



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

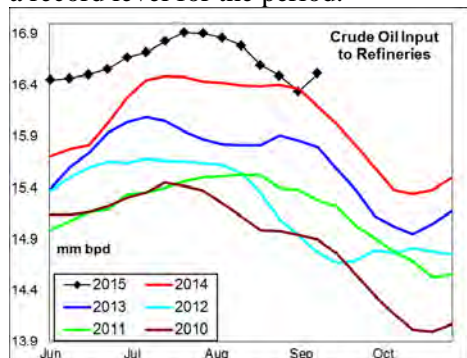
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Wednesday, September 16,



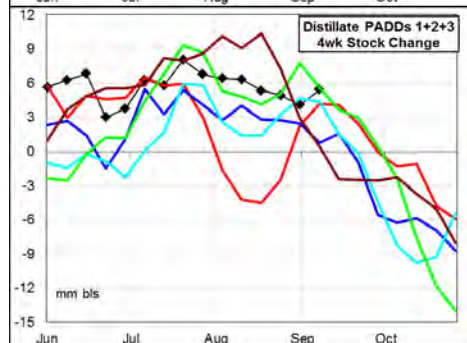
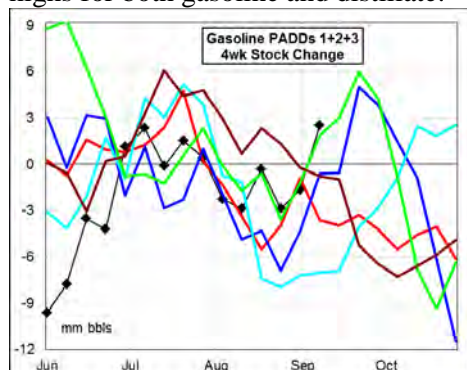
Major Fundamental Trends¹

Restart of the ExxonMobil plant in the Gulf region lifted refinery crude oil thru put +0.4 million bpd last week, to a record level for the period.



The rebound in crude oil runs and weak wholesale demand for gasoline and distillate led to a counter seasonal +combined +5.9 million barrel stock build. Gasoline stock levels match 3-yr highs for the period while distillate is burdensome.

Stock builds during the last 4-wk period East of the Rockies match 5-yr highs for both gasoline and distillate.



Crude oil stocks decreased -2.1 million

barrels on the week; due primarily to a -0.4 million bpd drop in imports to the Midwest and the increase in crude oil runs.

Look for the start of fall refinery maintenance to lead to a return of crude oil stock builds, and seasonal draws of gasoline and distillate stocks.

Wholesale Demand for gasoline decreased -34,000 bpd on the week, to a level just above the last 3-yr.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline increased +2%, distillate decreased -2.8%, jet fuel increased +5.6%, while residual fuel decreased -5%.

Stocks forward coverage: Gasoline demand coverage increased last week on a +2.8 million barrel stock build, and lower wholesale demand. Coverage ended the week at a level equal to the 3-yr mid range.

Distillate demand coverage increased on a +3.1 million barrel stock build and lower wholesale demand. Coverage ended the week at a level near 5-yr highs.

Jet fuel coverage plunged on a -1.6 million barrel stock draw, and record wholesale demand. Coverage levels matched 5-yr lows for the period.

Refinery utilization rates increased on a +403,000 bpd rise in crude oil runs last week. During the latest 4-wk period crude oil input was +16,000 bpd above last year.

Gasoline yield % on crude oil runs decreased on the week due to a -0.3 million bpd drop in output compared to the +0.4 million bpd rise in crude oil runs. Gasoline yield % on crude oil runs ended the week at a level below the 5-yr range.

Distillate yield % on crude oil runs increased on a +282,000 bpd rise in output compared to the drop in crude oil runs. The yield % on crude oil runs matched the 3-yr mid range.

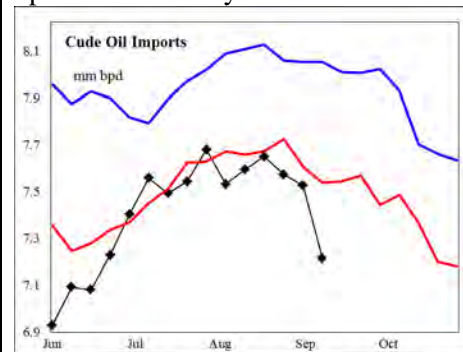
Jet fuel yield % on crude oil runs increased on a -5,000 bpd decline in output compared to the lower crude oil runs, with yields near 3-yr mid range.

Petroleum Imports/Exports: Crude oil imports decreased -0.3 million bpd last week, with imports of middle distillates also lower.

During the latest 4-wk period crude oil imports were -0.33 million bpd below a year ago; distillate imports were -20,000 bpd lower; finished gasoline imports -1,000 bpd lower; gasoline blend stock imports were +220,000 bpd higher, jet fuel imports increased +15,000 bpd, while residual fuel imports were +7,000 bpd higher.

Exports of distillate for the week ending 21Aug15 were +26,000 bpd above a year ago, gasoline +15,000 bpd higher, jet fuel -1,000 bpd lower and residual fuel oil was +34,000 bpd higher.

Crude Oil stocks fell -2.1 million barrels on the week, concentrated in the Midwest. Underlying the stock draw was a -0.4 million bpd drop in Midwest imports and a +0.4 million bpd rise in refinery crude oil runs.



Look for an immediate drop in refinery runs as fall maintenance begins, with a return to crude oil stock builds. Cushing stocks declined -1.9 million bpd on record refinery runs in the Midwest and the drop in imports.

¹ Source is latest EIA Weekly Statistics



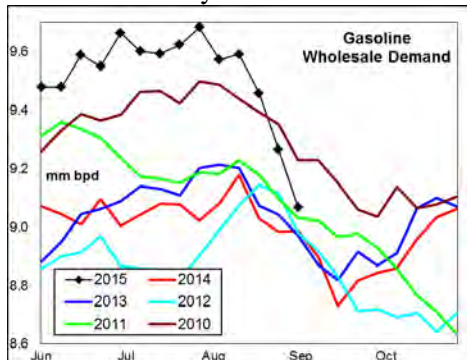
WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

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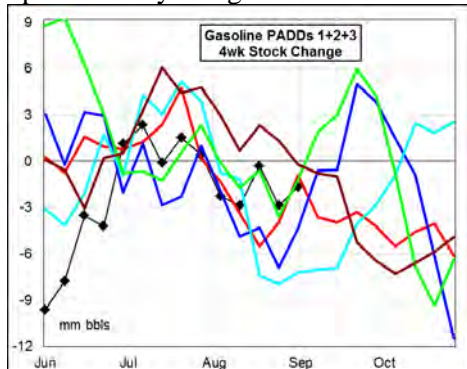
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Product Supply-Demand Trends

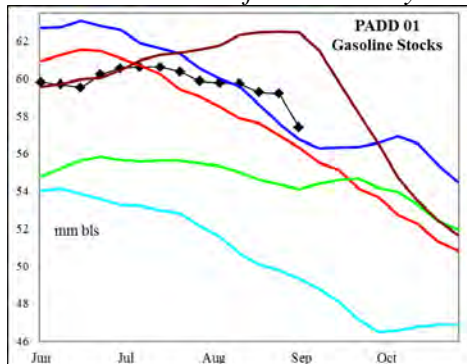
Gasoline wholesale demand fell -0.4 million bpd on the week, to a level above the last 3-yr.



Supply fell -0.5 million bpd last week, with the 4-wk average +0.6 million bpd above a year ago.



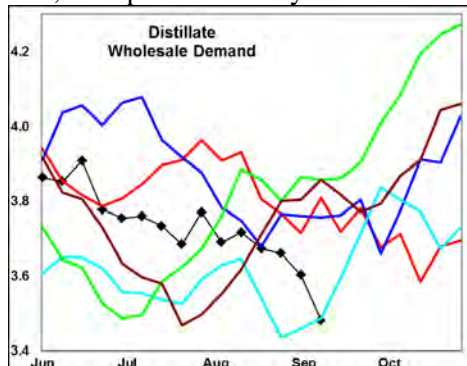
The latest 4-wk stock change East of the Rockies was a -1.2 million barrel draw, compared to an average -4.2 million barrel draw for the last 3-yr.



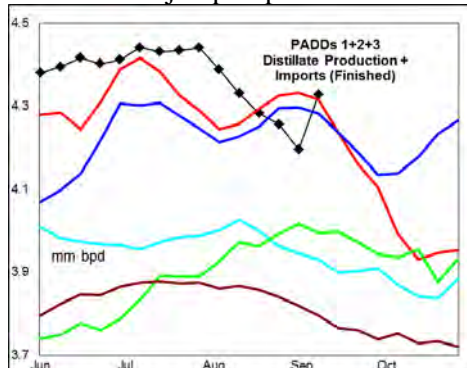
Stock levels were equal to or higher than the 3-yr mid range in all regional markets last week. Look for a seasonal drop in production as fall maintenance begins, combined with robust year on year wholesale demand growth to drive above average stock draws during the next 60-days.

Distillate wholesale demand fell -0.1 million bpd last week, to match 5-yr

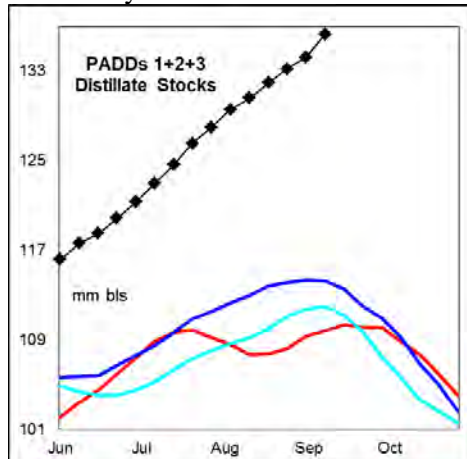
lows for the week. The latest 4-wk average wholesale demand was -104,000 bpd below last year.



Supply increased +218,000 bpd last week, with the 4-wk average -105,000 bpd below a year ago. The restart of ExxonMobil plant in the Gulf region underlies the jump in production.



Stocks increased in combined regions East of the Rockies +2.1 million barrels for the week. Stock levels for these regions ended the week +25 million barrels above the average of the last 3-yr.

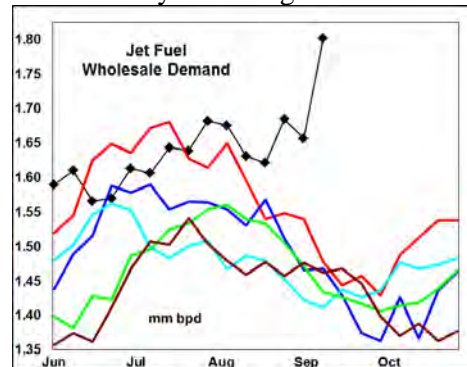


Look for the start of refinery maintenance to drive stock draws beginning by month end, partially

offset by weak wholesale demand. Stock levels remain extremely high in all regional markets.

Jet Fuel wholesale demand increased +122,000 bpd on the week, to an exceptionally high weekly level. The latest 4-wk average demand was +88,000 bpd above last year.

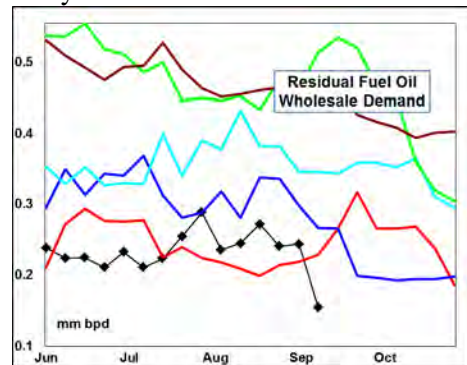
Supply decreased -136,000 bpd on the week, driven by lower imports; with the 4-wk average -67,000 bpd above a year ago. Stocks fell -1.6 million barrels on the week, to a level above the 3-yr mid range.



Look for a sharp drop in seasonal demand, partially offset by lower production as fall maintenance begins.

Record imports should assure ample supplies in all coastal markets.

Residual fuel oil demand fell -194,000 bpd last week. Demand for the latest 4-wk period was -11,000 bpd below last year.



Supply (production + imports) increased +81,000 bpd on the week, due to higher imports. Stocks increased +0.4 million barrels, to a level +7% above last year. Production continues to track the 2-yr average.



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

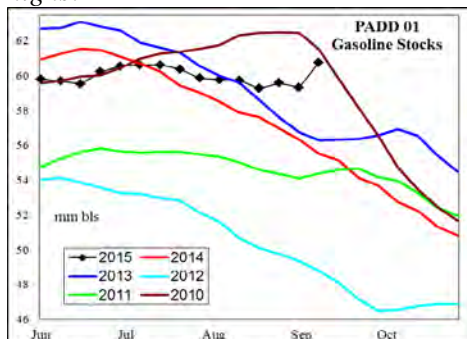
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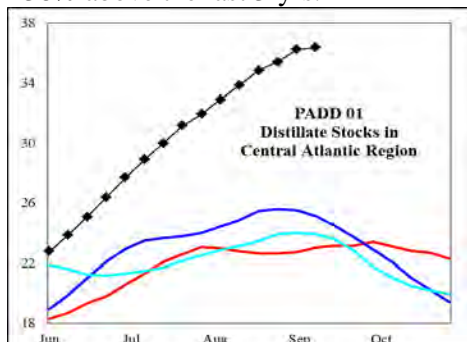
PADD Supply Trends

PADD 1 refinery crude oil runs decreased -95,000 bpd on the week to a level that matched the 3-yr mid range. The latest 4-wk average thru put was +71,000 bpd above last year.

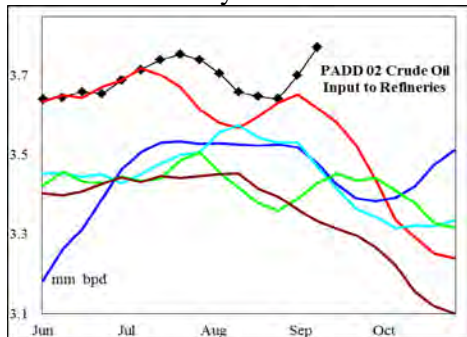
Gasoline supply decreased -0.1 million bpd on the week, with the 4-wk average -97,000 bpd below last year. *Stocks jumped +3.4 million barrels last week, with the counter seasonal build pushing the level to near 5-yr highs.*



Distillate supply decreased -89,000 bpd on the week, with the 4-wk average +26,000 bpd above last year. Stocks decreased -0.3 barrels to a level +38% above the last 3-yrs.



Jet fuel supply decreased -30,000 bpd on the week, with stocks +0.7 million barrels above last year.



PADD 2 crude oil refinery runs decreased -14,000 bpd on the week, at

a record high for the period. The latest 4-wk average was +8,000 bpd above last year.

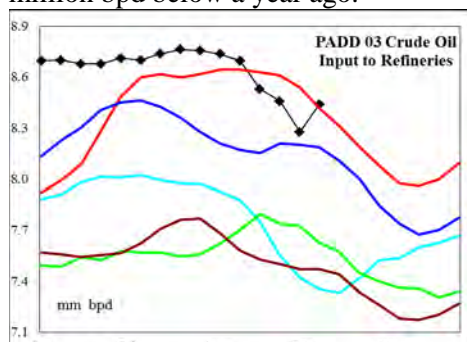
Crude oil stocks fell -2.2 million barrels last week. Cushing saw a -1.9 million barrel draw for the week.

Gasoline supply decreased -73,000 bpd on the week. Production for the most recent 4-wk period was +57,000 bpd above a year ago. Stocks decreased -1.2 million barrels on the week, to a level near the 3-yr mid range.

Distillate supply increased +14,000 bpd on the week, to a level above the 5-yr range. The latest 4-wk average production was -19,000 bpd below last year. Stocks increased +1.3 million barrels on the week, to a level well above the last 3-yrs.

Jet fuel stocks increased +0.6 million barrels to a level equal to the 2-yr average.

PADD 3 refinery runs increased +451,000 bpd last week, on restart of the ExxonMobil plant. During the latest 4-wk period, runs were -0.2 million bpd below a year ago.



Crude oil imports increased +0.1 million bpd on the week, with the 4-wk average -0.7 million bpd below last year.

Crude oil stocks decreased -0.3 million barrels, to a level +40 million barrels (+21%) above the prior high for the period.

Gasoline supply increased +192,000 bpd on the week, with the latest 4-wk average -135,000 bpd below a year ago. Stocks decreased -0.3 million barrels on the week, to a level that matched the 3-yr mid range.

Distillate supply increased +0.3

million bpd on the week, with the latest 4-wk average supply -135,000 bpd below a year ago. Stocks increased +1.1 million barrels to a level +24% above last year.

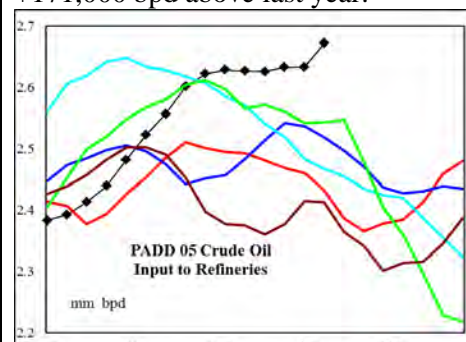
Jet fuel production decreased -34,000 bpd on the week, to a level near the 3-yr mid range. Stocks fell -2.9 million barrels on the week, a level still well above the last 2-yrs.

PADD 4 refinery crude runs decreased -1,000 bpd last week, to a level near the 3-yr mid range. The latest 4-wk average was -22,000 bpd below last year.

Gasoline supply increased +14,000 bpd on the week, with the 4-wk average -27,000 bpd below last year.


Distillate supply increased +5,000 bpd on the week, to a level above four of the last 5-yrs. Stock levels ended the week at a level above the 3-yr mid range.

PADD 5 crude oil refinery runs increased +62,000 bpd on the week to a level well above the 5-yr range. The 4-wk average thru put rate was +171,000 bpd above last year.



Gasoline supply decreased -23,000 bpd on the week; with the latest 4-wk average +65,000 bpd above last year. Production levels match 5-yr highs for the week. Stocks increased +1 million barrels on the week, to a level above the 3-yr range.

Distillate supply decreased -12,000 bpd on the week. The 4-wk average supply was +57,000 bpd above last year. Stocks increased +0.9 million barrels on the week, to a level +10% above last year and a record.



FUNDAMENTAL

PETROLEUM TRENDS

PETROLEUM: Graph Link and Weekly Summary

A Fundamental Petroleum Trends Weekly Report

September 16, 2015

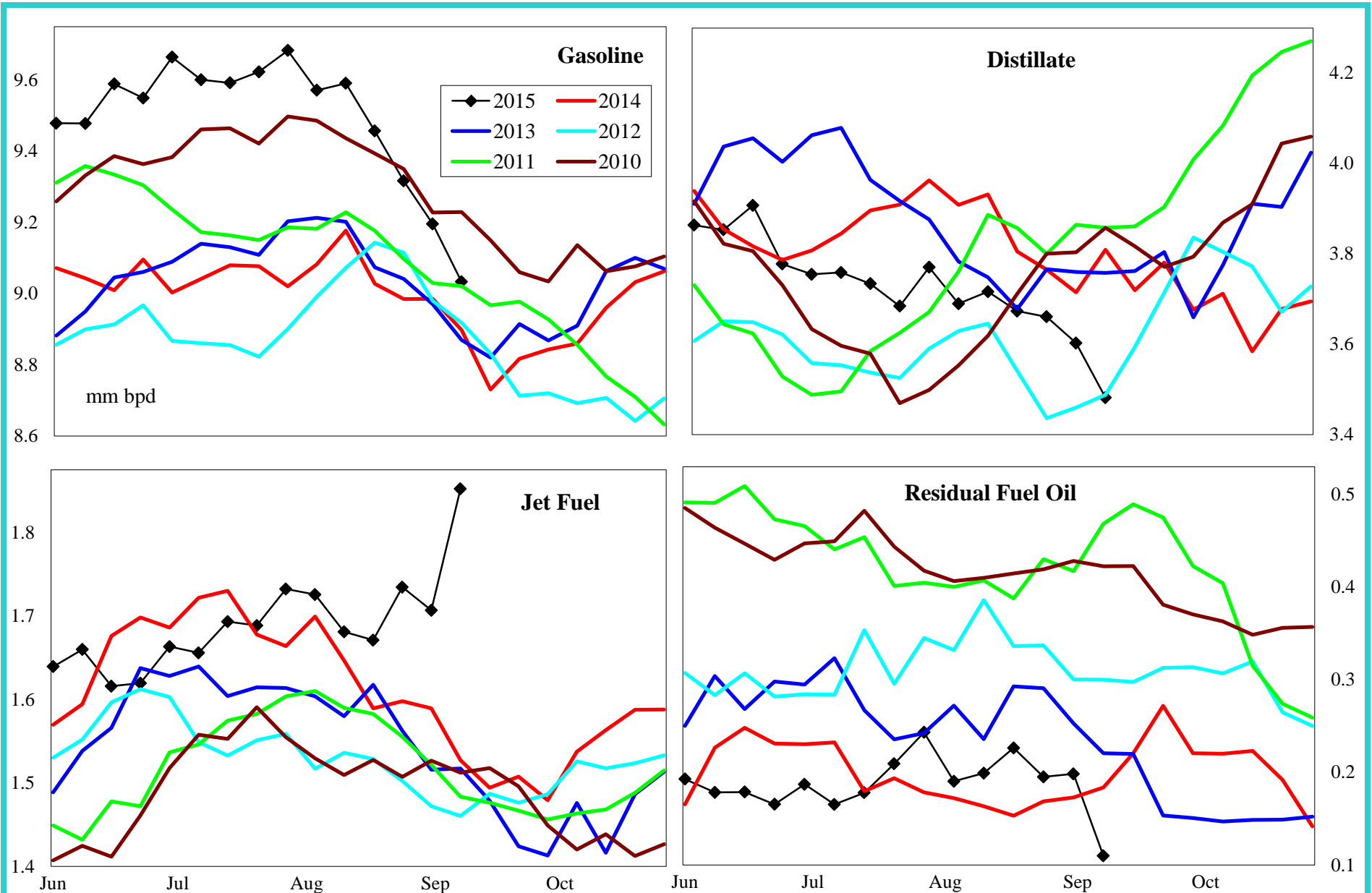
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Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization		Product Yield %		Imports
Supply/Demand Trends	11-Sep-15	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
Crude Oil	Stocks	-2,104	-345	-2,169	-339	80	669
	Imports	-270	-24	-401	89	127	-60
	Input	403	-95	-14	451	-1	62
	% Utilization	2.20					
Gasoline	Stocks	2,840	3,371	-1,158	-302	-37	967
	Production	-340	-180	-76	190	13	-71
	Imports	133	79	3	2	1	48
	Supplied	-34					
Distillate	Stocks	3,060	-267	1,333	1,058	39	897
	Production	282	-39	14	299	5	2
	Imports	-64	-50	0	0	0	-14
	Supplied	-83					
Jet Fuel	Stocks	-1,638	548	557	-2,932	101	88
	Production	-5	-9	3	-34	-2	35
	Imports	-131	-21	0	0	0	-110
	Supplied	122					
Residual Fuel Oil	Stocks	376	138	89	-5	4	150
	Production	29	-6	14	36	-3	-12
	Imports	52	-7	0	64	0	-5
	Supplied	-194					

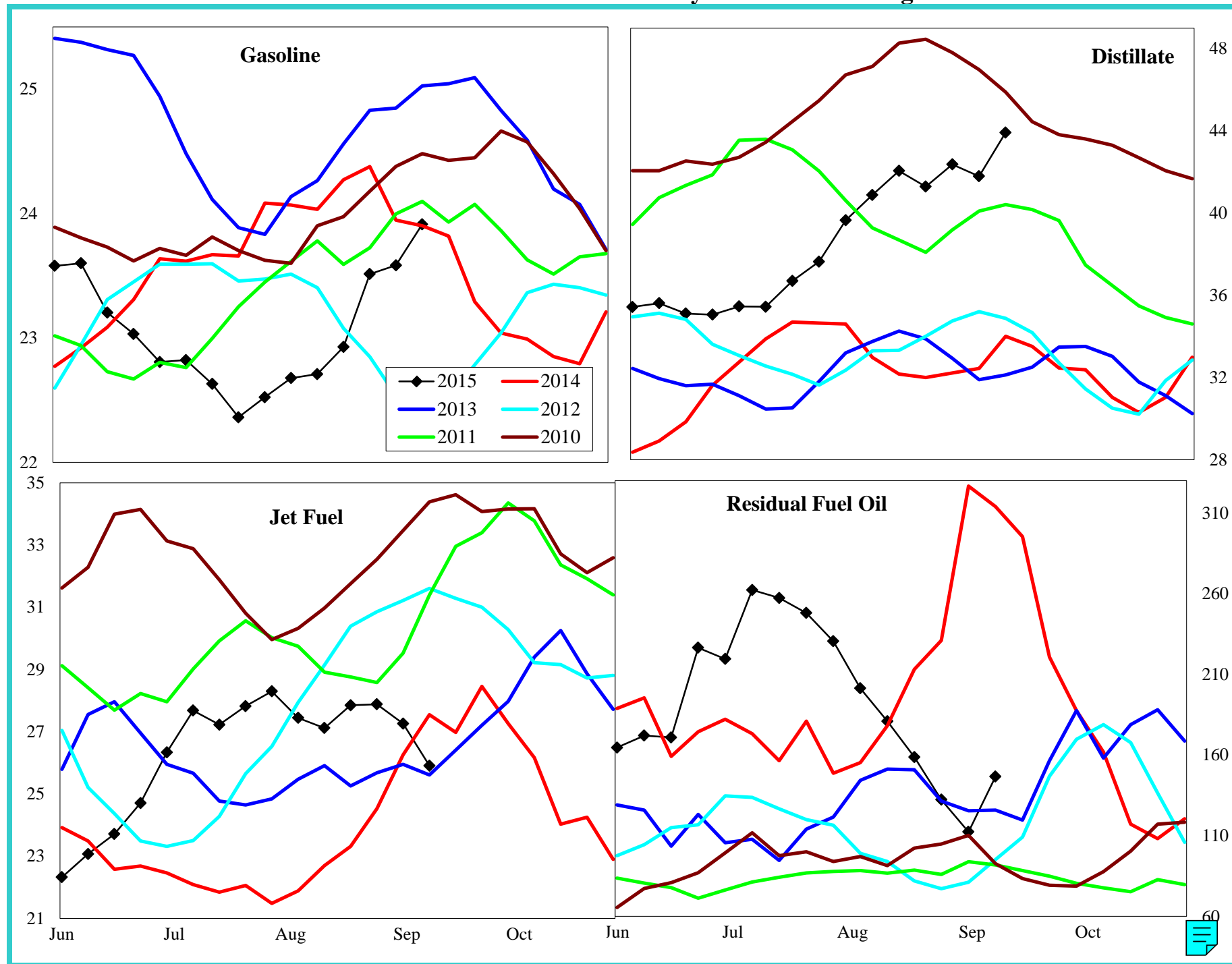
United States Wholesale Petroleum Demand



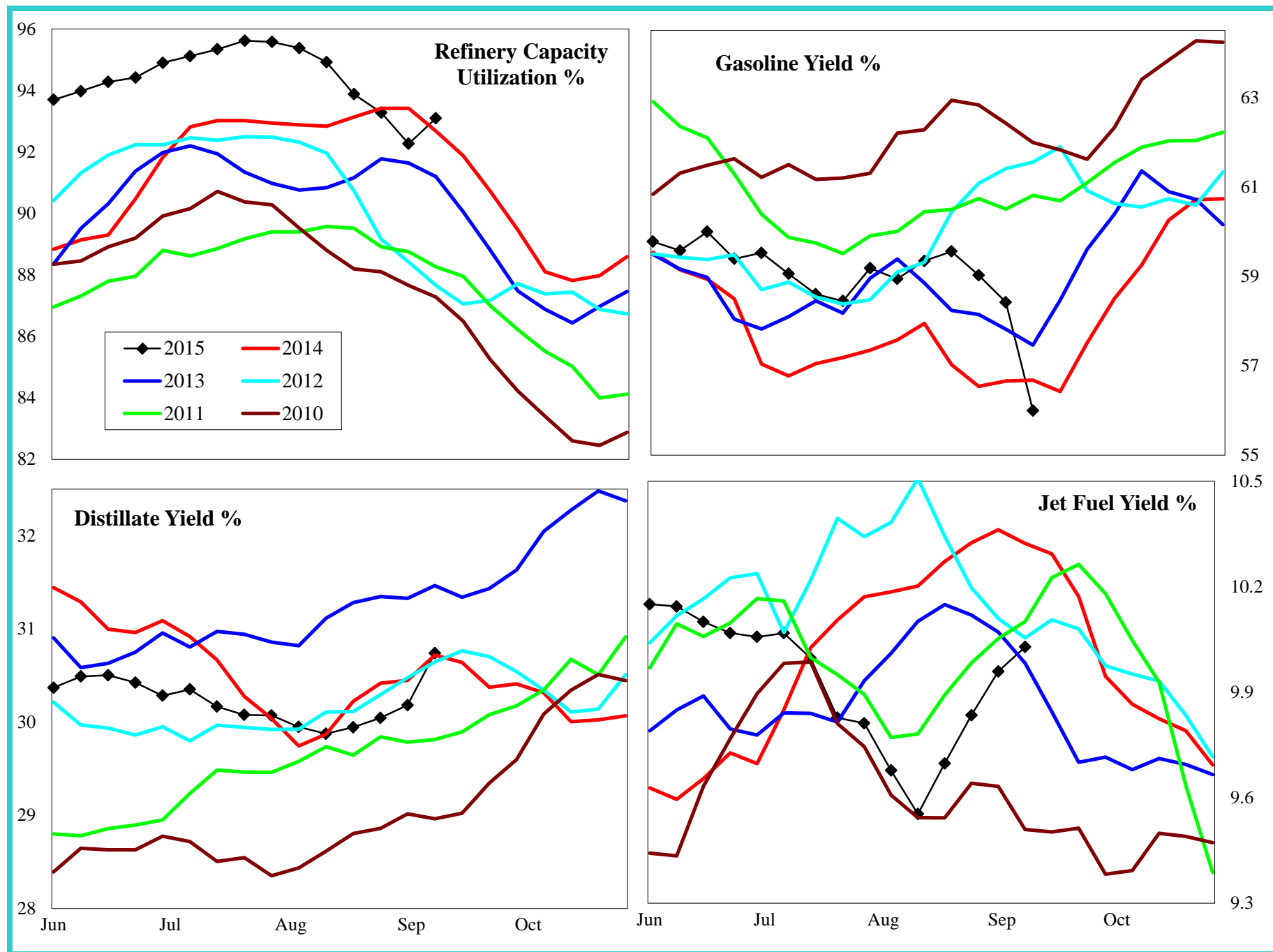
	000 bpd change from prior year				% change from prior year			
	4wk avg	Aug	Jul	Jun	4wk avg	Aug	Jul	Jun
Gasoline	182	218	325	357	2.0	2.3	3.5	4.0
Distillate	-104	-116	-141	-26	-2.8	-3.0	-3.7	-0.7
Jet Fuel	88	90	134	77	5.6	5.9	8.7	4.9
Resid	-11	14	-24	-89	-5.4	6.6	-10.0	-34.1



