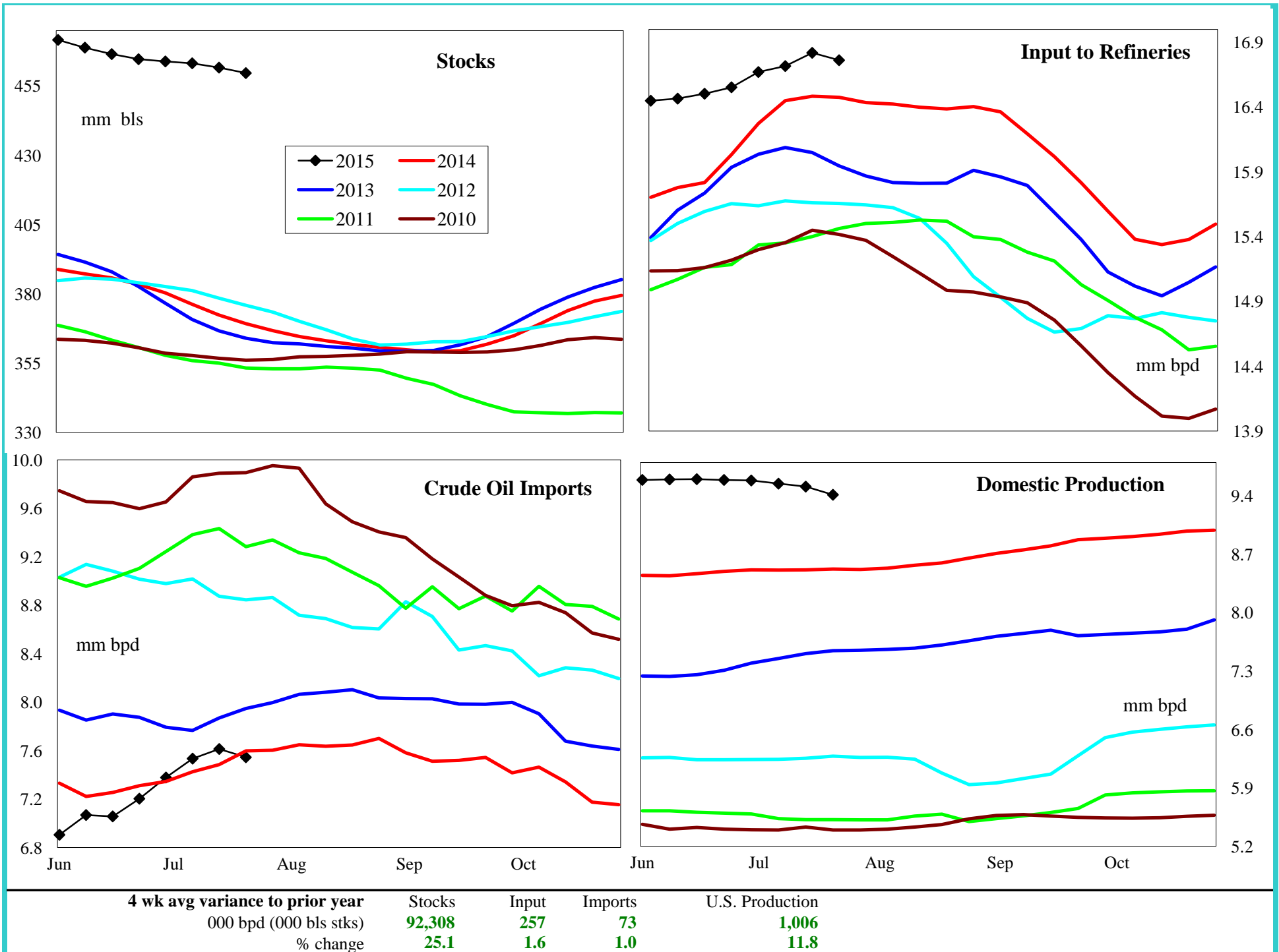


## Residual Fuel Oil Imports by PADD

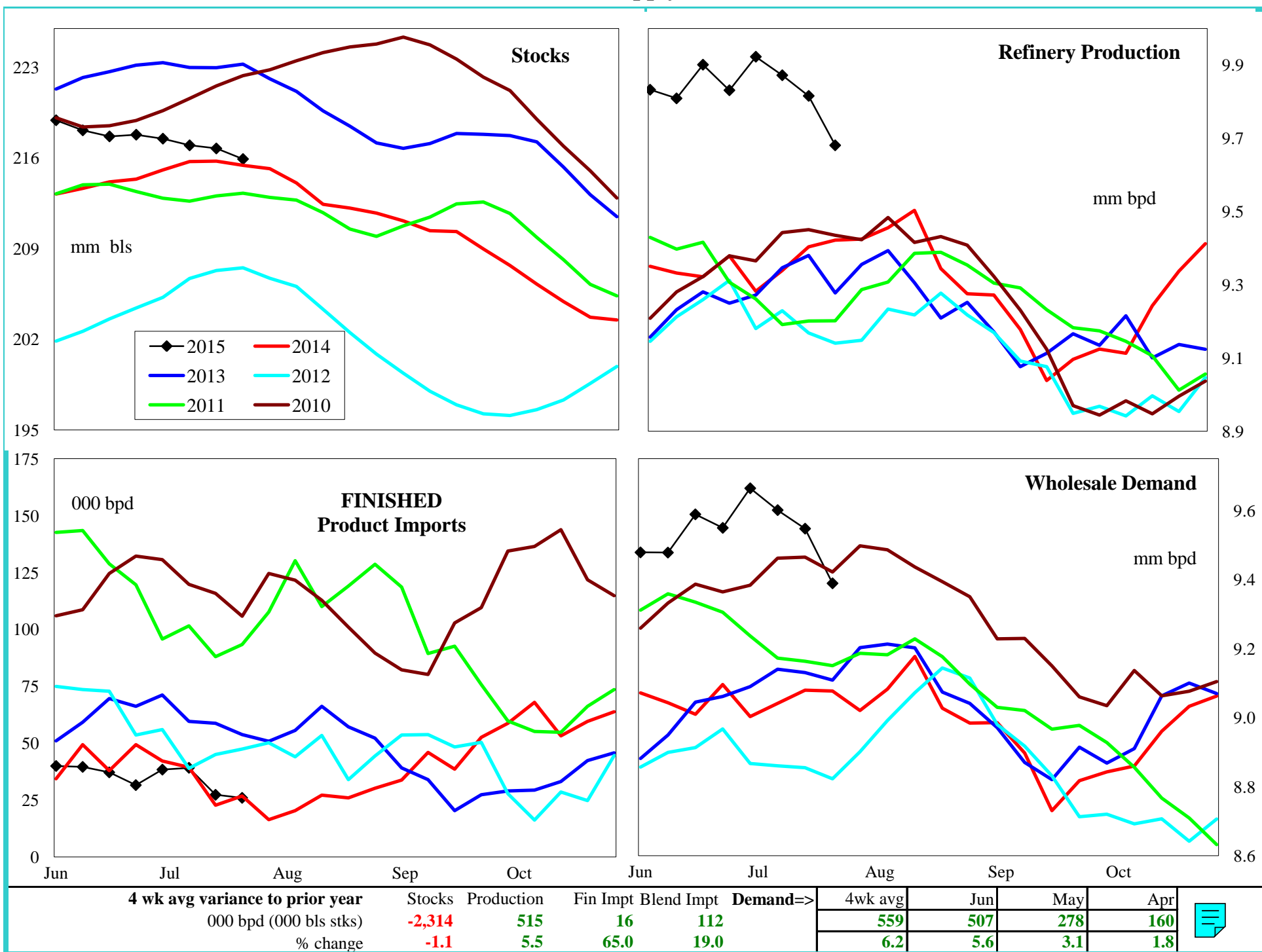




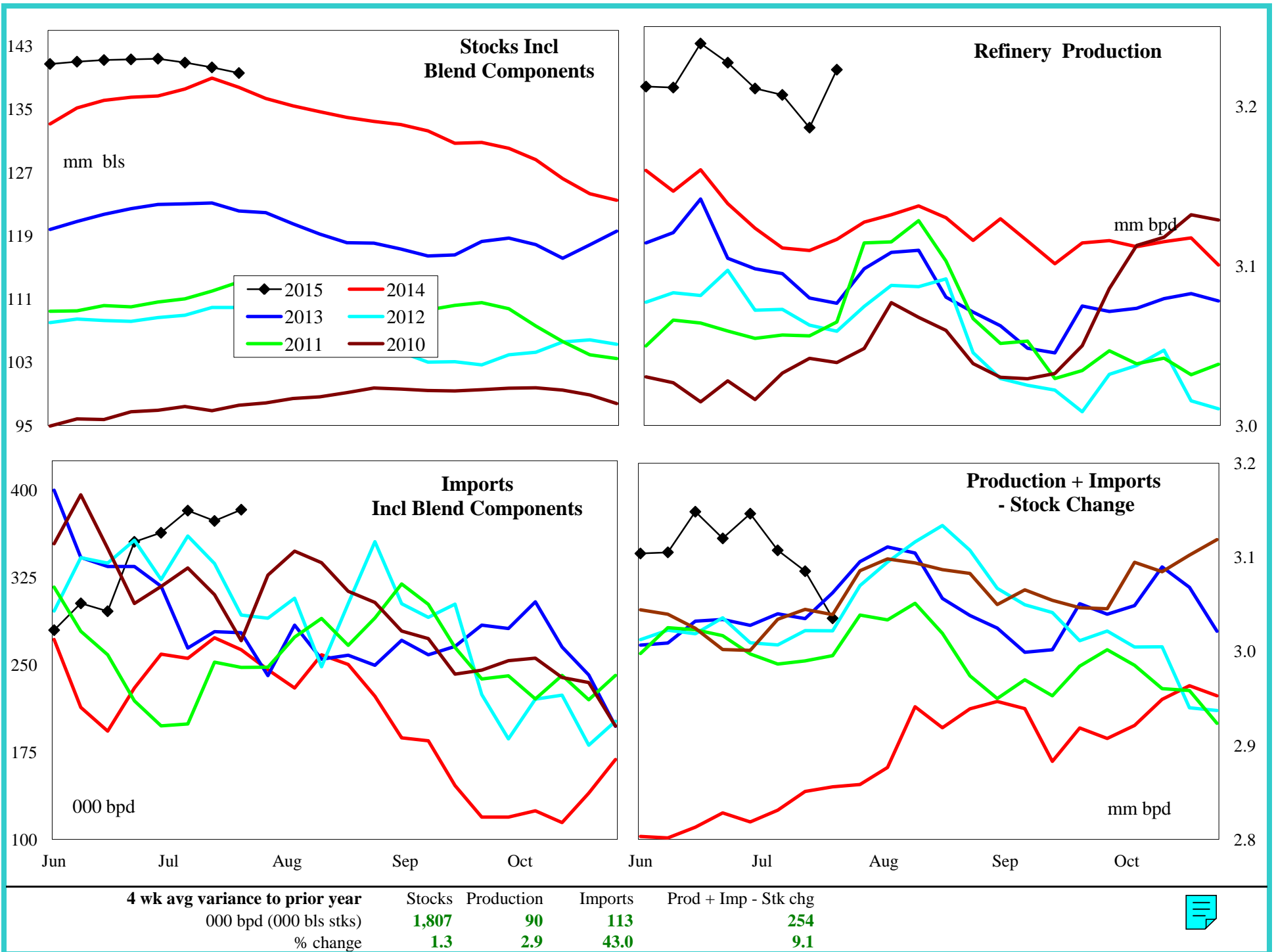
# United States Crude Oil Supply and Demand Balance



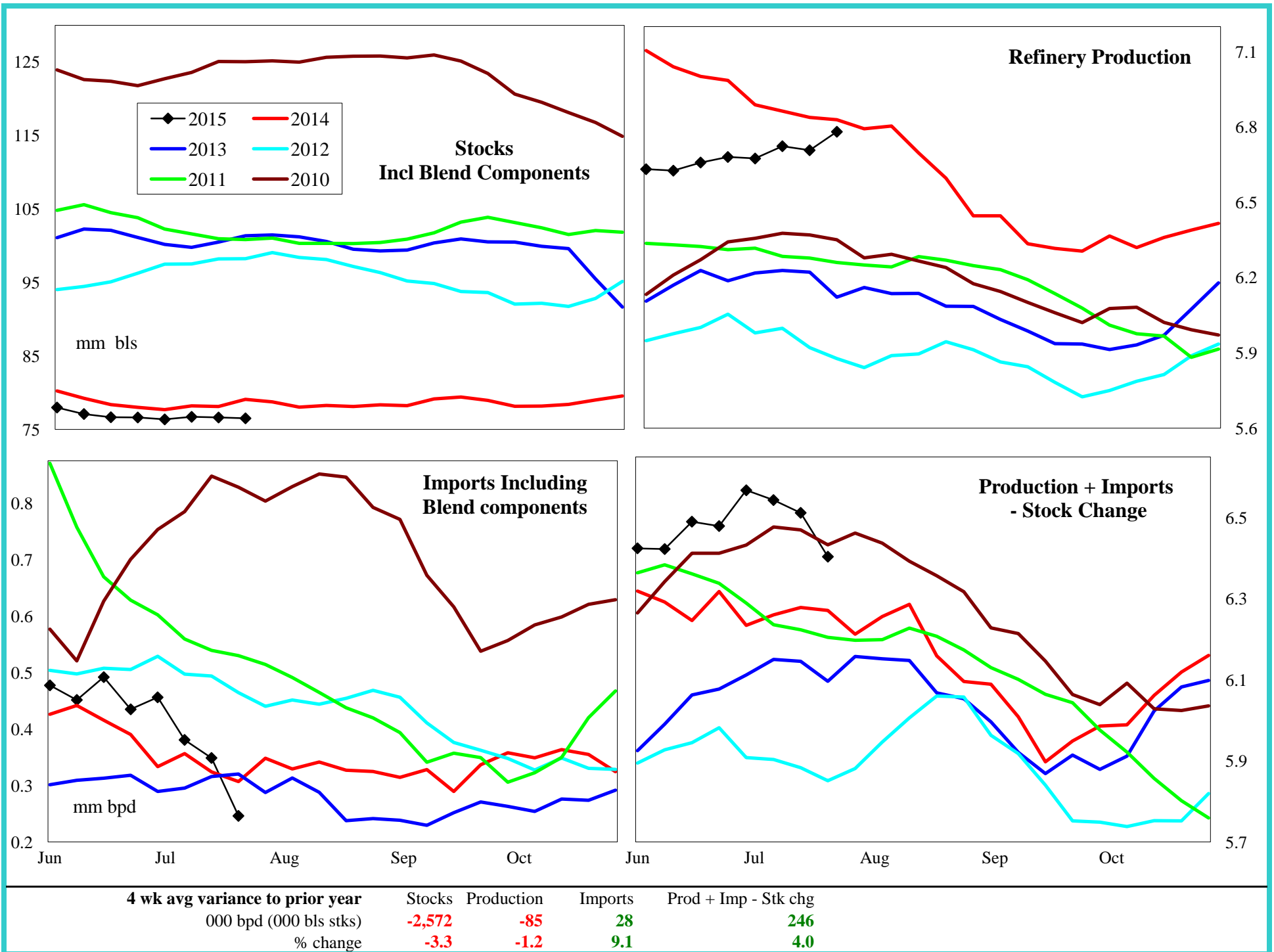
# United States Gasoline Supply and Demand Balance



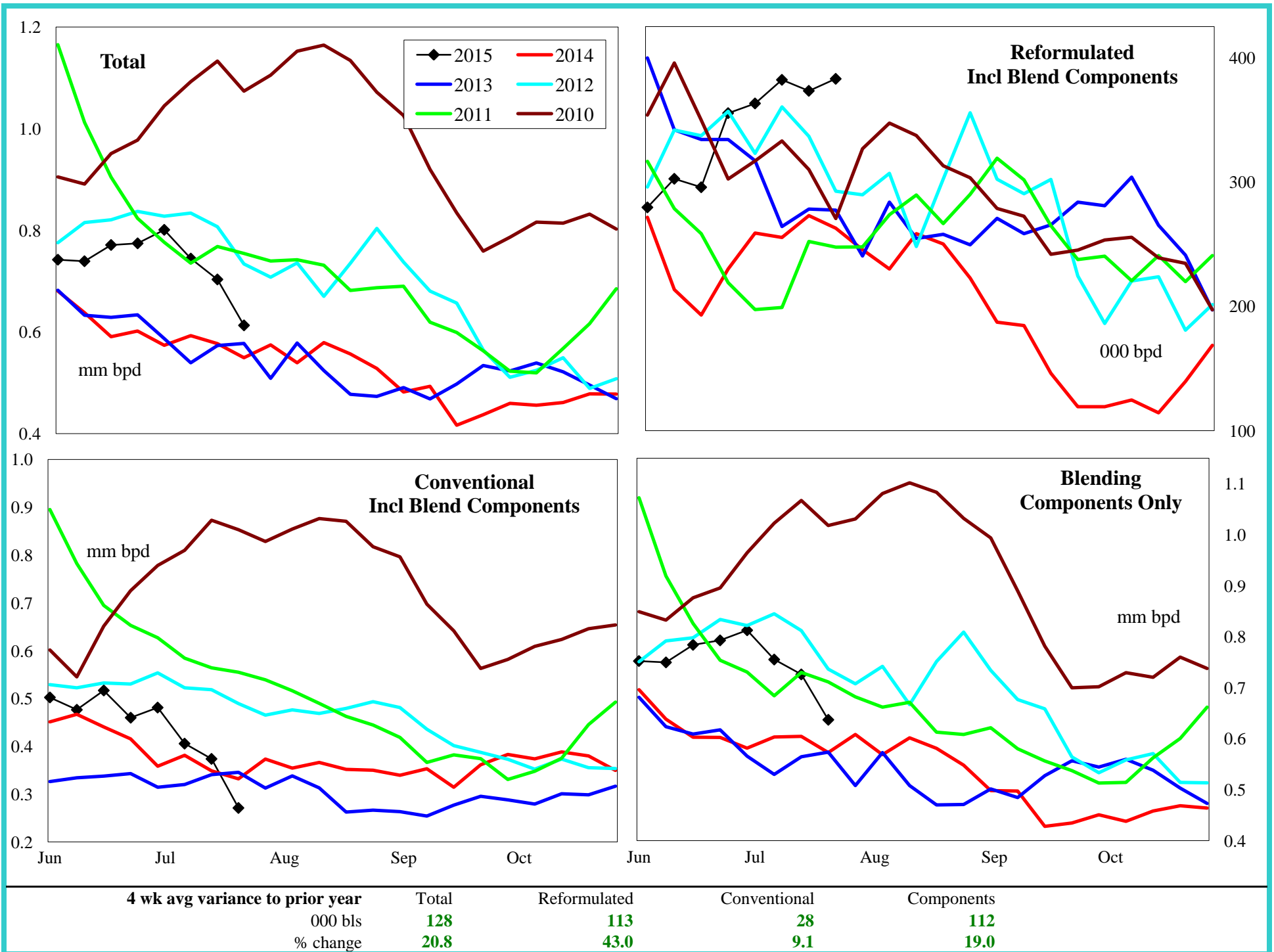
# United States Reformulated Gasoline Supply



# United States Conventional Gasoline Supply

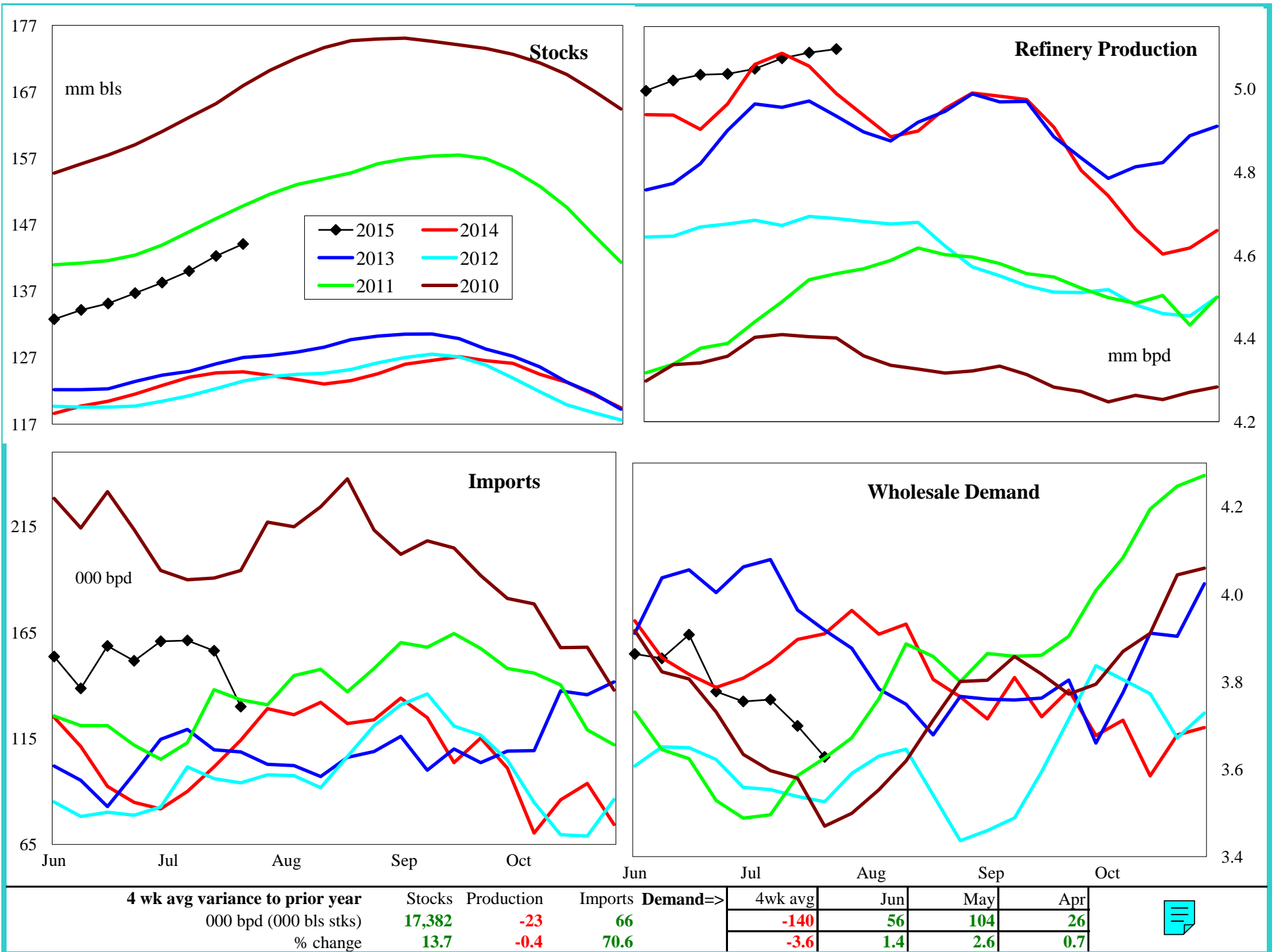


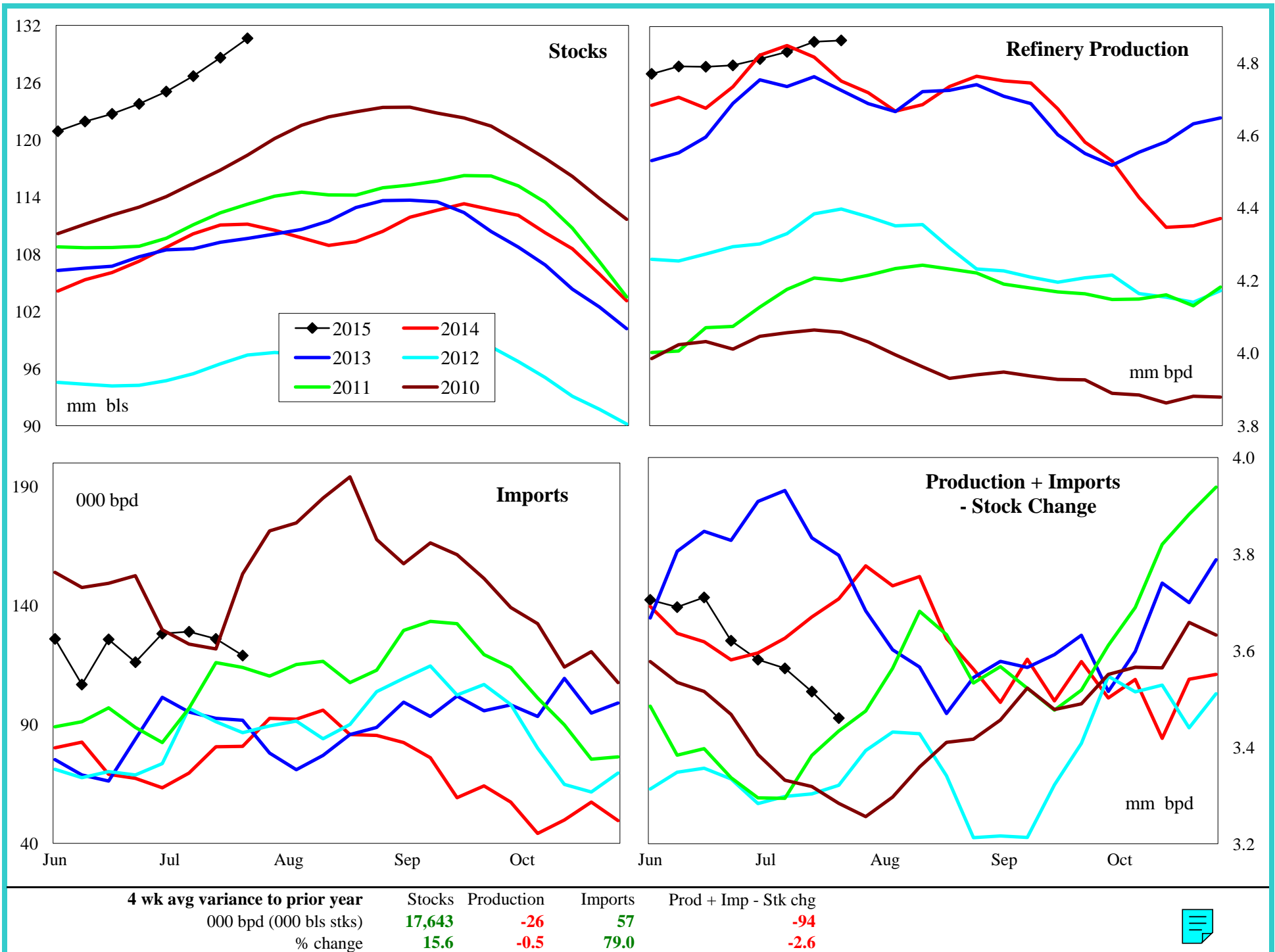
# United States Gasoline Imports by Type