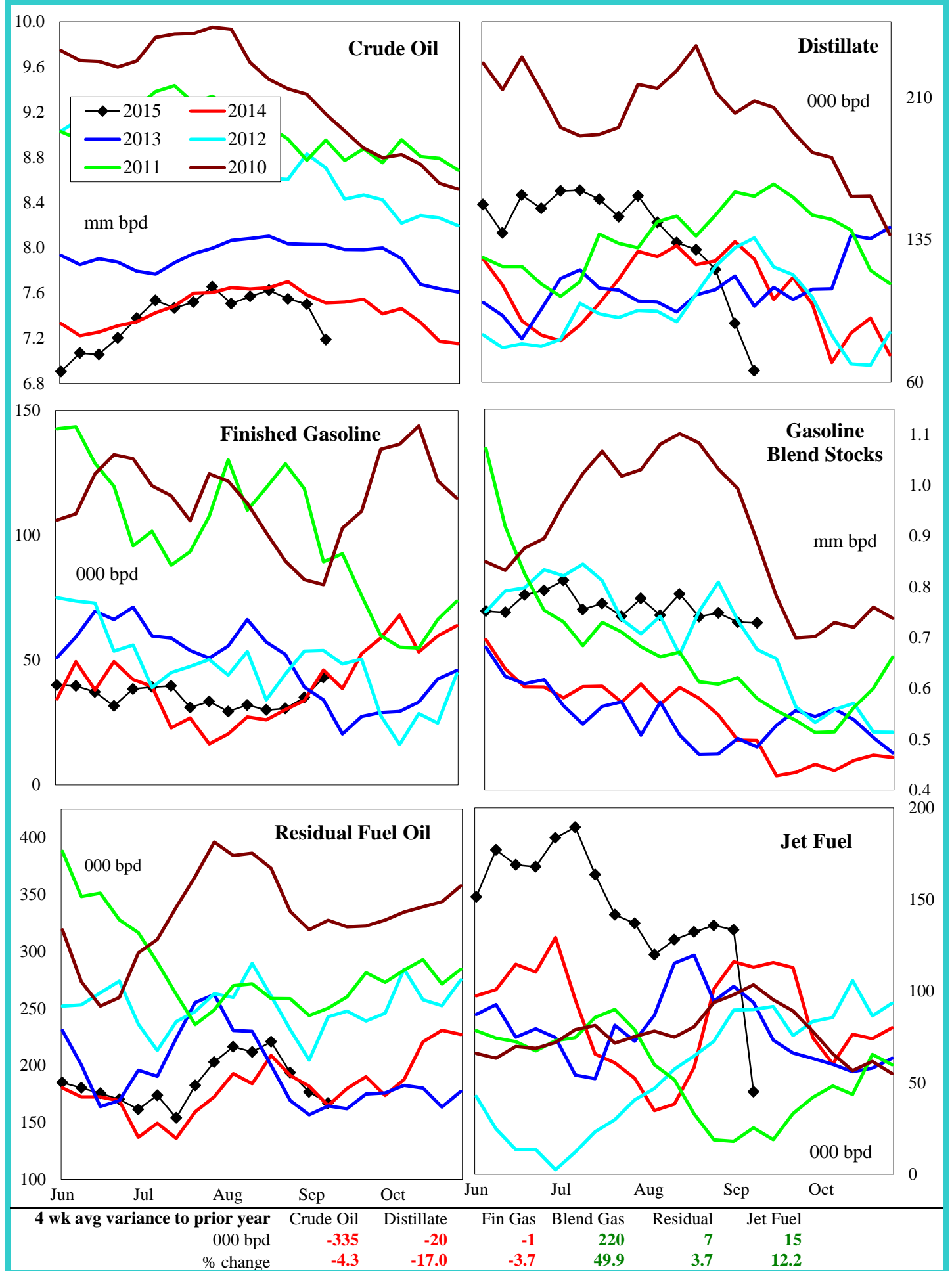
United States Product Stocks: Days Forward Coverage



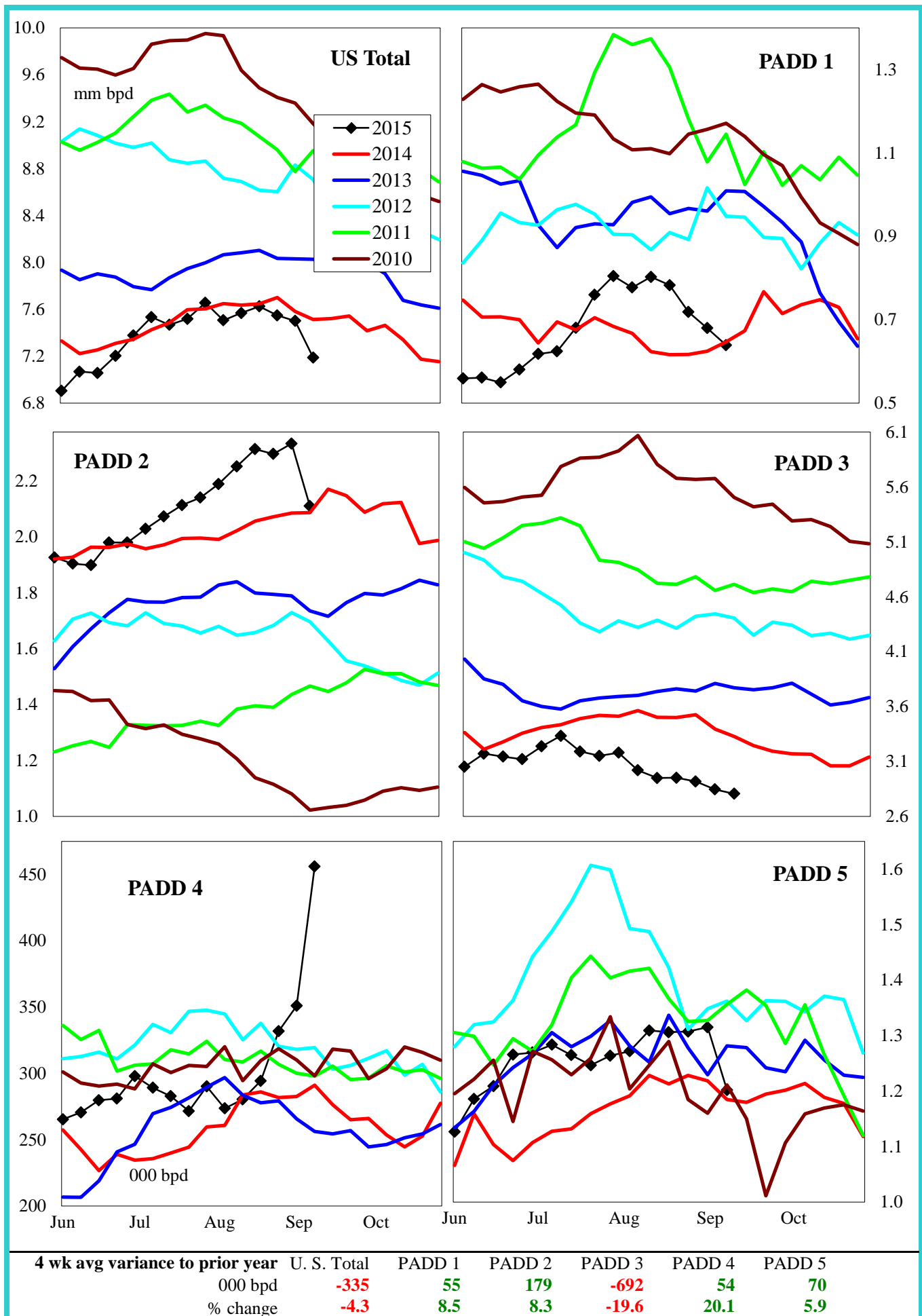
United States Refinery Percent Utilization Rate and Product Yields



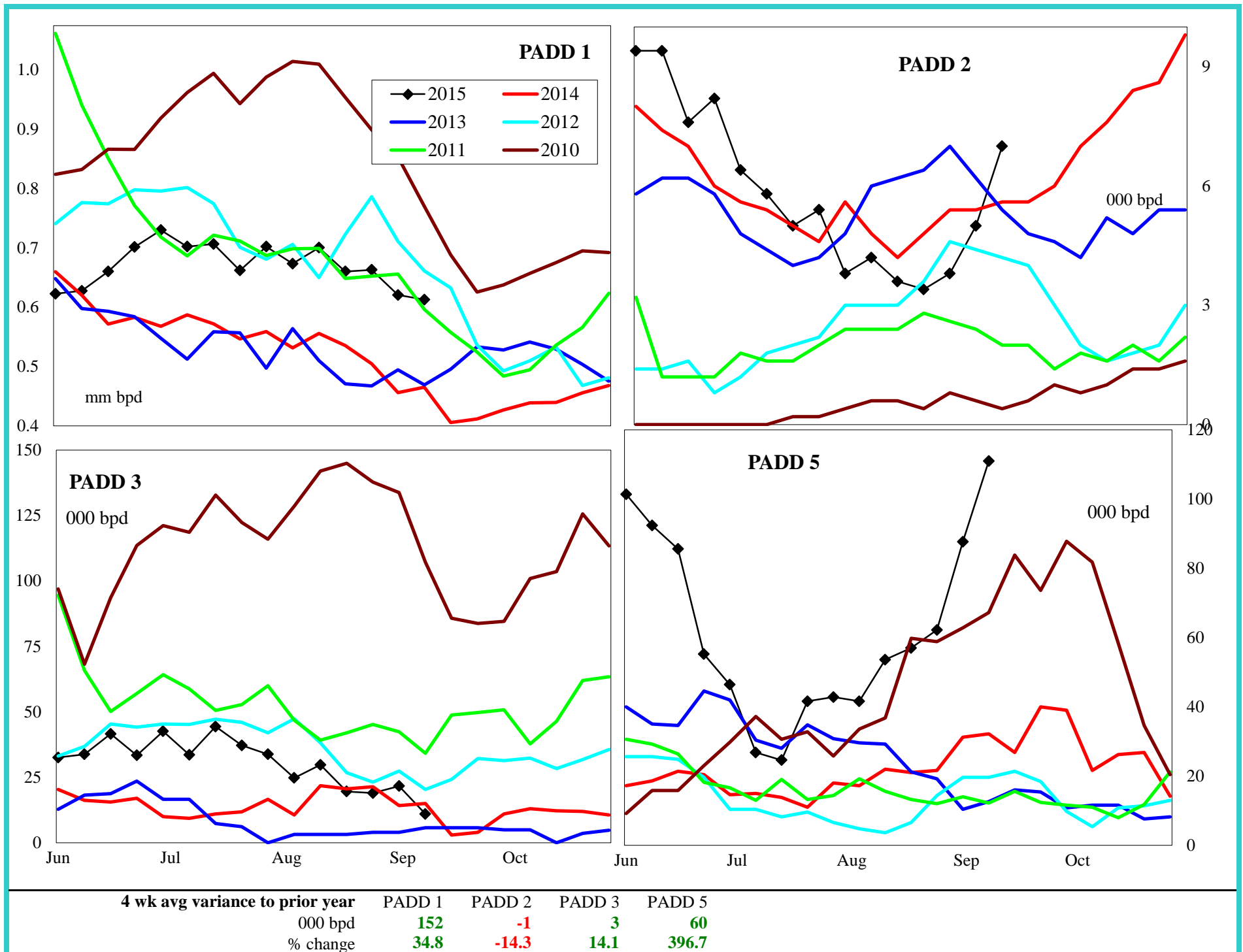
United States Petroleum Imports



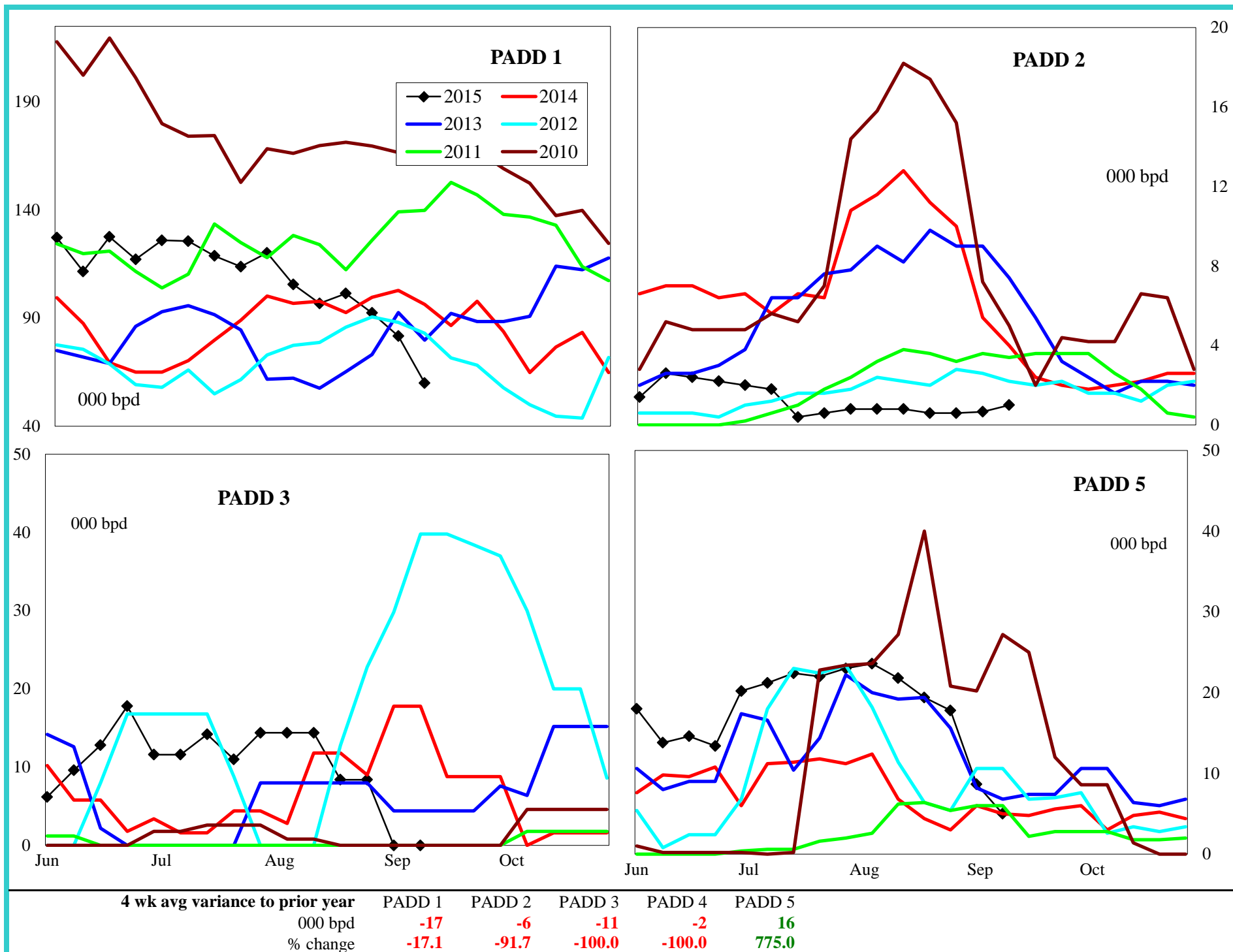
Crude Oil Imports by PADD



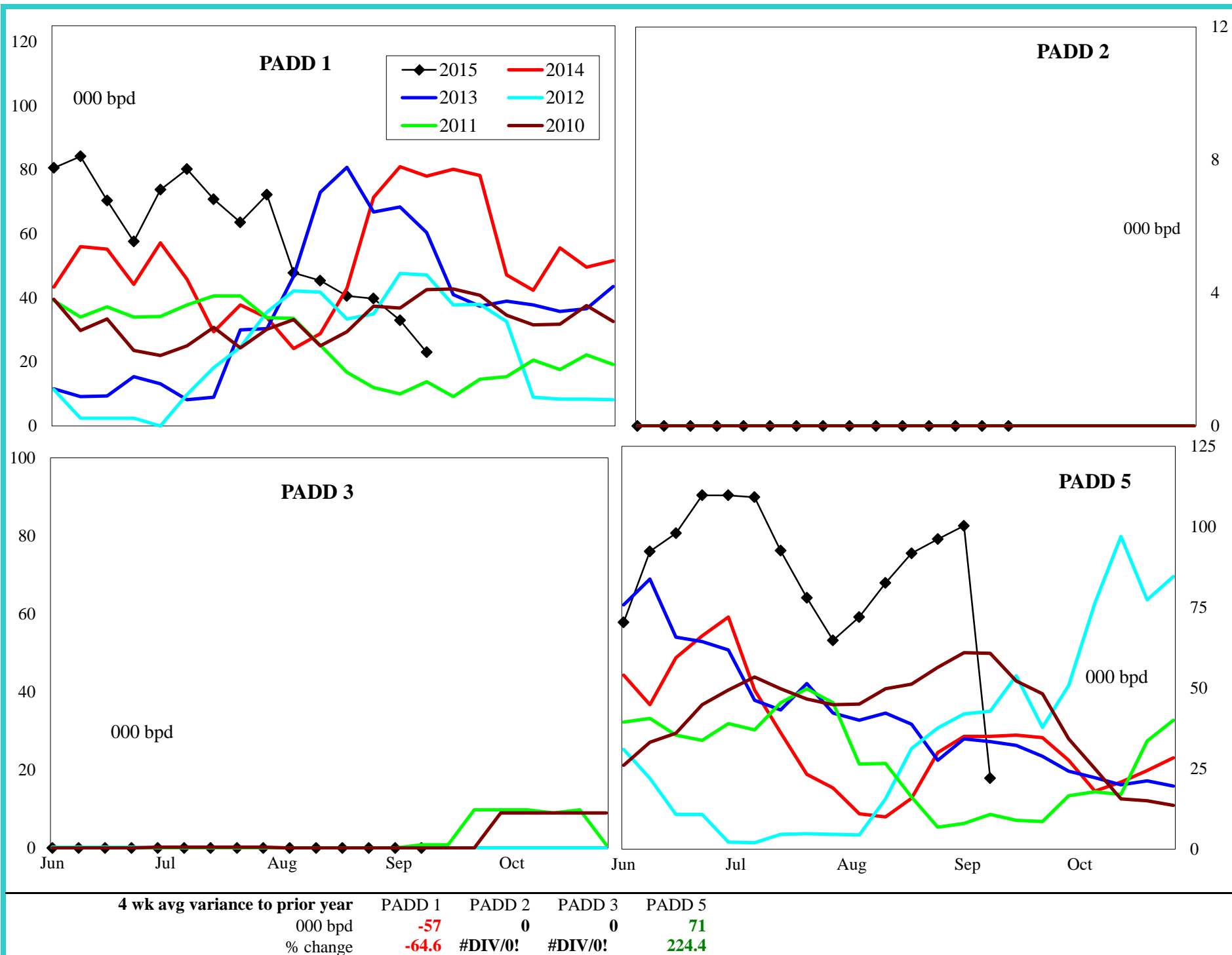
Gasoline Imports by PADD (Finished + Blend Stocks)



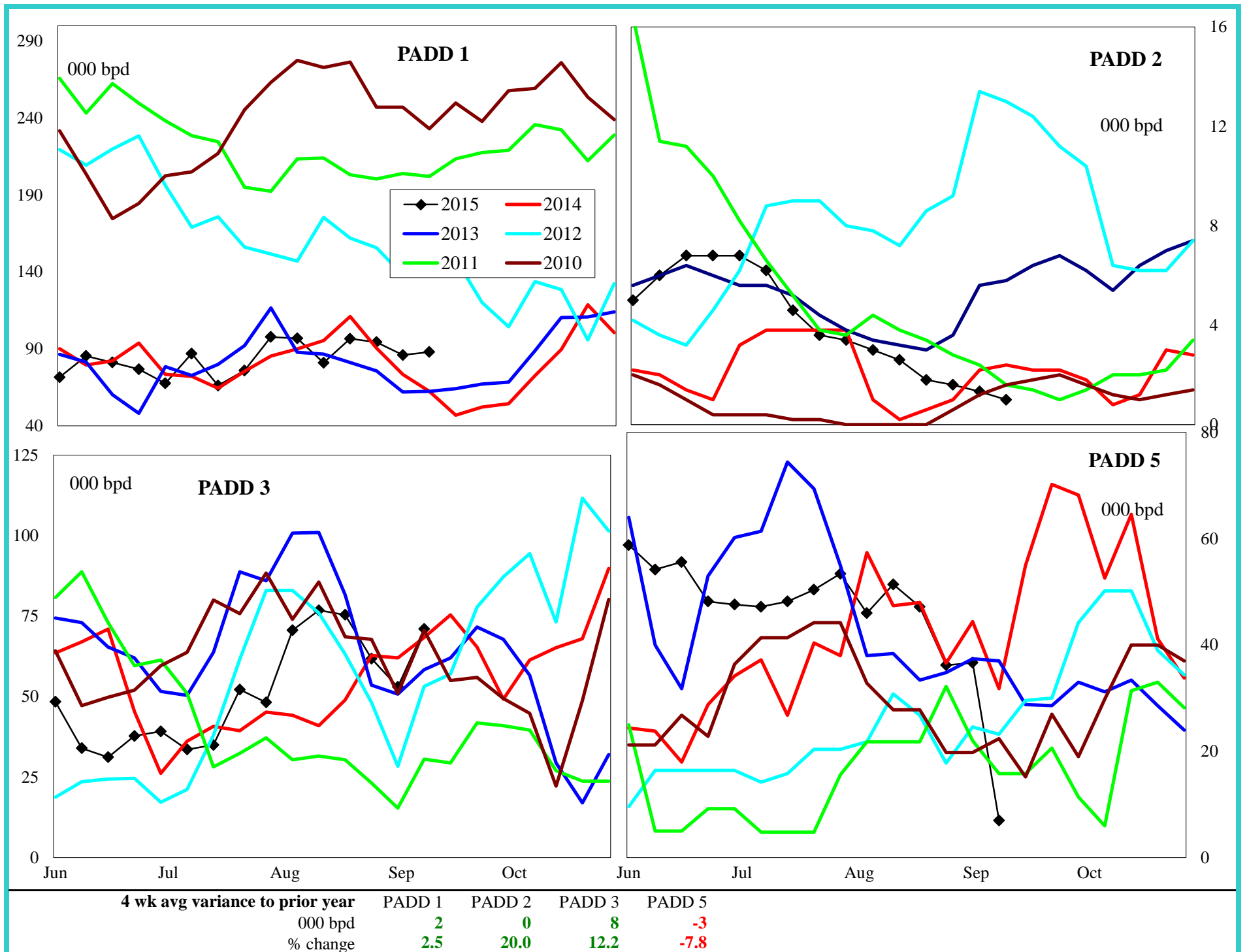
Distillate Imports by PADD



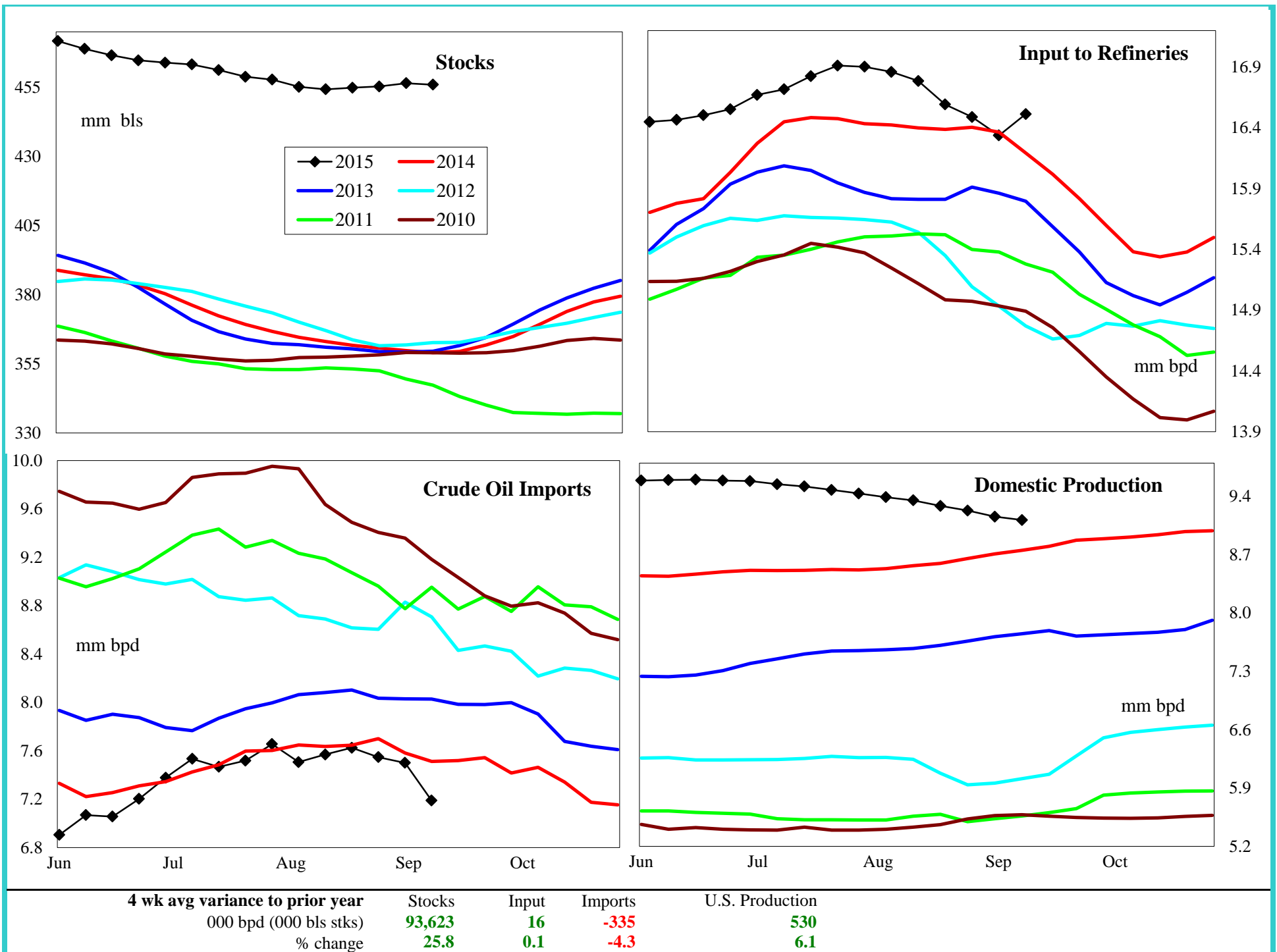
Jet Fuel Imports by PADD



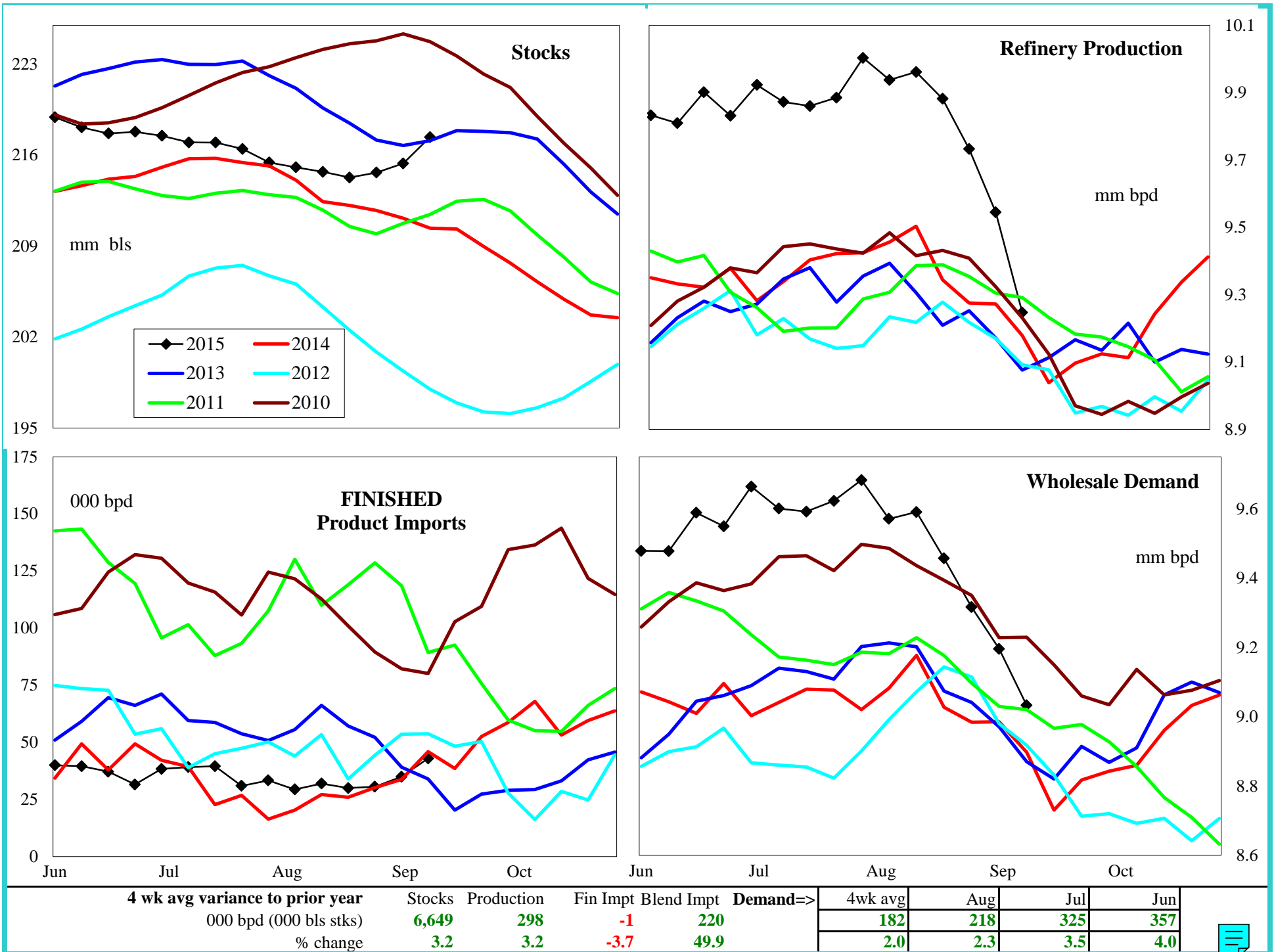
Residual Fuel Oil Imports by PADD



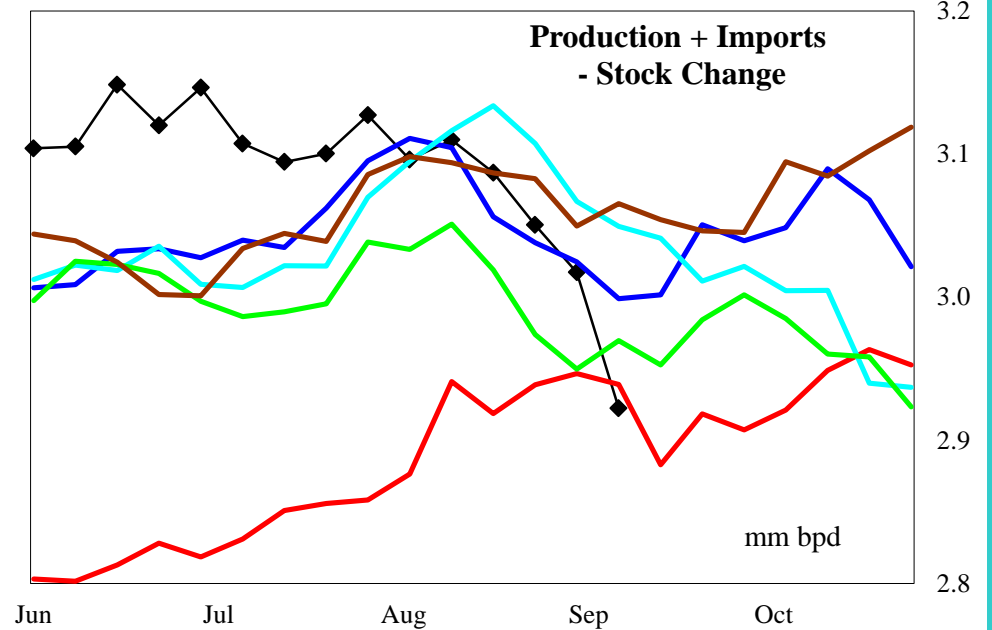
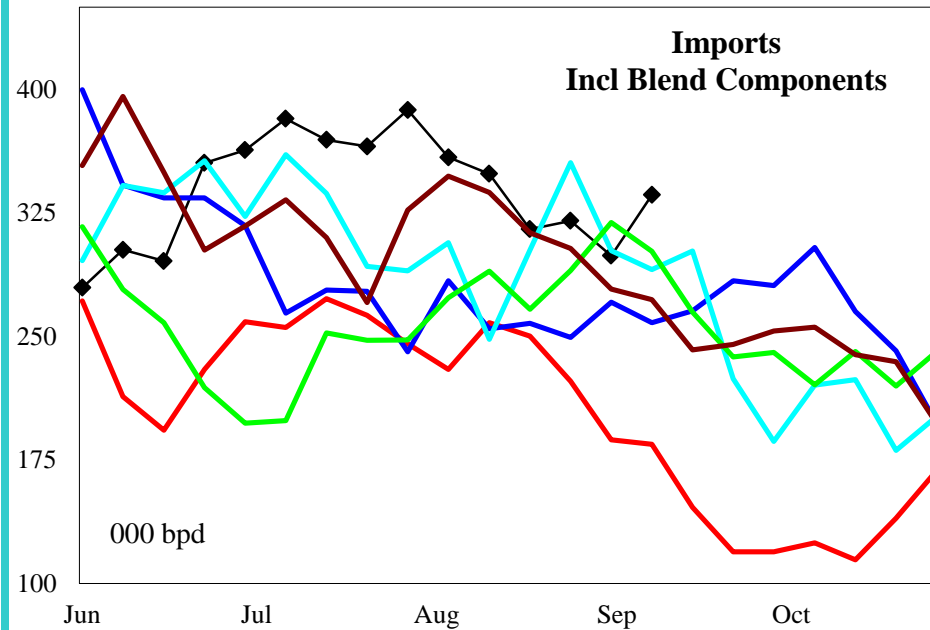
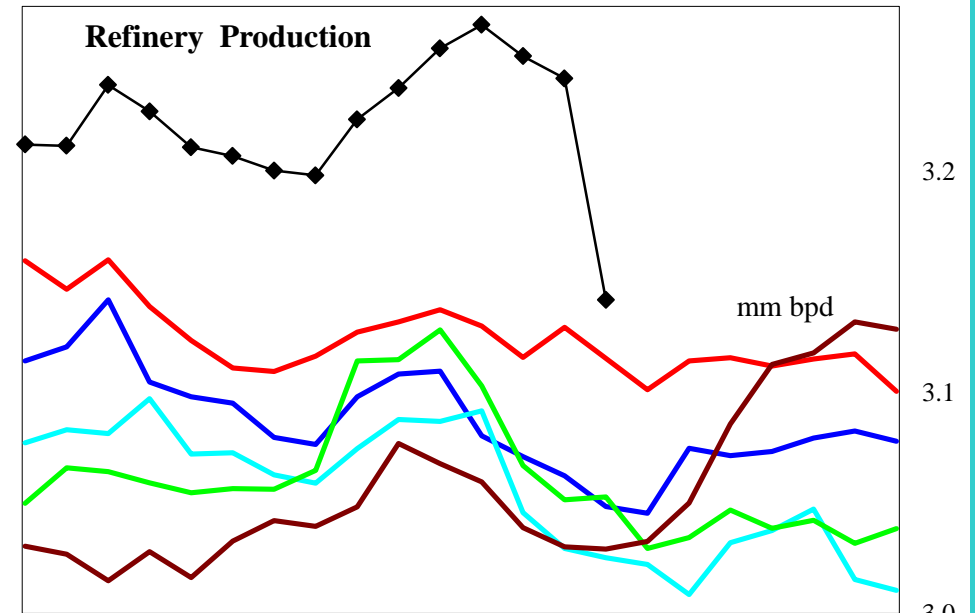
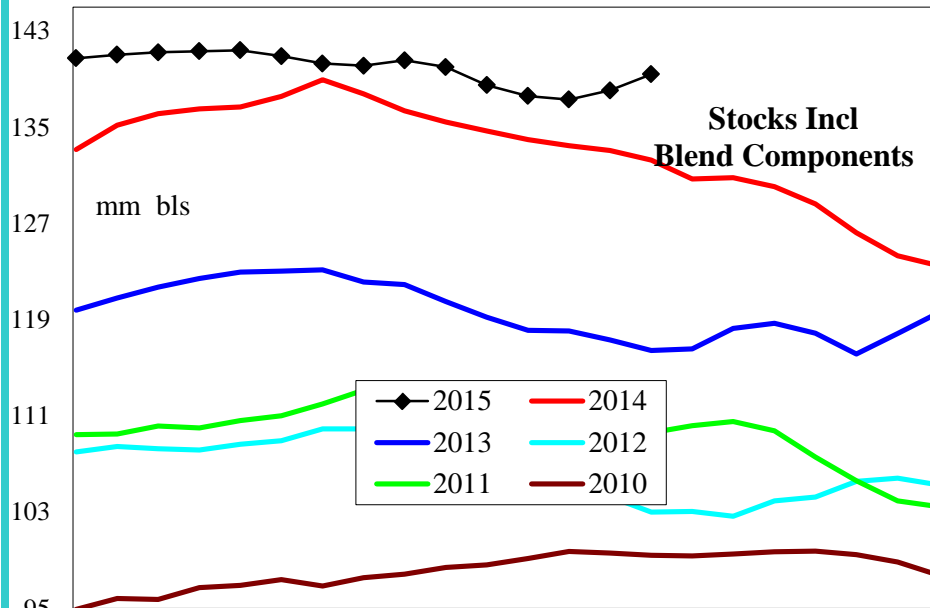
United States Crude Oil Supply and Demand Balance



United States Gasoline Supply and Demand Balance



United States Reformulated Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

7,151

5.4

Production

127

4.1

Imports

106

50.4

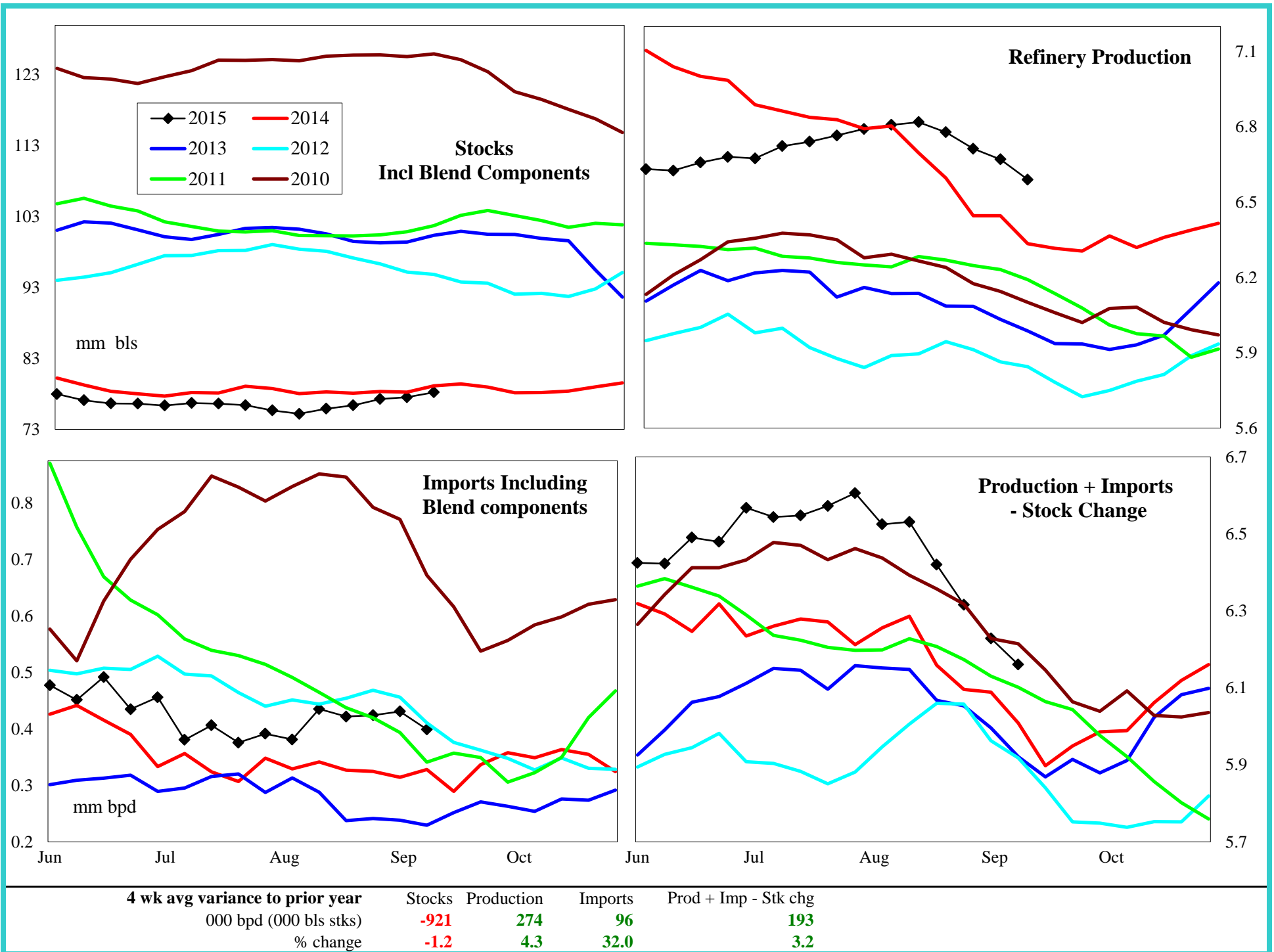
Prod + Imp - Stk chg

84

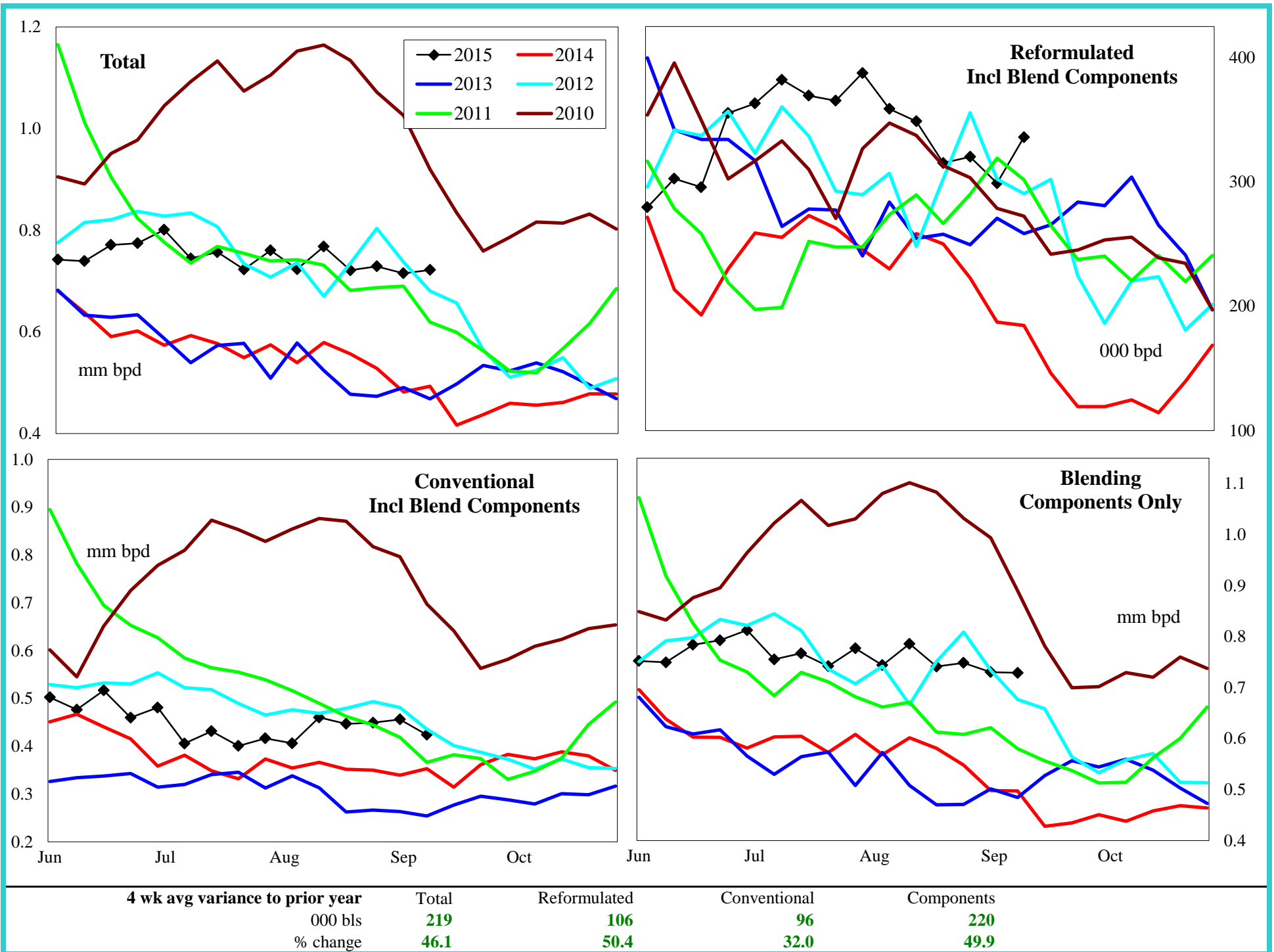
2.9



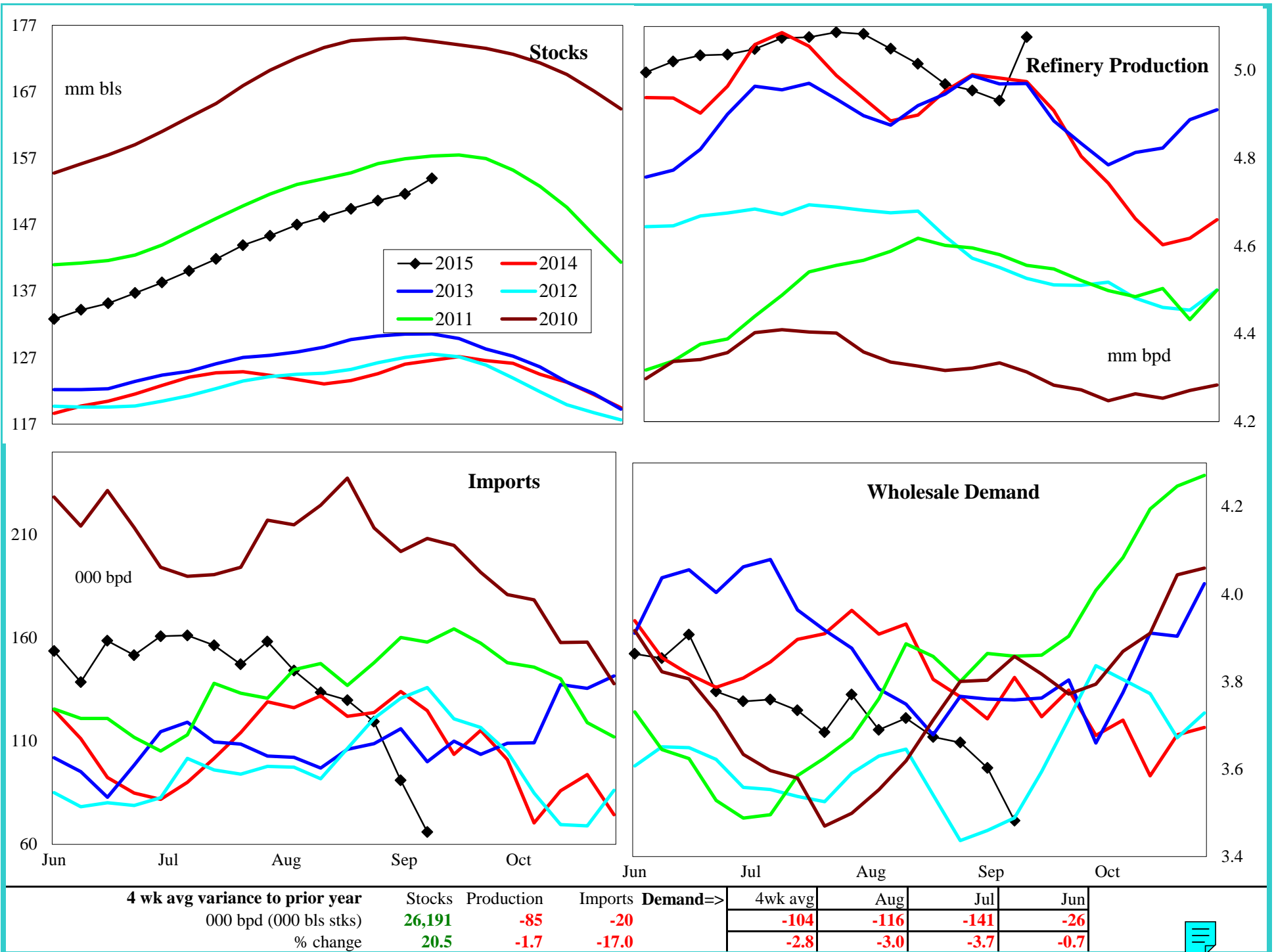
United States Conventional Gasoline Supply



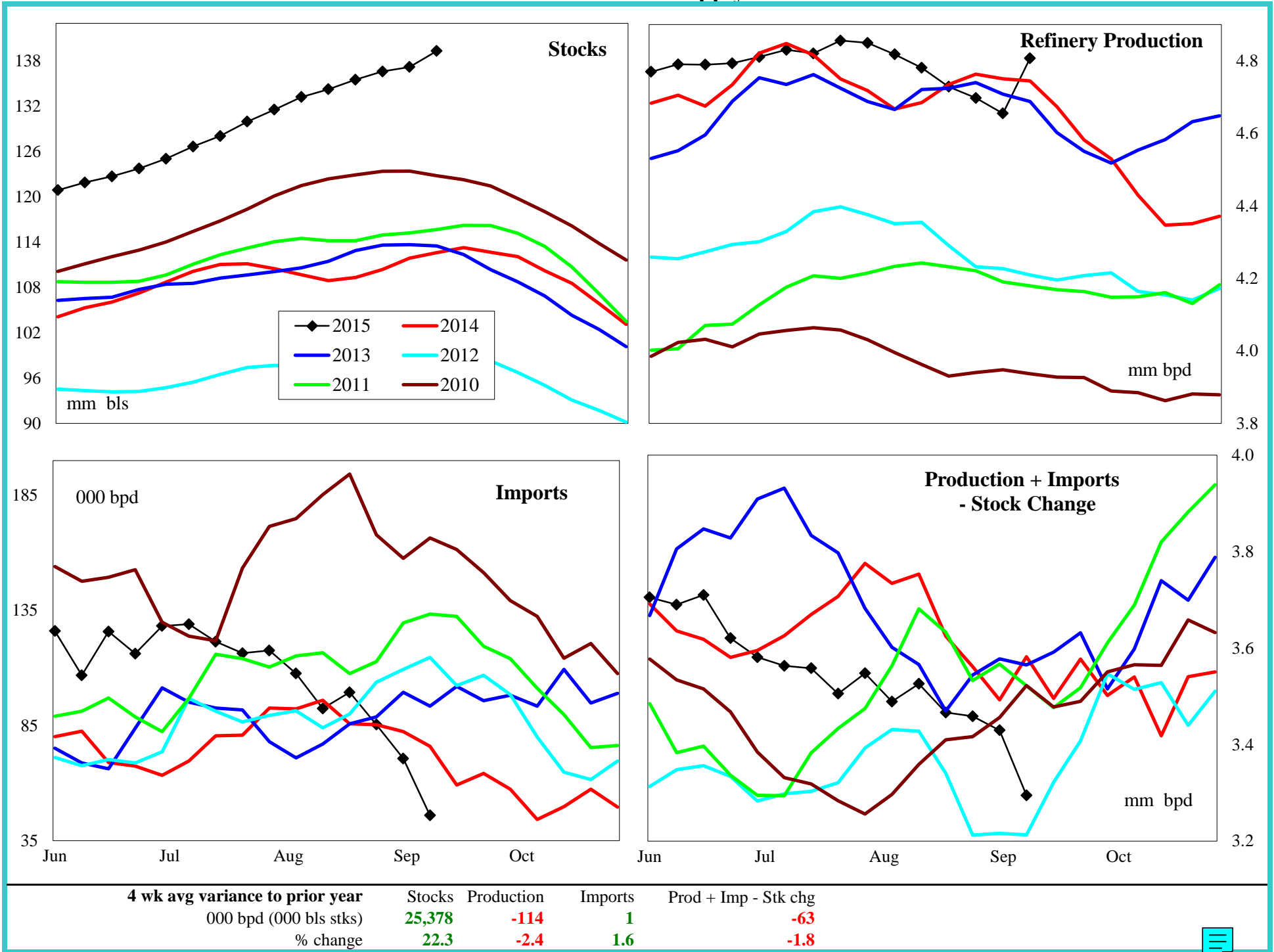
United States Gasoline Imports by Type



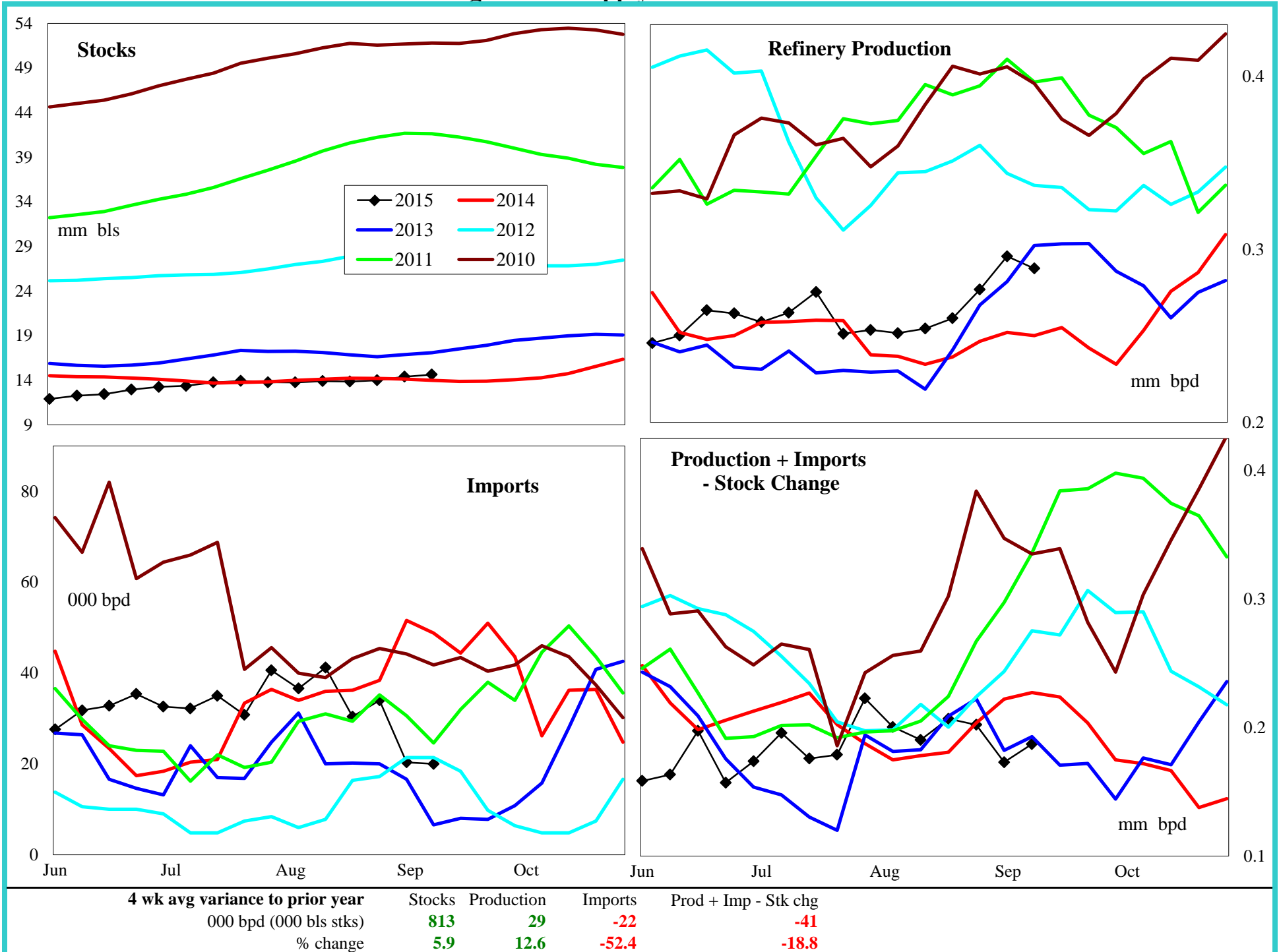
United States Distillate Supply and Demand Balance



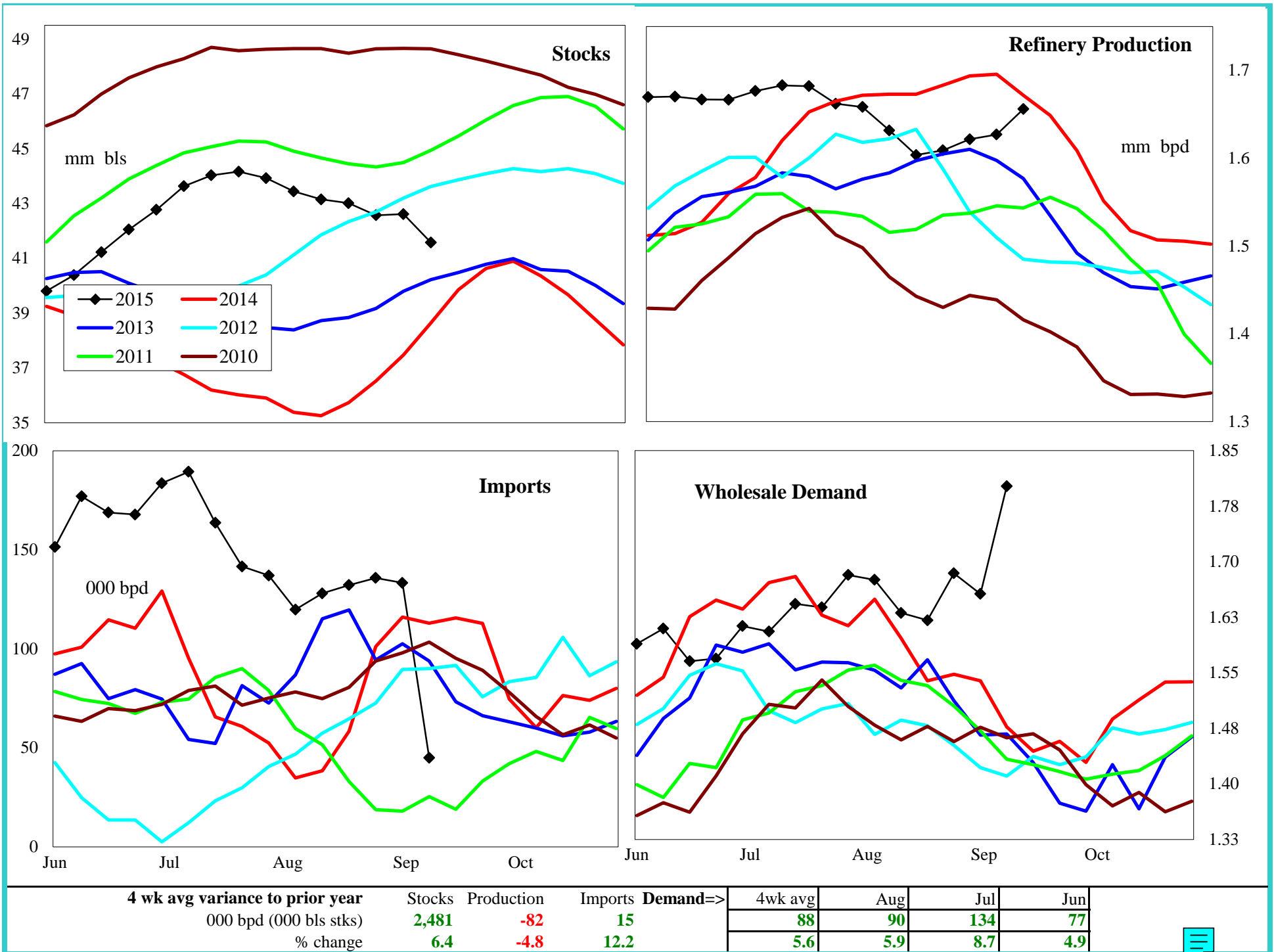
United States Low Sulfur Distillate Supply and Demand Balance