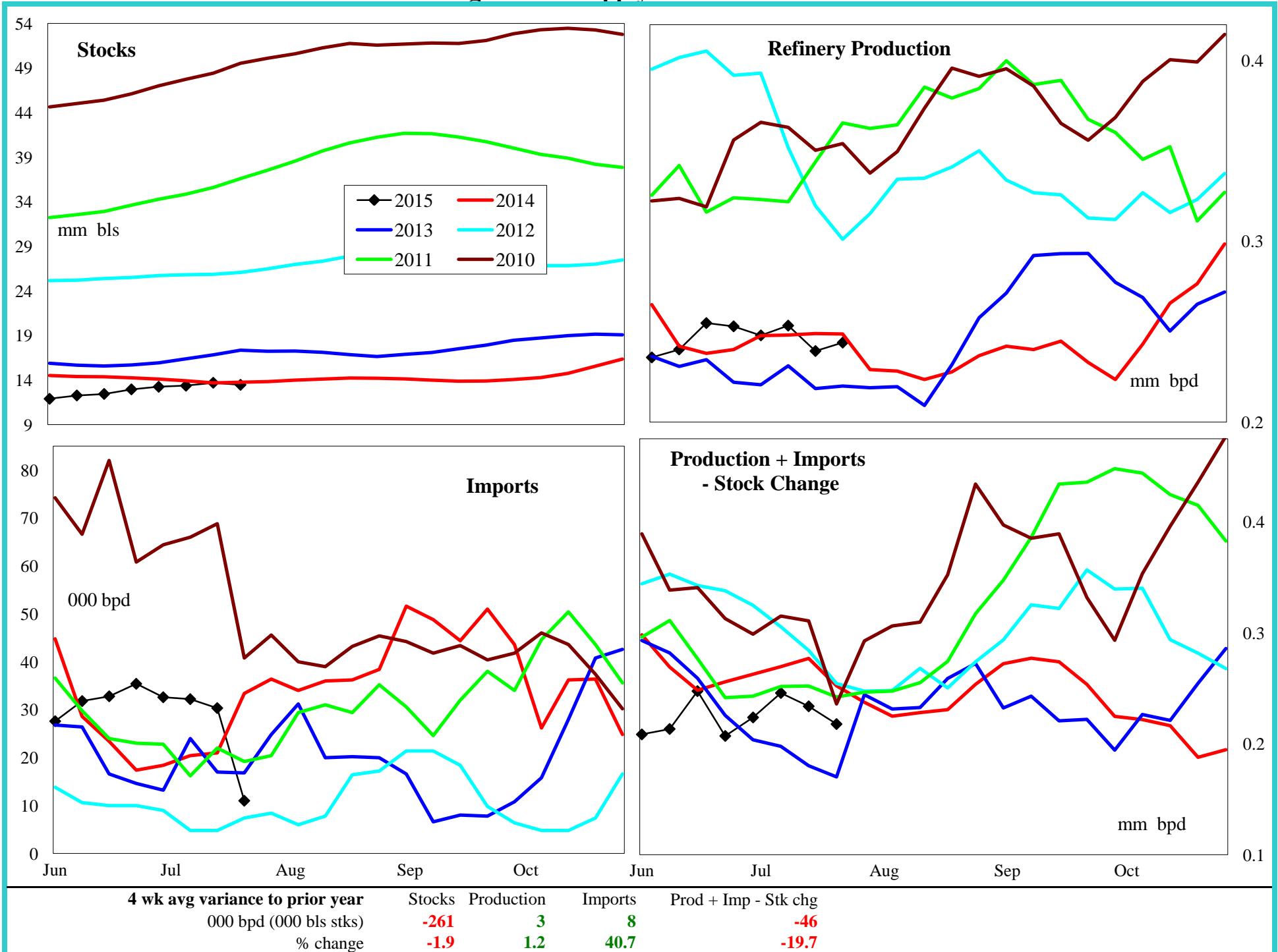


# United States Distillate Supply and Demand Balance

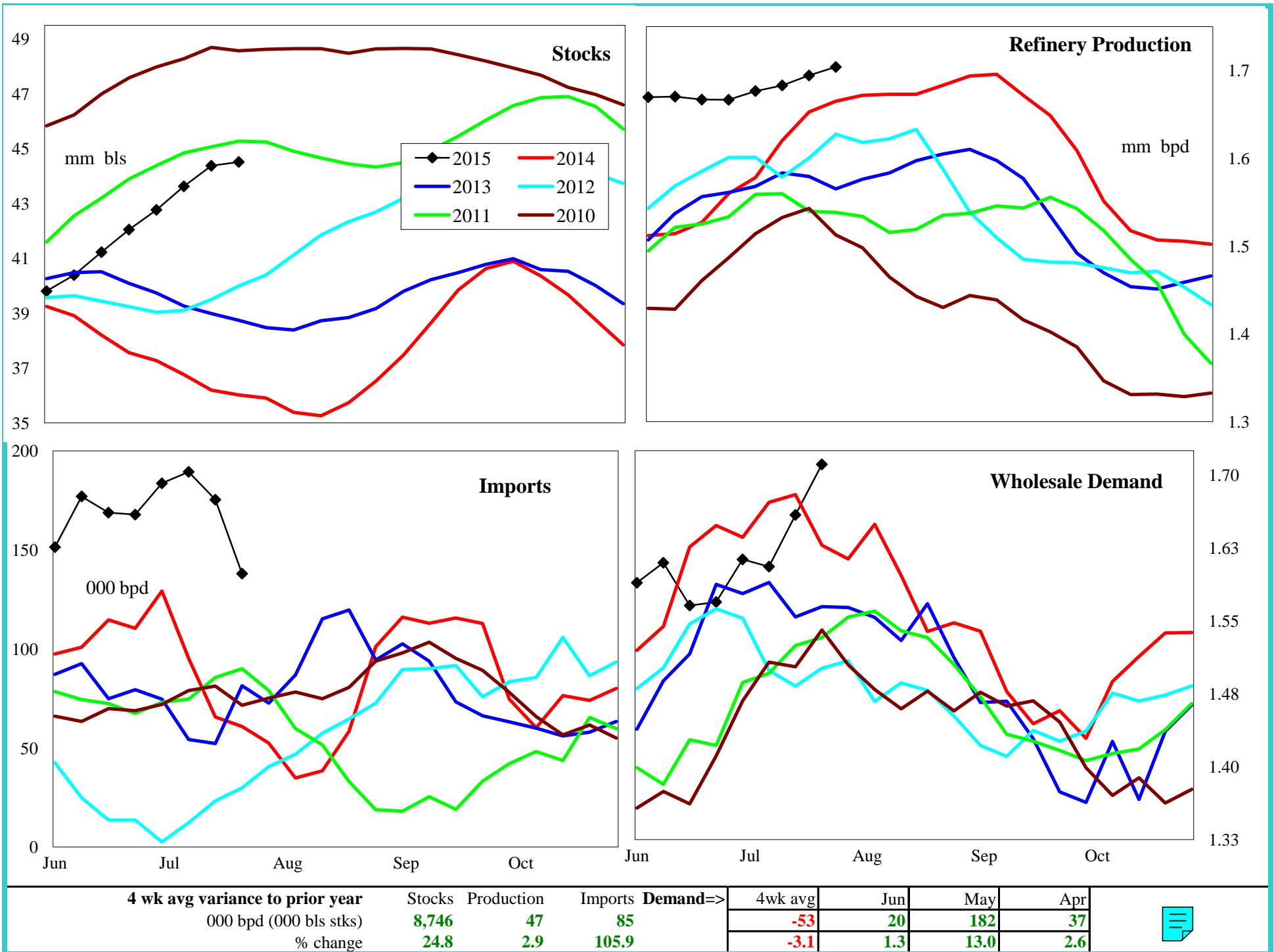




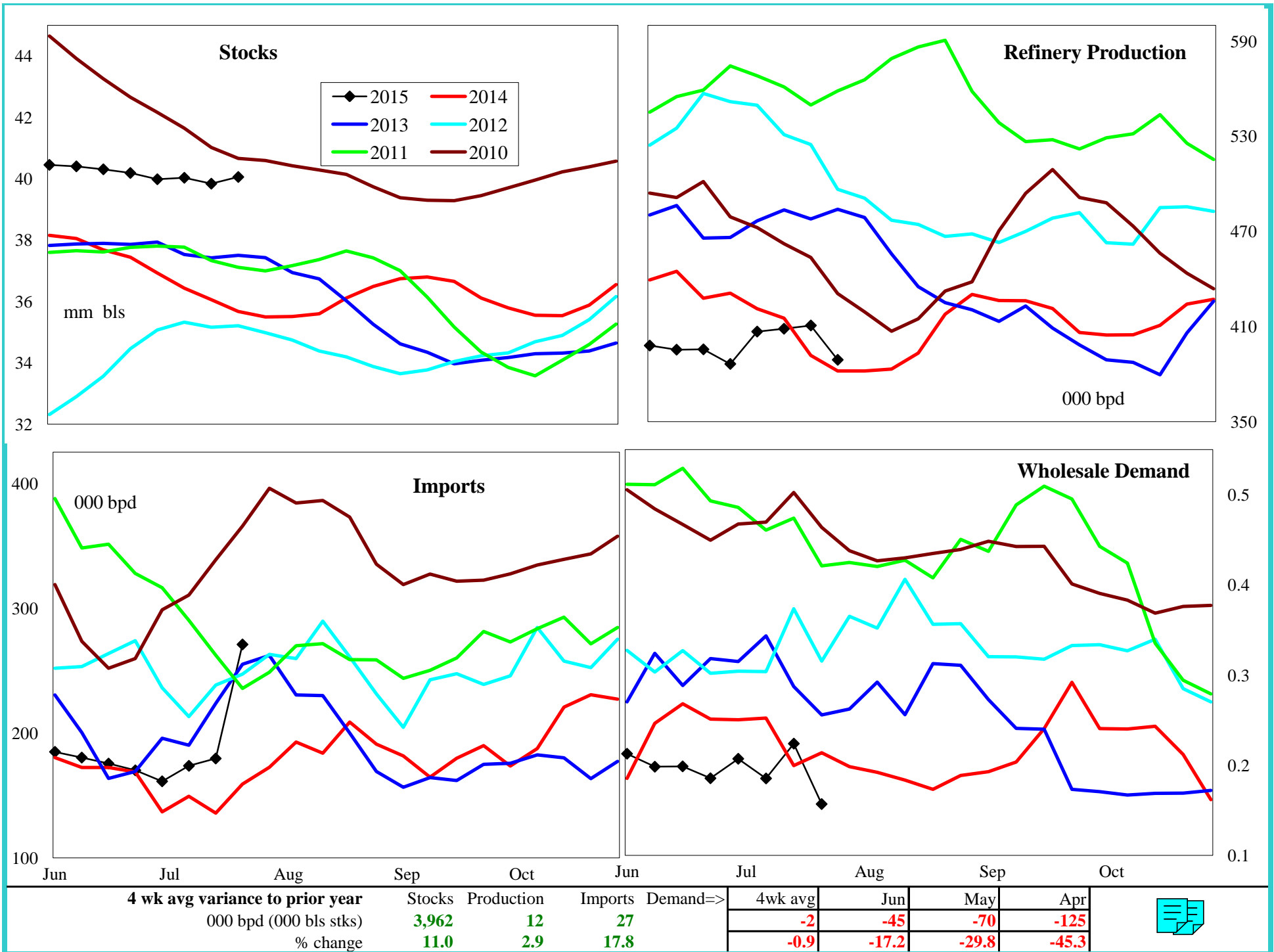
# United States High Sulfur Supply Distillate and Demand Balance