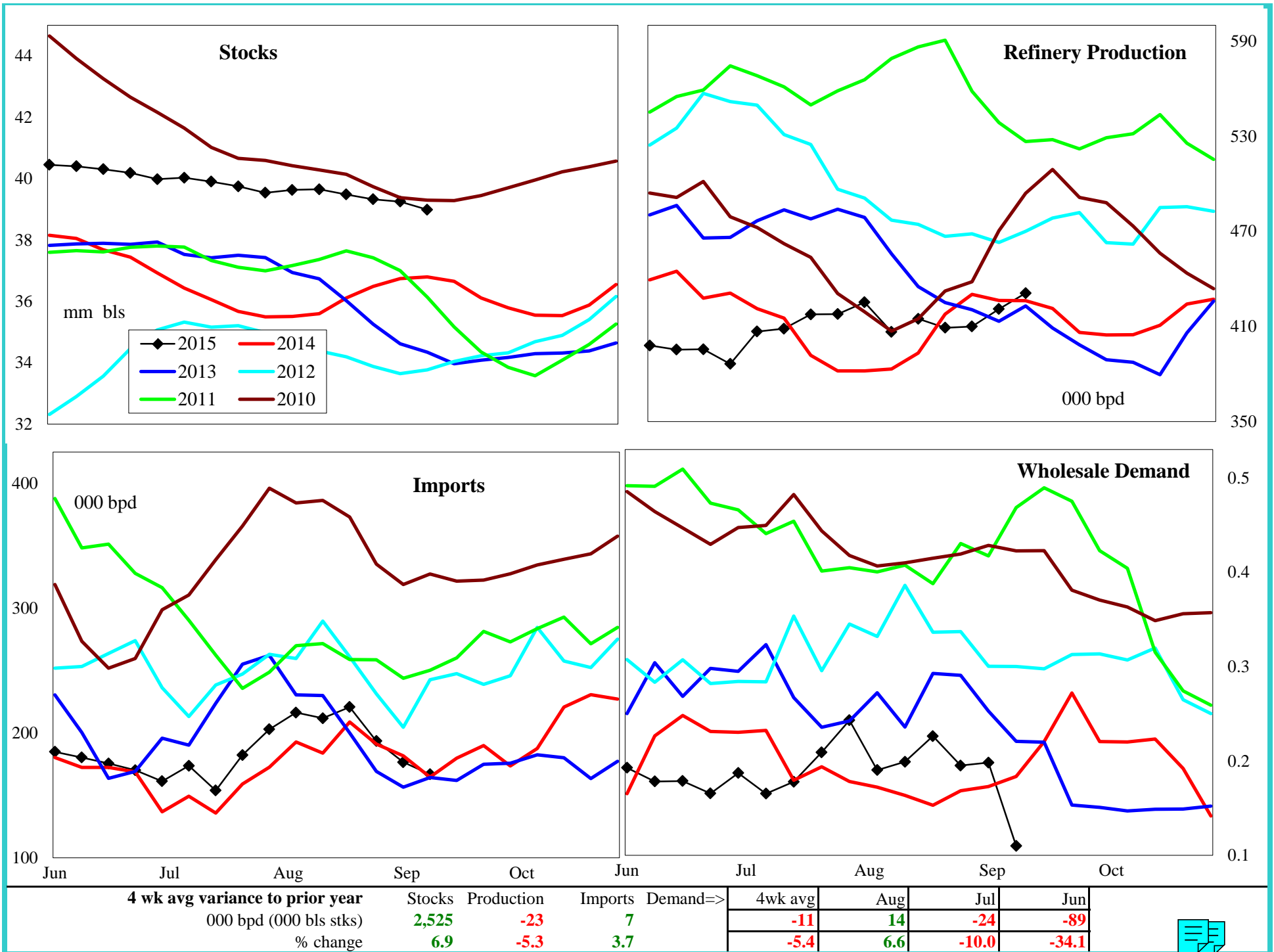
United States High Sulfur Supply Distillate and Demand Balance



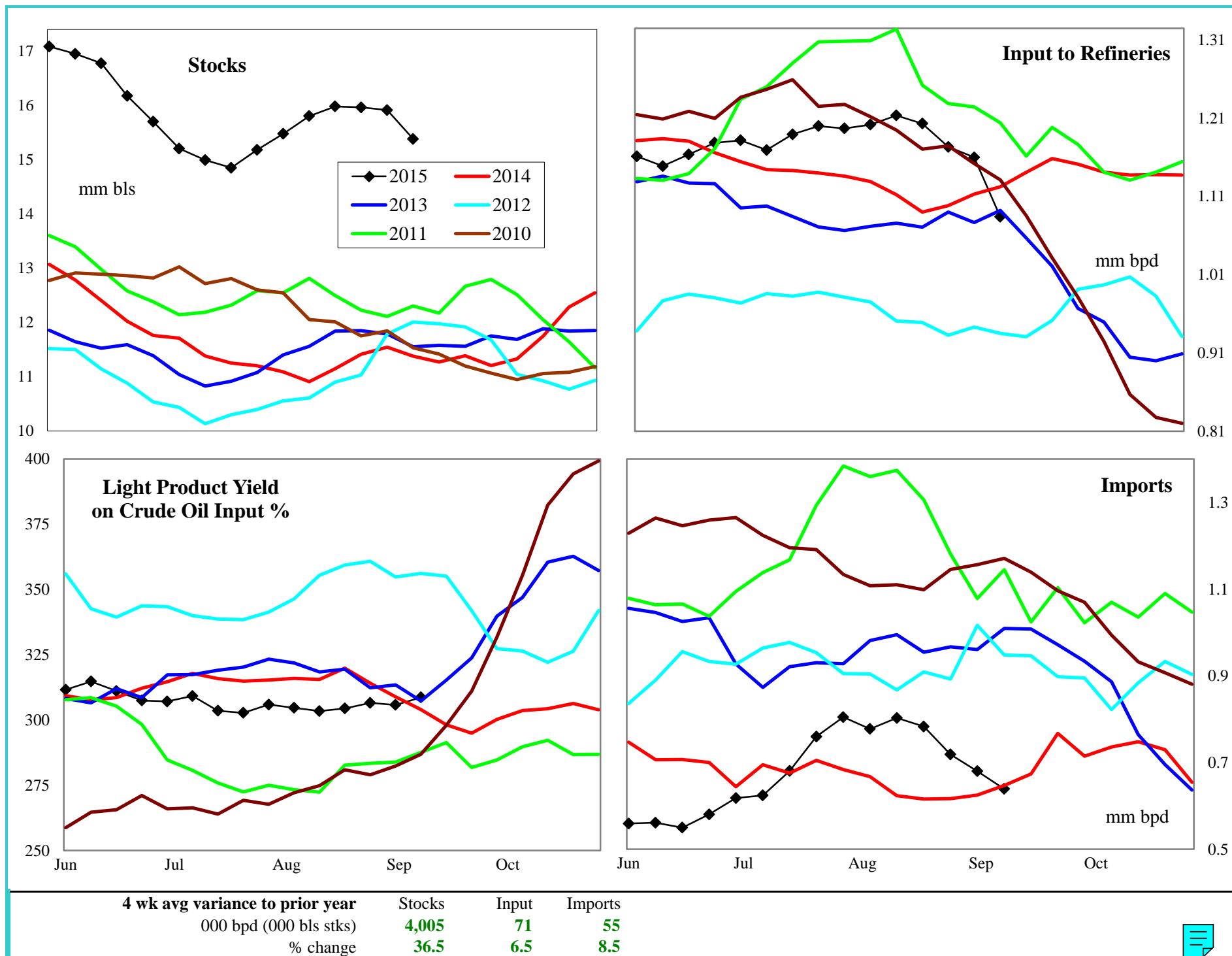
United States Jet Fuel Supply and Demand Balance



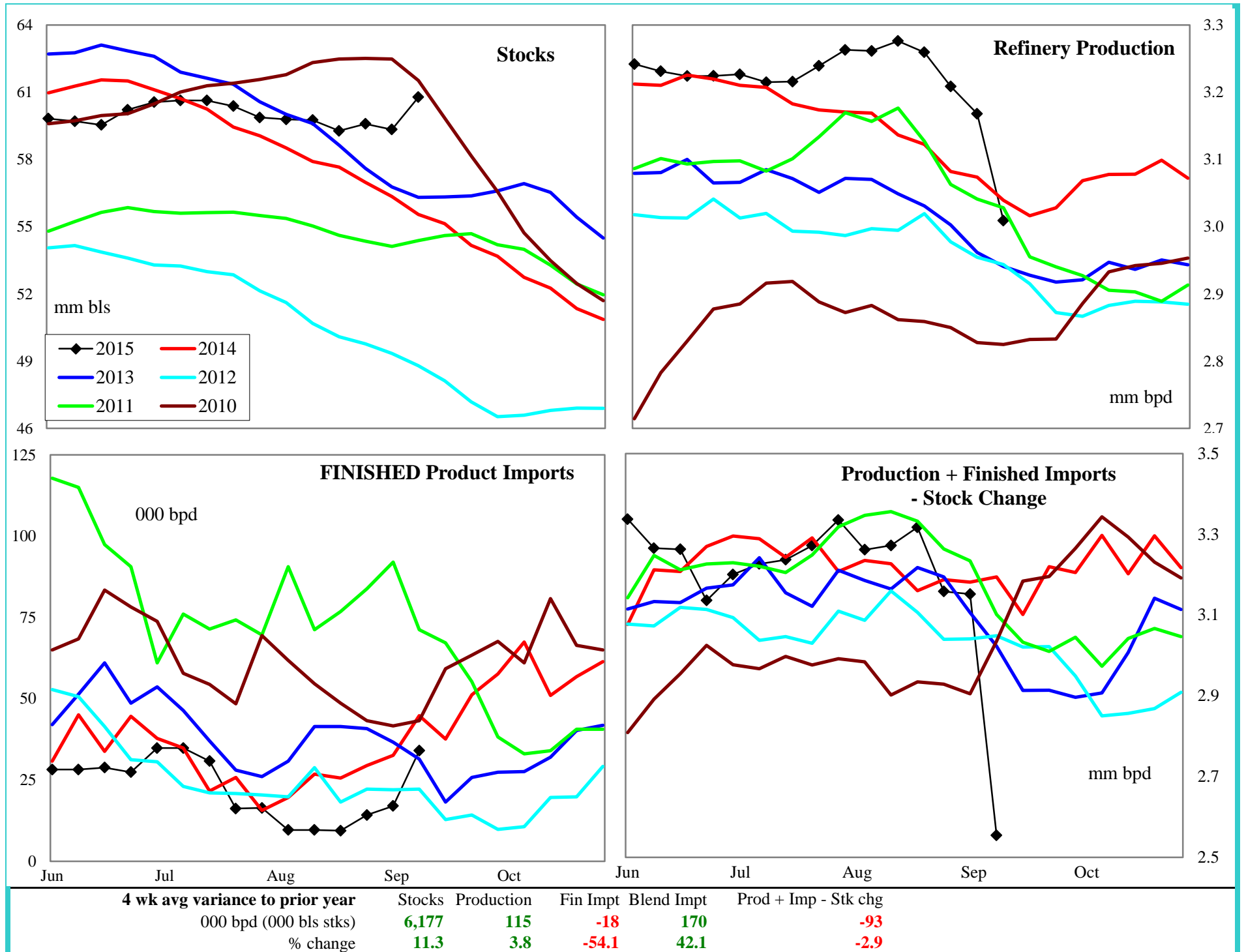
United States Residual Fuel Supply and Demand Balance



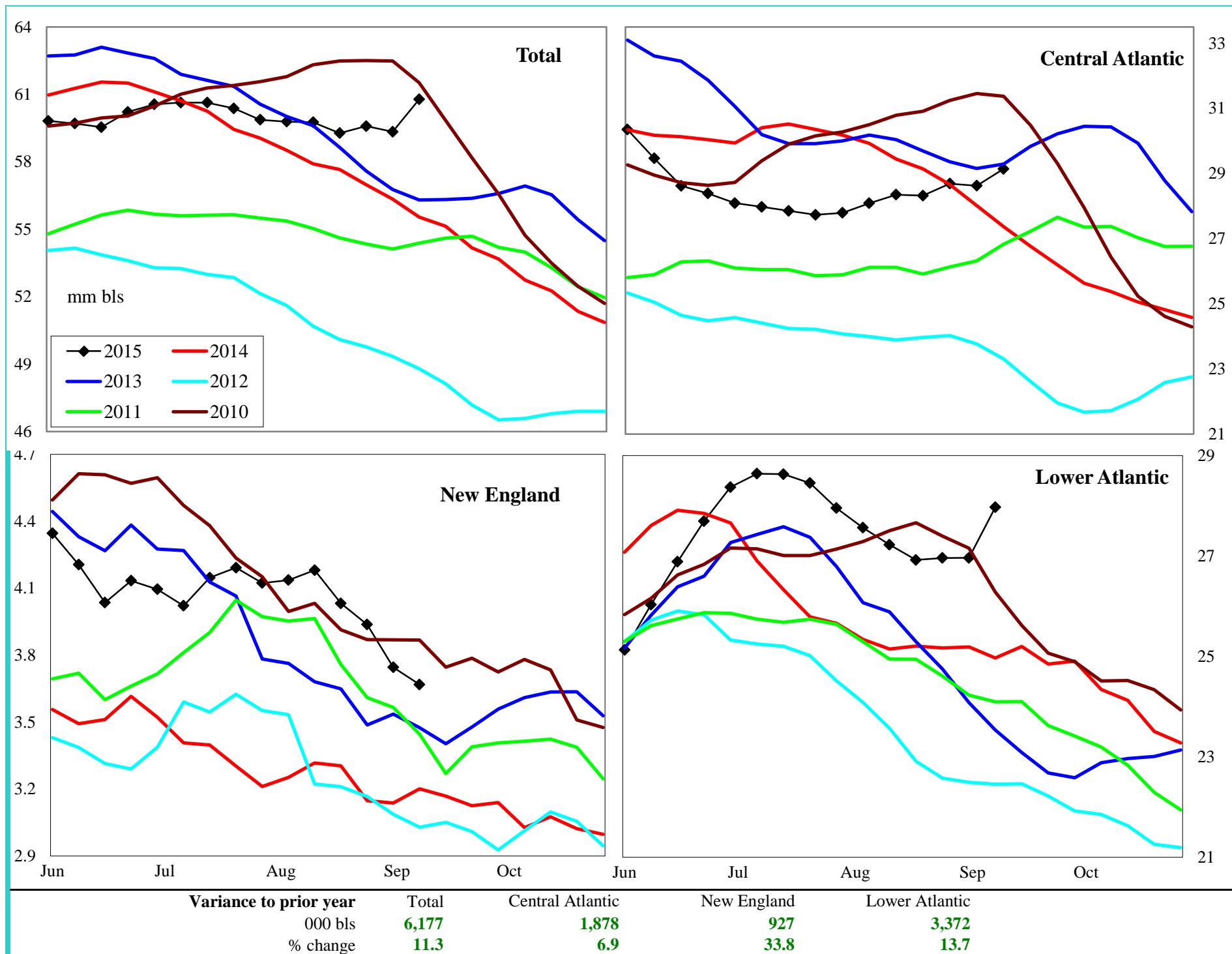
PADD 1 Crude Oil Supply and Refining



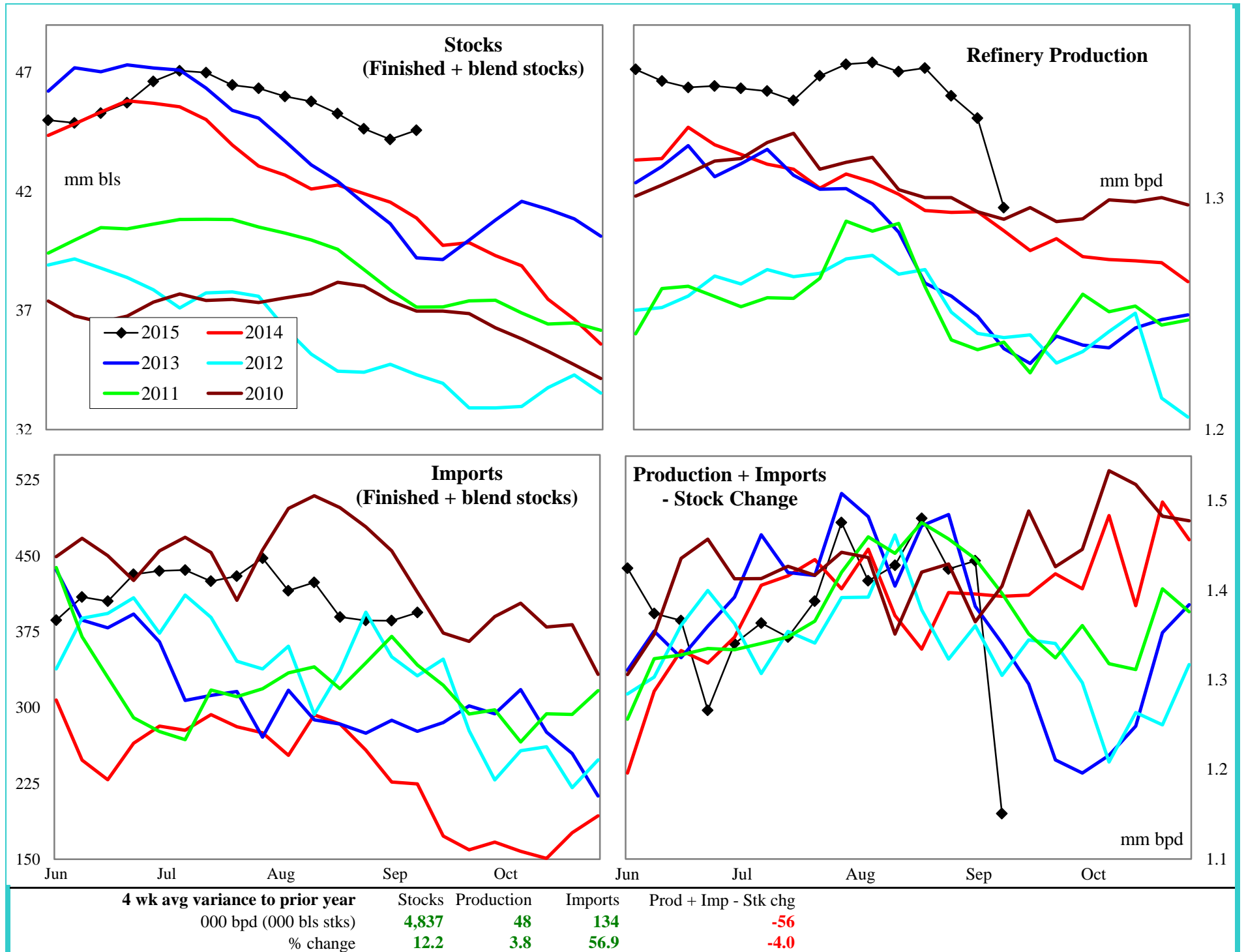
PADD 1 Gasoline Supply



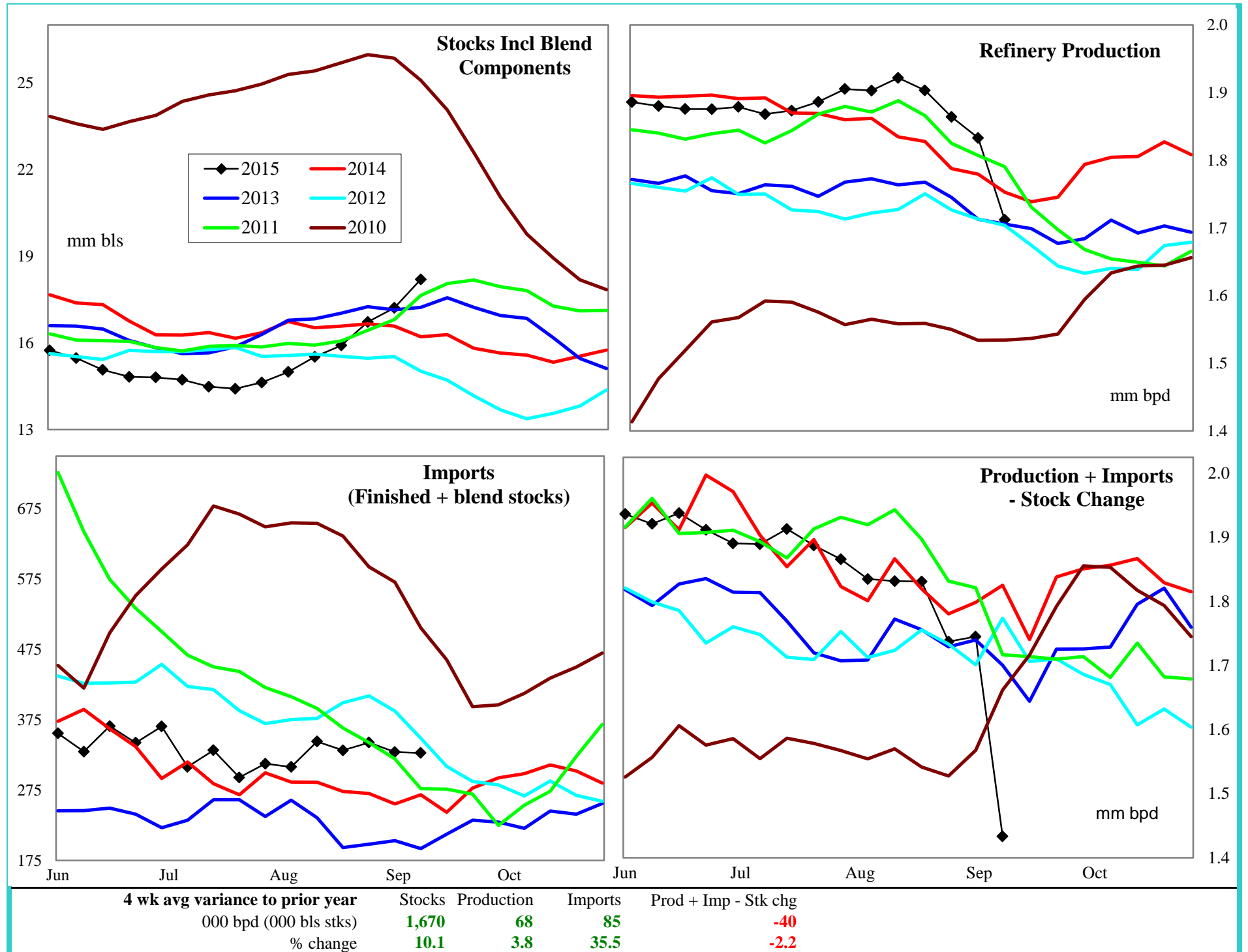
PADD 1 Gasoline Stocks by Region



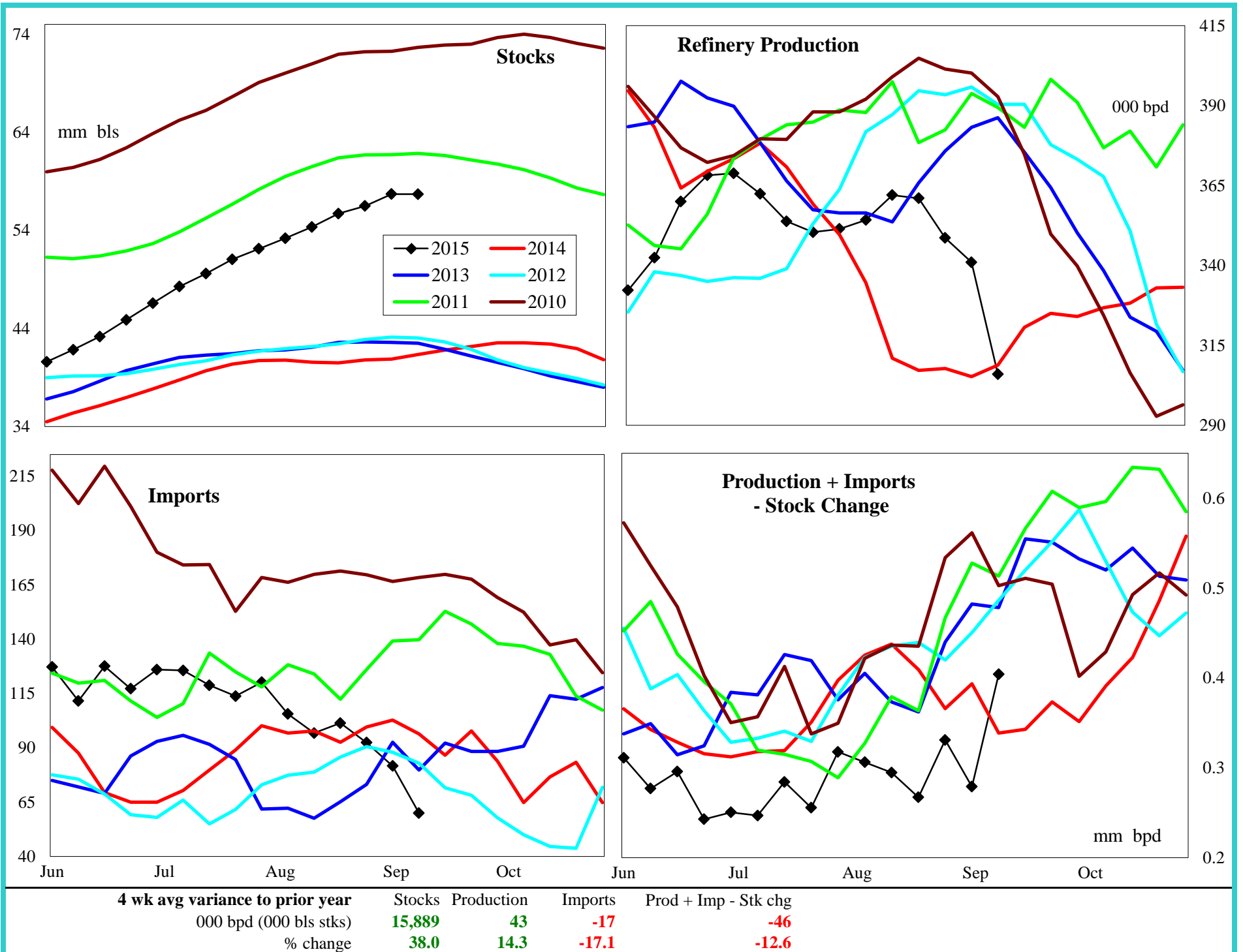
PADD 1 Reformulated Gasoline Supply



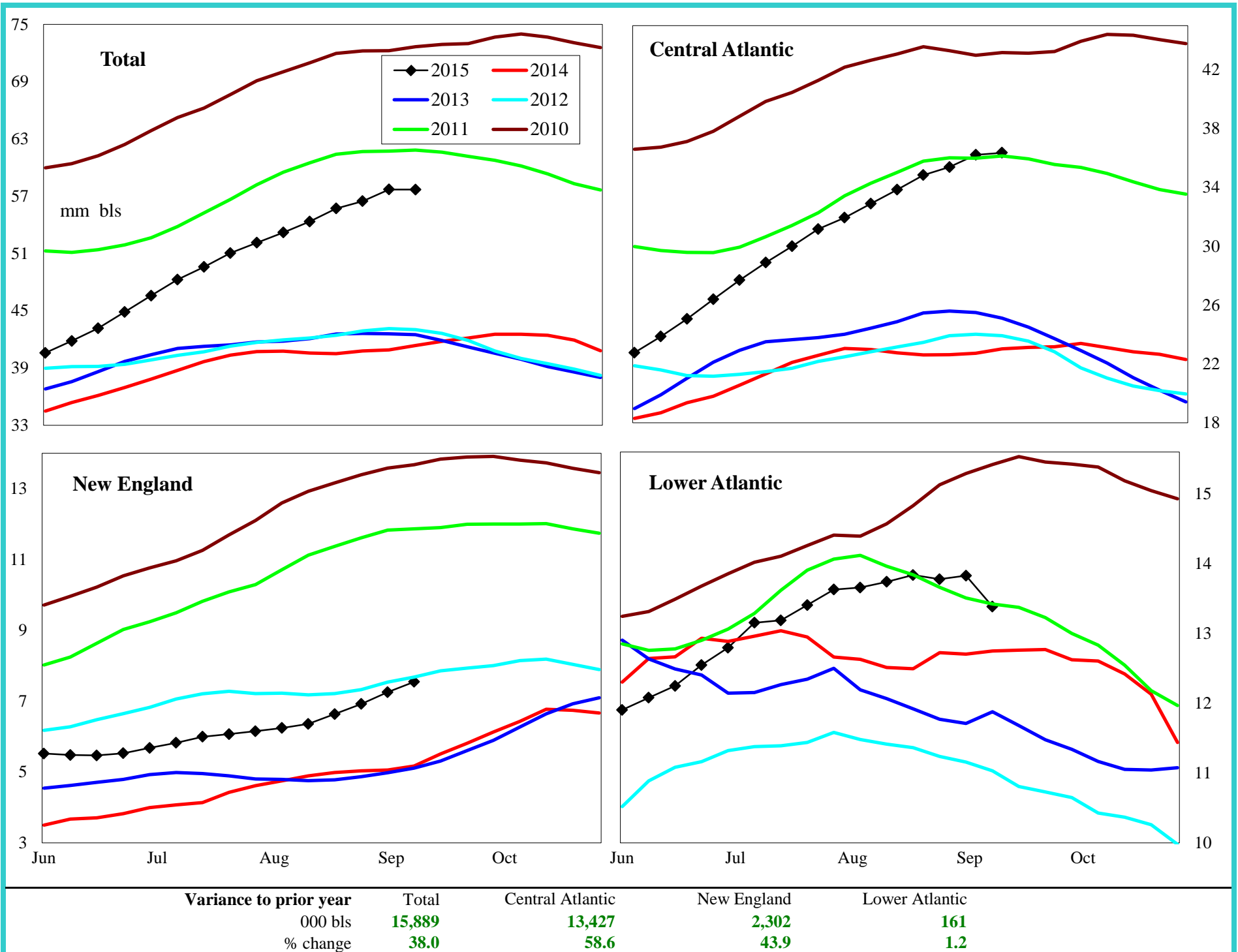
PADD 1 Conventional Gasoline Supply



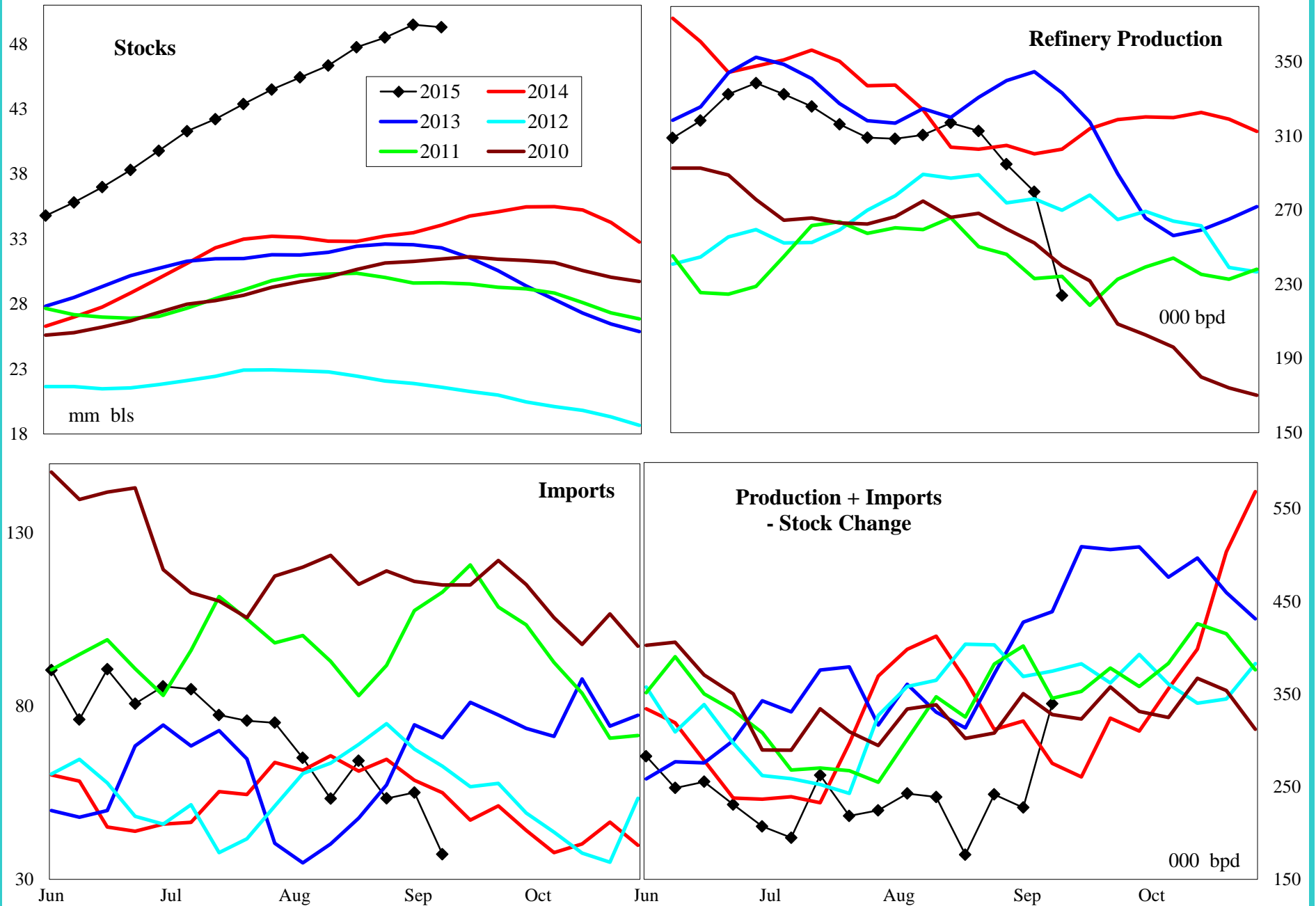
PADD 1 Distillate Supply



PADD 1 Distillate Stocks by Region



PADD 1 Low Sulfur Distillate Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