# United States Jet Fuel Supply and Demand Balance

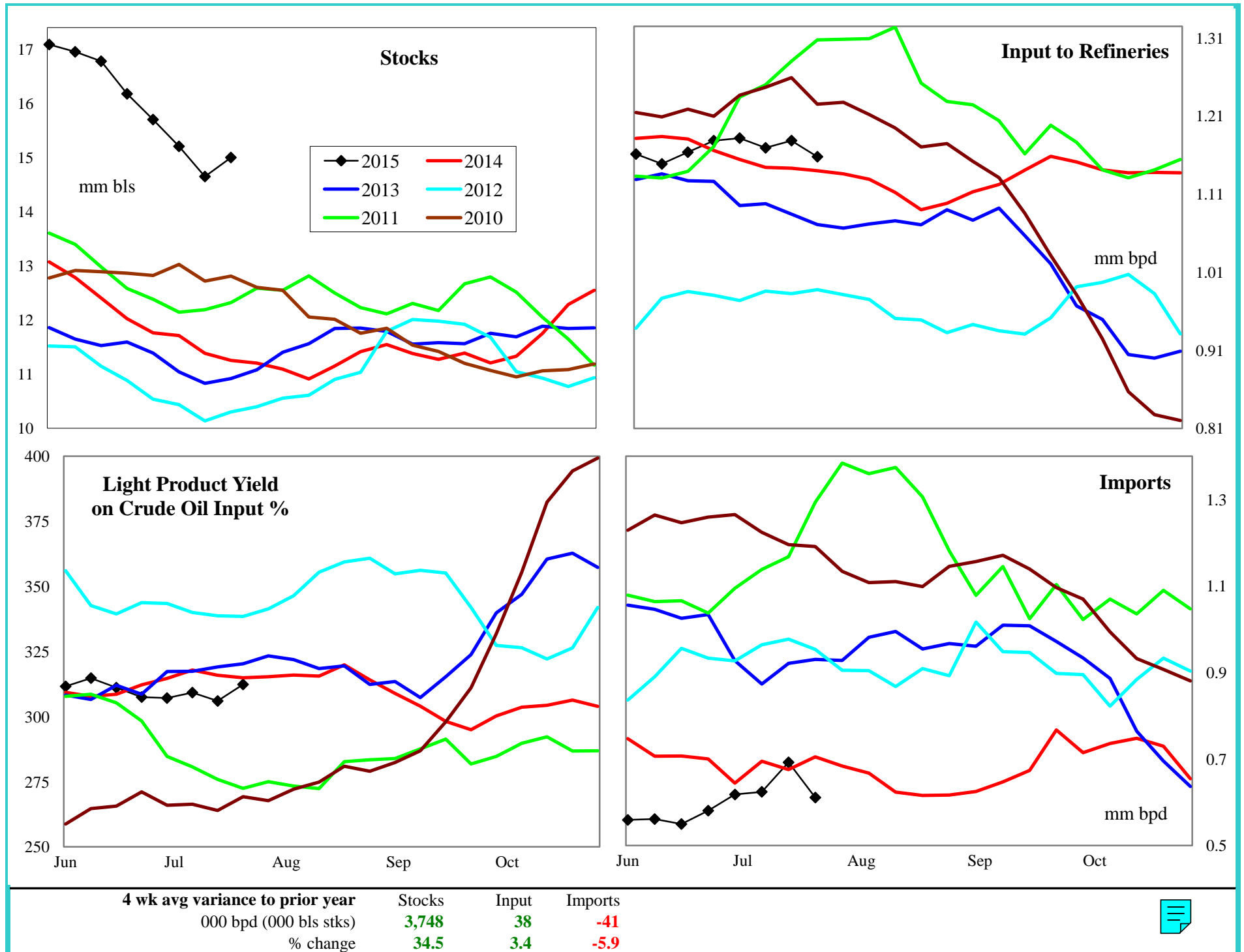


# United States Residual Fuel Supply and Demand Balance

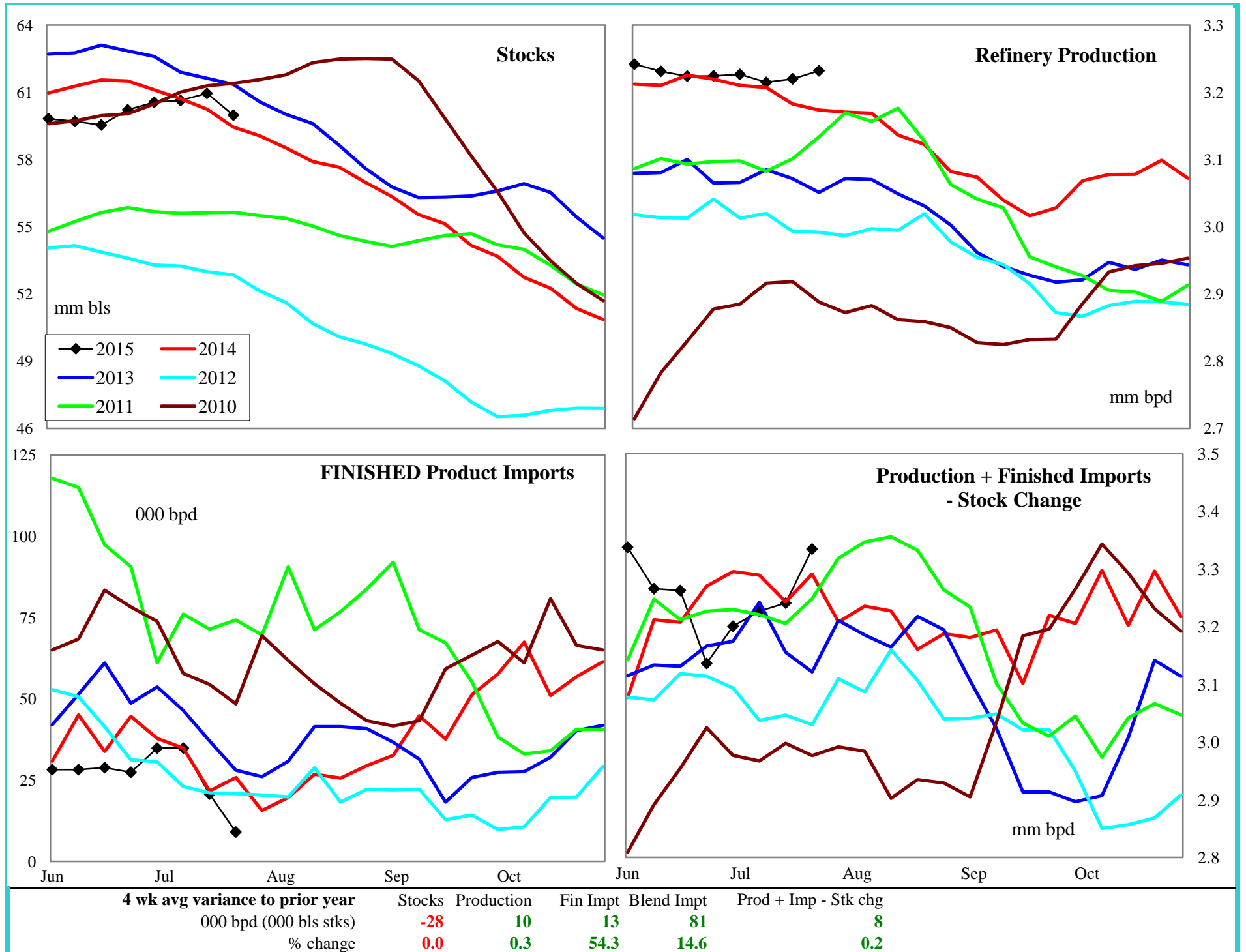




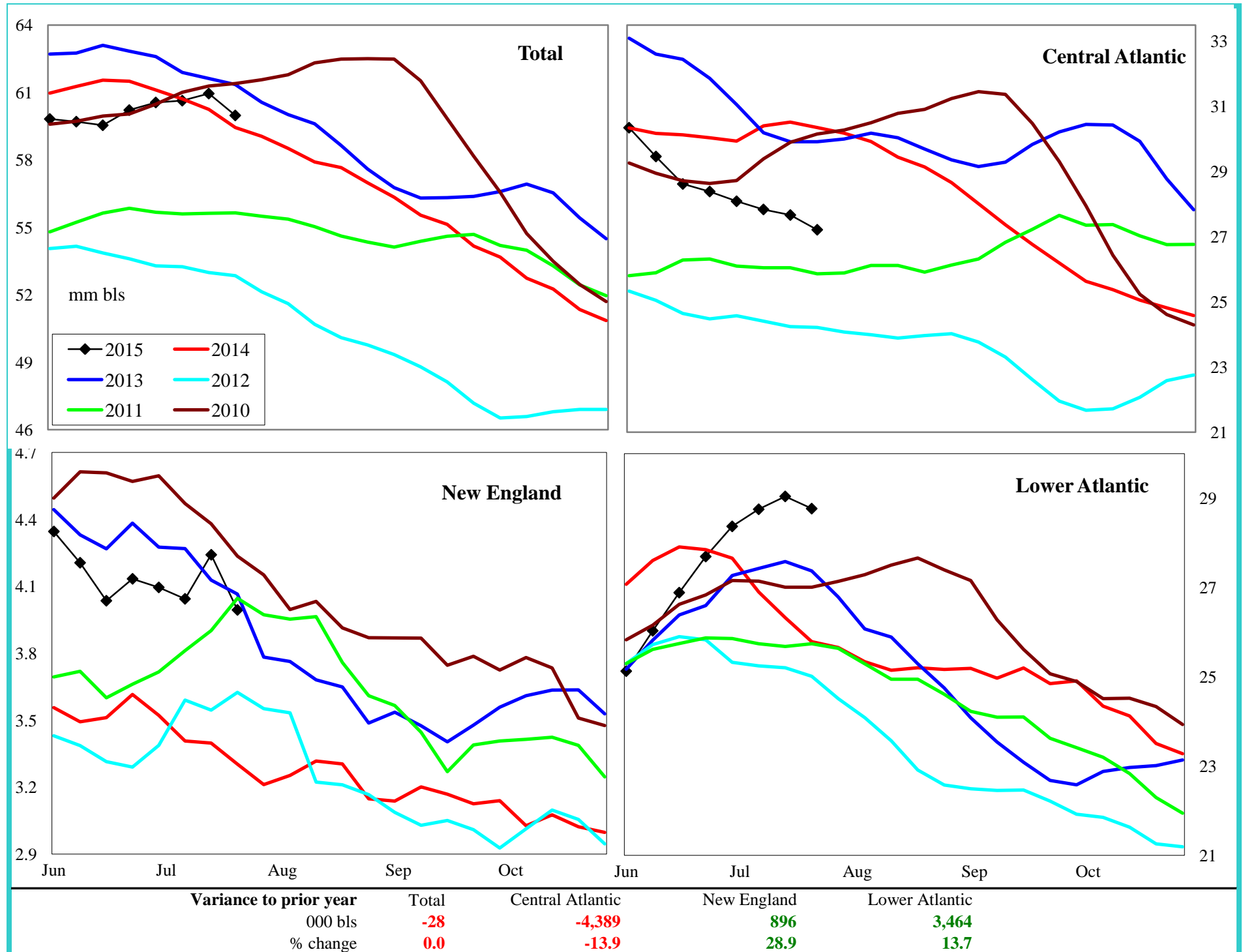
# PADD 1 Crude Oil Supply and Refining



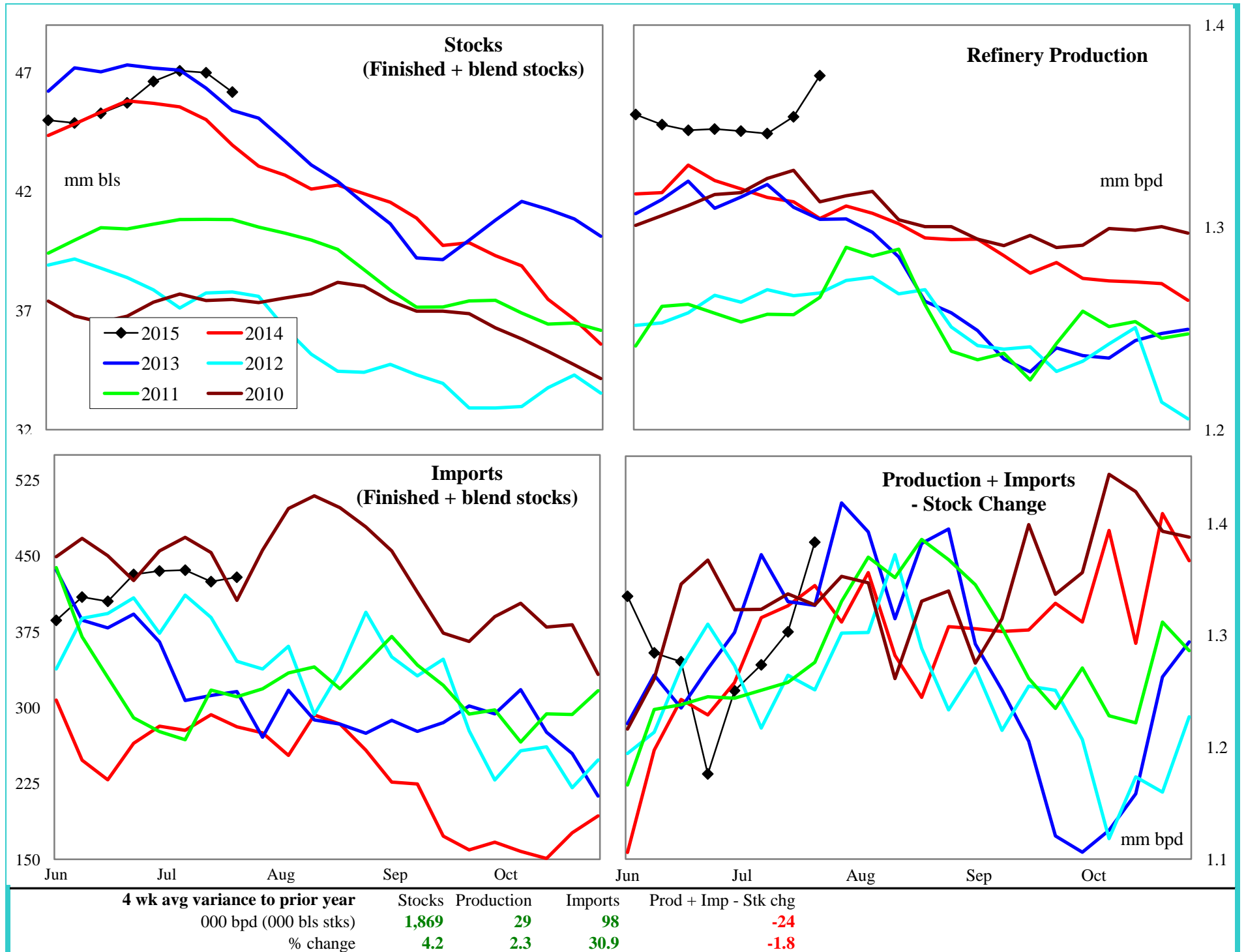
# PADD 1 Gasoline Supply



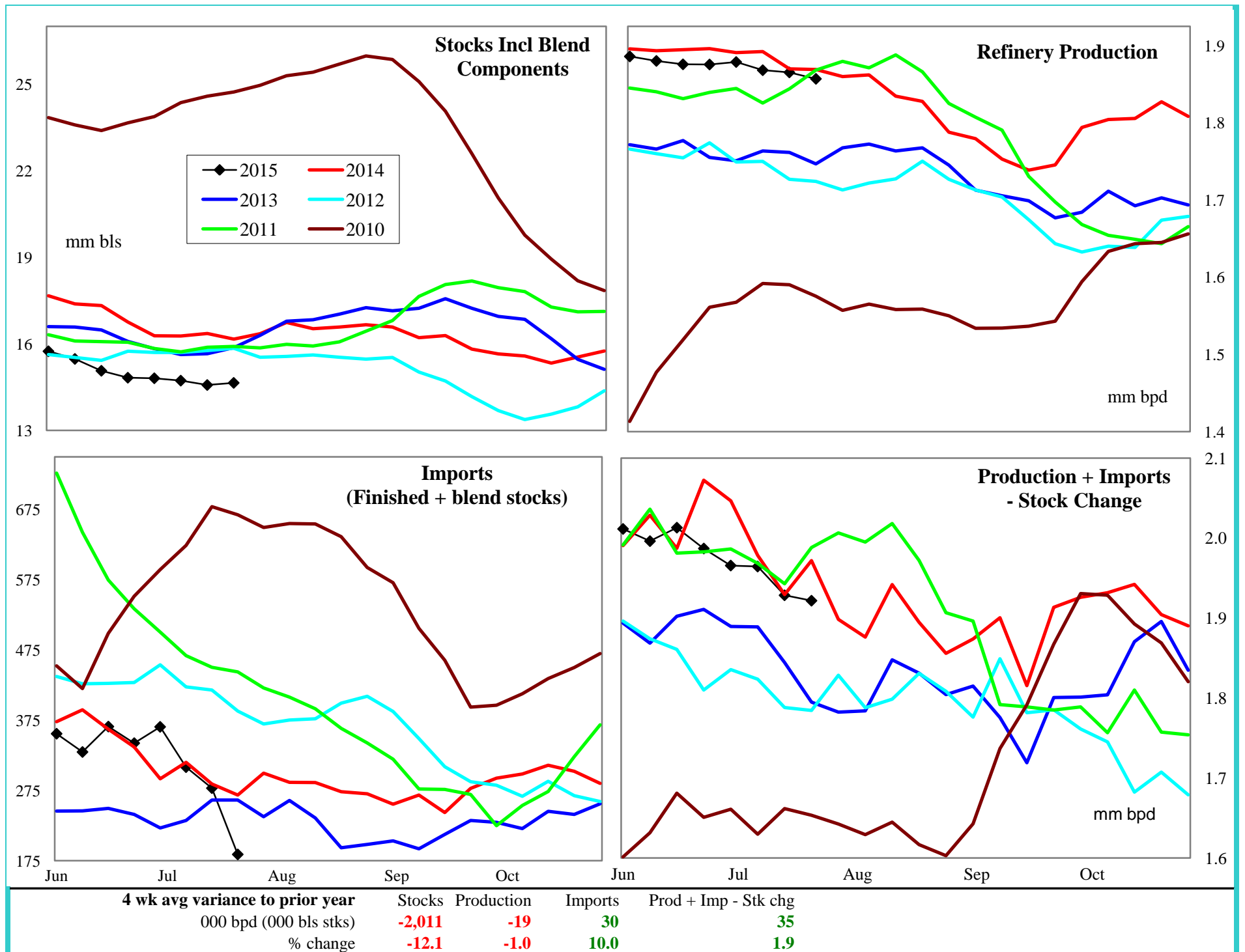
# PADD 1 Gasoline Stocks by Region



# PADD 1 Reformulated Gasoline Supply

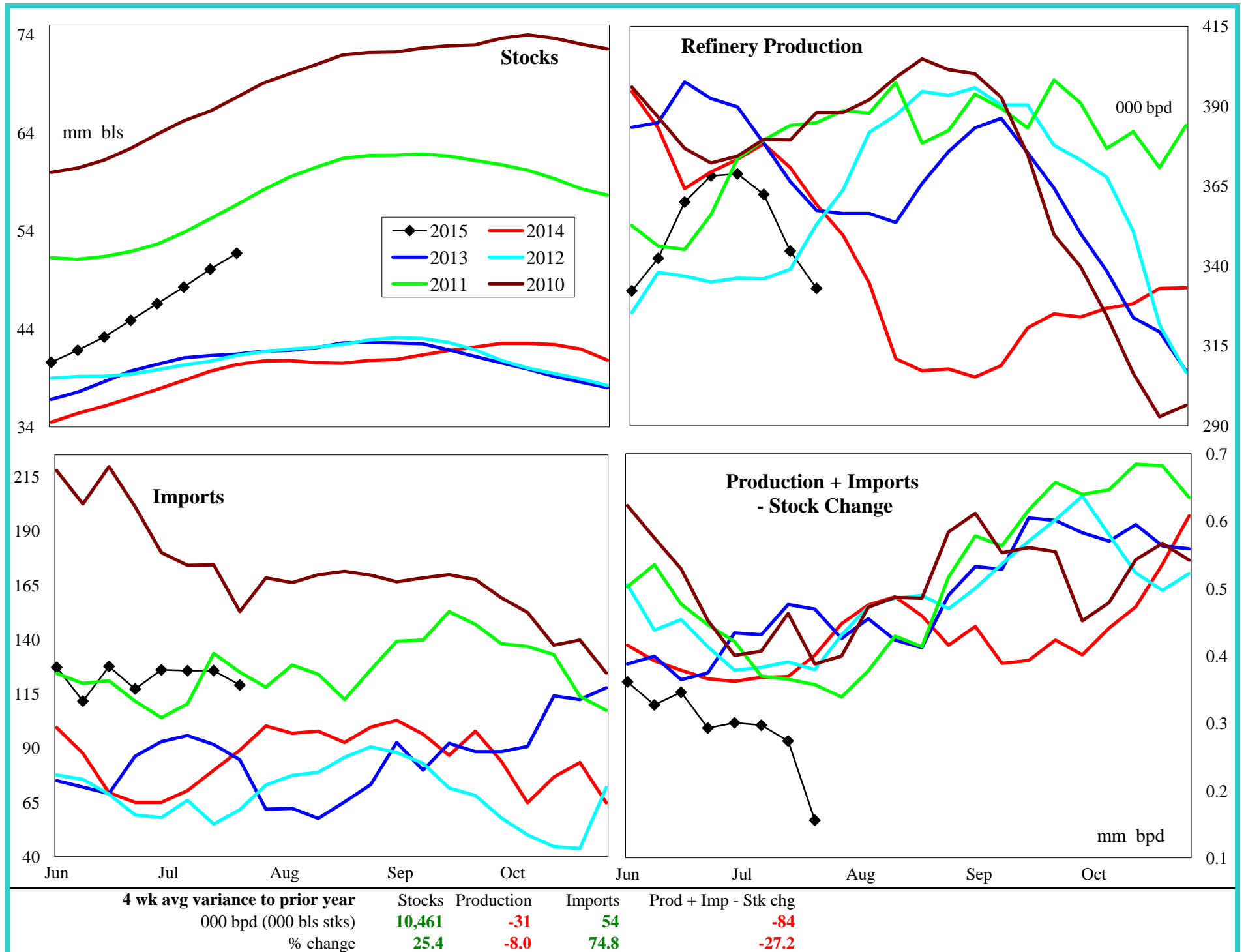


# PADD 1 Conventional Gasoline Supply

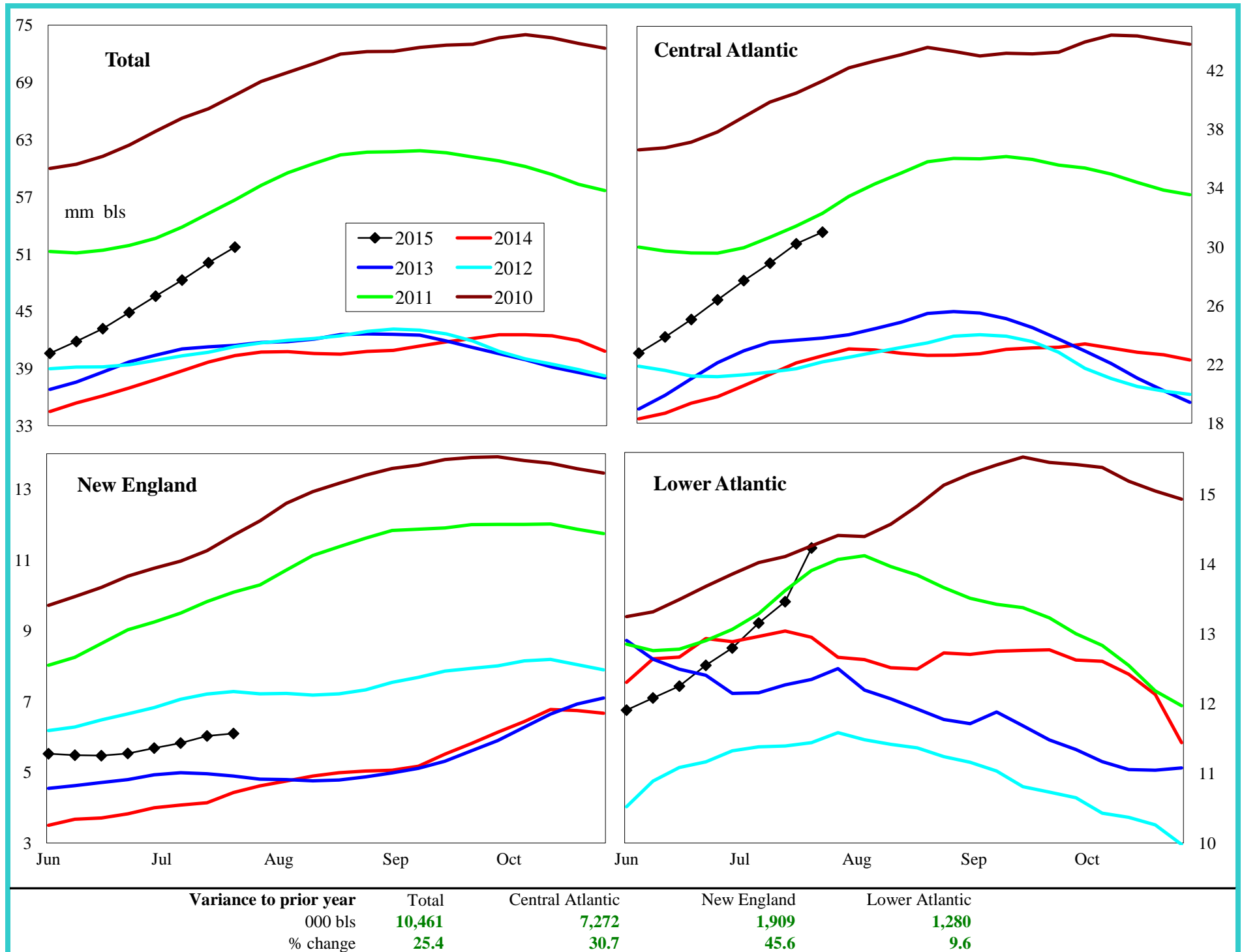




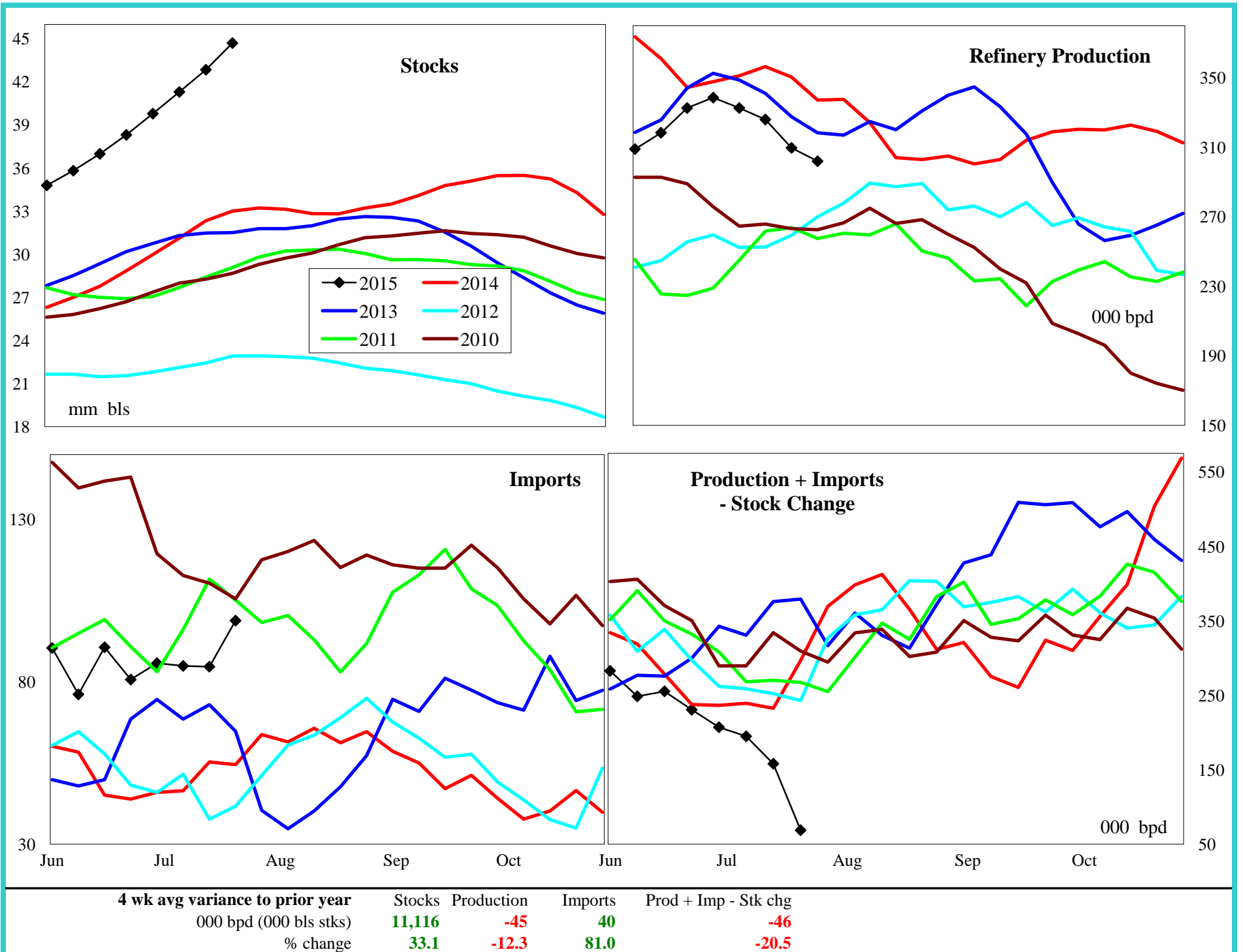
# PADD 1 Distillate Supply



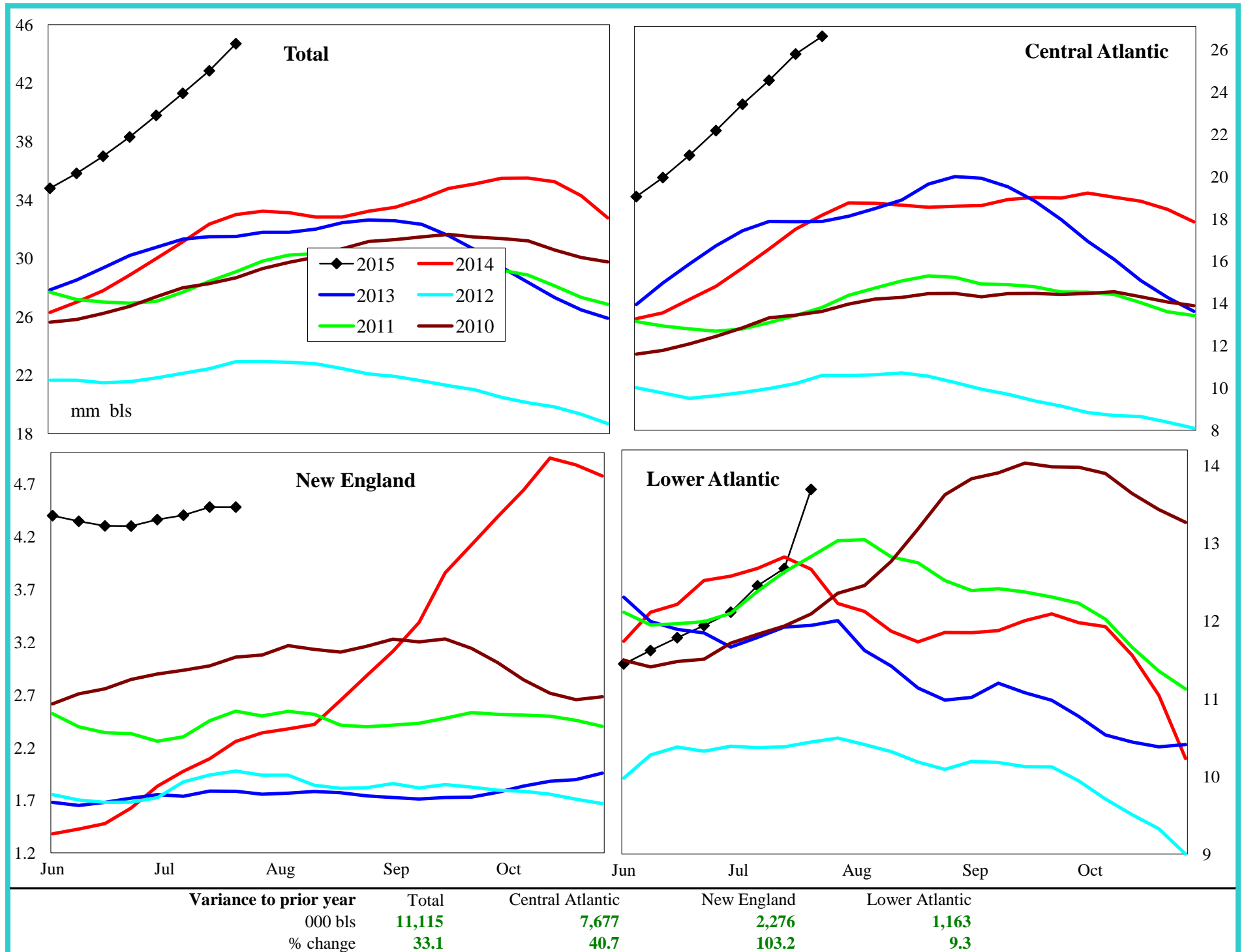
## PADD 1 Distillate Stocks by Region



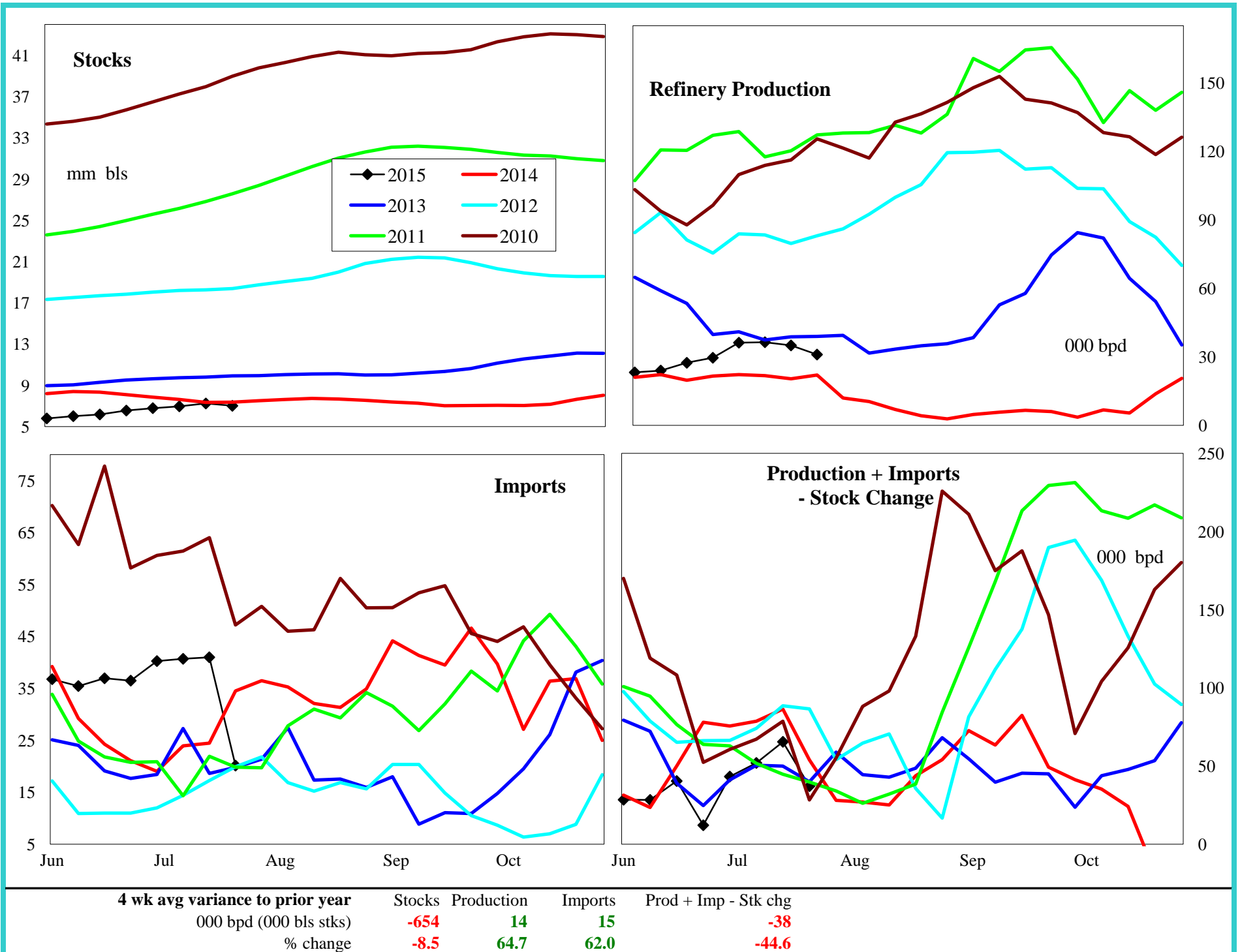
# PADD 1 Low Sulfur Distillate Supply



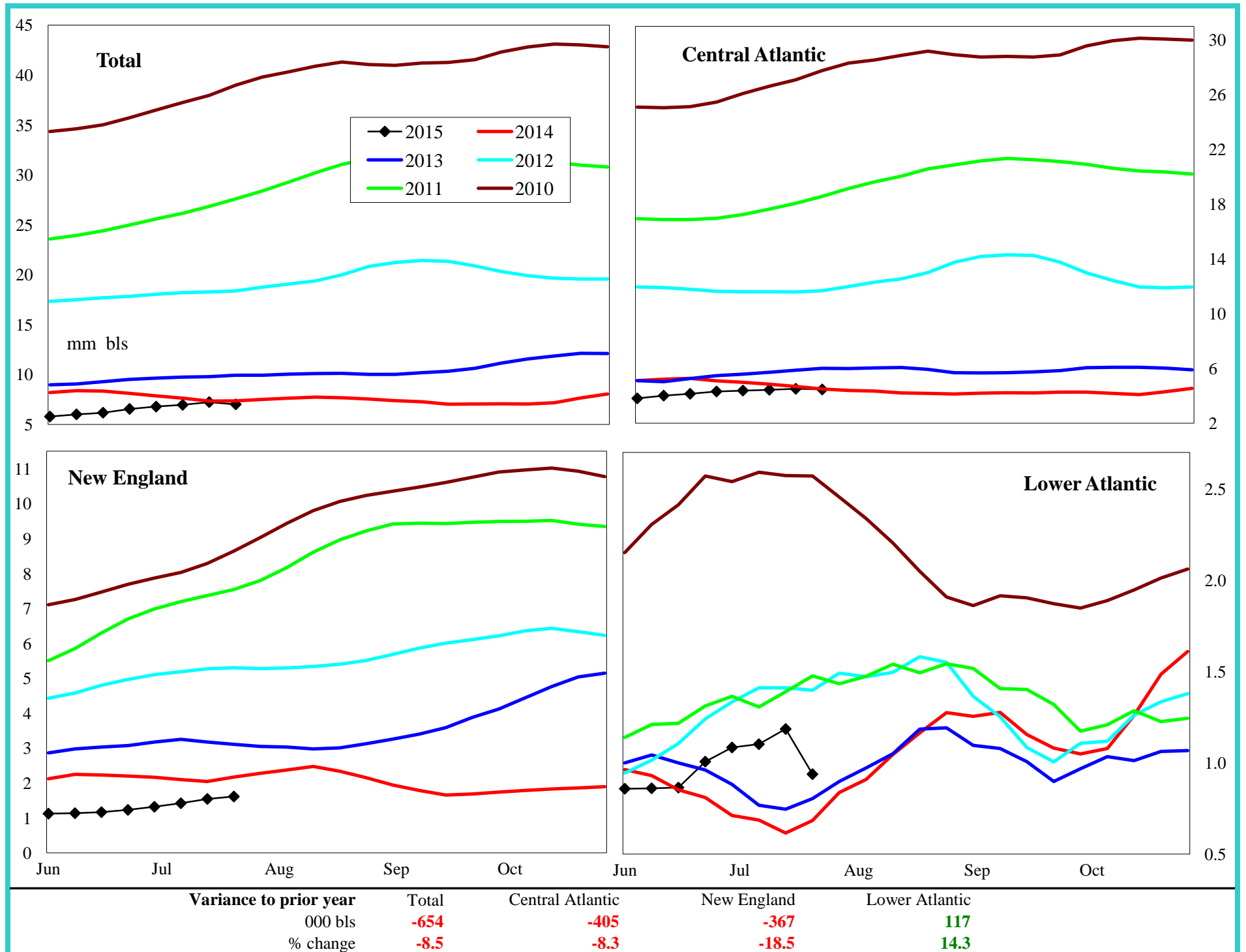
# PADD 1 Low Sulfur Distillate Stocks by Region



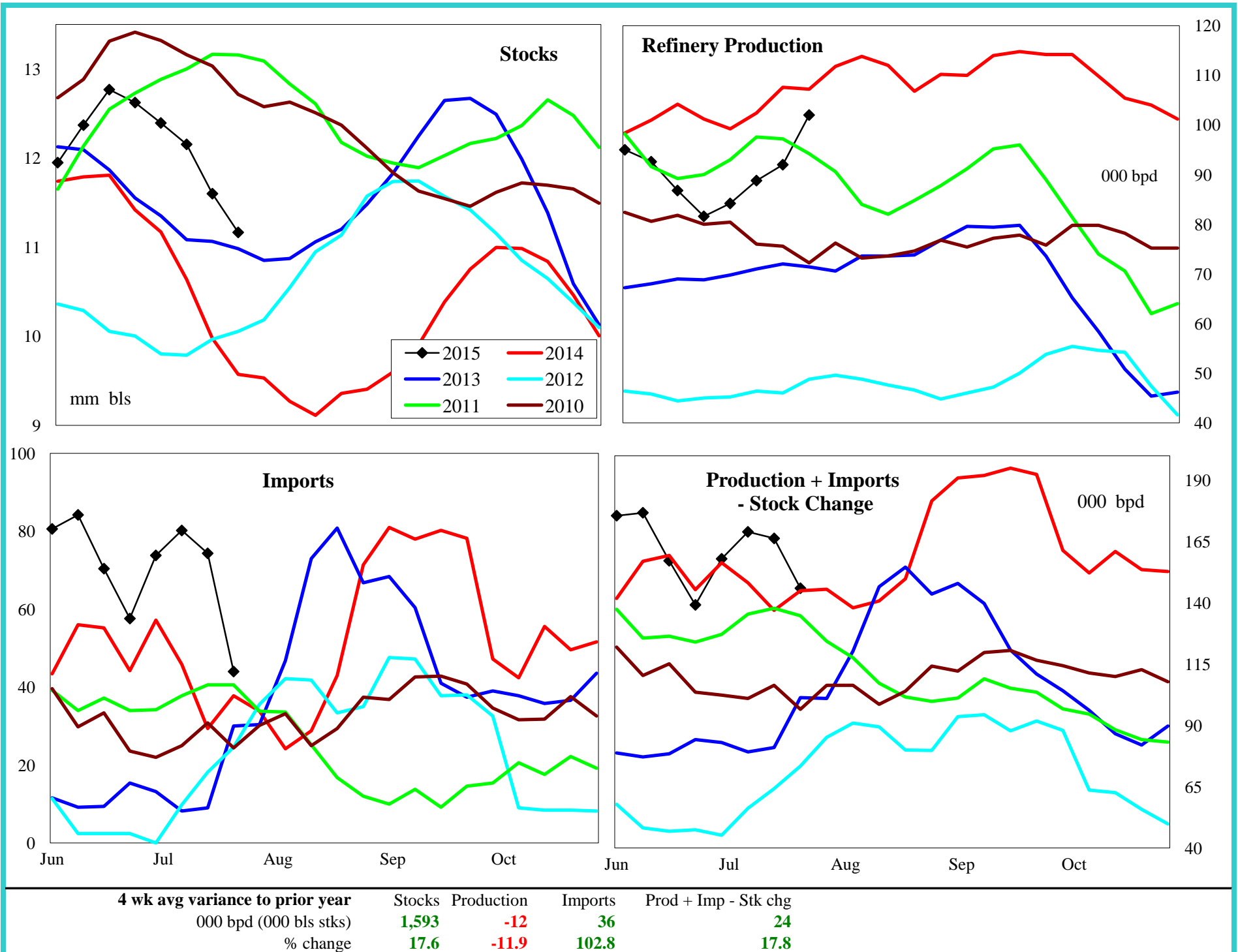
# PADD 1 High Sulfur Distillate Supply



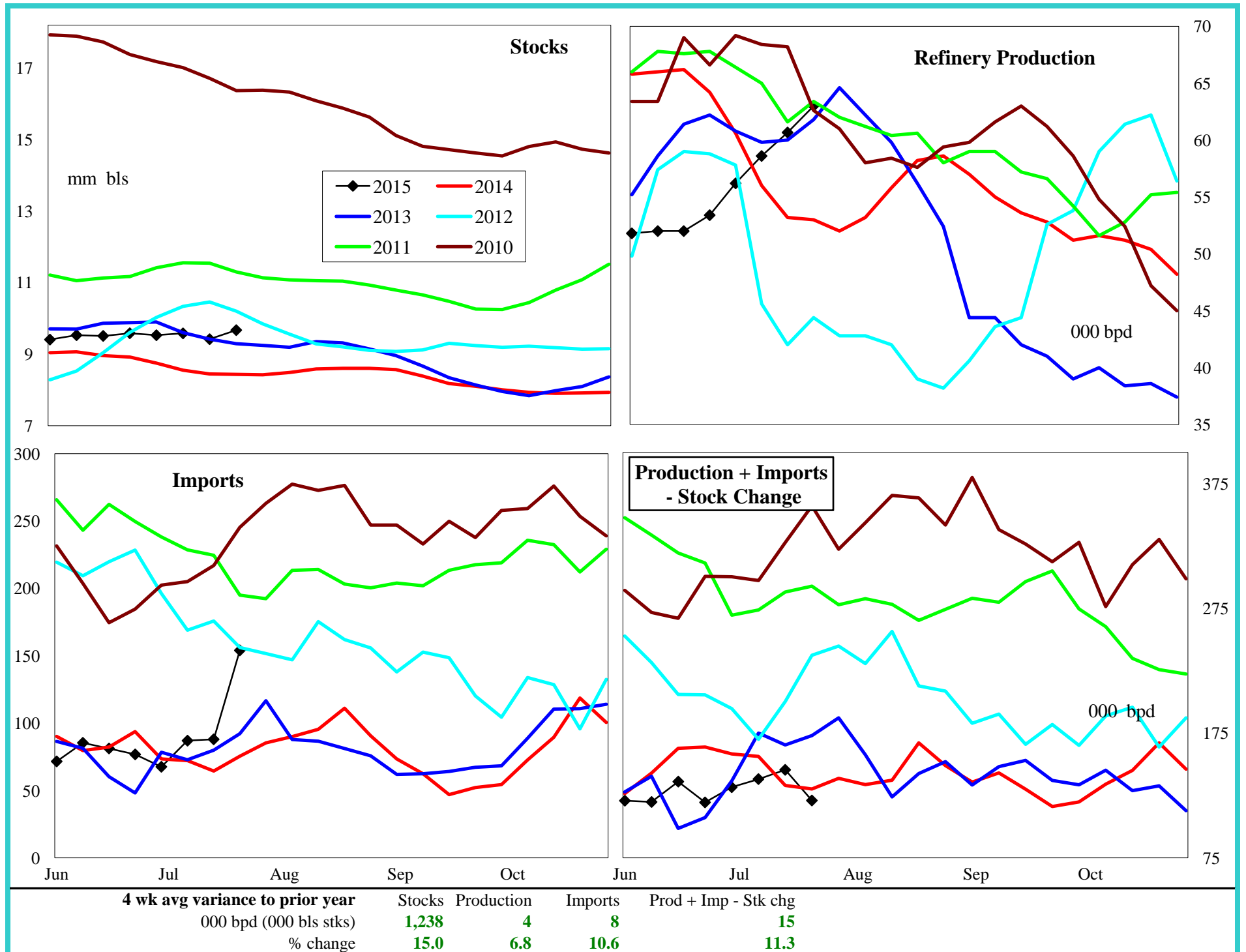
# PADD 1 High Sulfur Distillate Stocks by Region