14,550

41.9

Production

-7

-2.4

Imports

-9

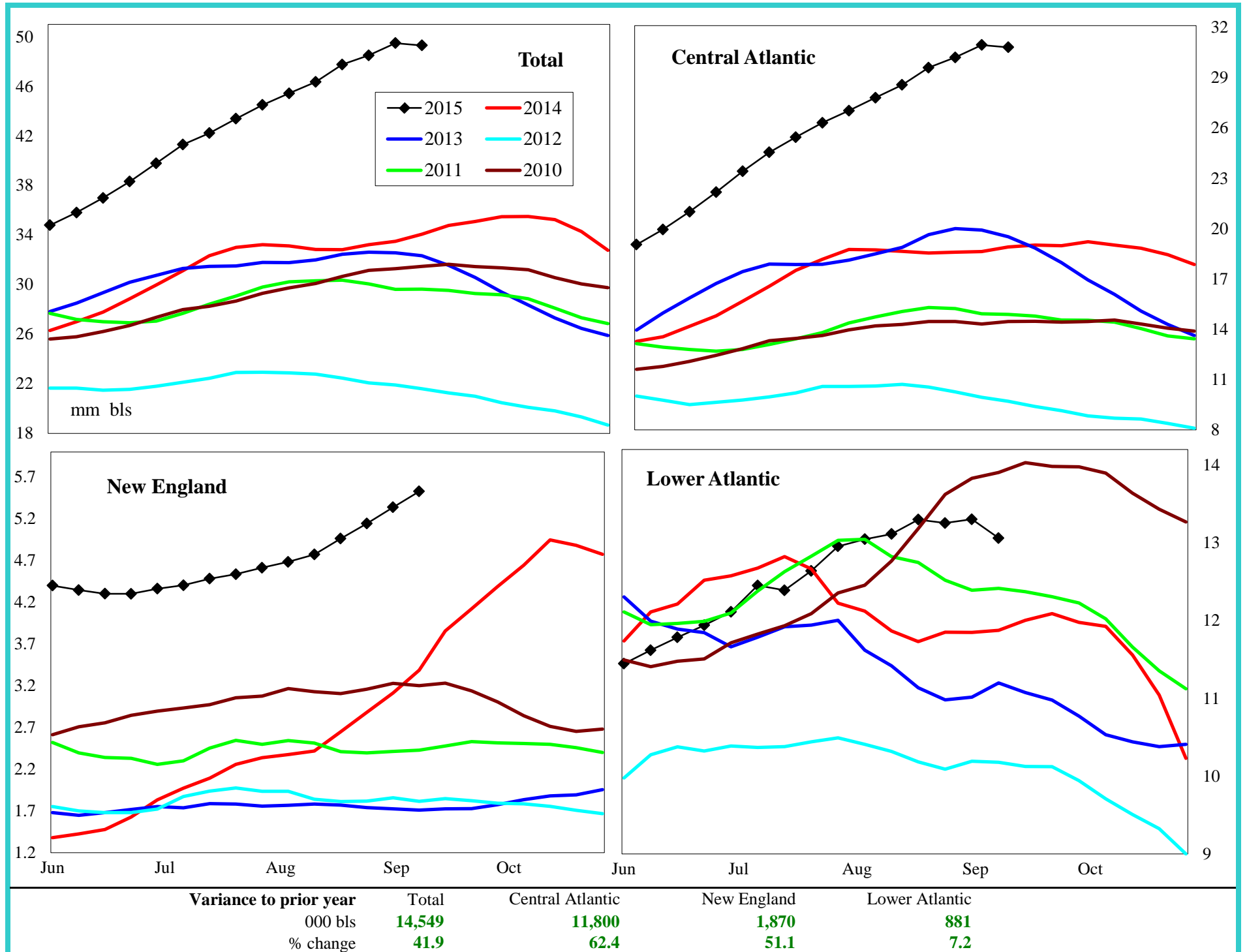
-15.6

Prod + Imp - Stk chg

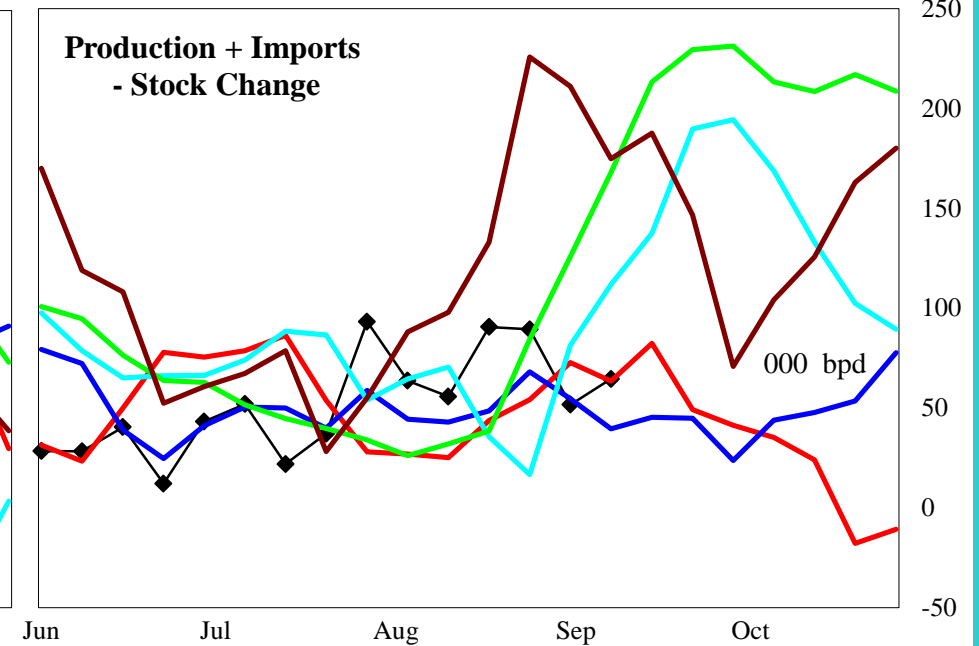
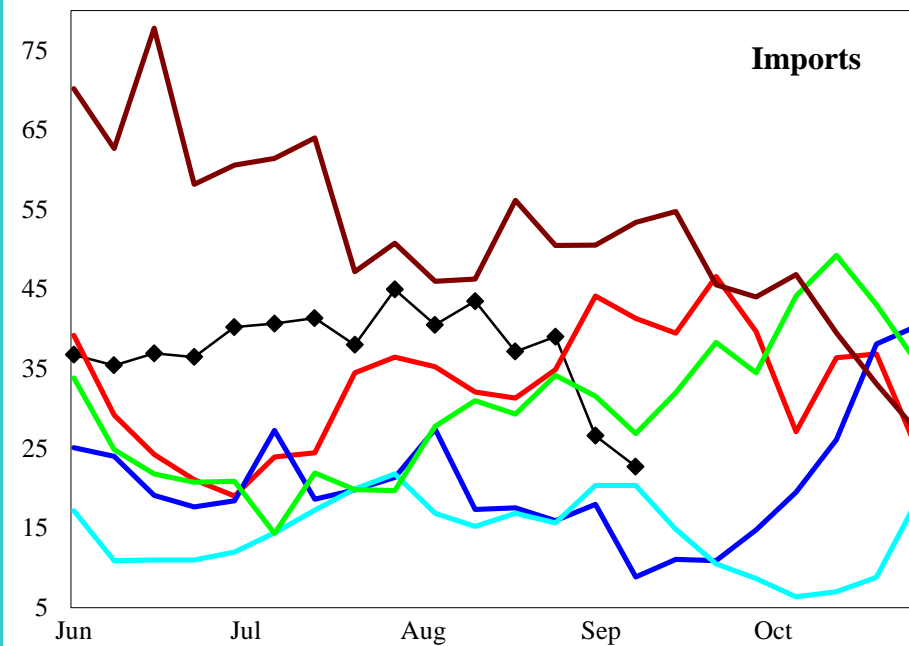
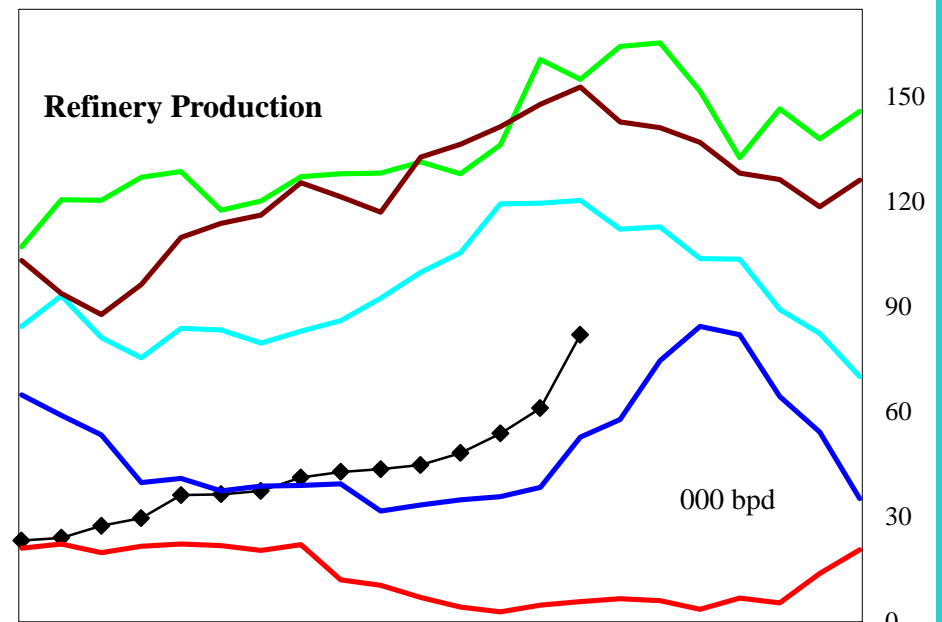
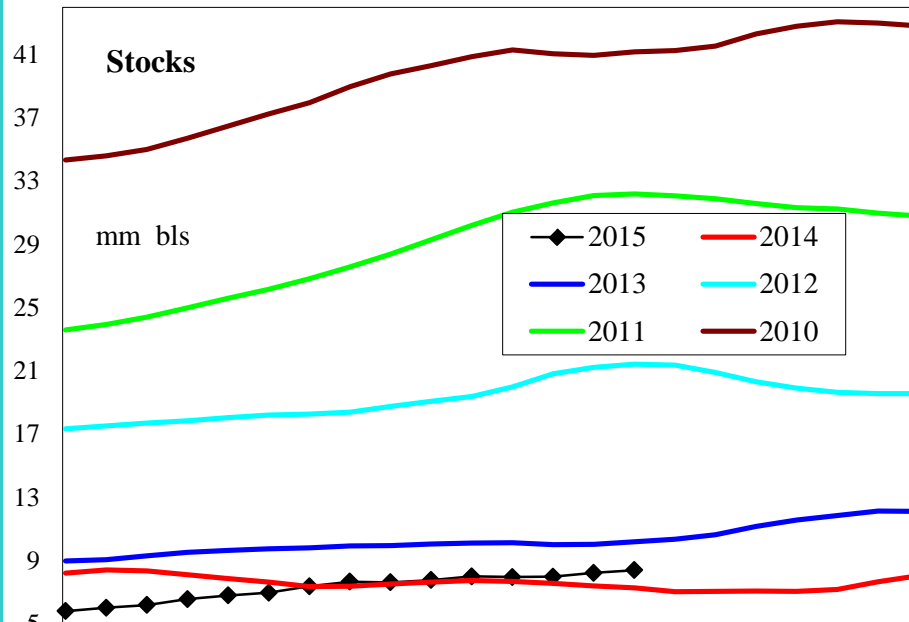
-33

-11.2

PADD 1 Low Sulfur Distillate Stocks by Region



PADD 1 High Sulfur Distillate Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

1,340

50

-7

-13

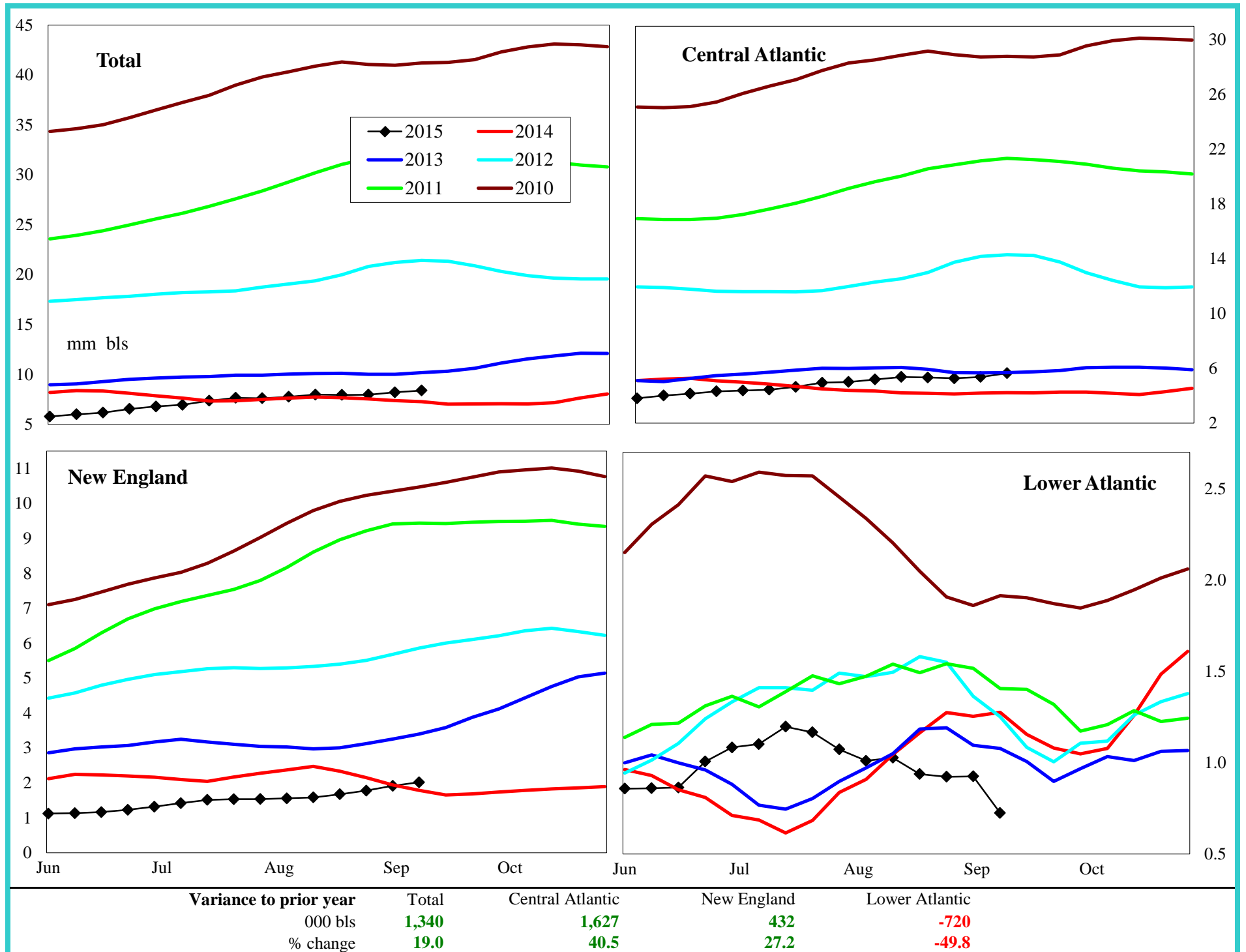
19.0

744.4

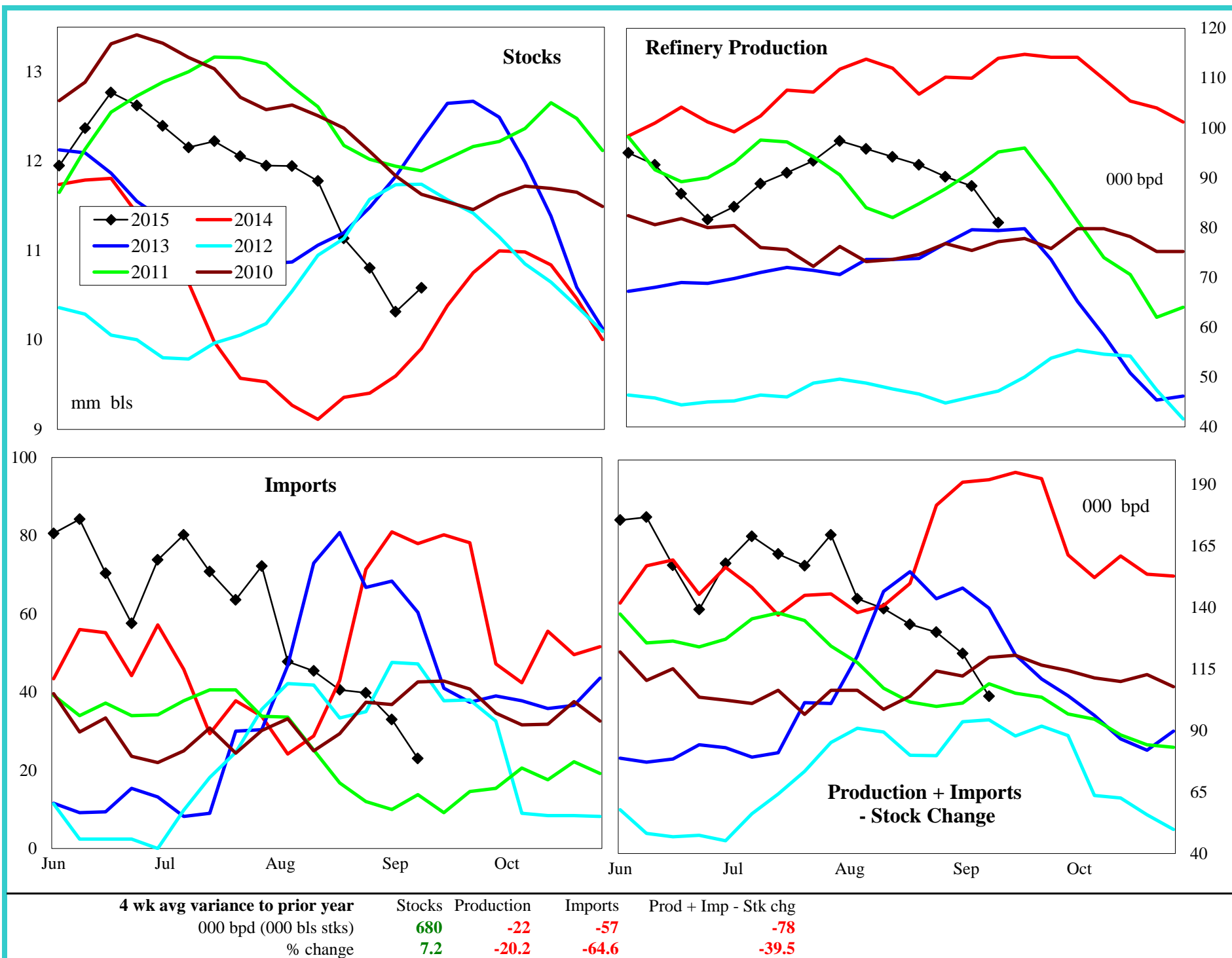
-19.7

-18.5

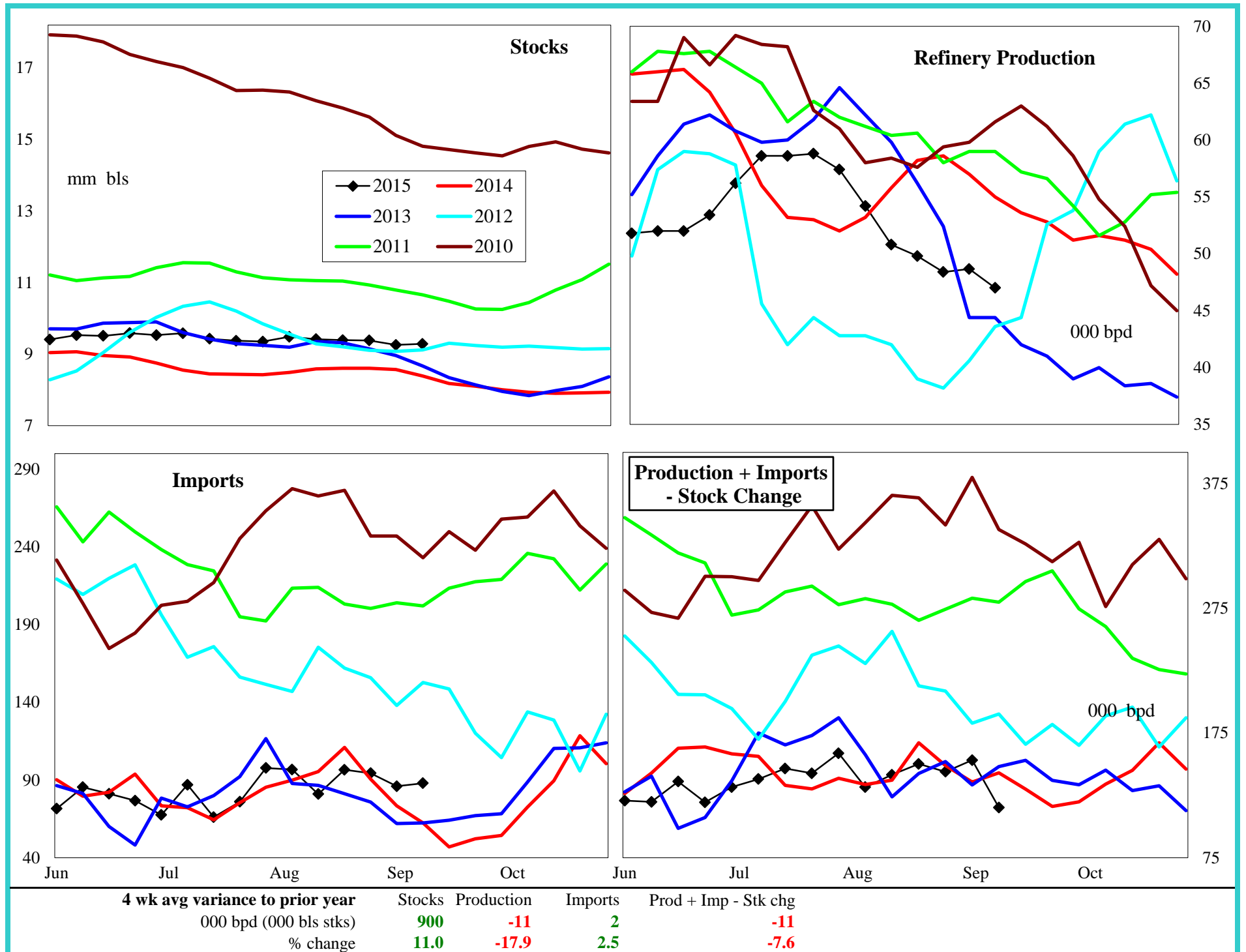
PADD 1 High Sulfur Distillate Stocks by Region



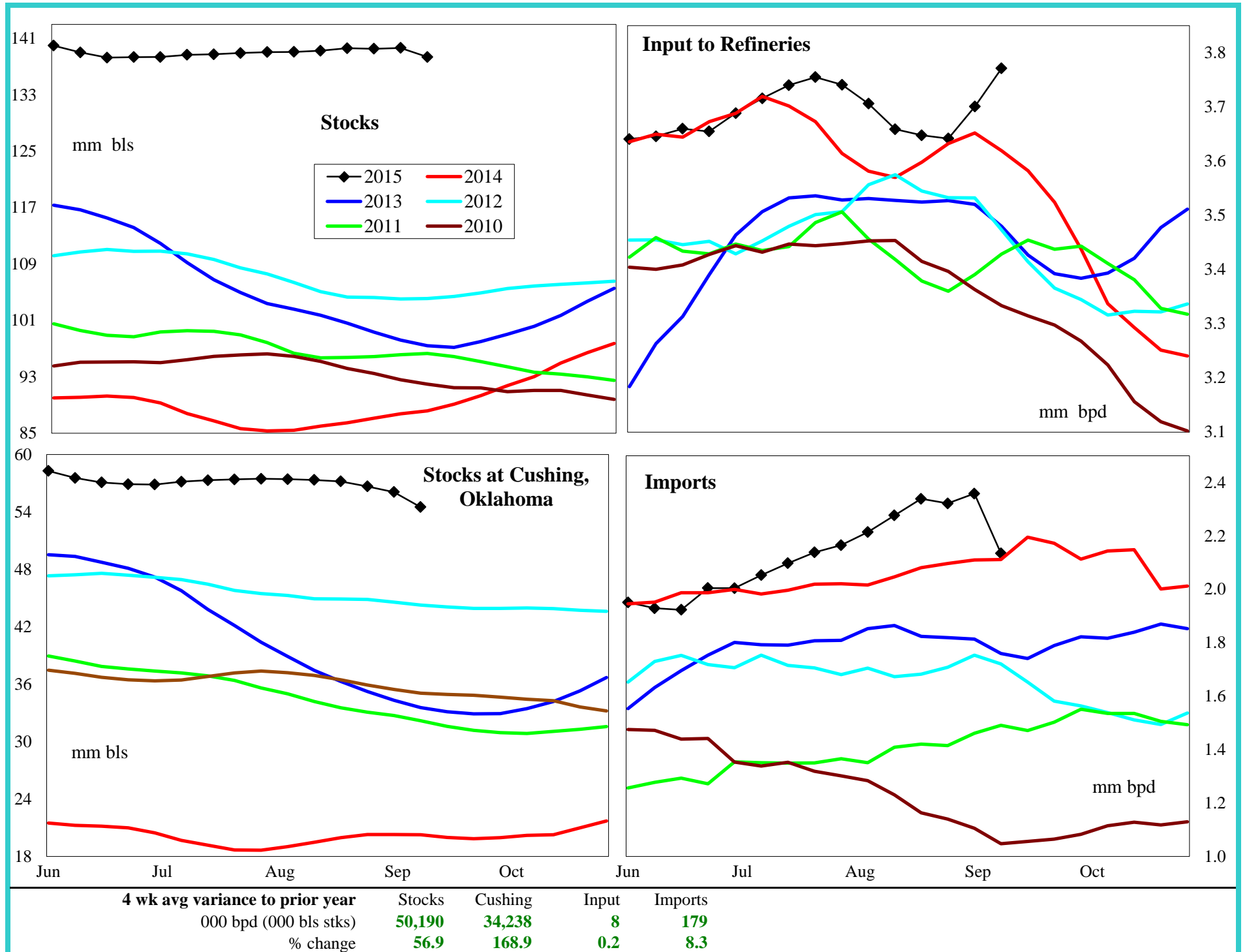
PADD 1 Jet Fuel Supply



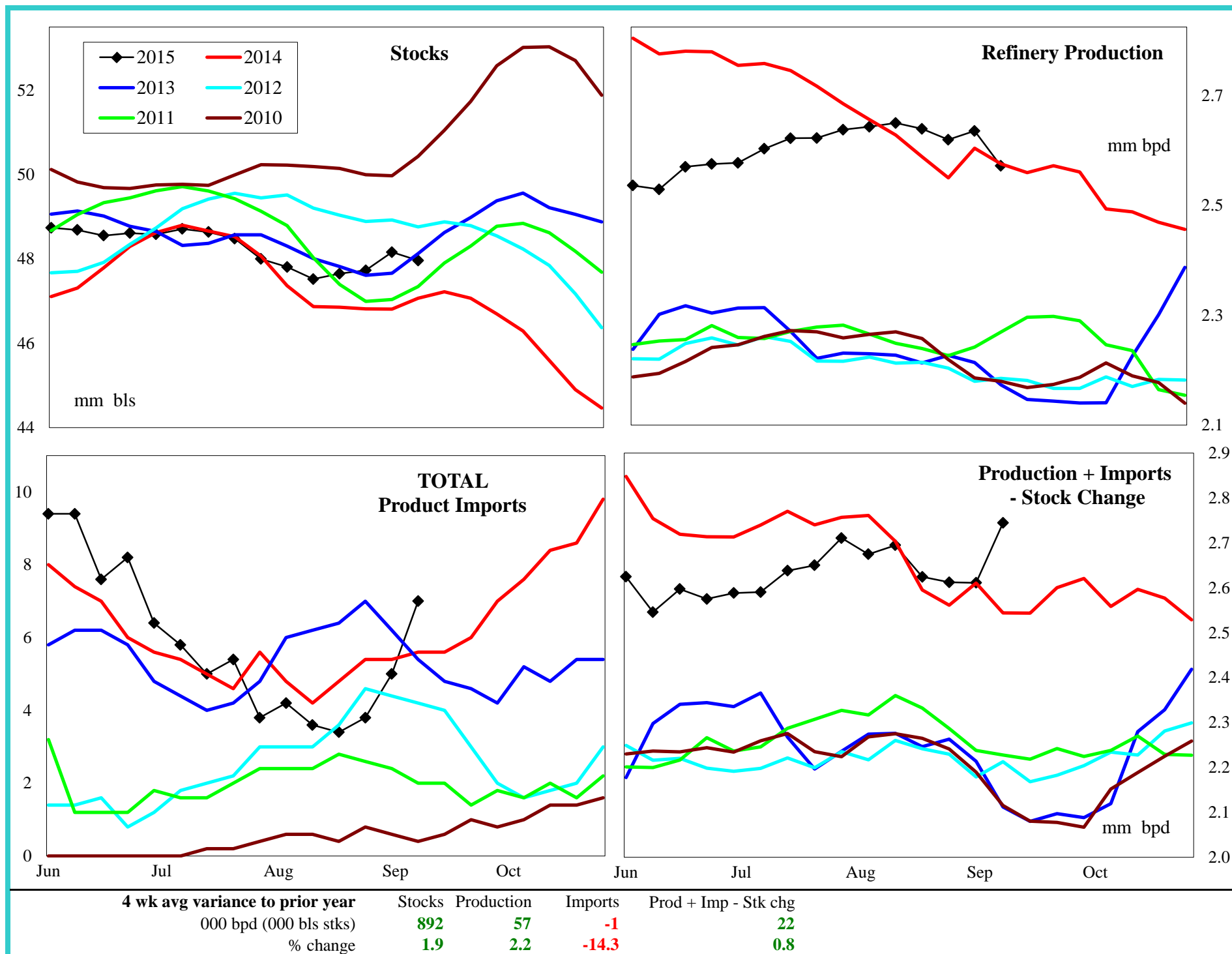
PADD 1 Residual Fuel Oil Supply



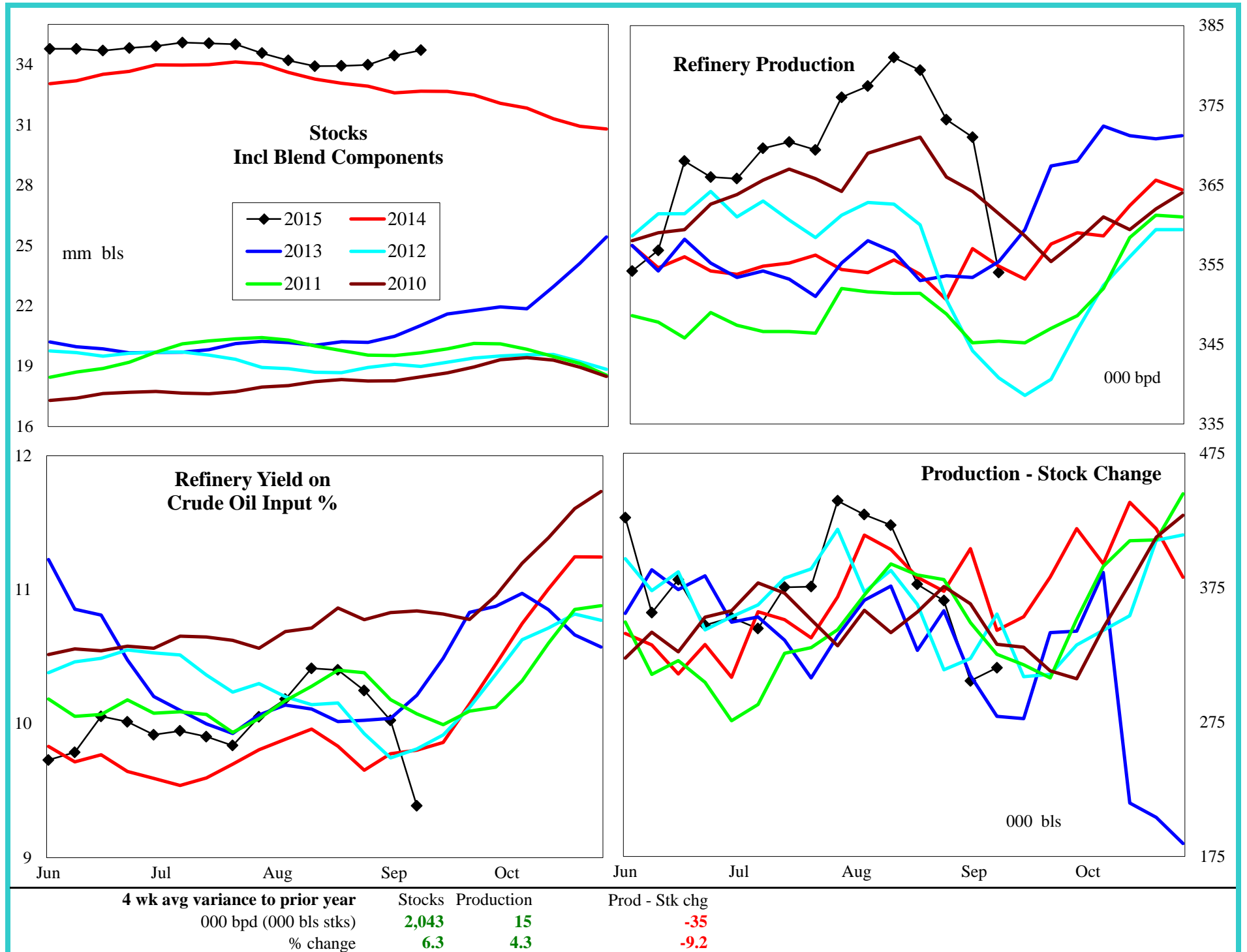
PADD 2 Crude Oil Supply and Refining



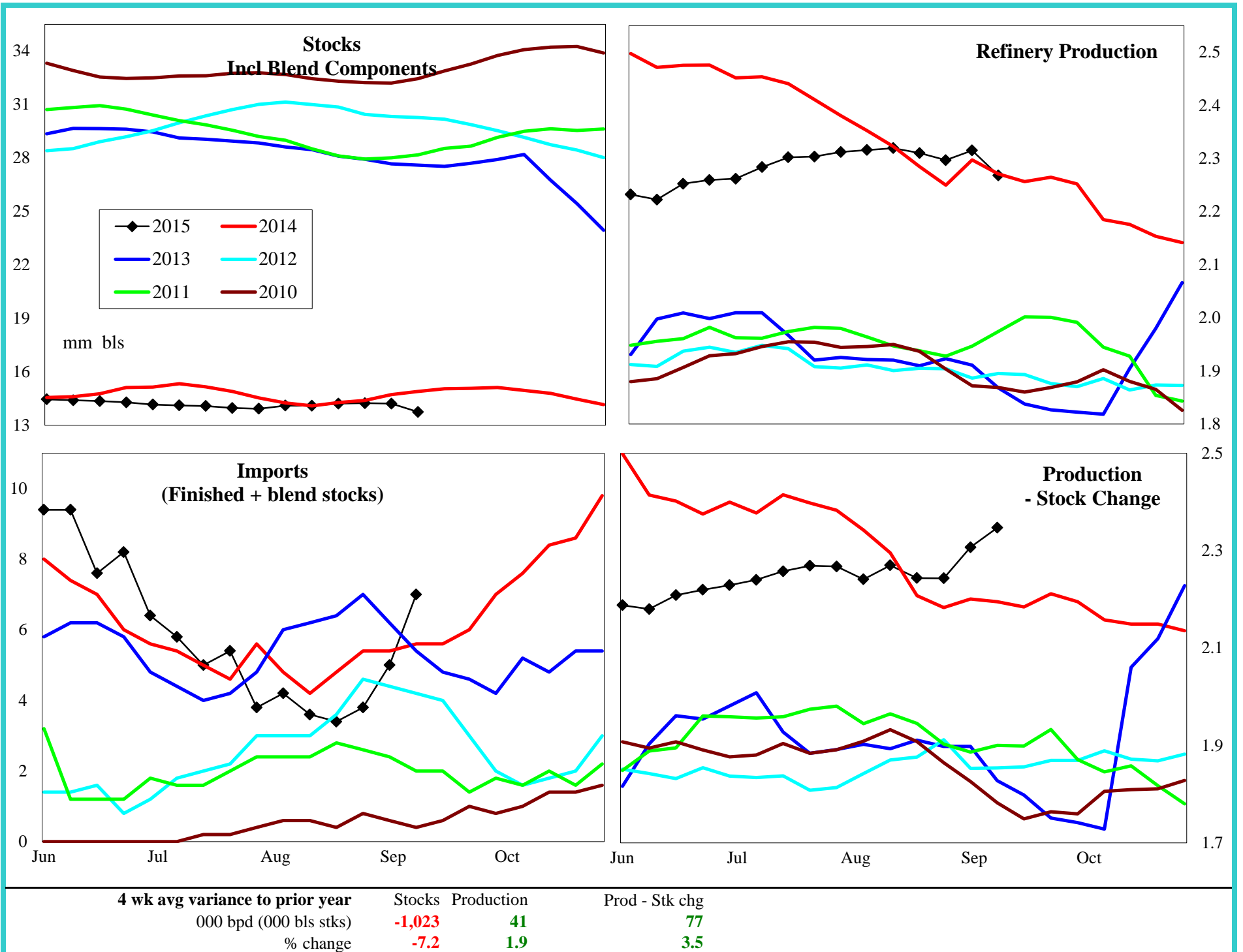
PADD 2 Gasoline Supply



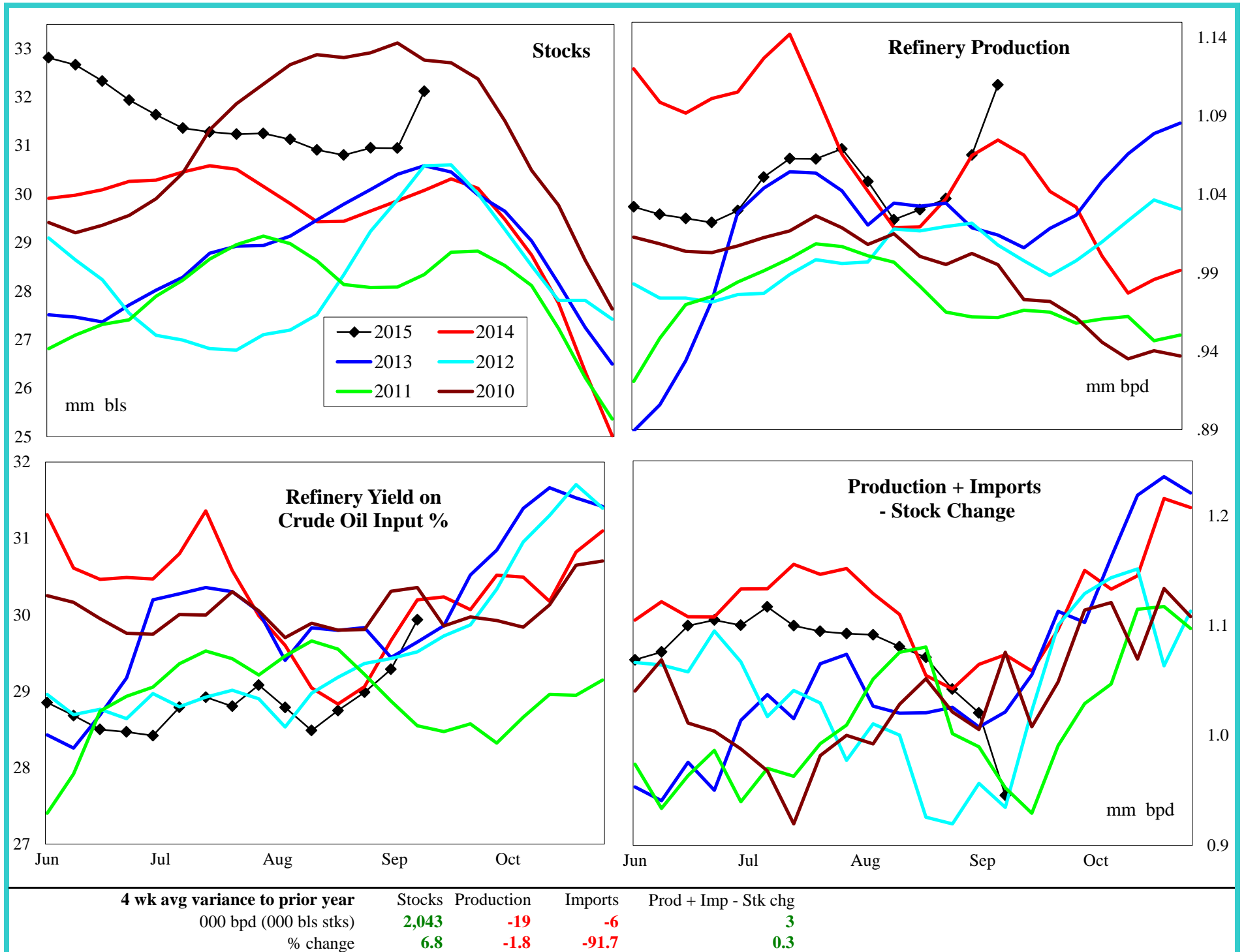
PADD 2 Reformulated Gasoline Supply



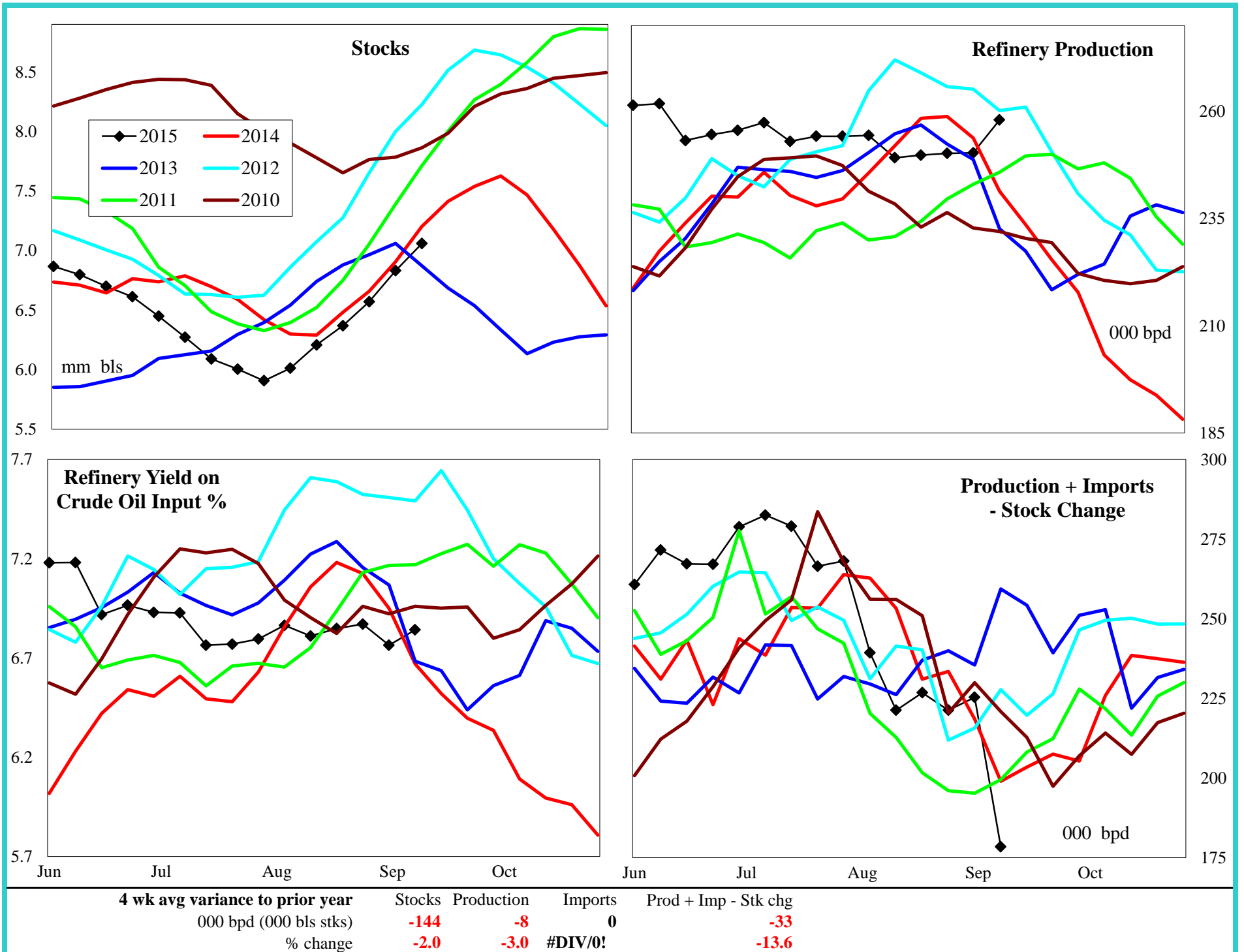
PADD 2 Conventional Gasoline Supply



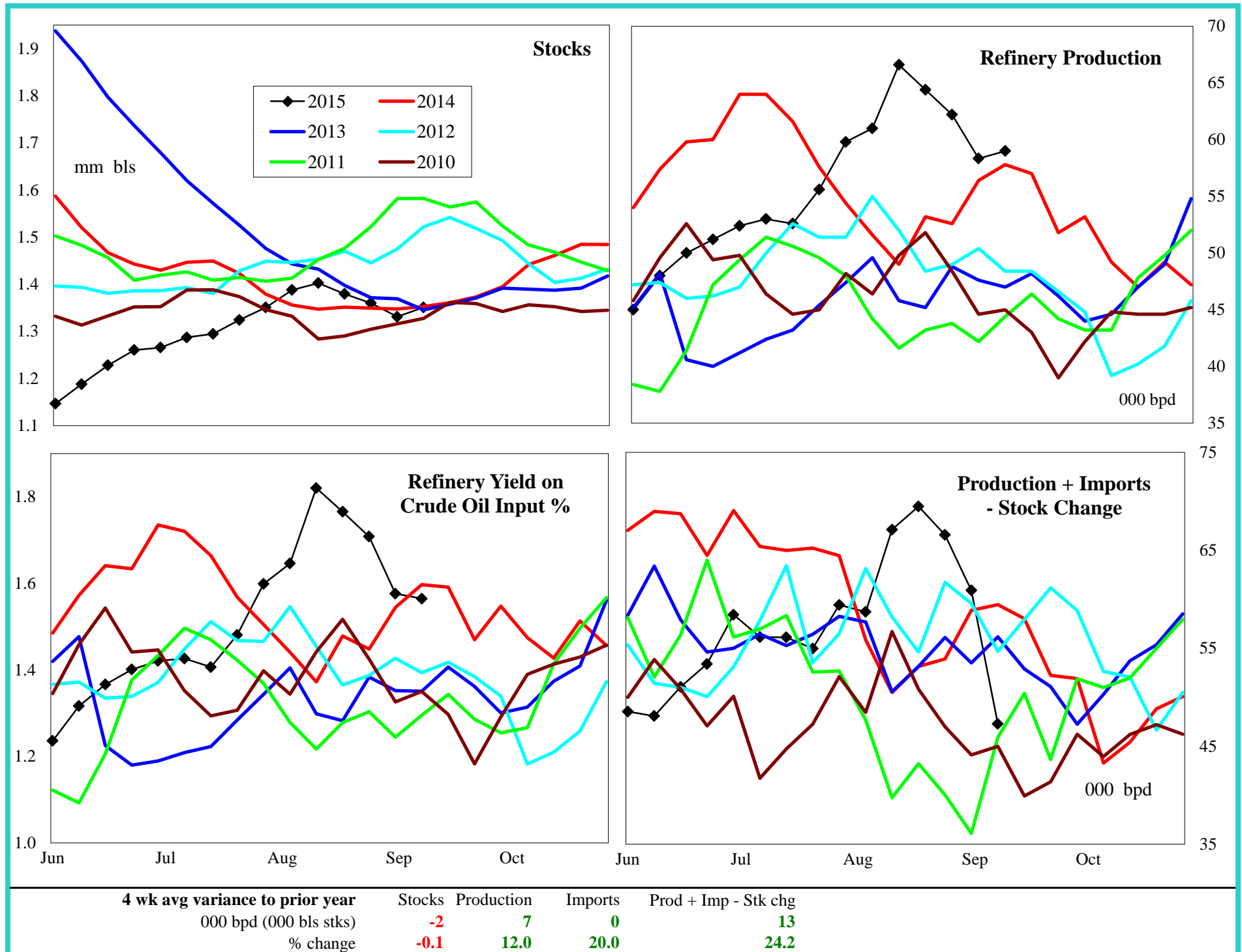
PADD 2 Distillate Supply



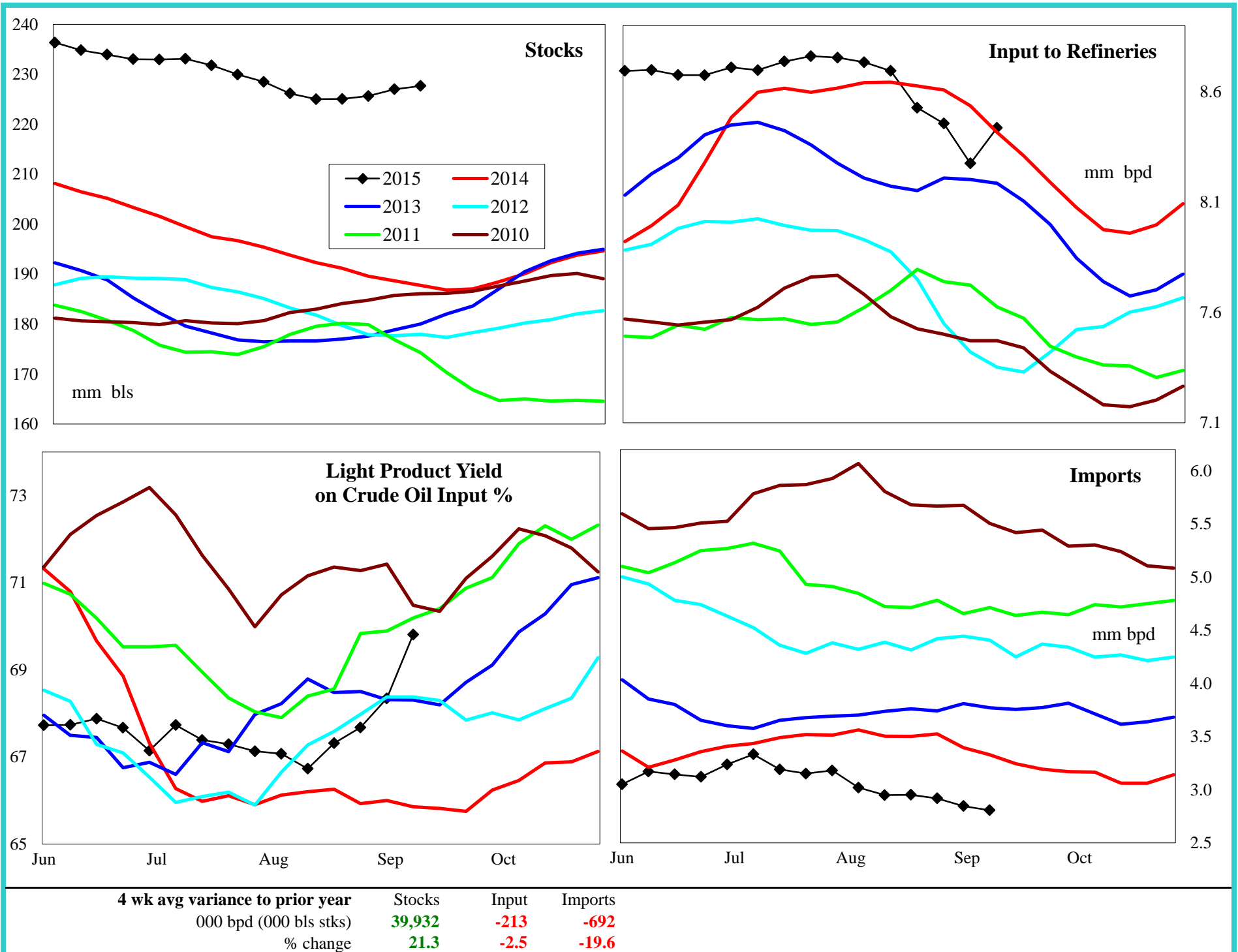
PADD 2 Jet Fuel Supply



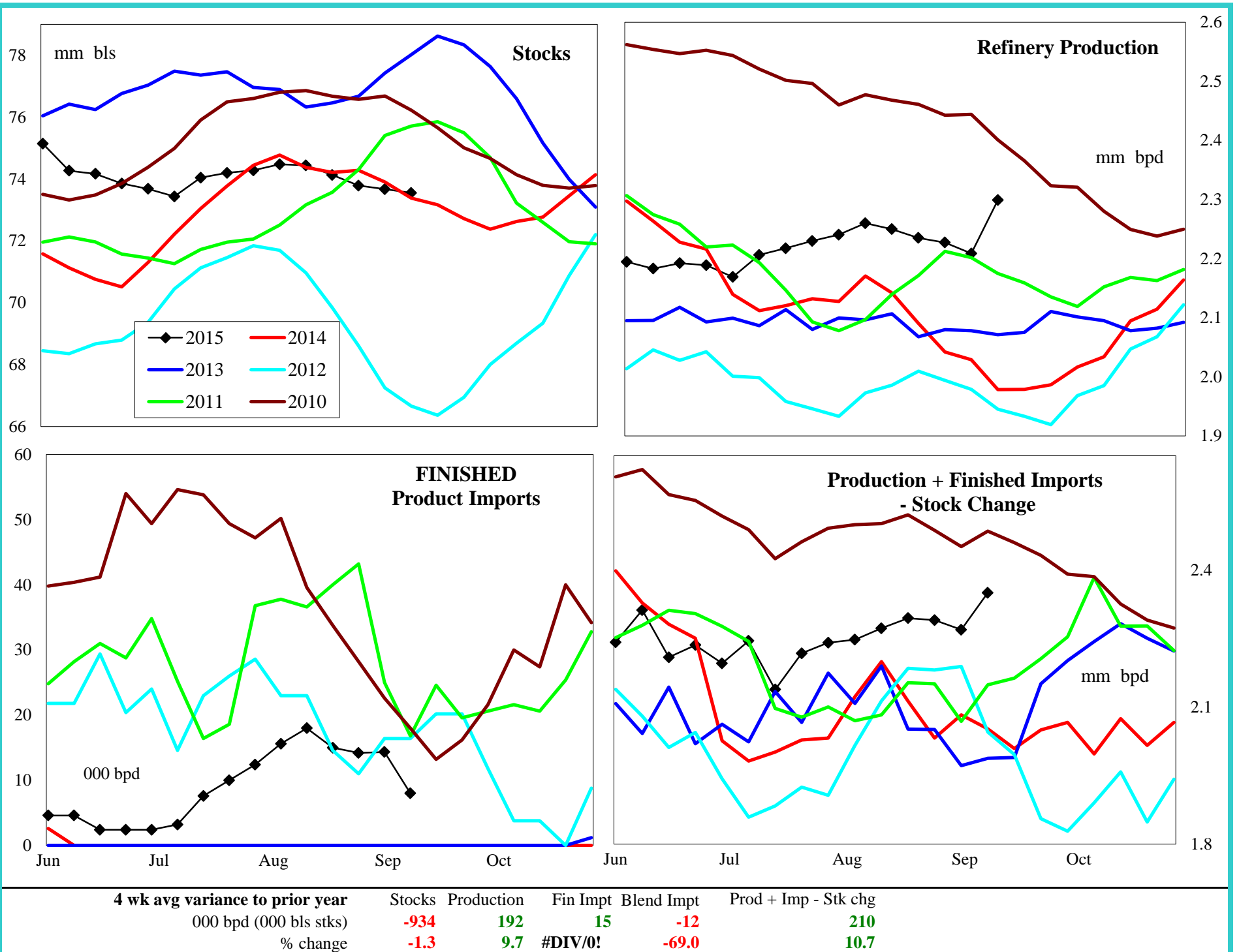
PADD 2 Residual Fuel Oil Supply