# PADD 1 Jet Fuel Supply

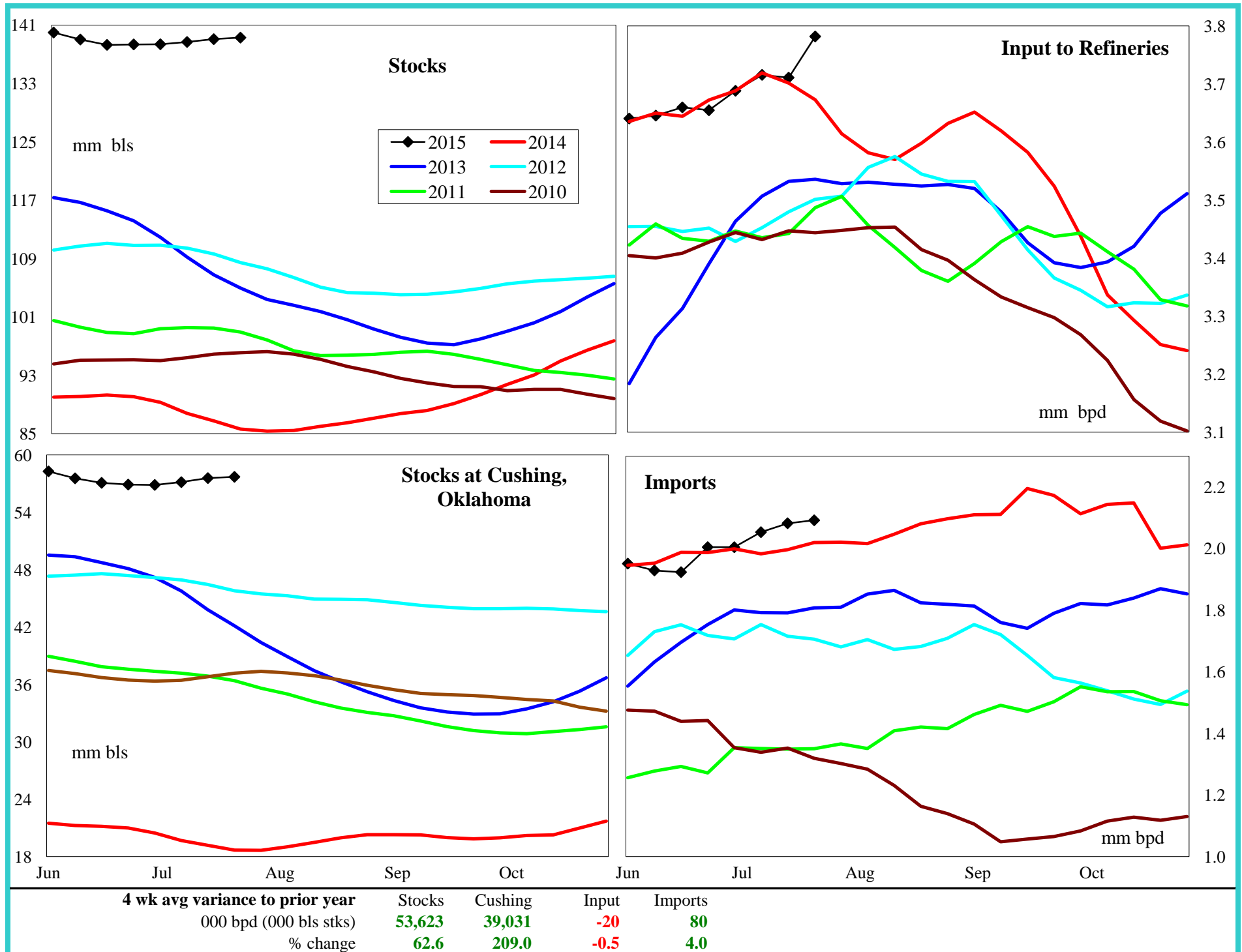


# PADD 1 Residual Fuel Oil Supply

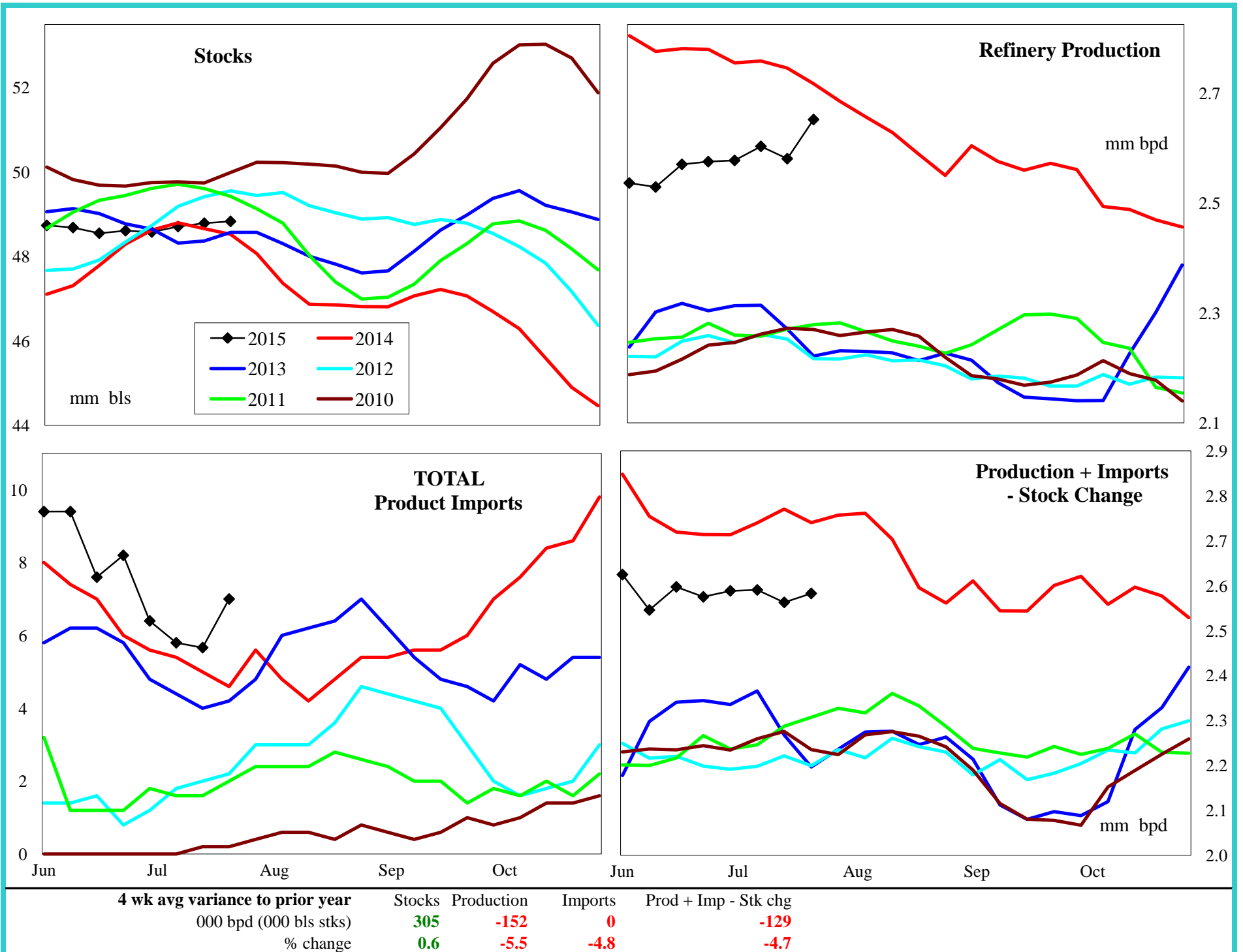




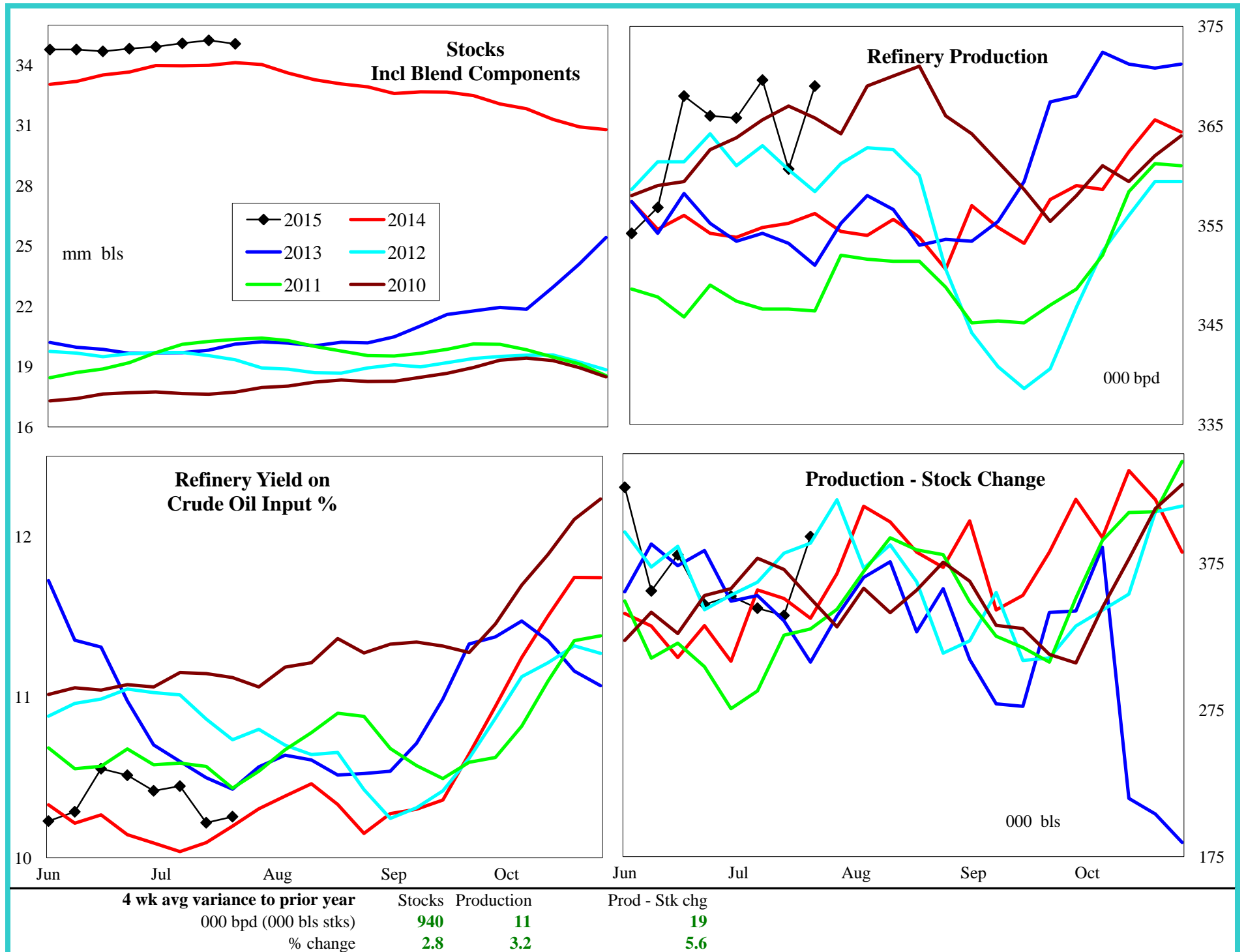
# PADD 2 Crude Oil Supply and Refining



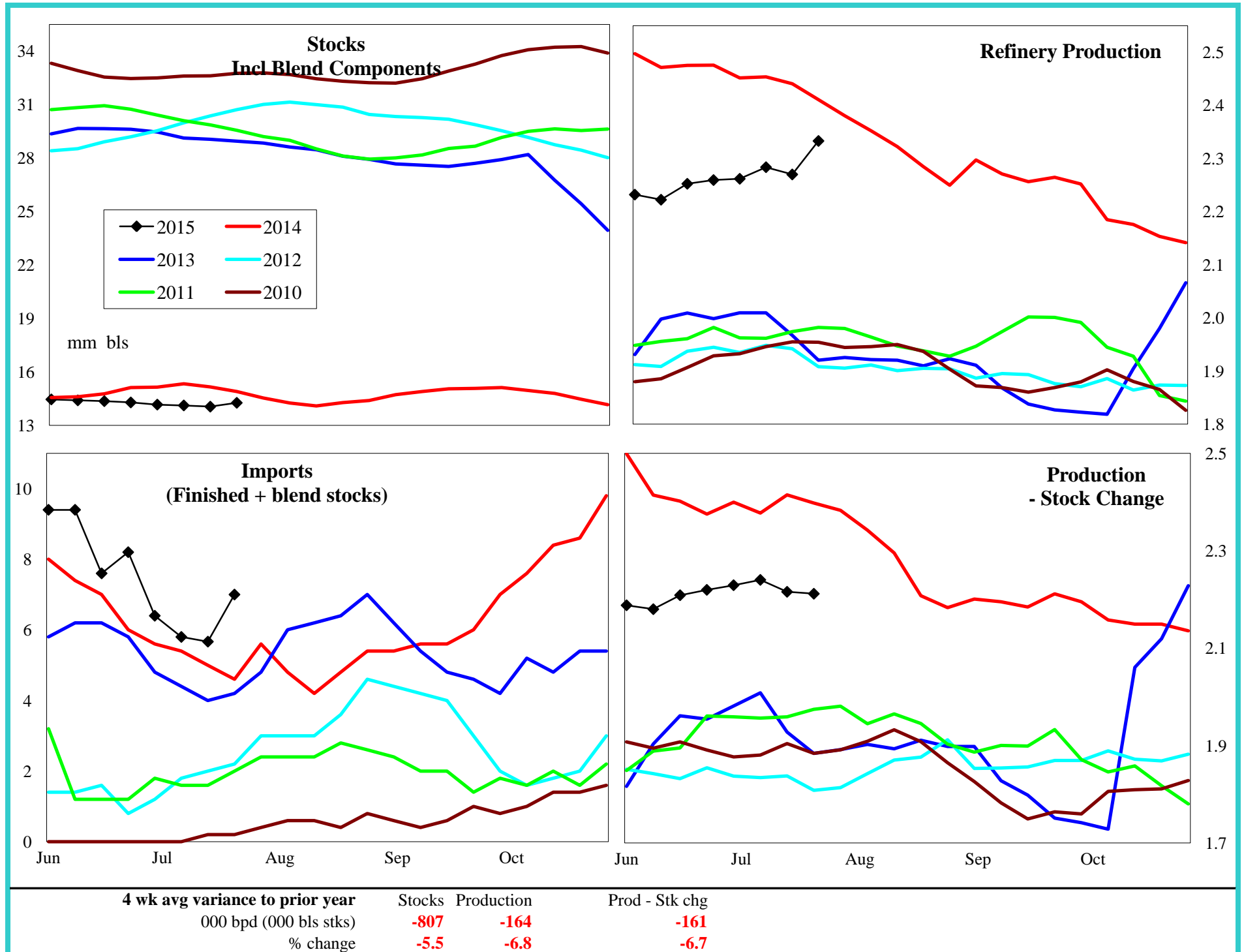
# PADD 2 Gasoline Supply



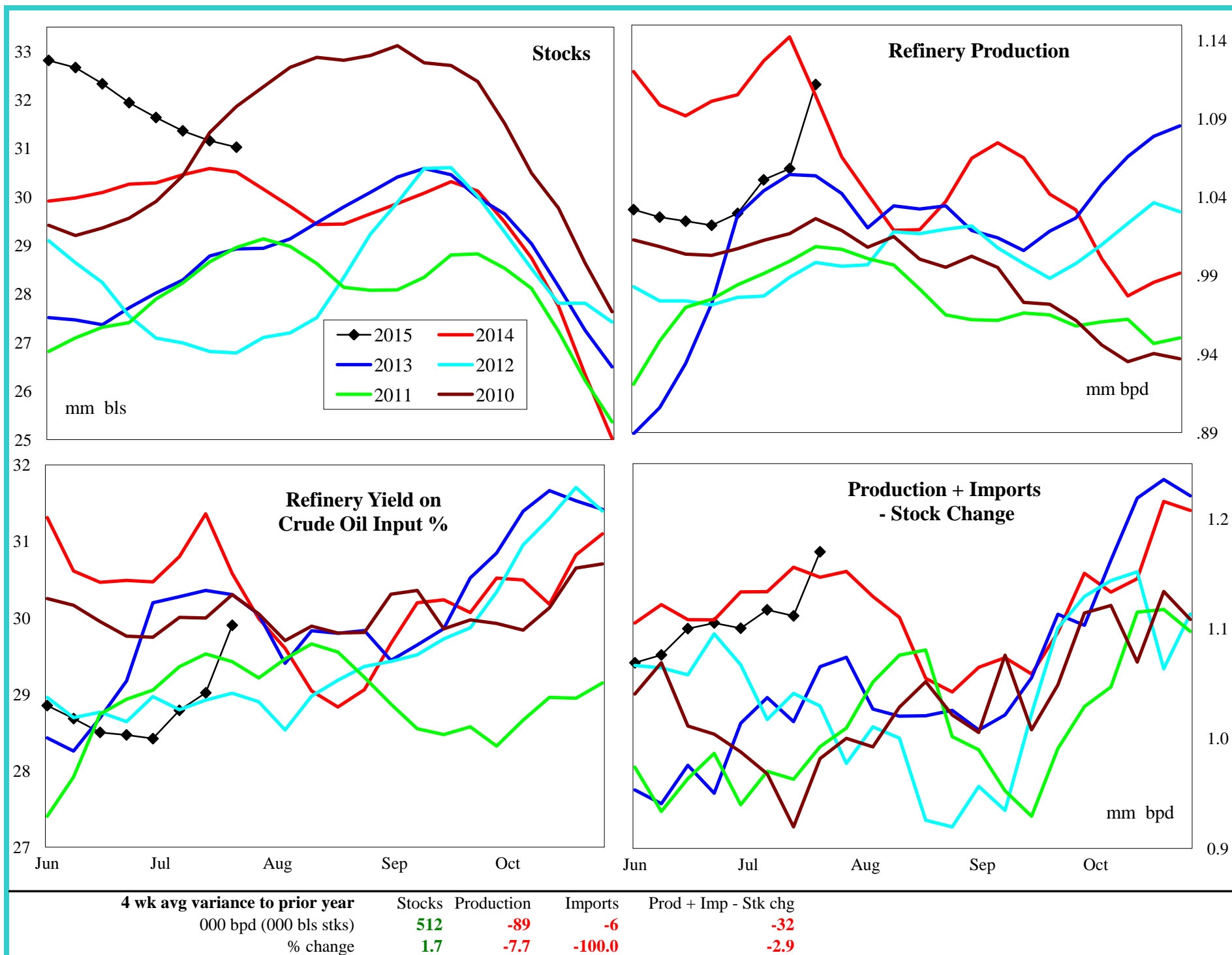
# PADD 2 Reformulated Gasoline Supply



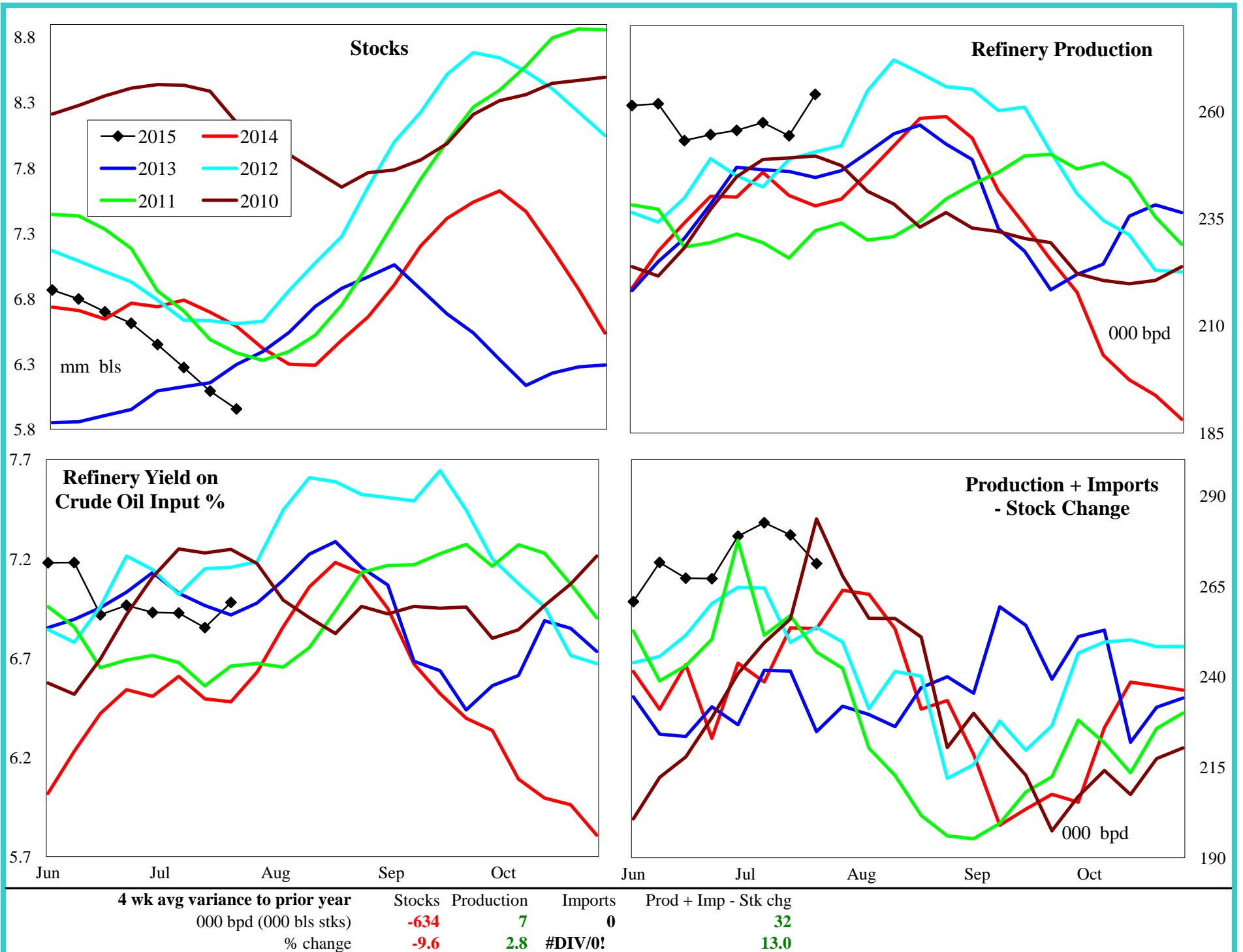
# PADD 2 Conventional Gasoline Supply



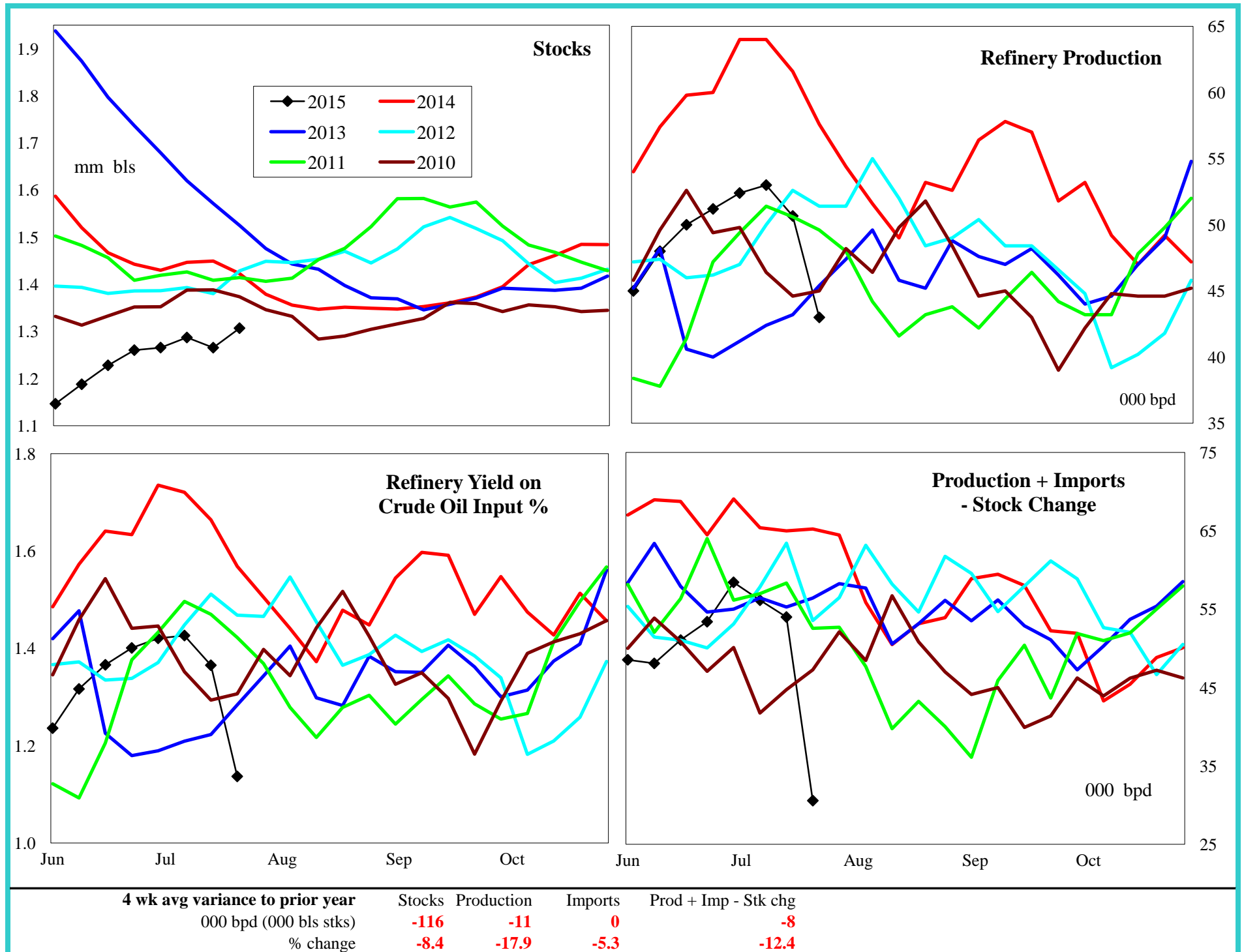
# PADD 2 Distillate Supply



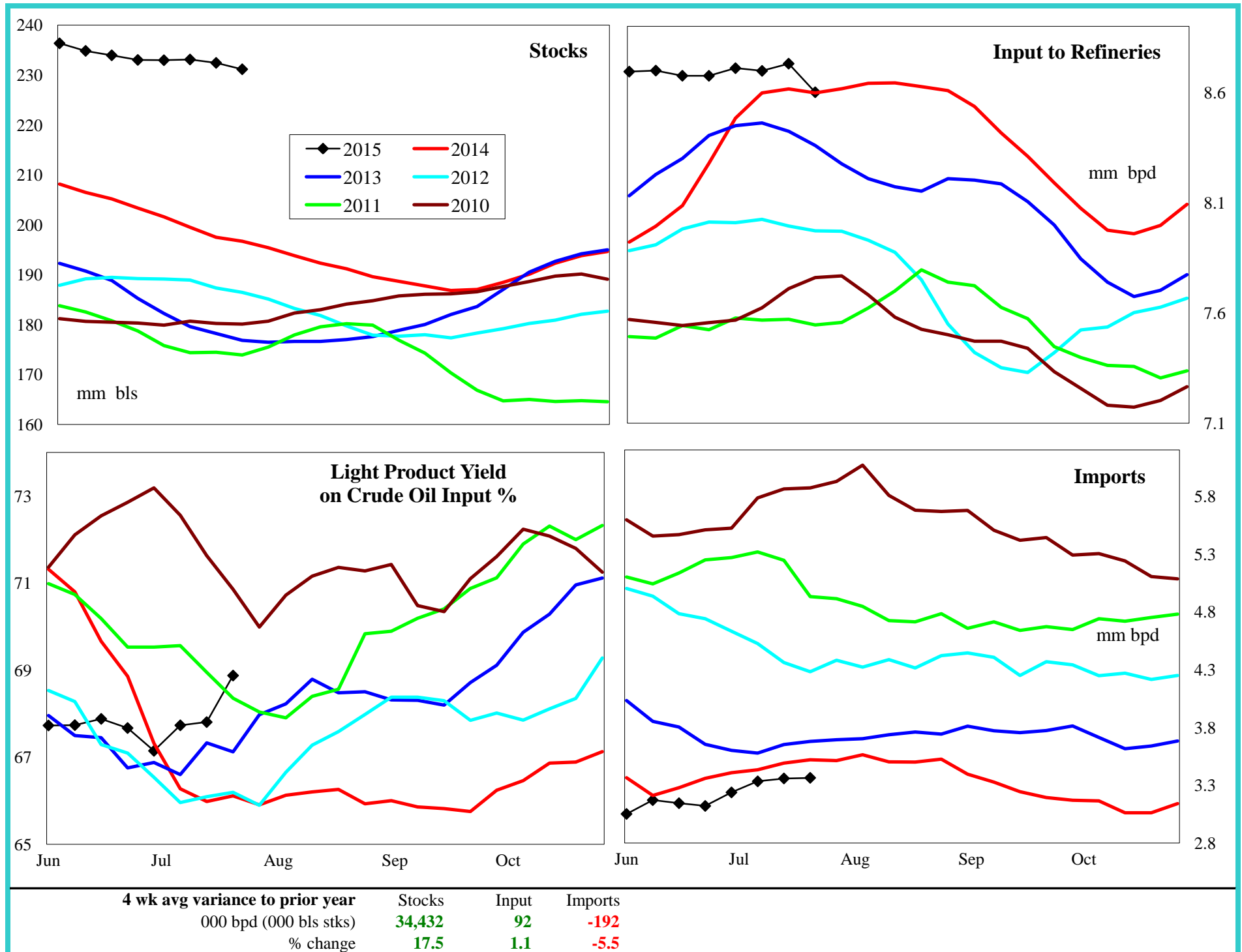
# PADD 2 Jet Fuel Supply



# PADD 2 Residual Fuel Oil Supply

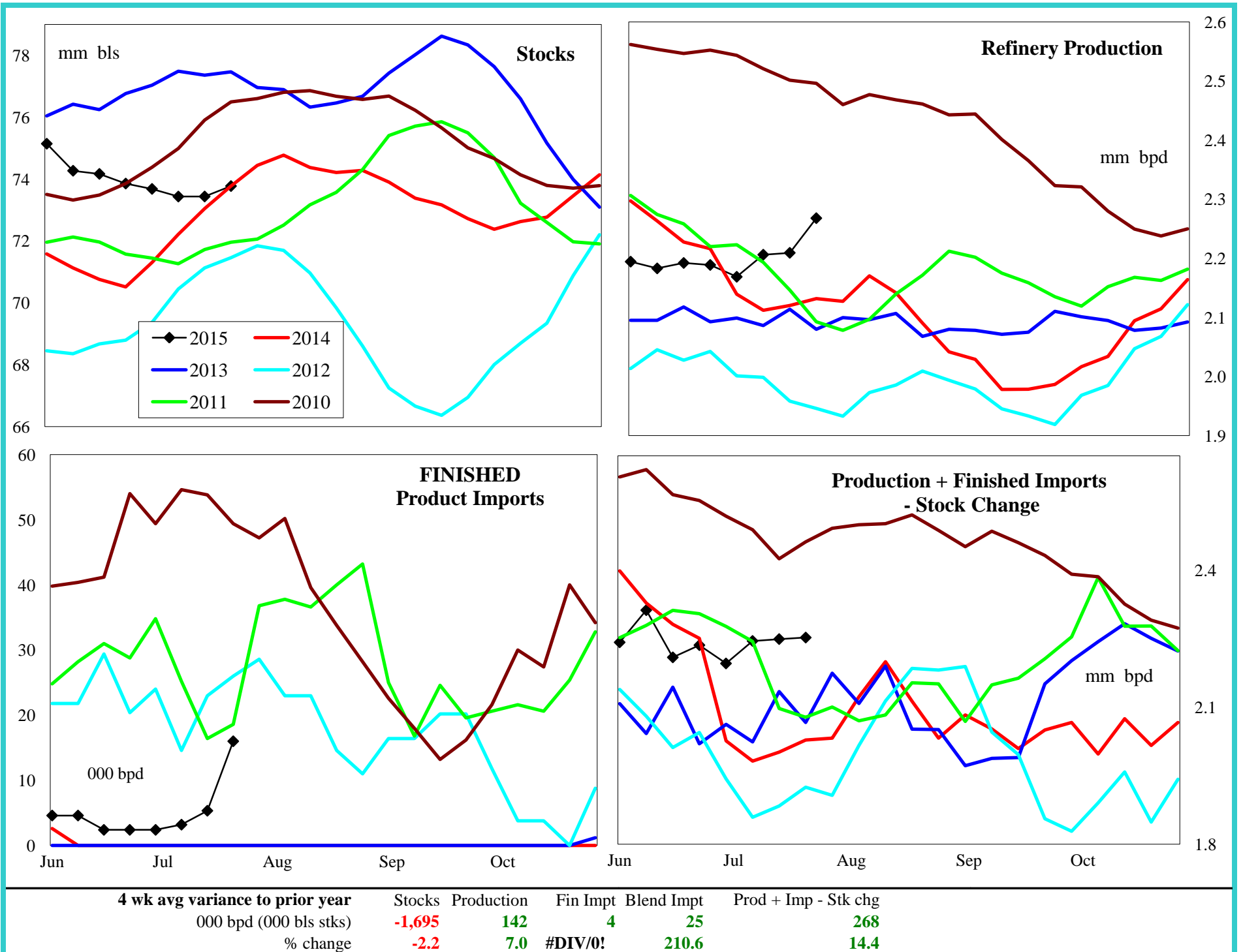


# PADD 3 Crude Oil Supply and Refining

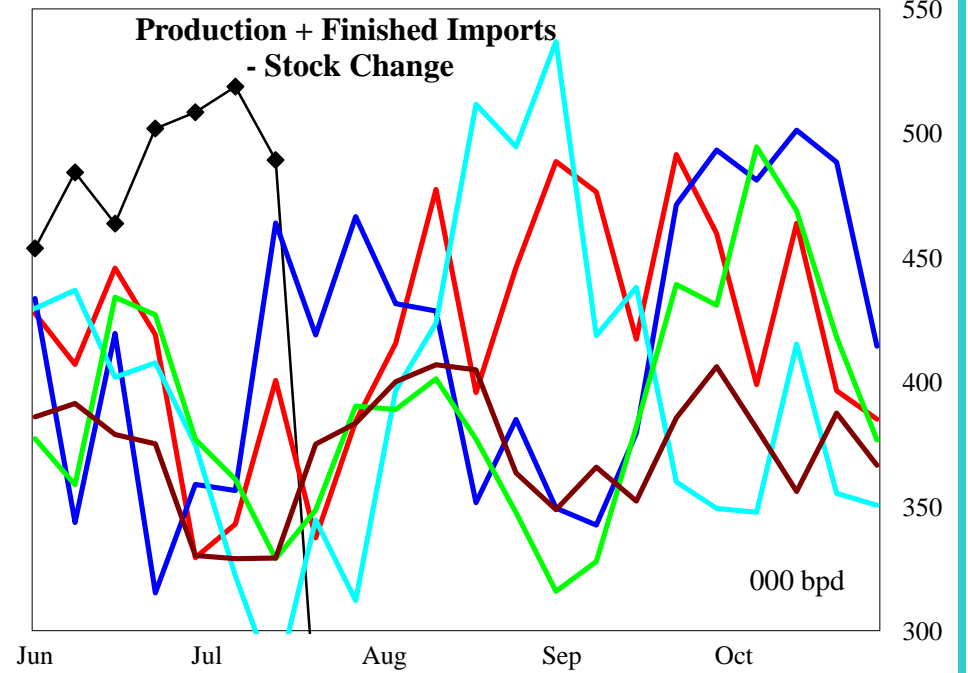
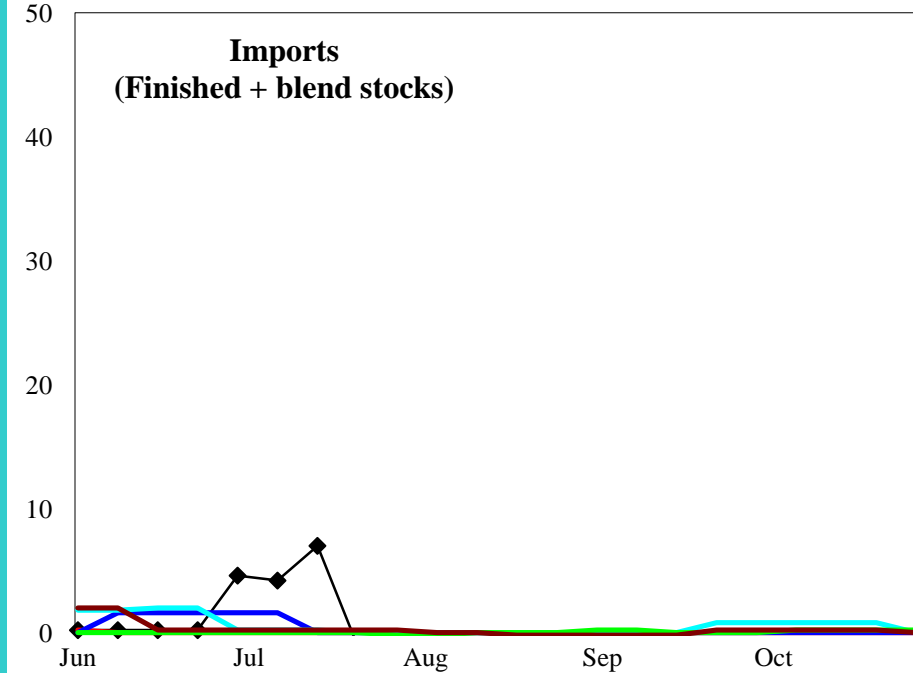
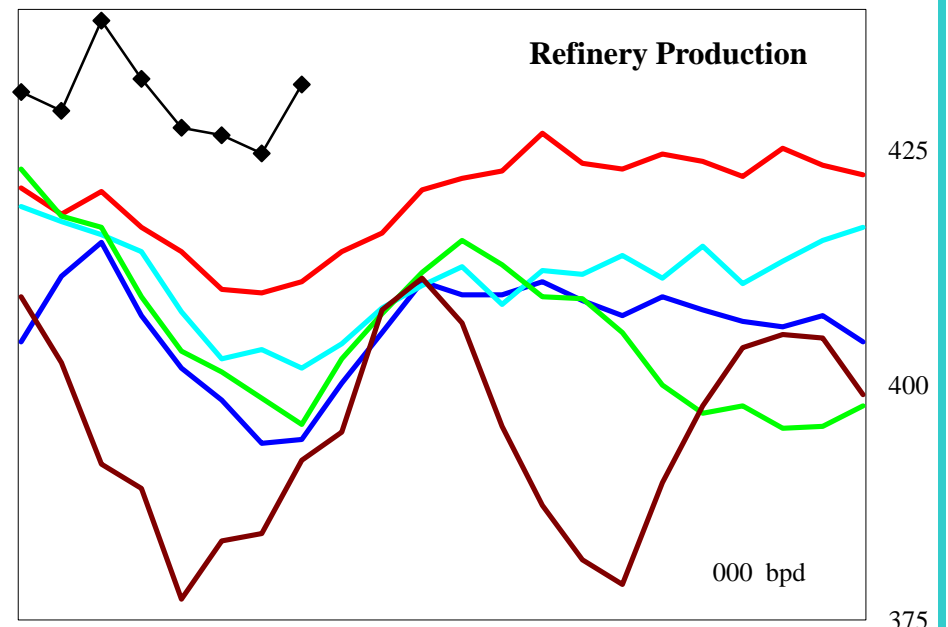
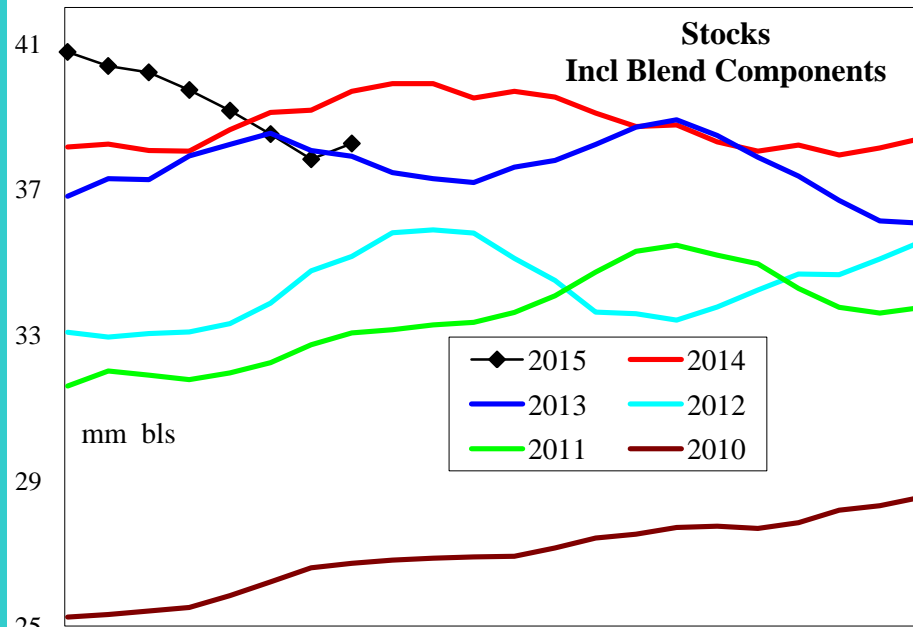