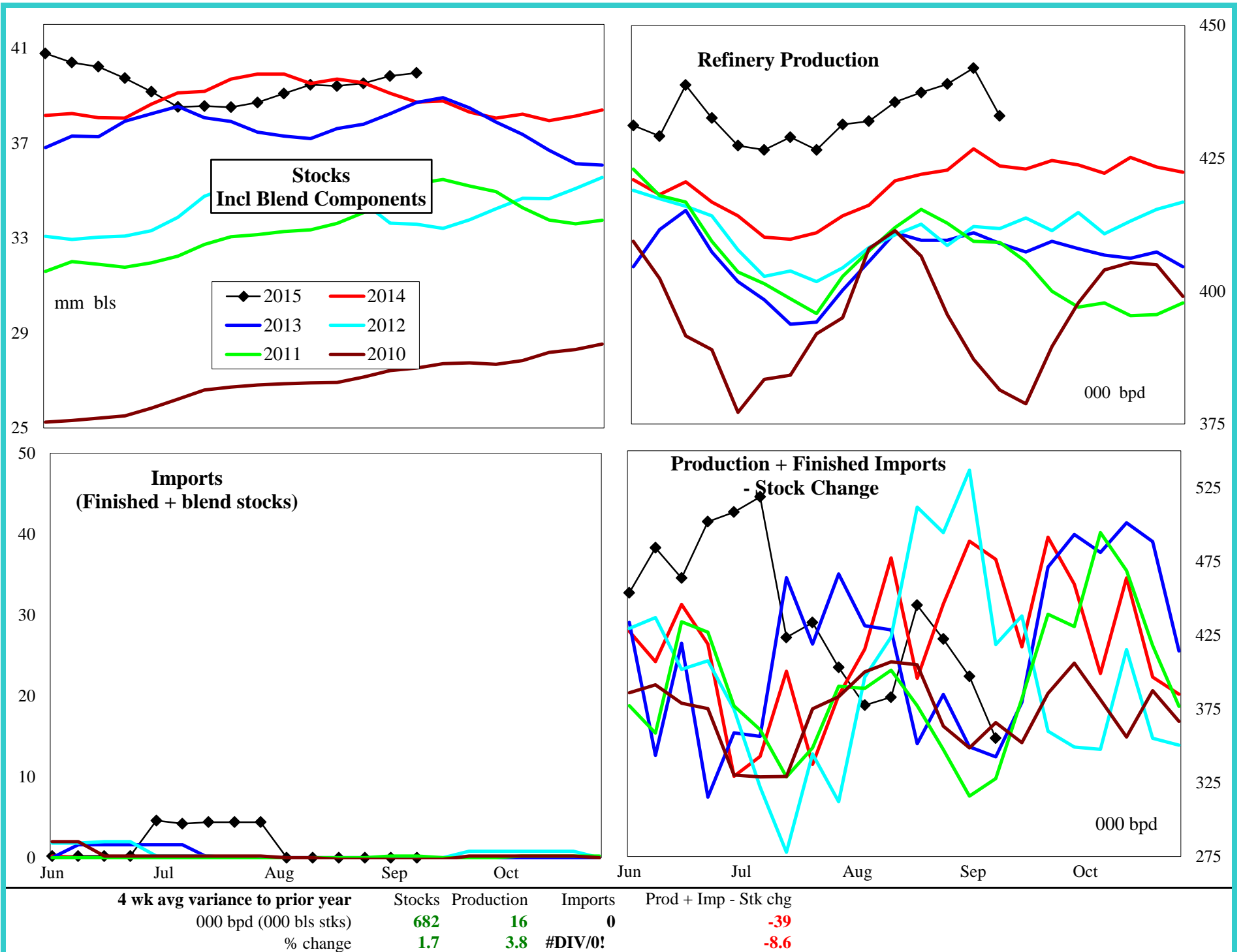
PADD 3 Crude Oil Supply and Refining



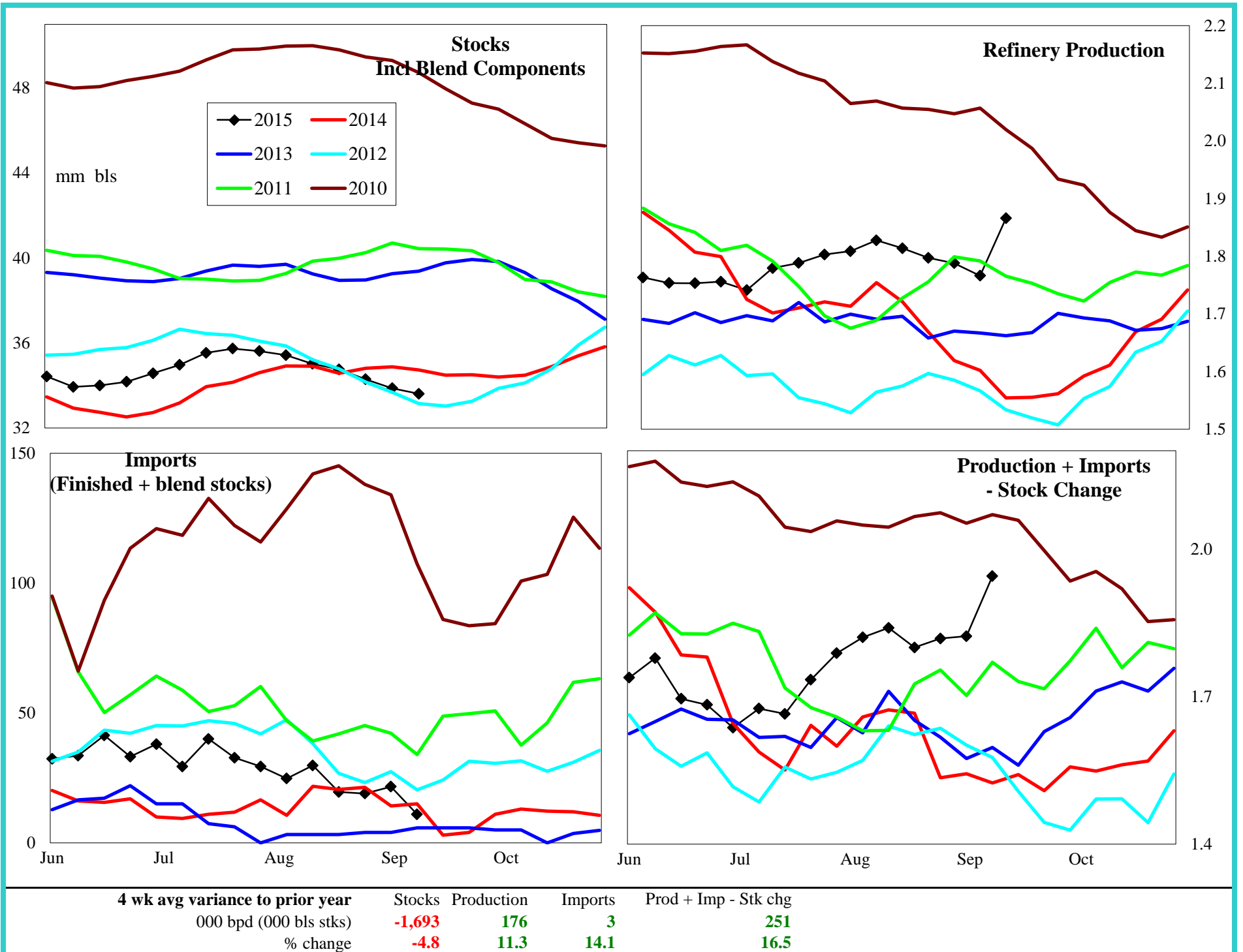
PADD 3 Gasoline Supply



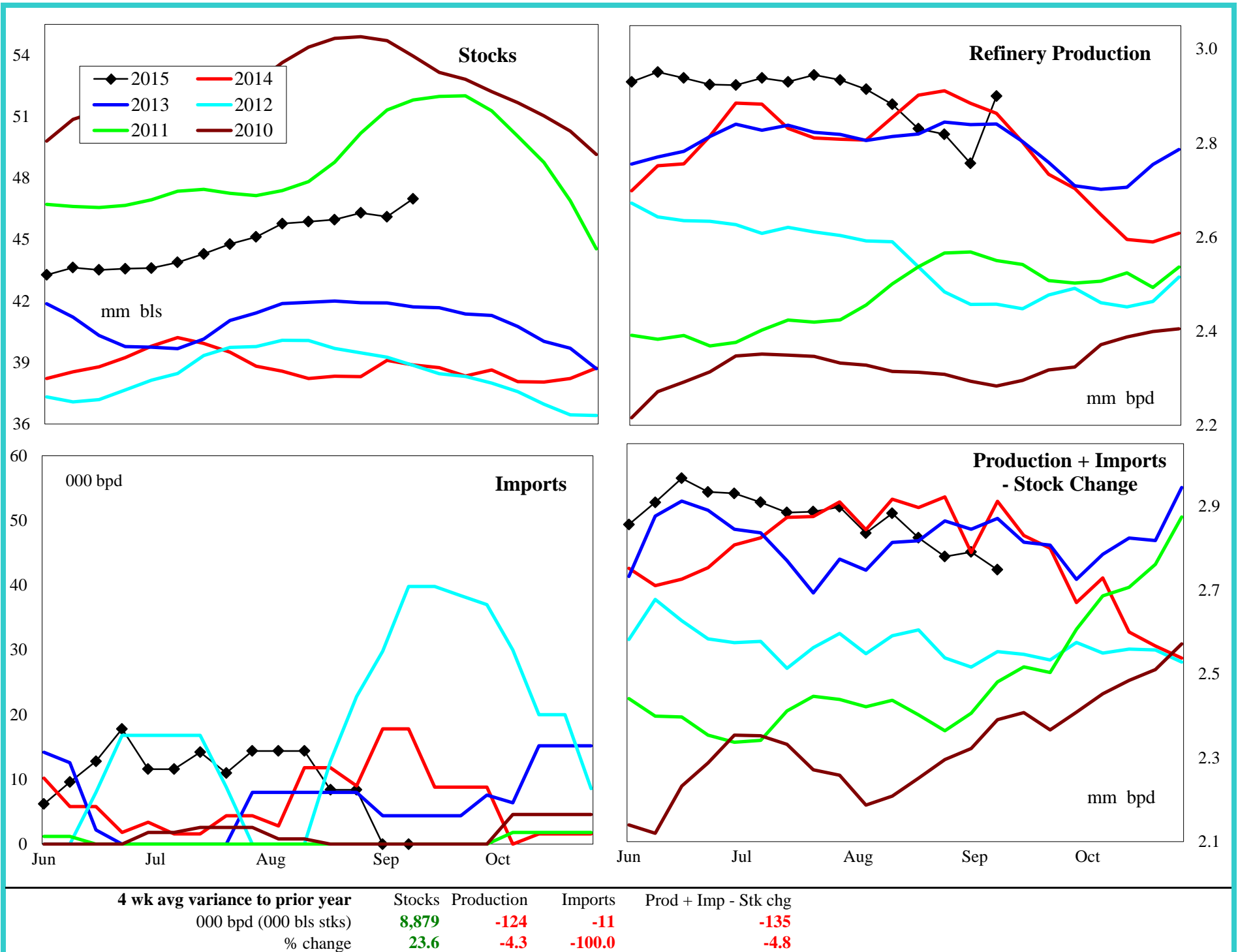
PADD 3 Reformulated Gasoline Supply



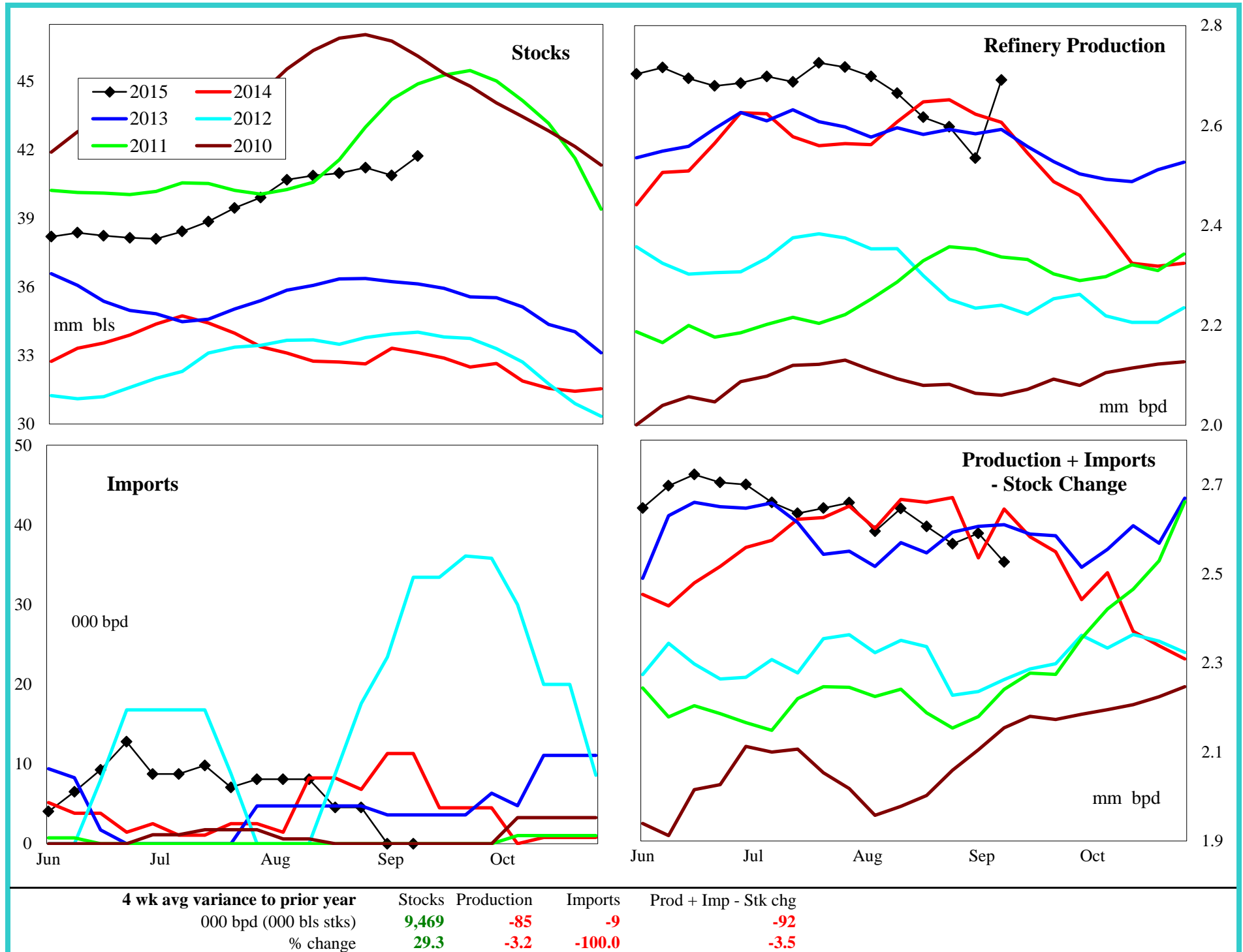
PADD 3 Conventional Gasoline Supply



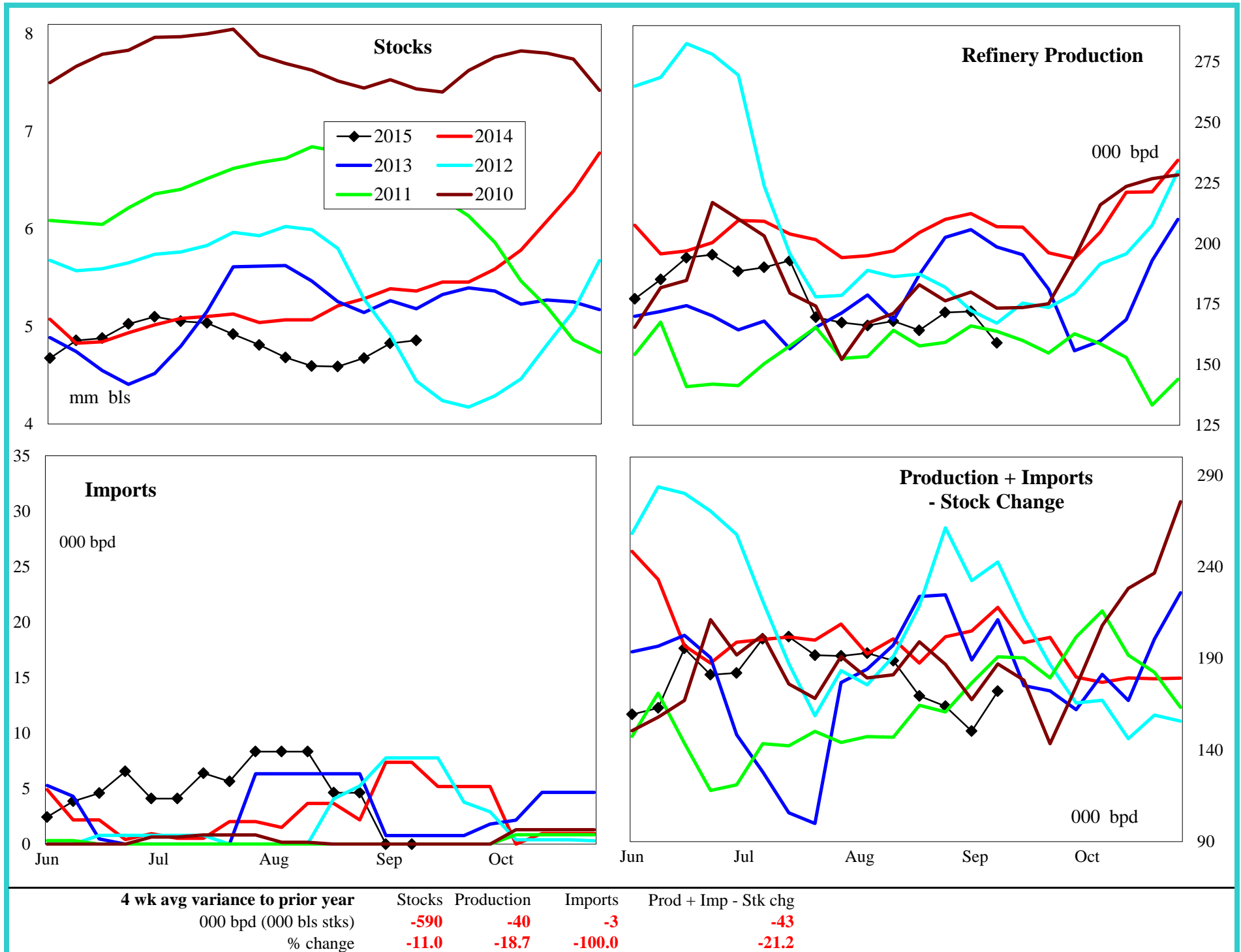
PADD 3 Distillate Supply



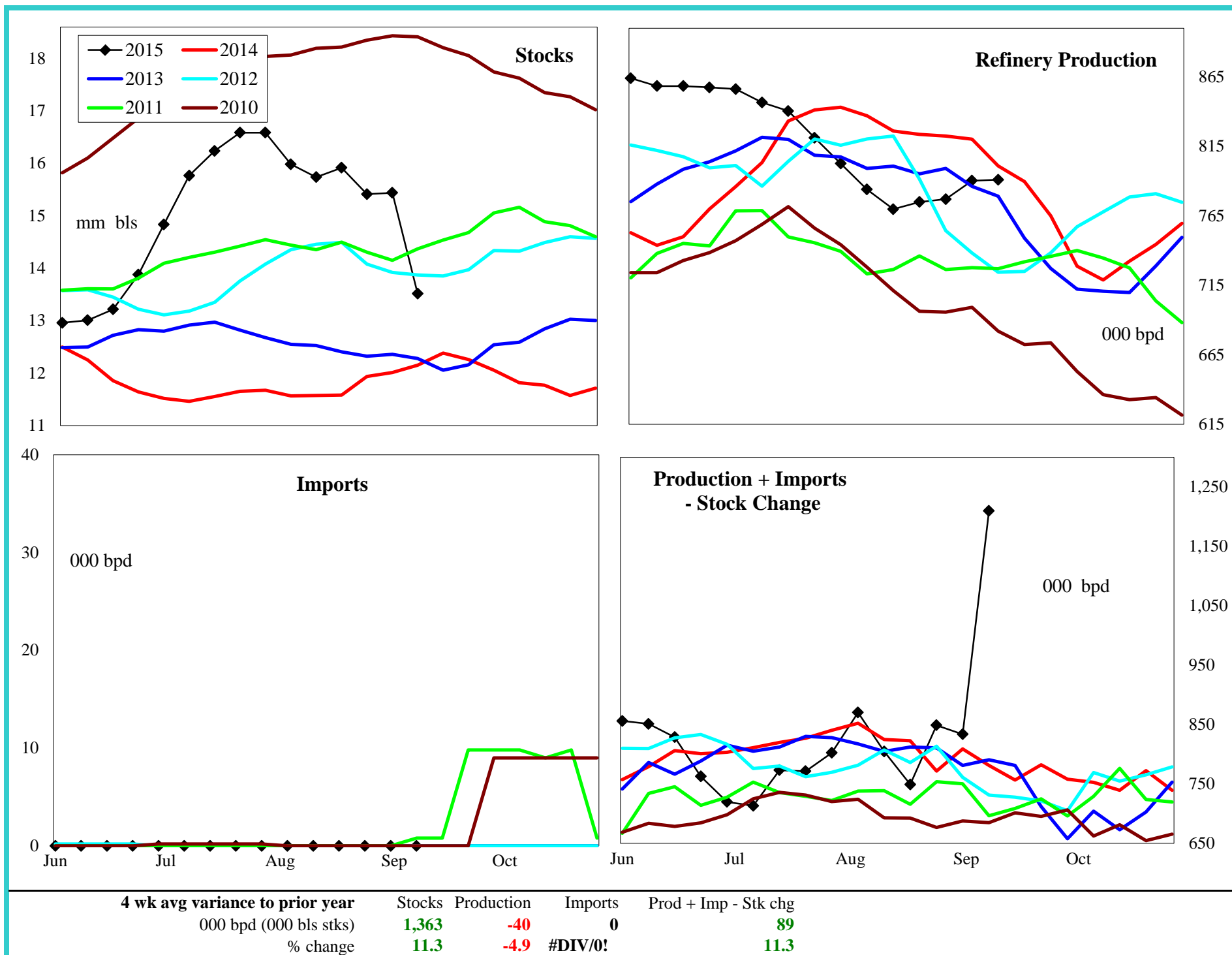
PADD 3 Low Sulfur Distillate Supply



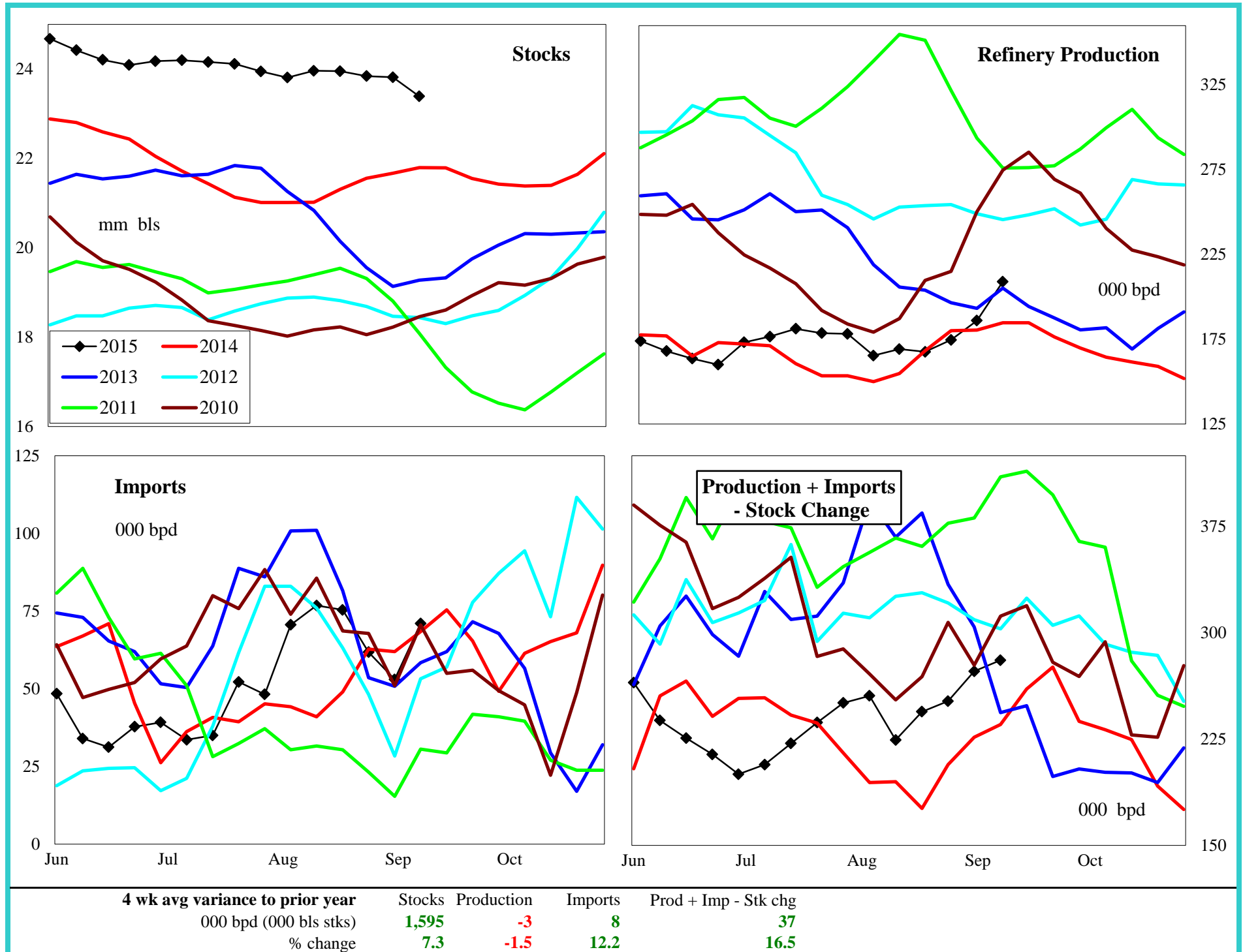
PADD 3 High Sulfur Distillate Supply



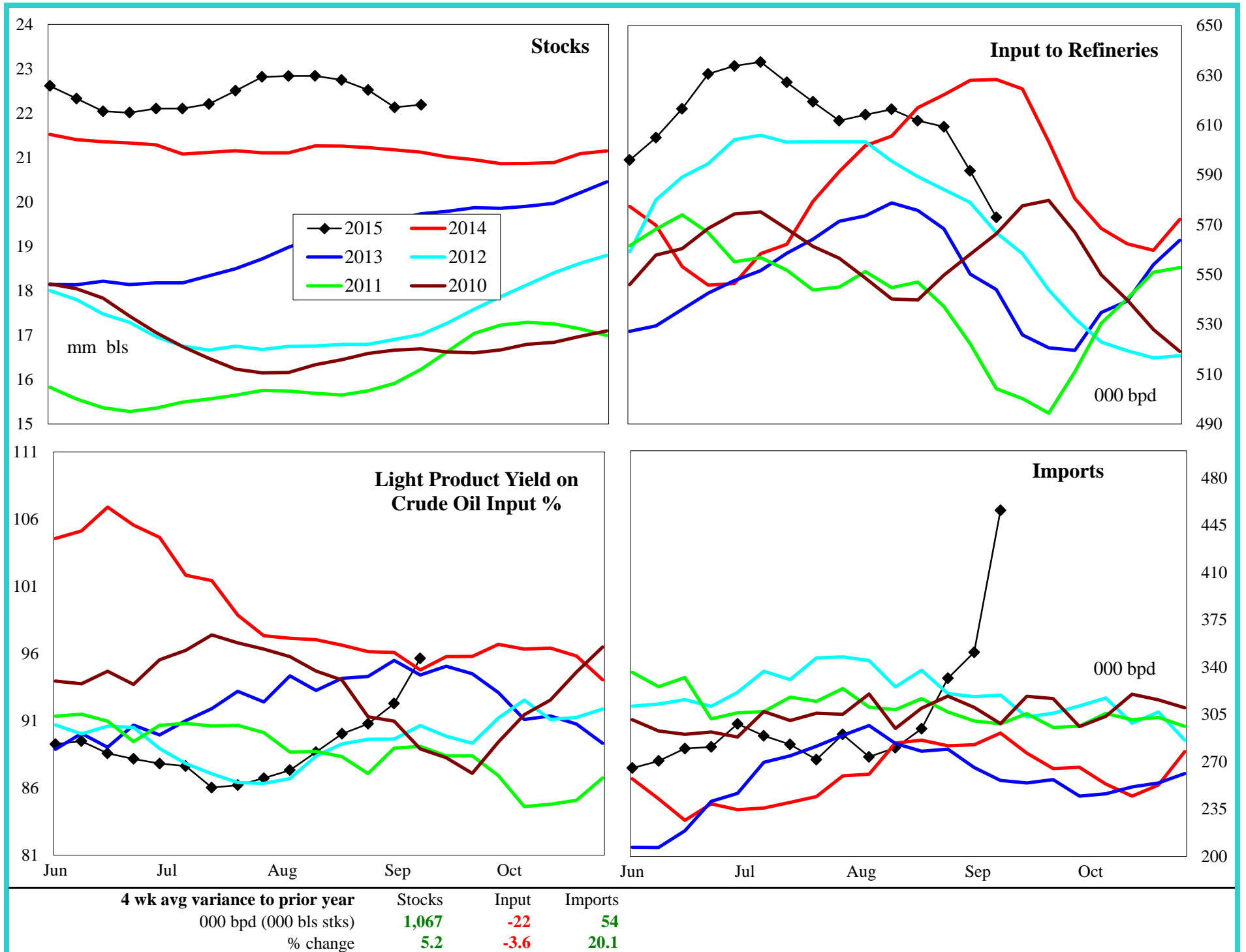
PADD 3 Jet Fuel Supply



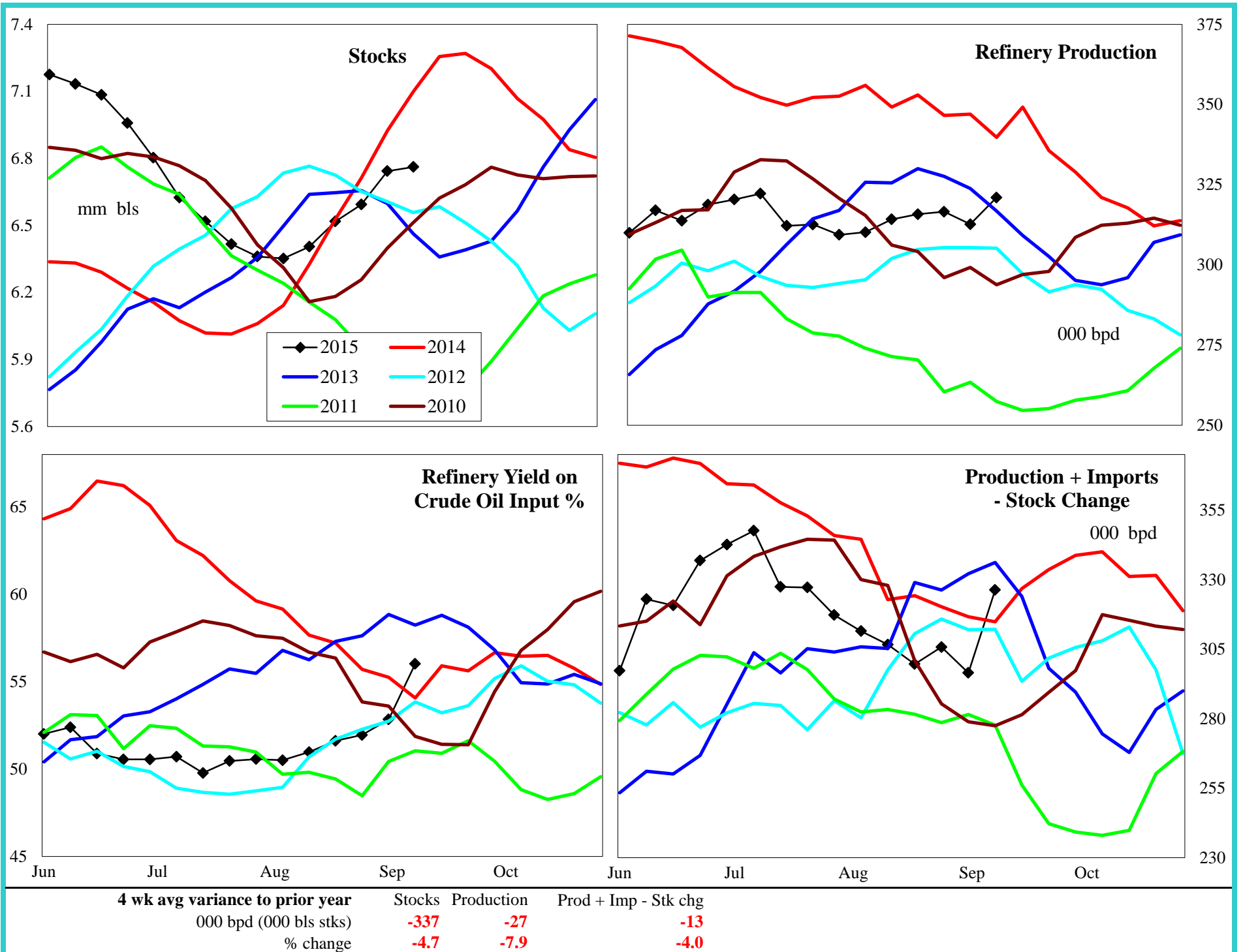
PADD 3 Residual Fuel Oil Supply