# PADD 3 Gasoline Supply



# PADD 3 Reformulated Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

-2,154

-5.3

Production

18

4.4

Imports

5

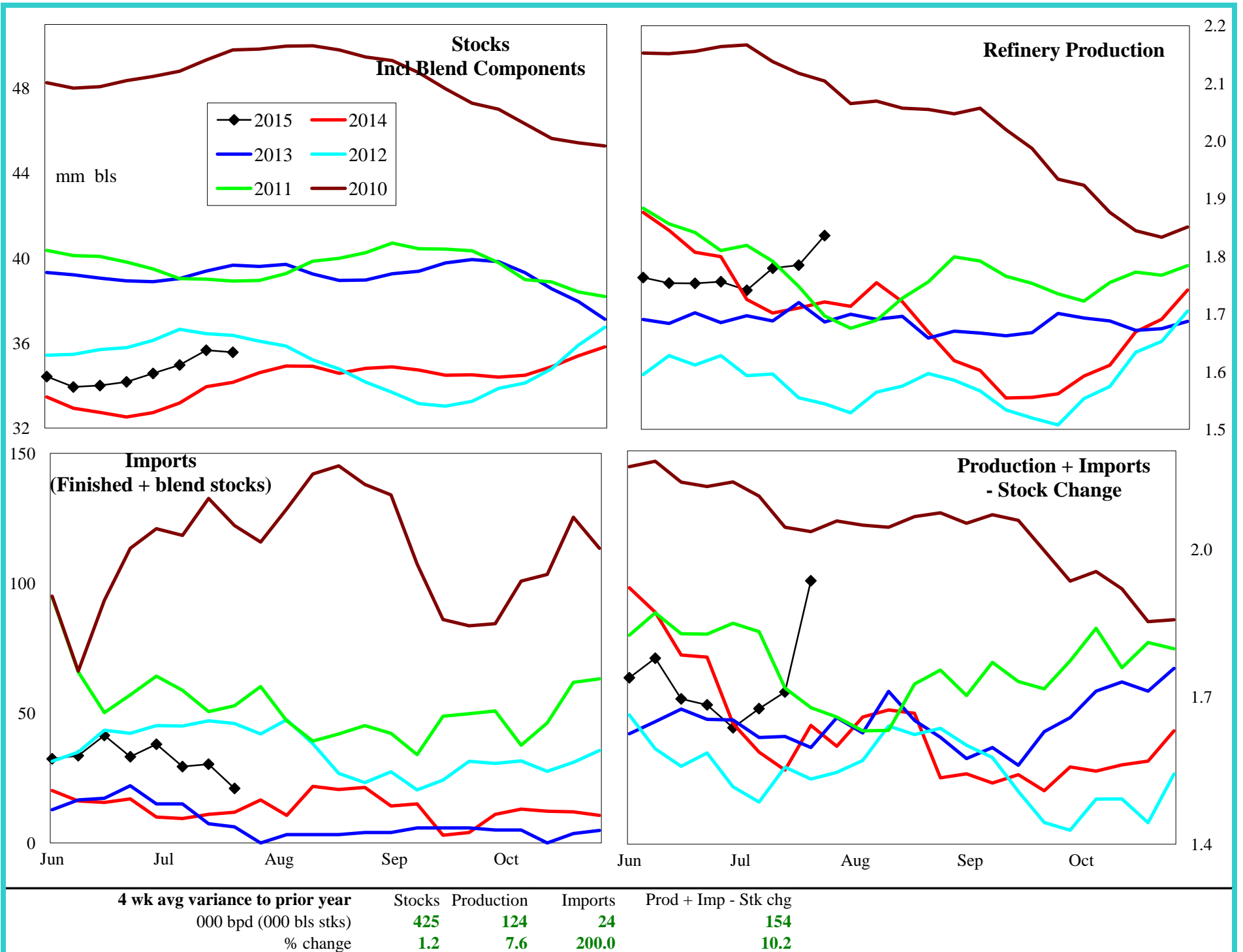
#DIV/0!

Prod + Imp - Stk chg

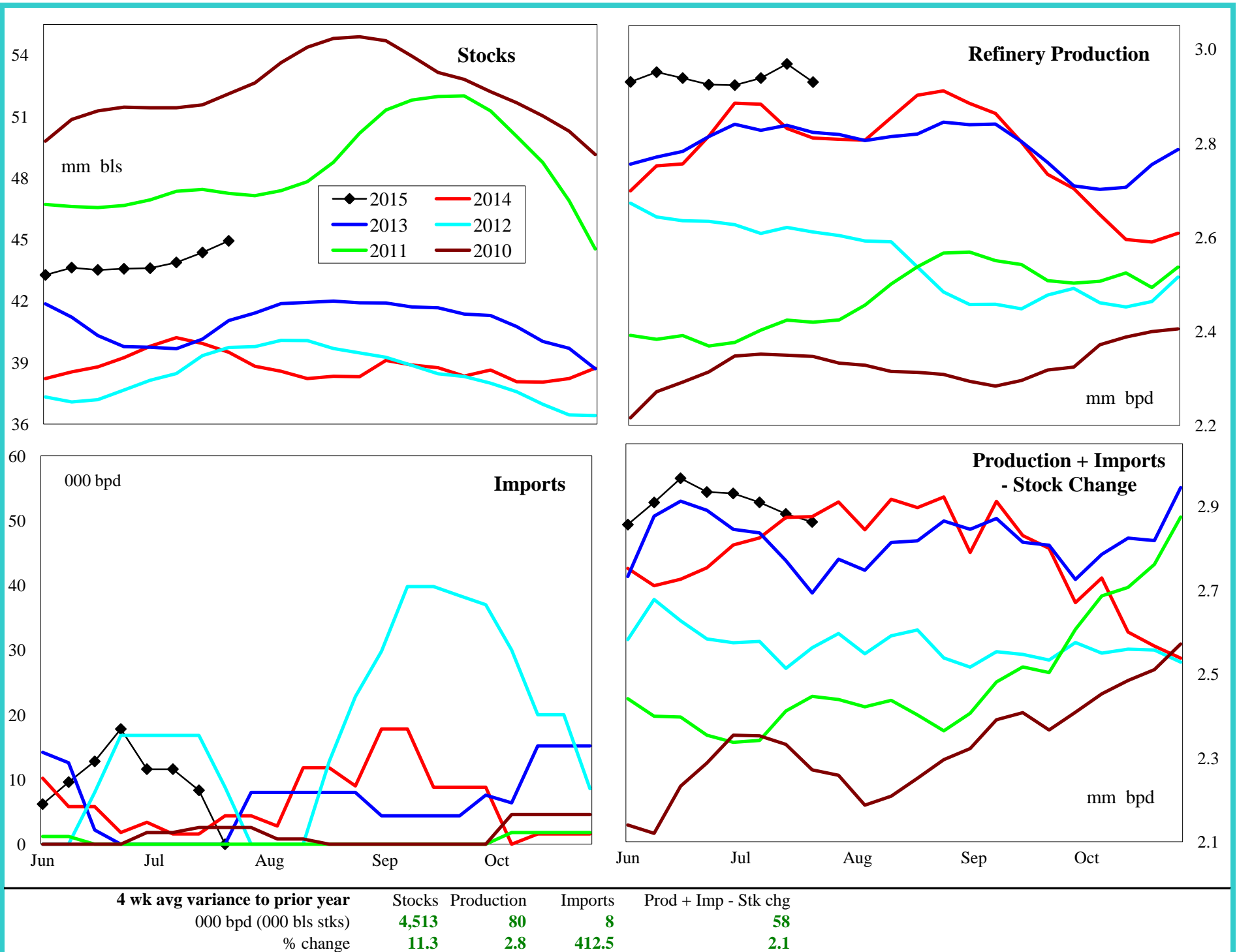
116

32.6

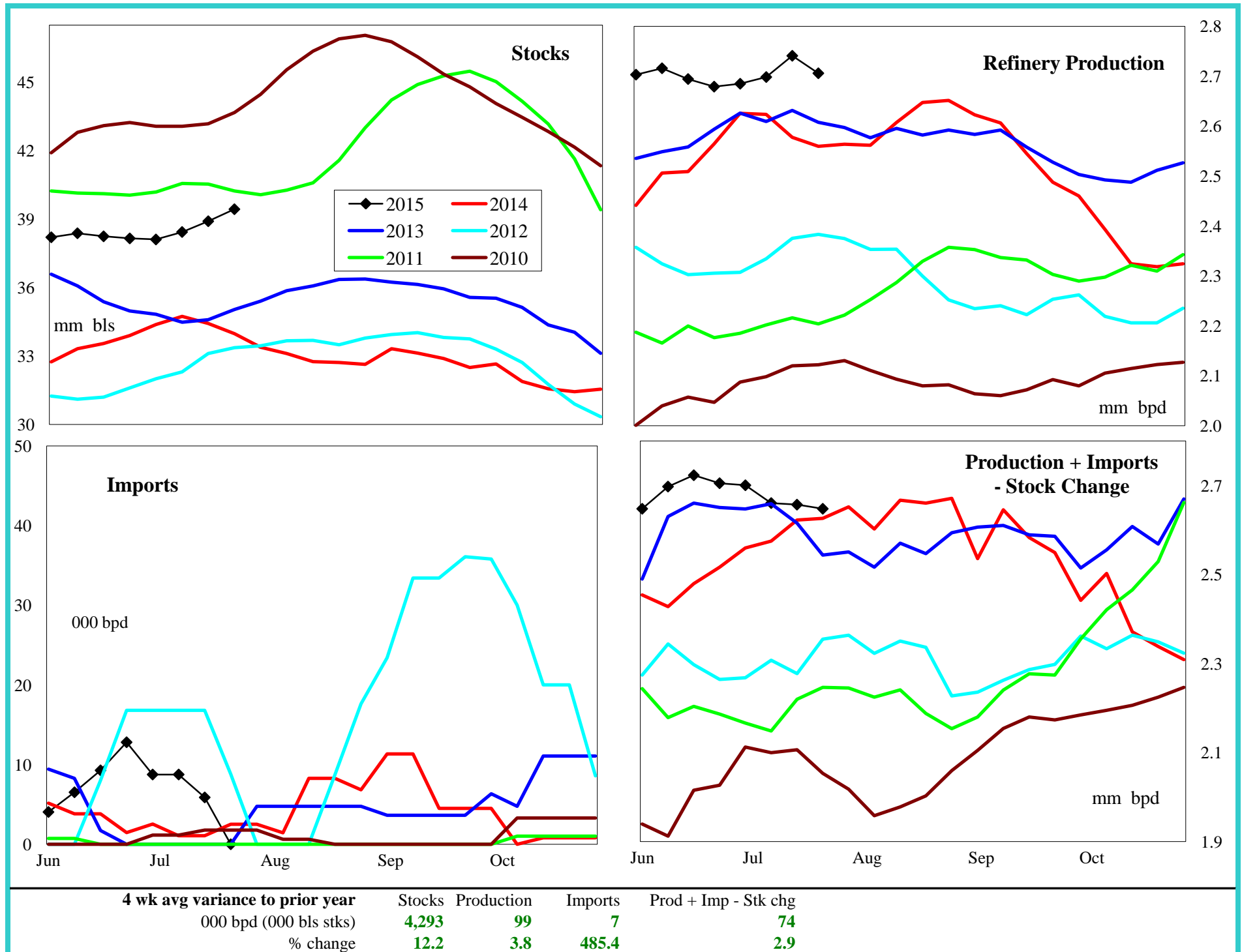
# PADD 3 Conventional Gasoline Supply



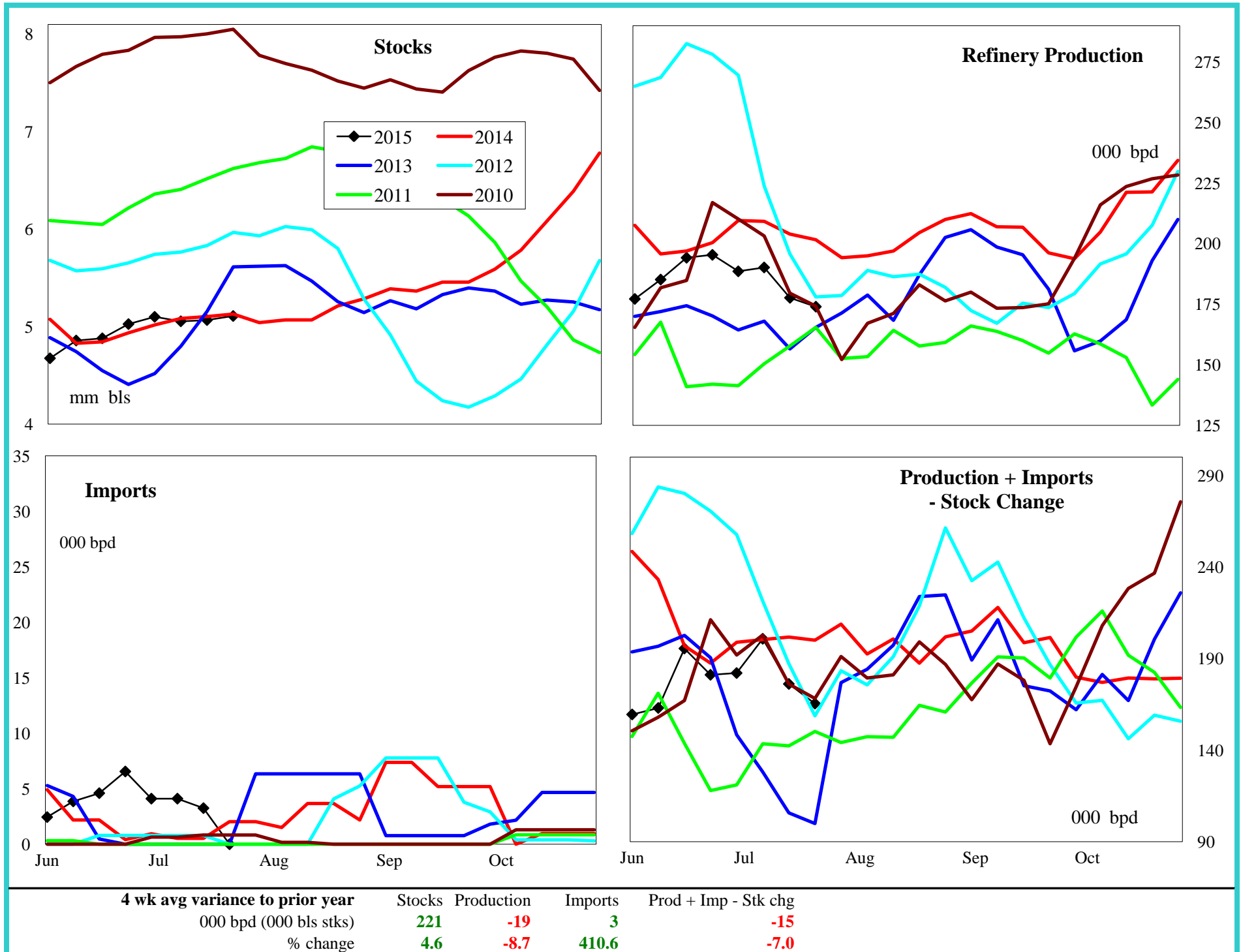
# PADD 3 Distillate Supply



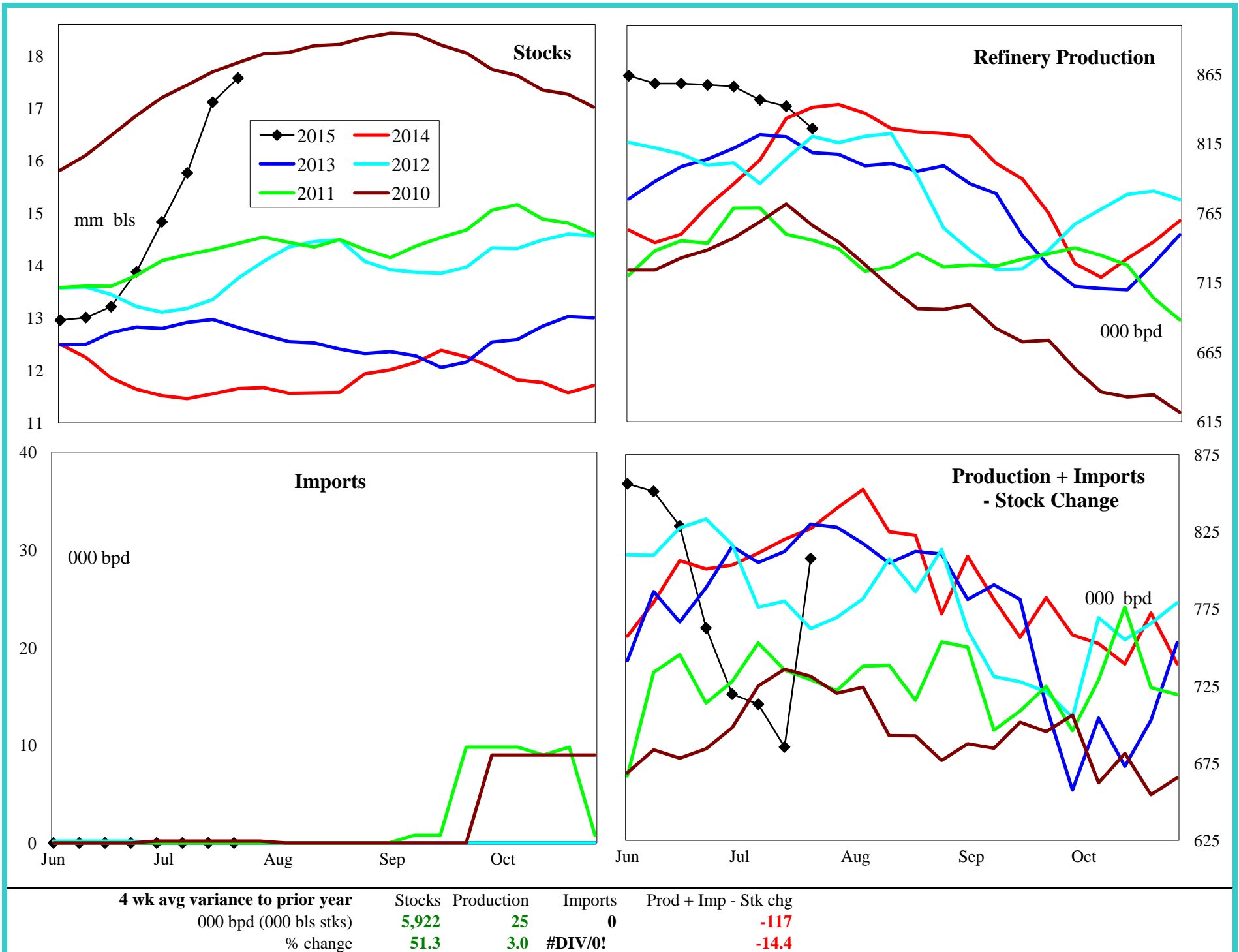
# PADD 3 Low Sulfur Distillate Supply



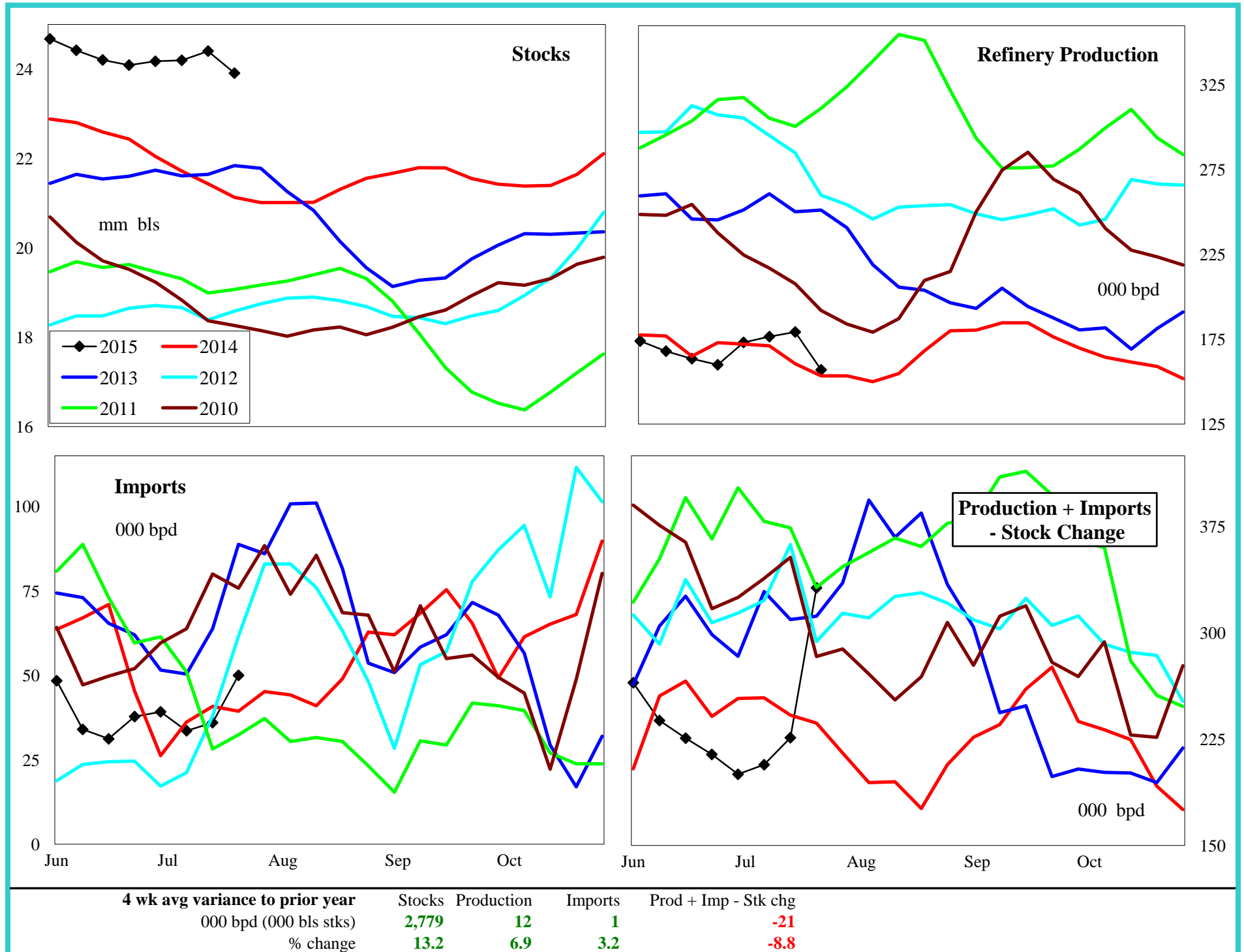
# PADD 3 High Sulfur Distillate Supply



# PADD 3 Jet Fuel Supply

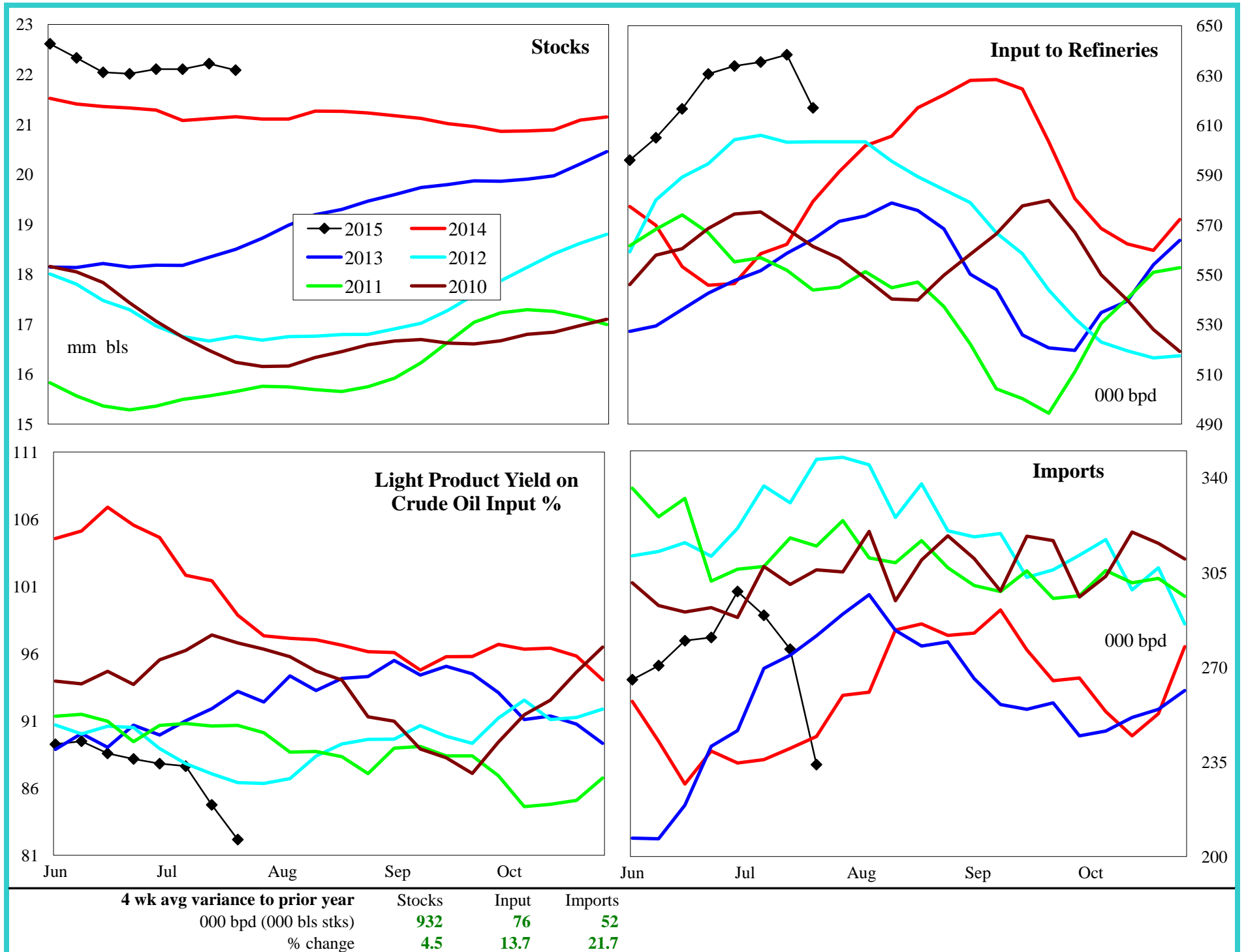


# PADD 3 Residual Fuel Oil Supply

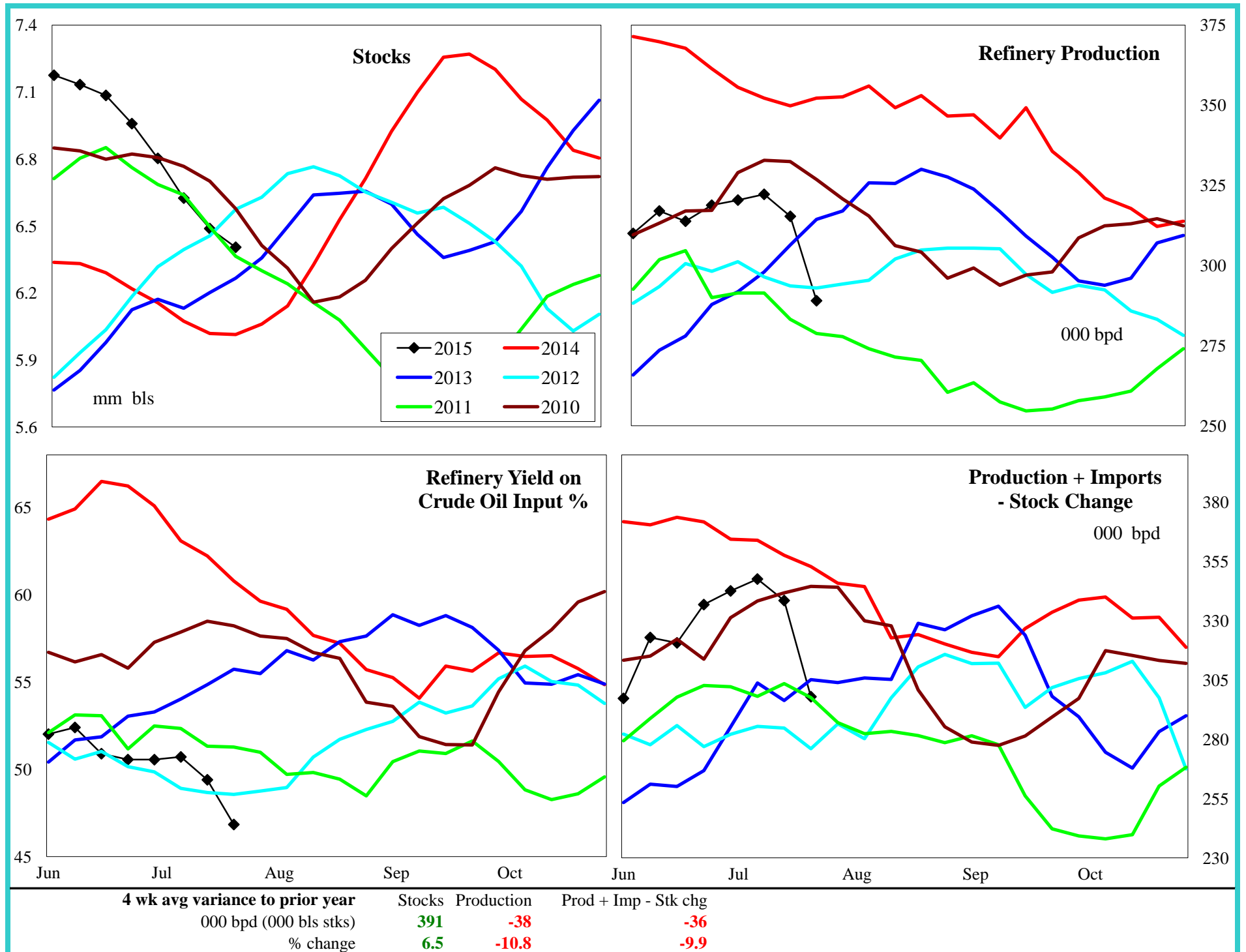




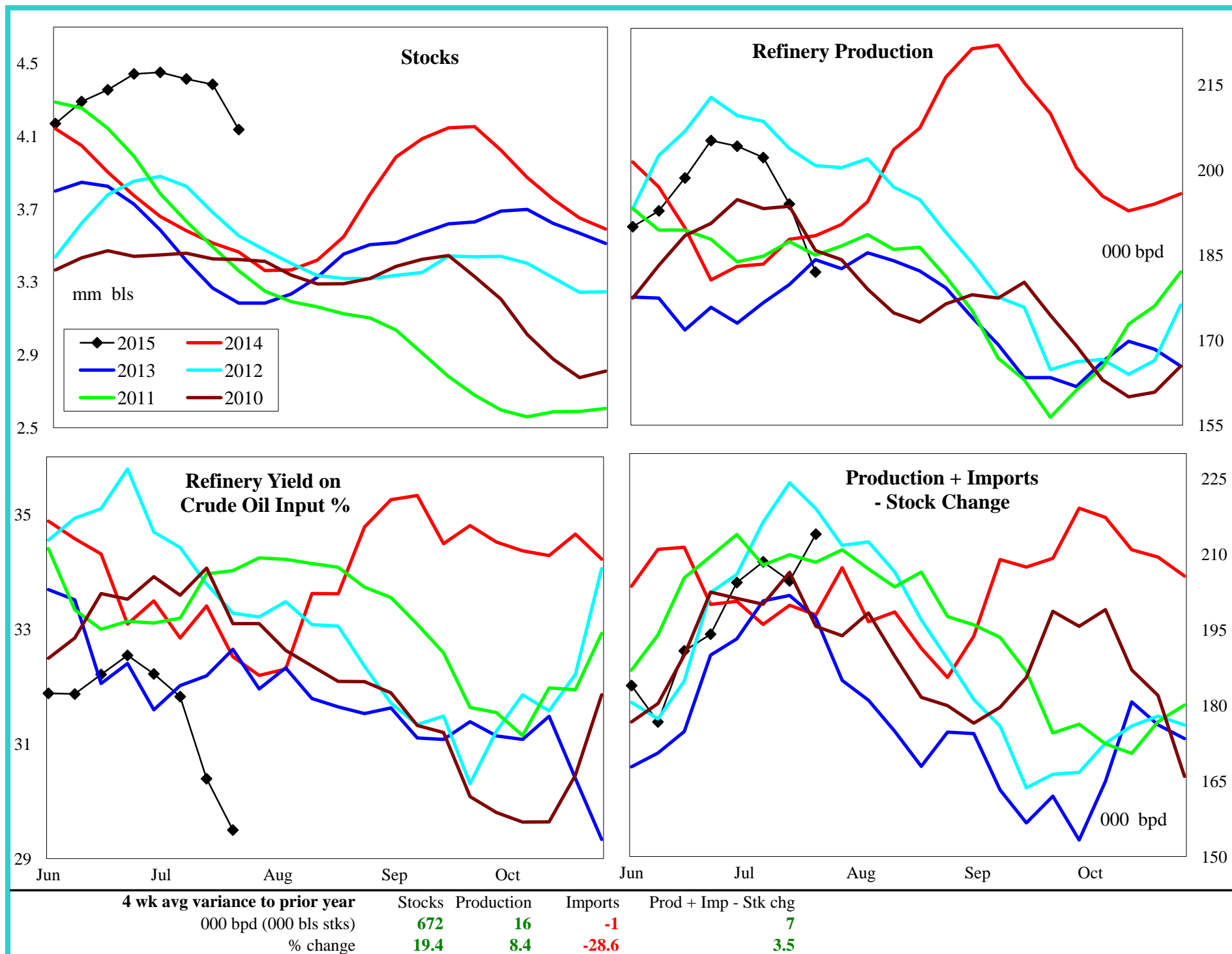
# PADD 4 Crude Oil Supply and Refining



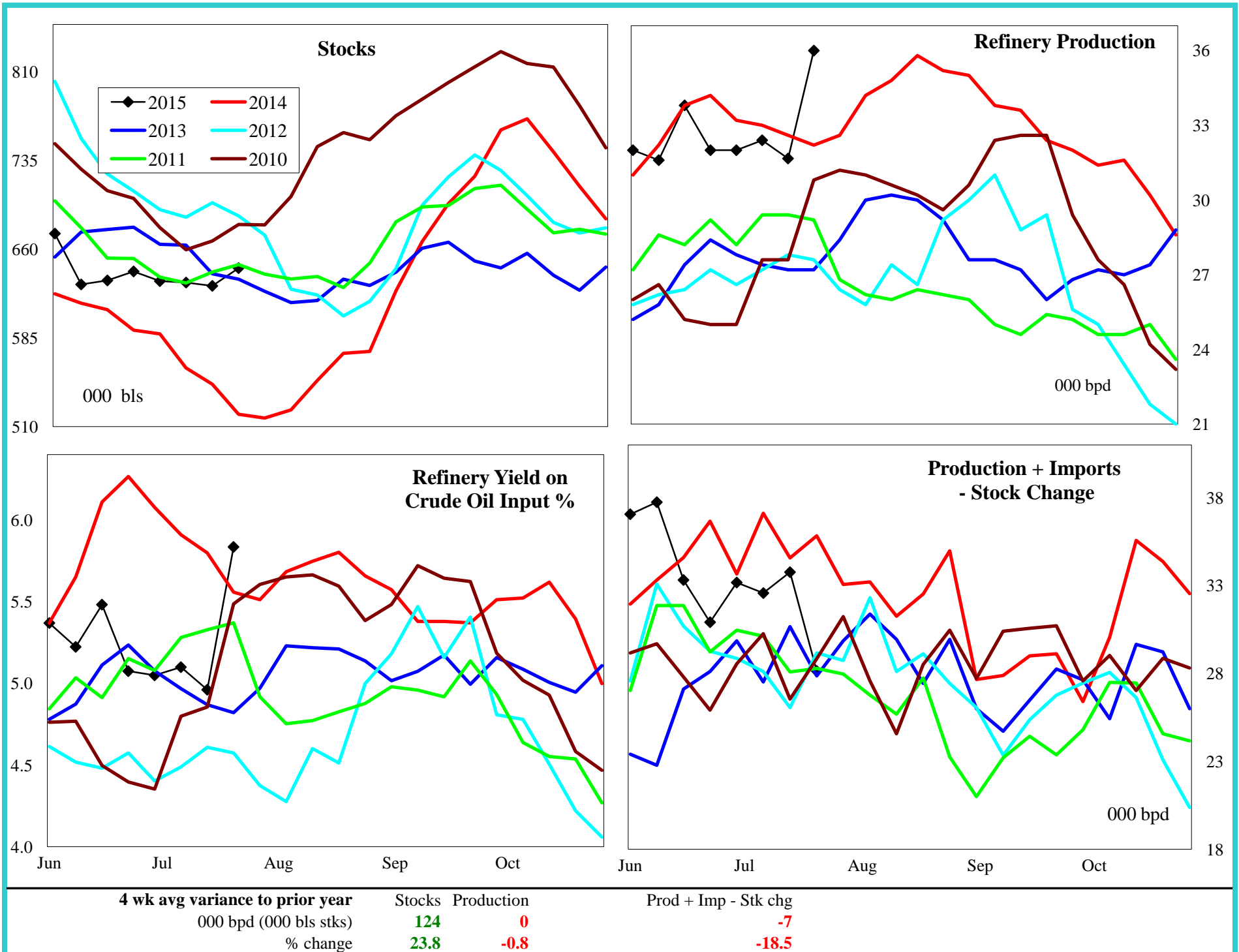
# PADD 4 Gasoline Supply



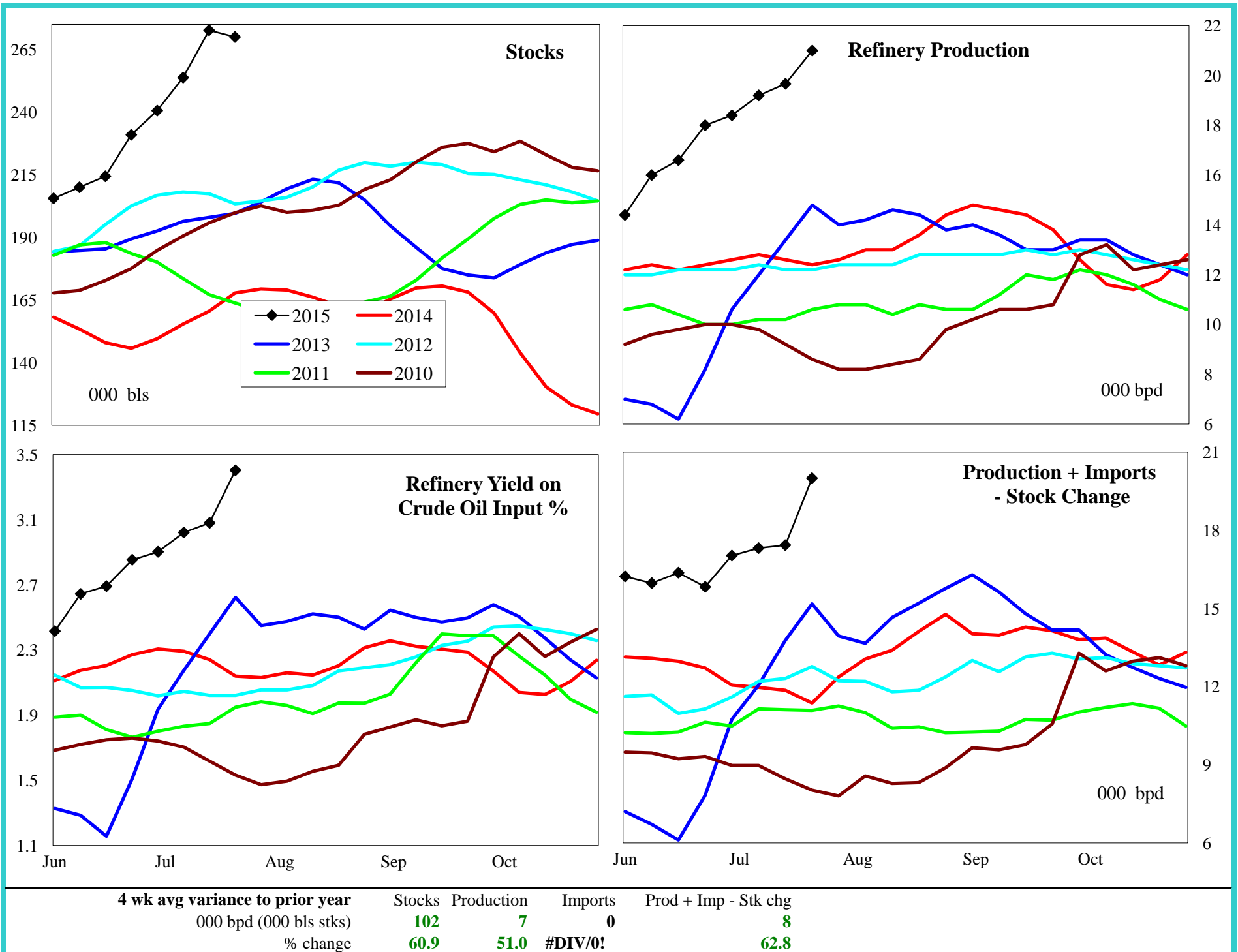
# PADD 4 Distillate Supply



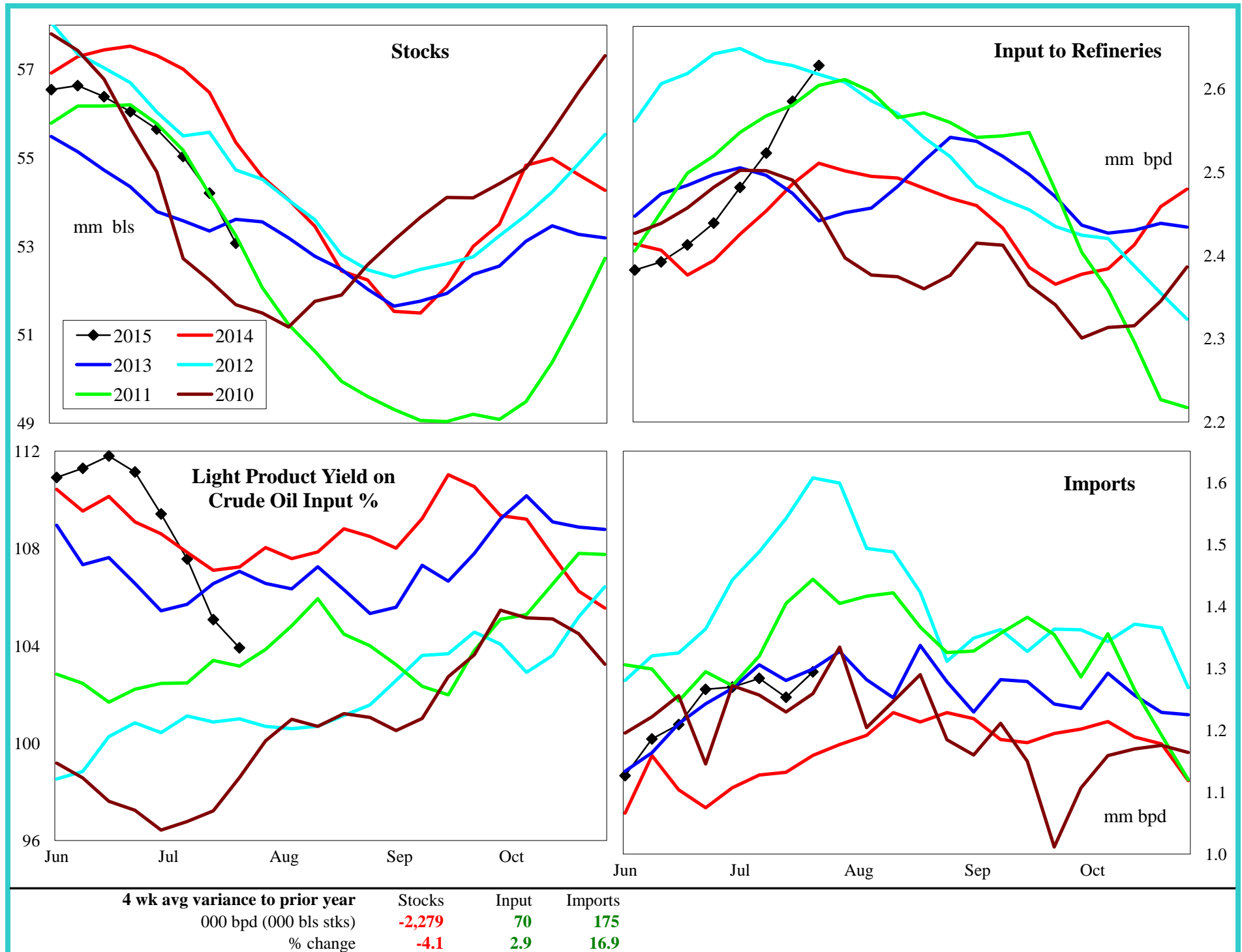
# PADD 4 Jet Fuel Supply



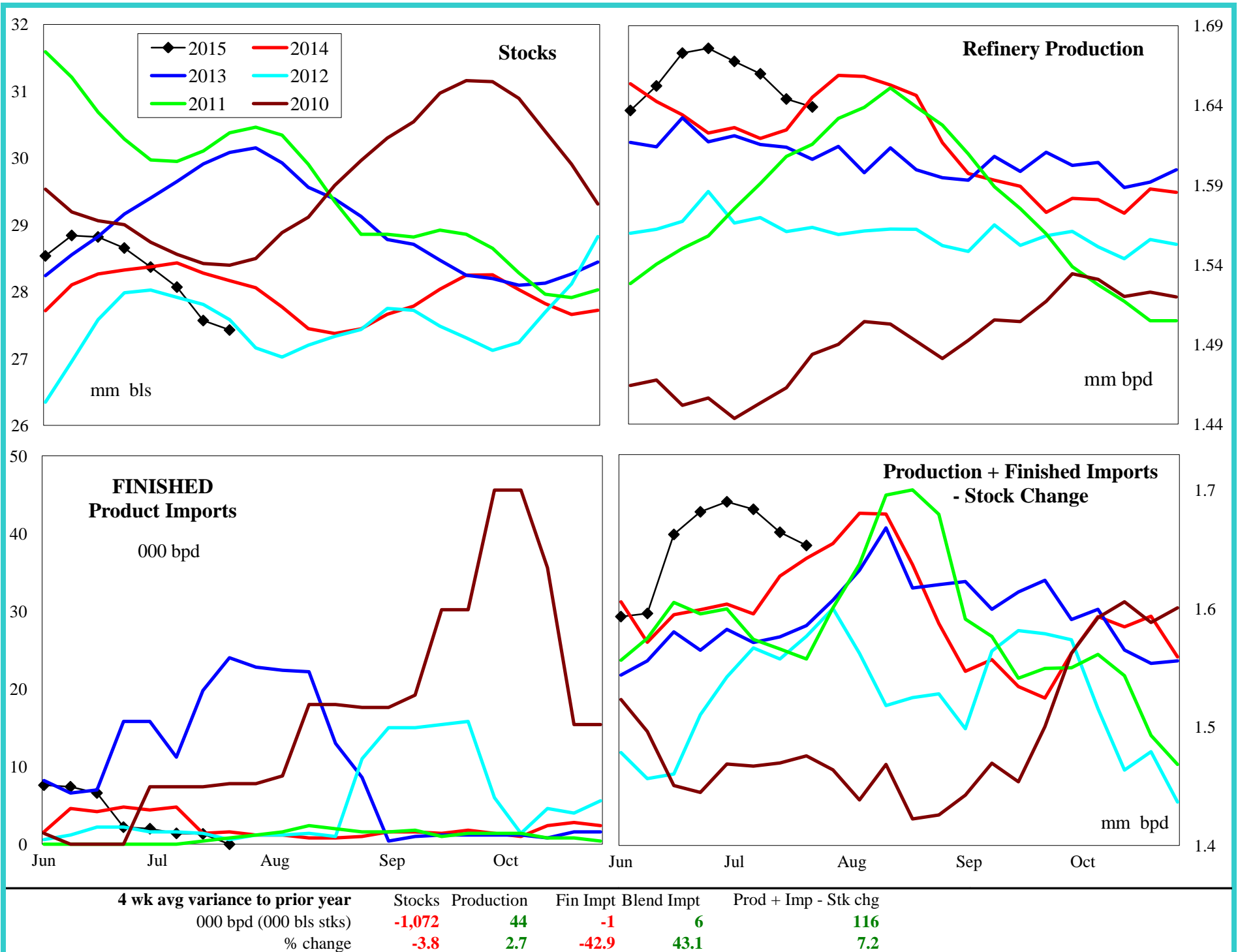
# PADD 4 Residual Fuel Oil Supply



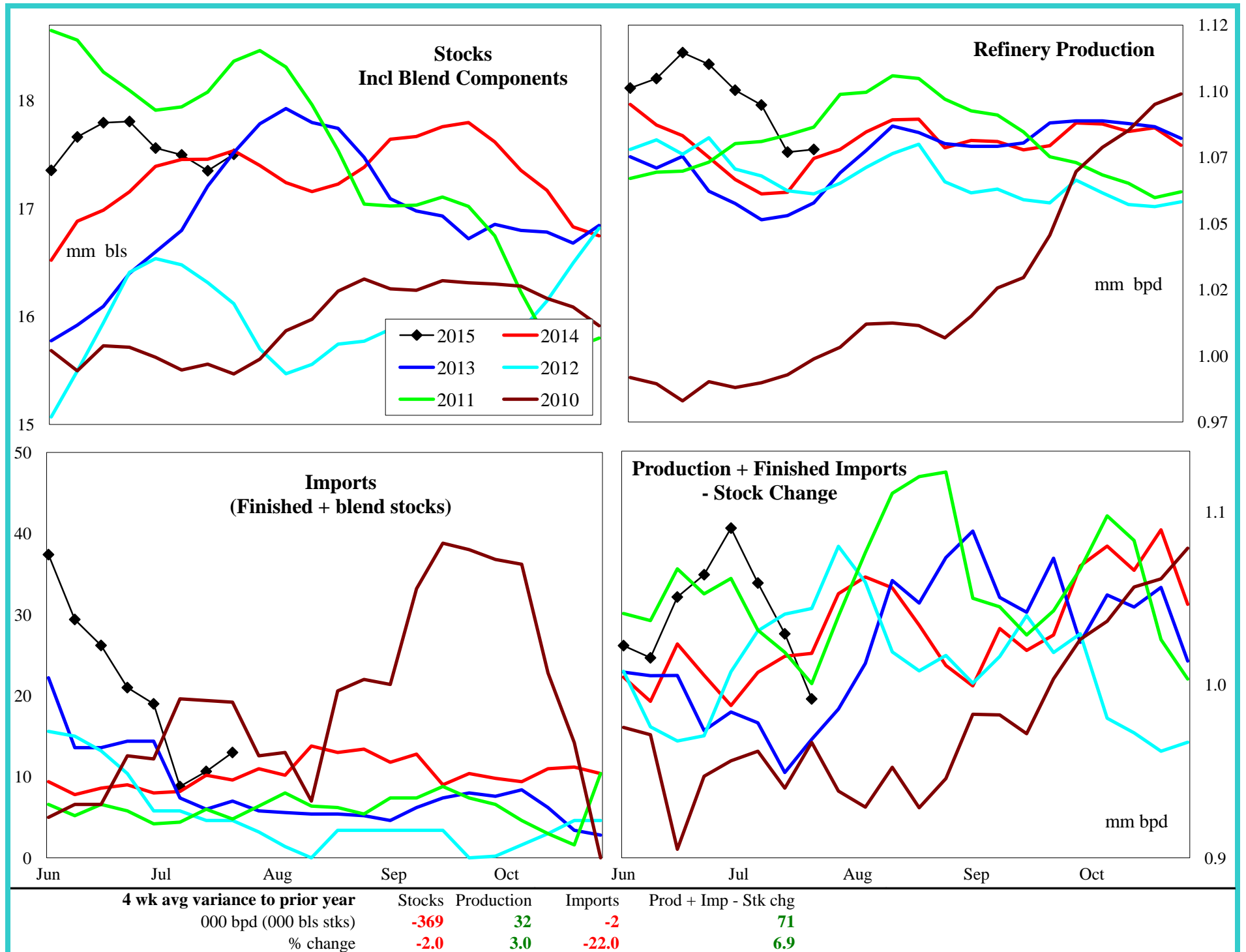
# PADD 5 Crude Oil Supply and Refining



# PADD 5 Gasoline Supply

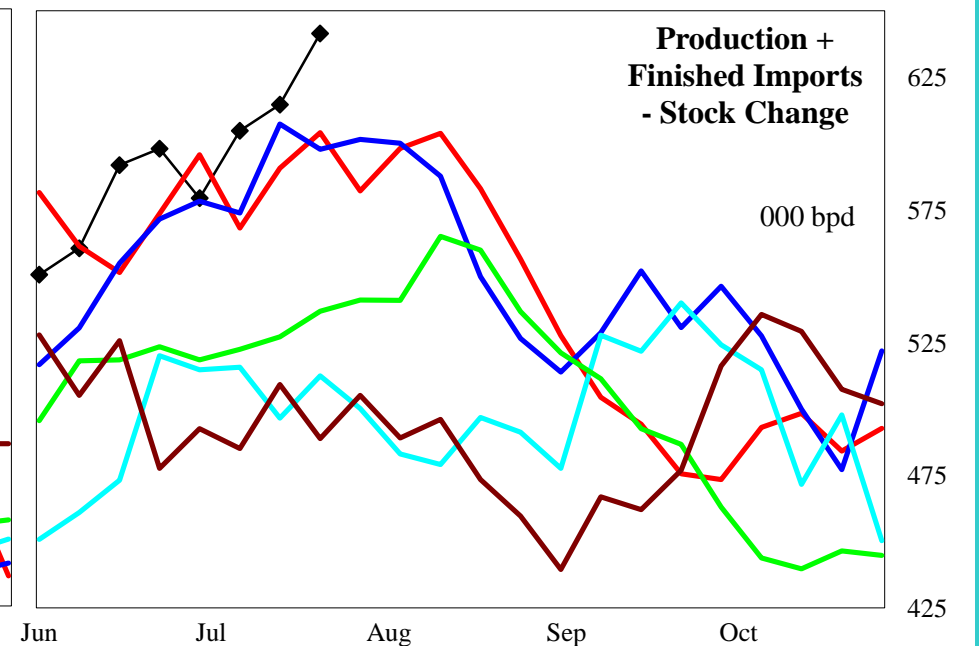
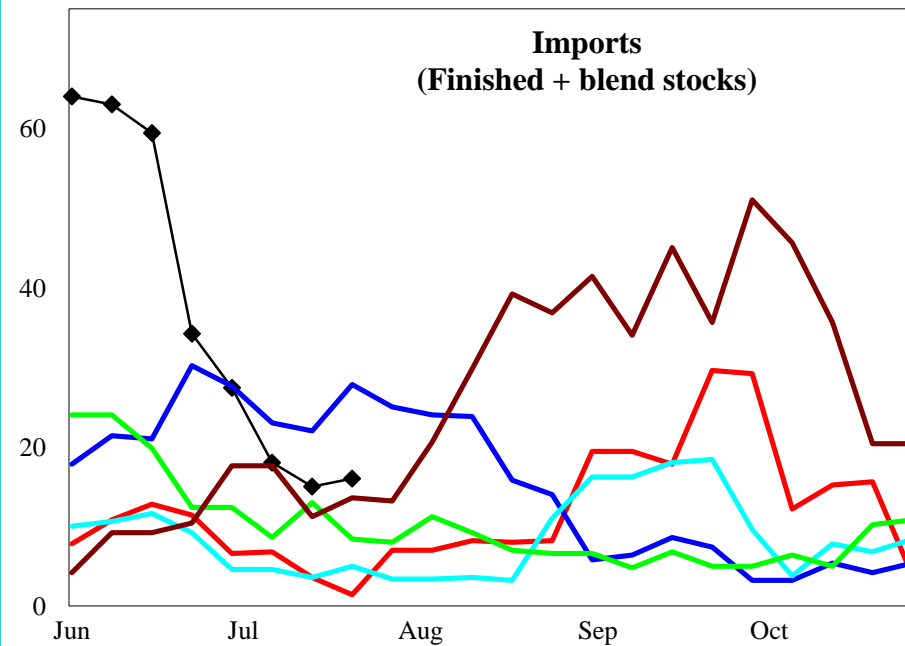
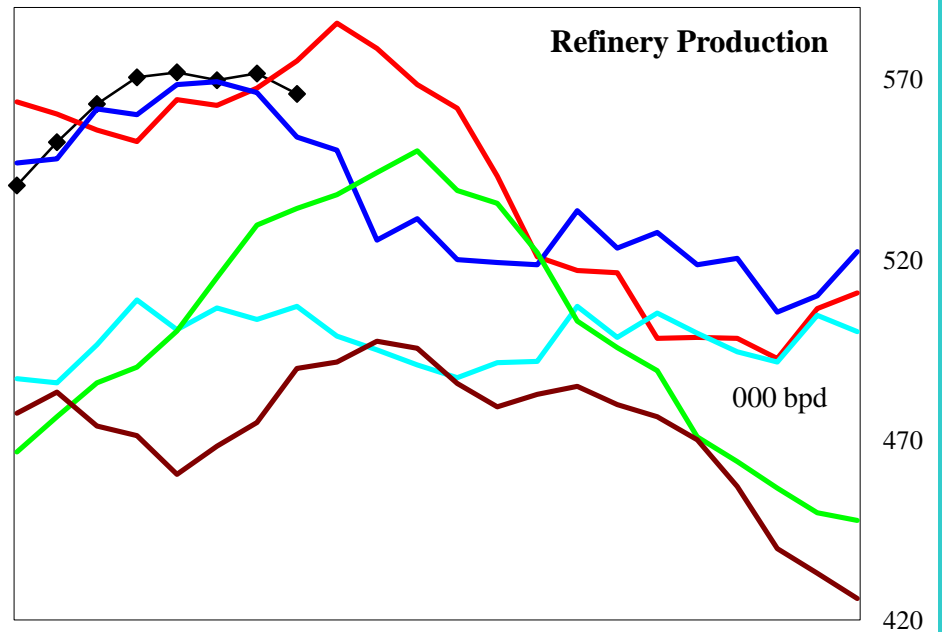
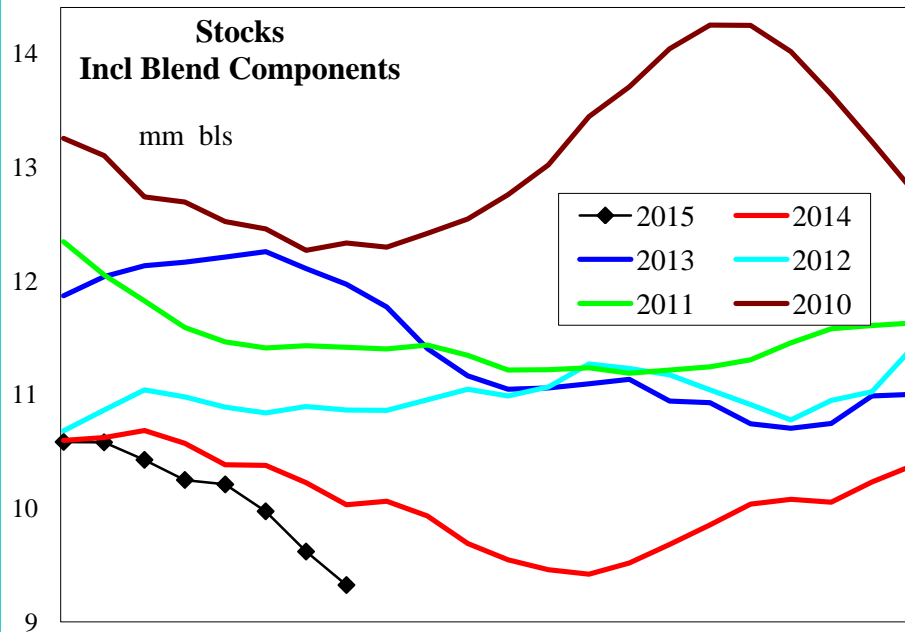


# PADD 5 Reformulated Gasoline Supply





# PADD 5 Conventional Gasoline Supply



**4 wk avg variance to prior year**

000 bpd (000 bls stks)

% change

Stocks

-703

-7.2

Production

12

2.1

Imports

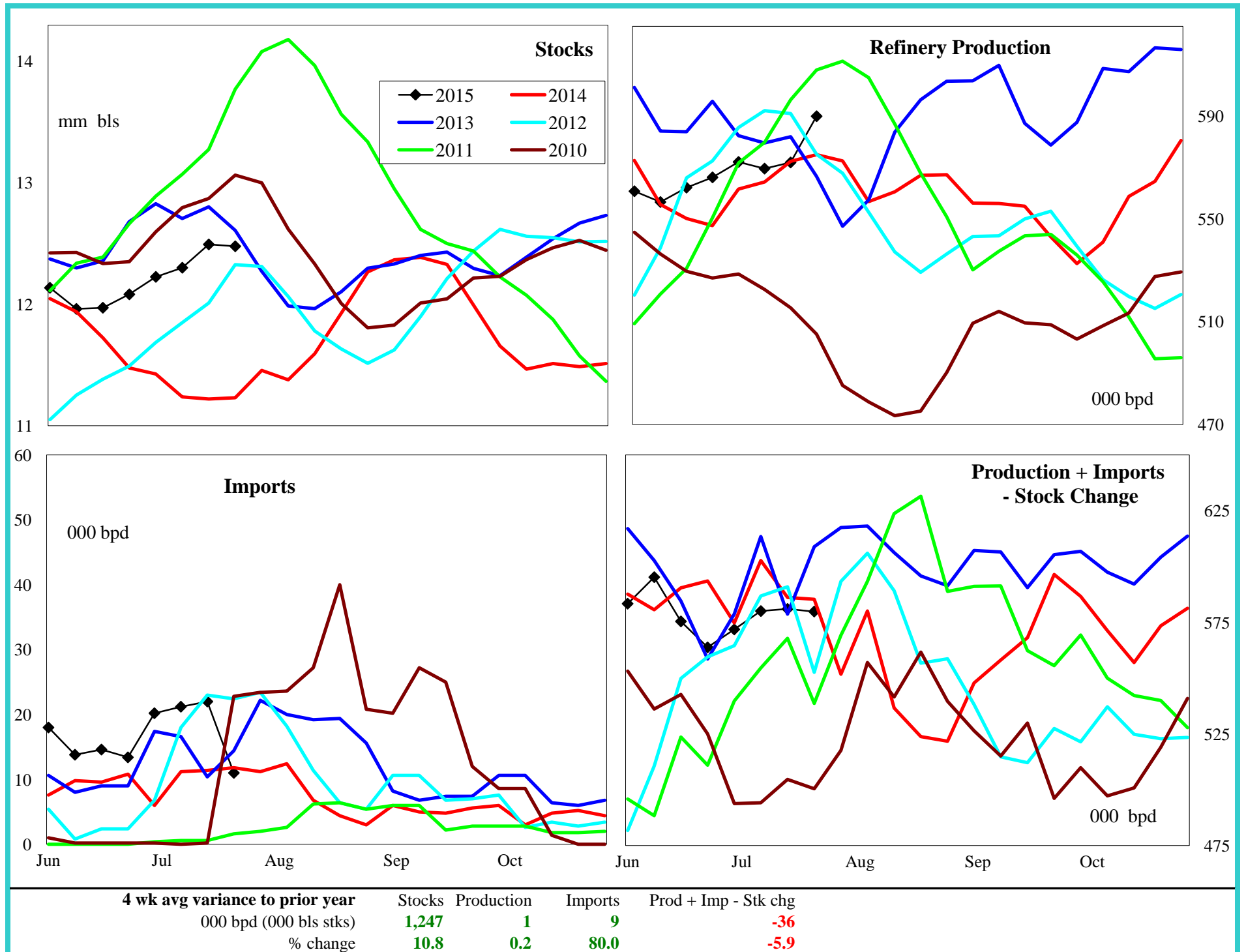
7

164.7

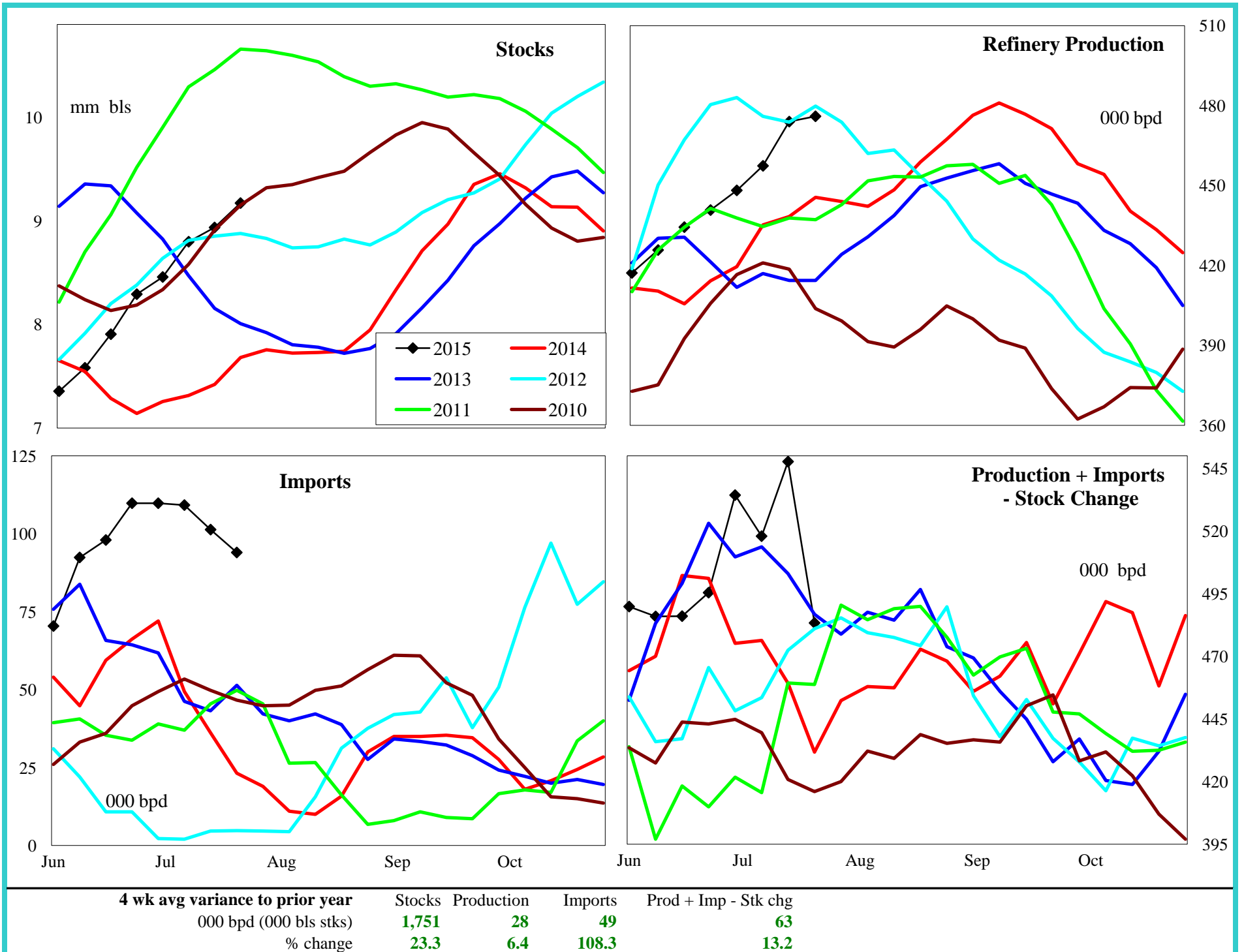
Prod + Imp - Stk chg

45

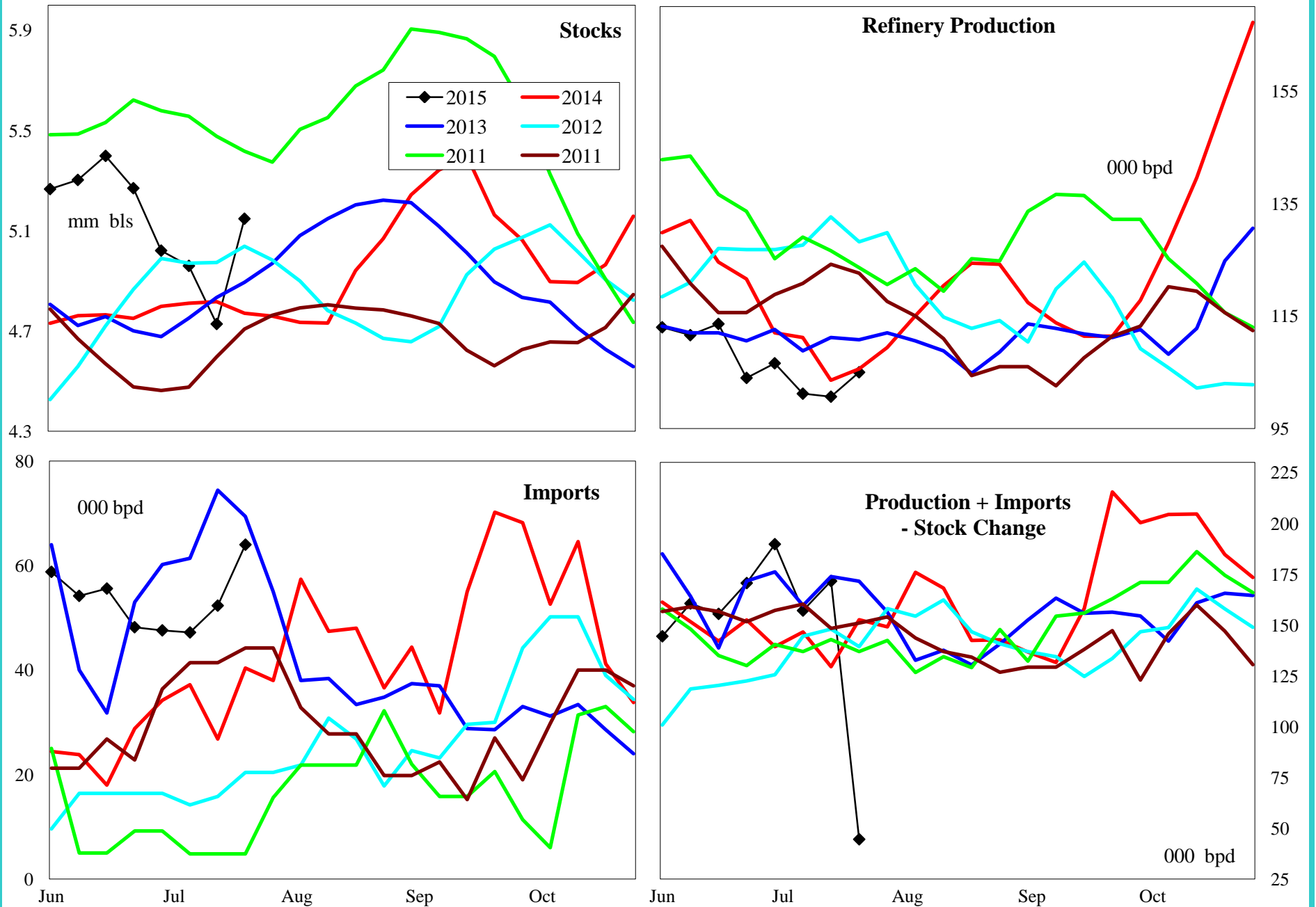
7.7



# PADD 5 Jet Fuel Supply



# PADD 5 Residual Fuel Oil Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

377

1

19

14

7.9

1.2

55.2

10.4