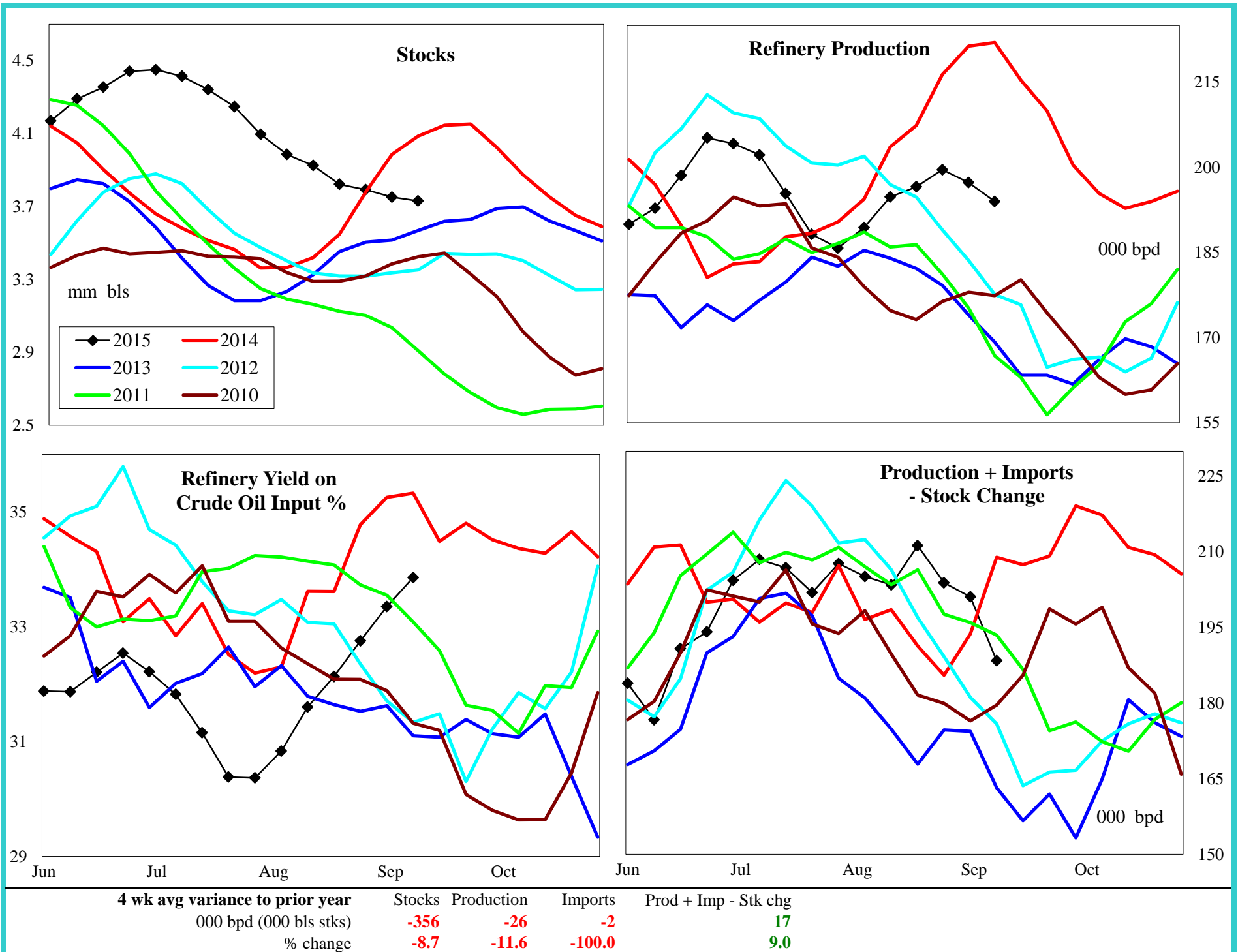
PADD 4 Crude Oil Supply and Refining



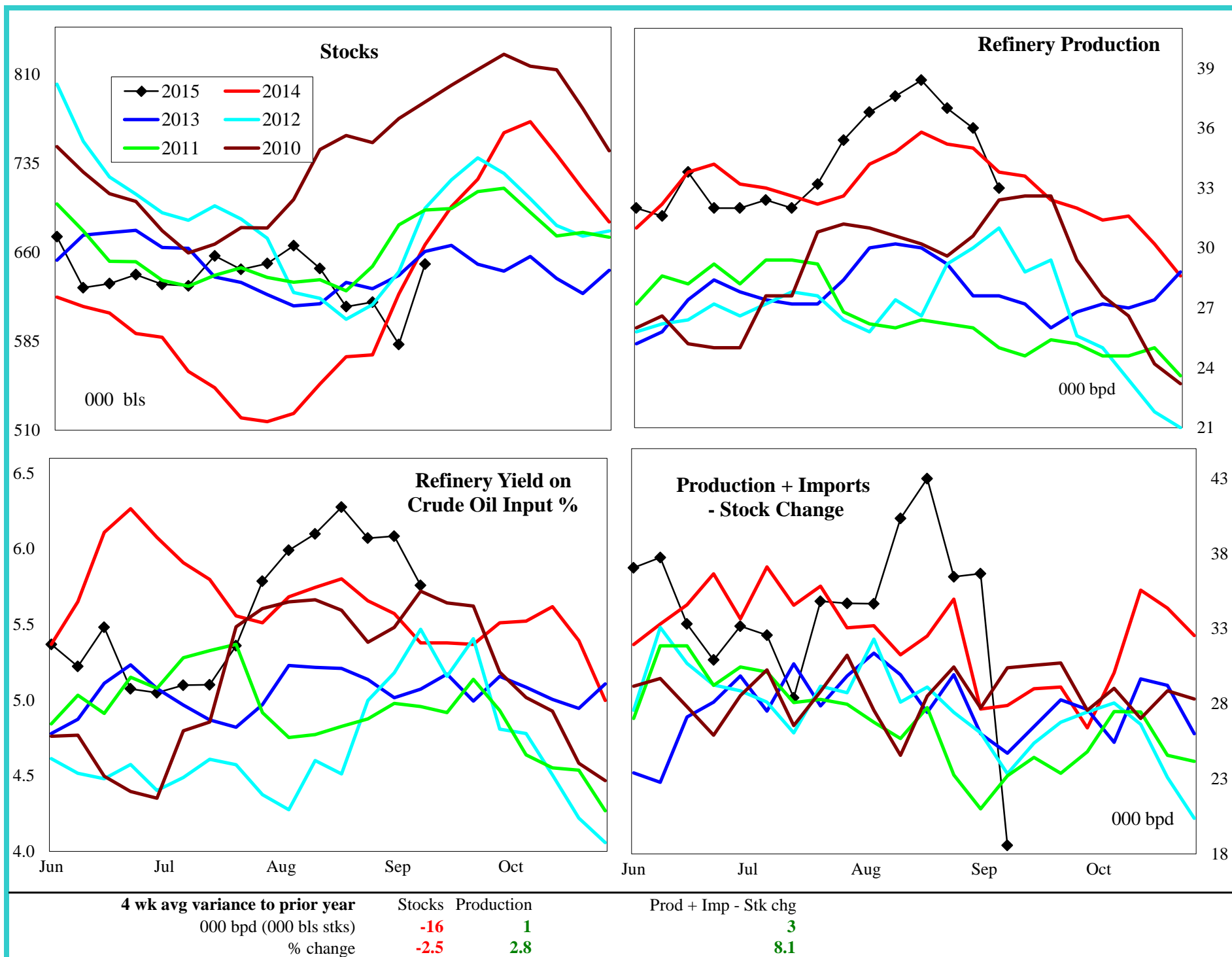
PADD 4 Gasoline Supply



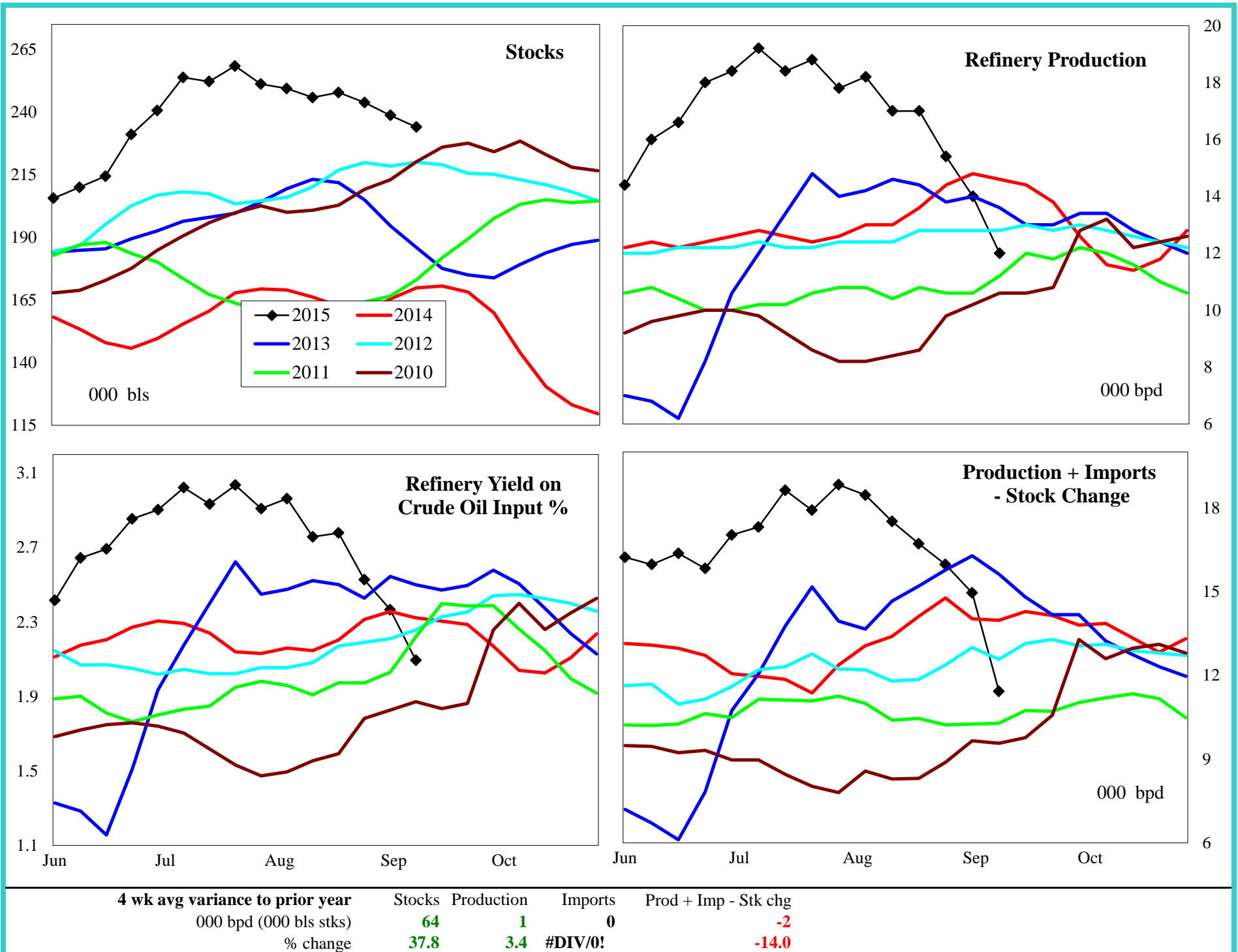
PADD 4 Distillate Supply



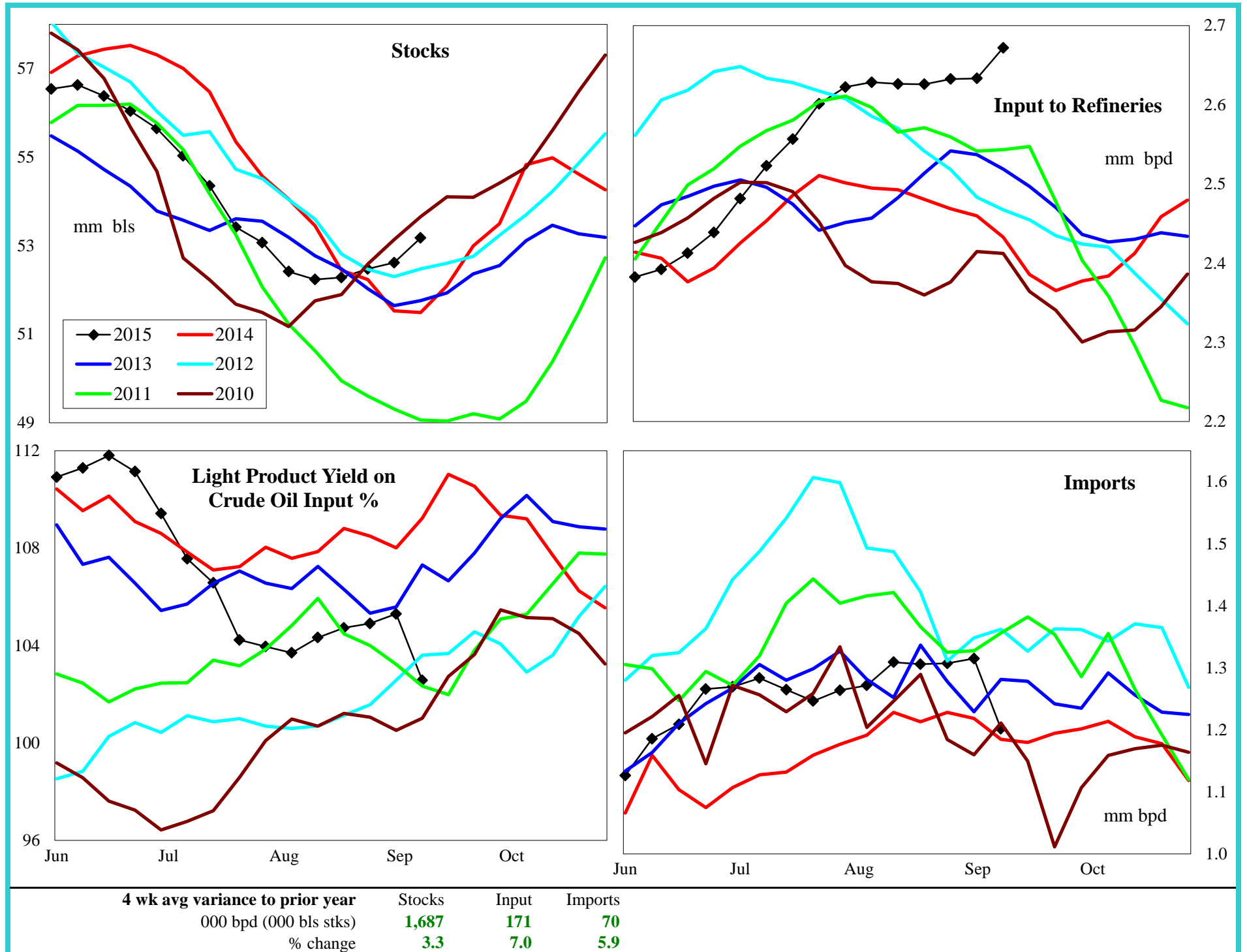
PADD 4 Jet Fuel Supply



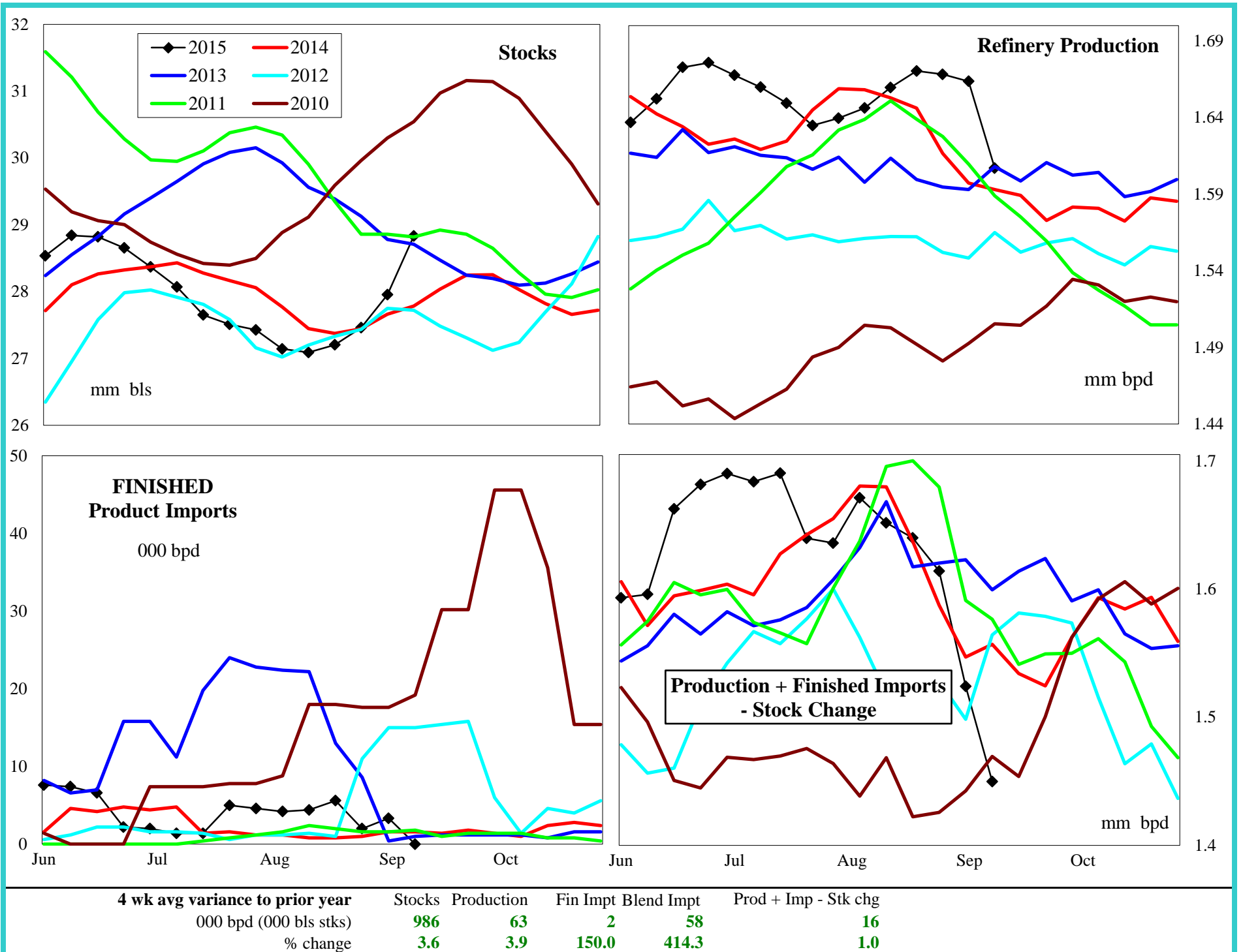
PADD 4 Residual Fuel Oil Supply



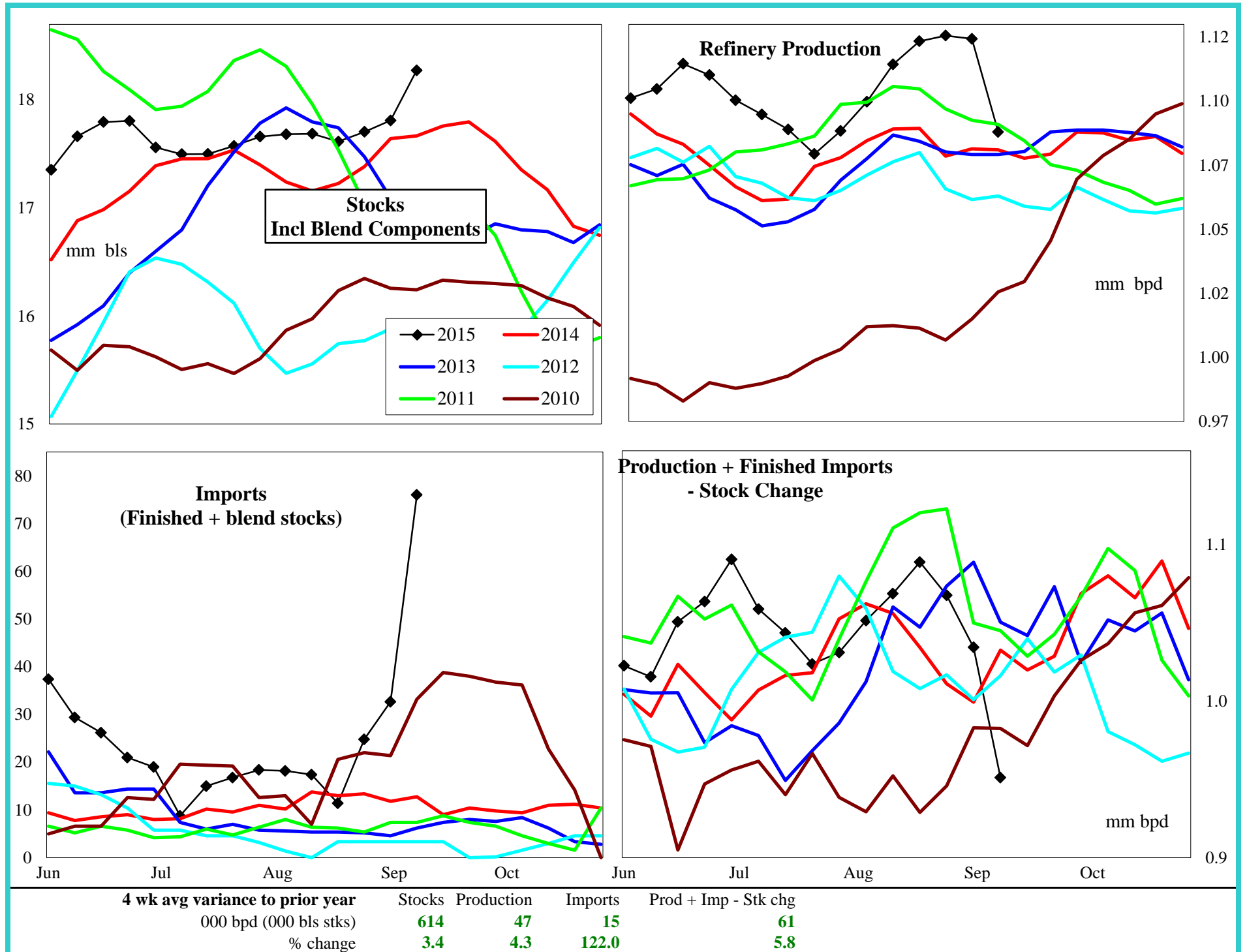
PADD 5 Crude Oil Supply and Refining



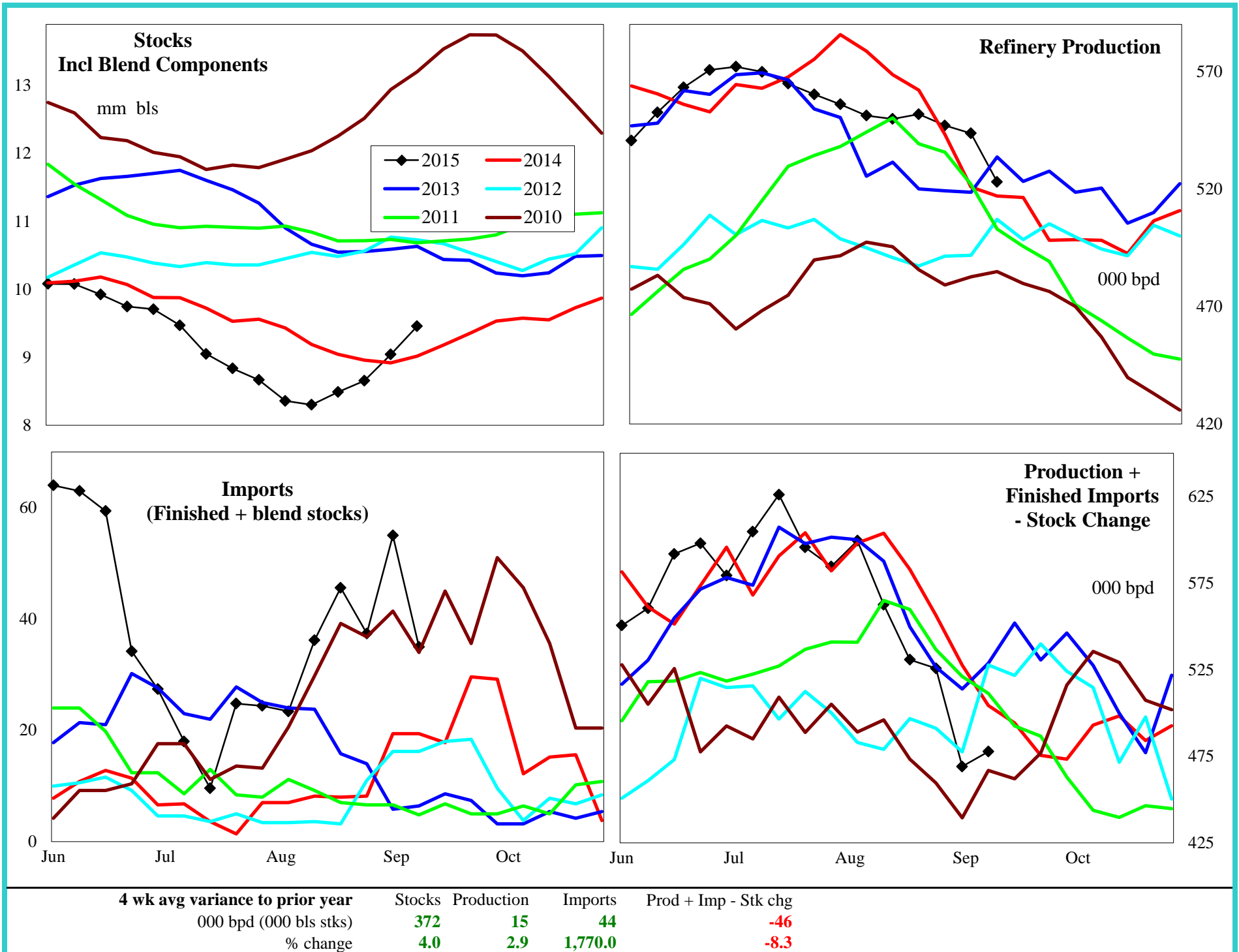
PADD 5 Gasoline Supply



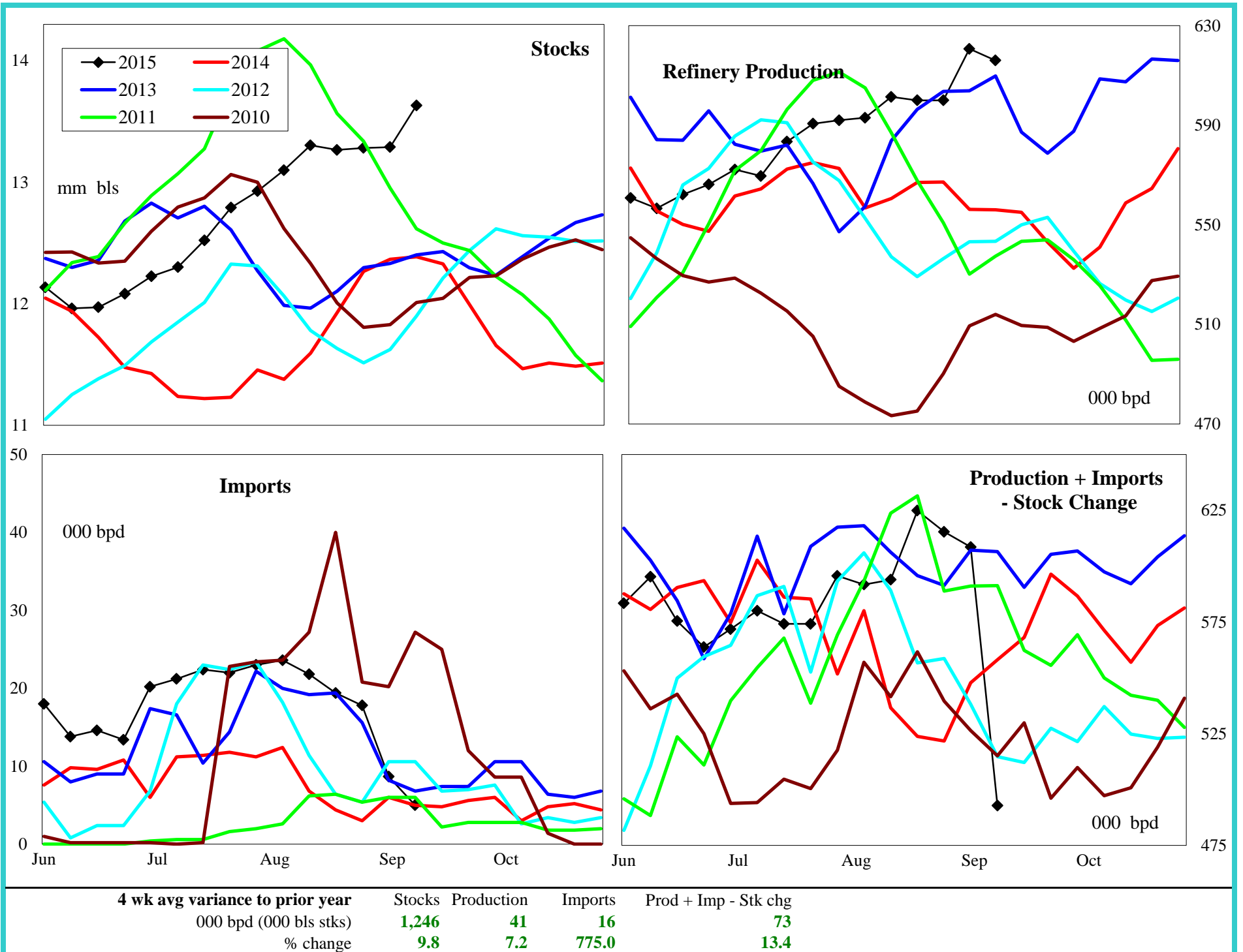
PADD 5 Reformulated Gasoline Supply



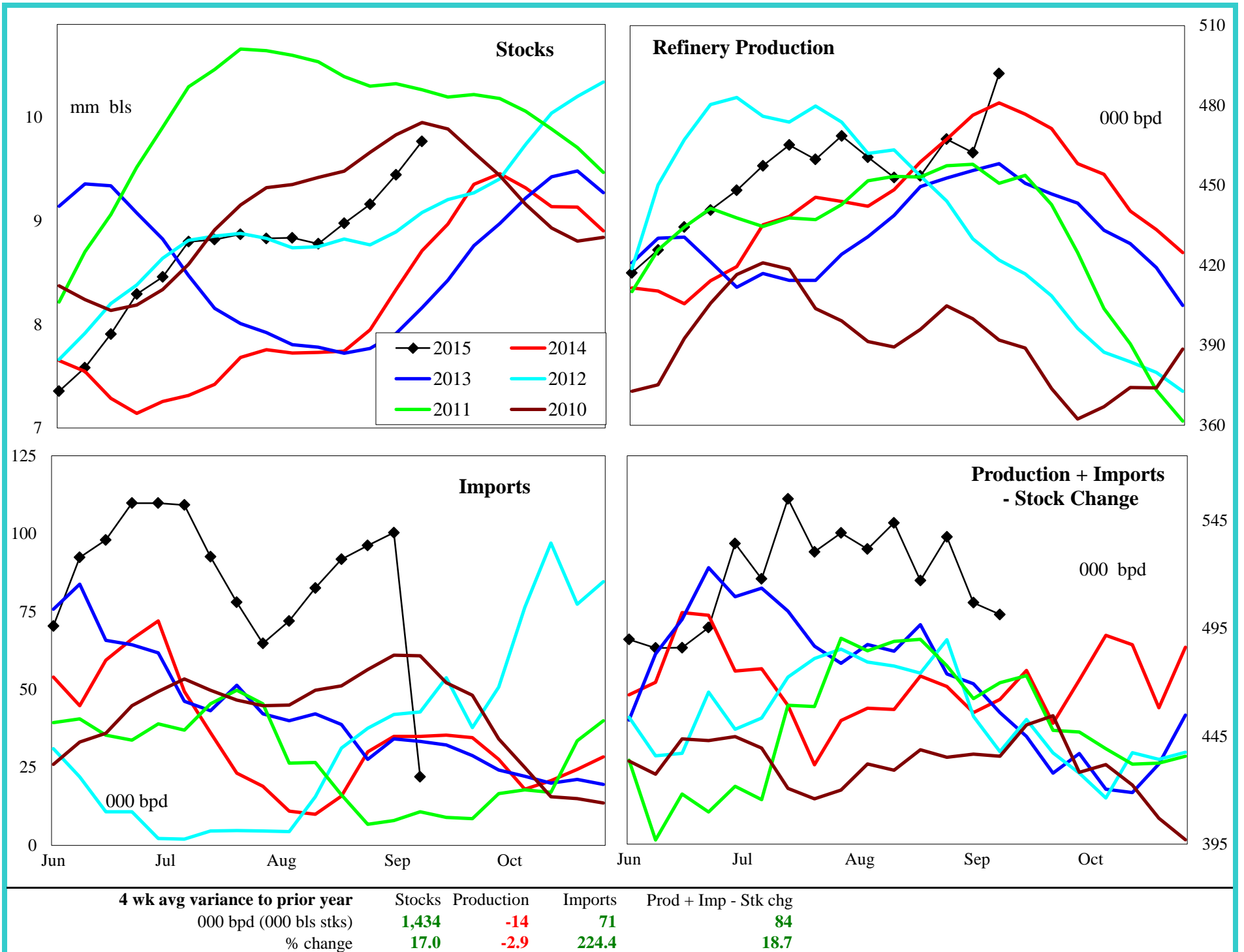
PADD 5 Conventional Gasoline Supply



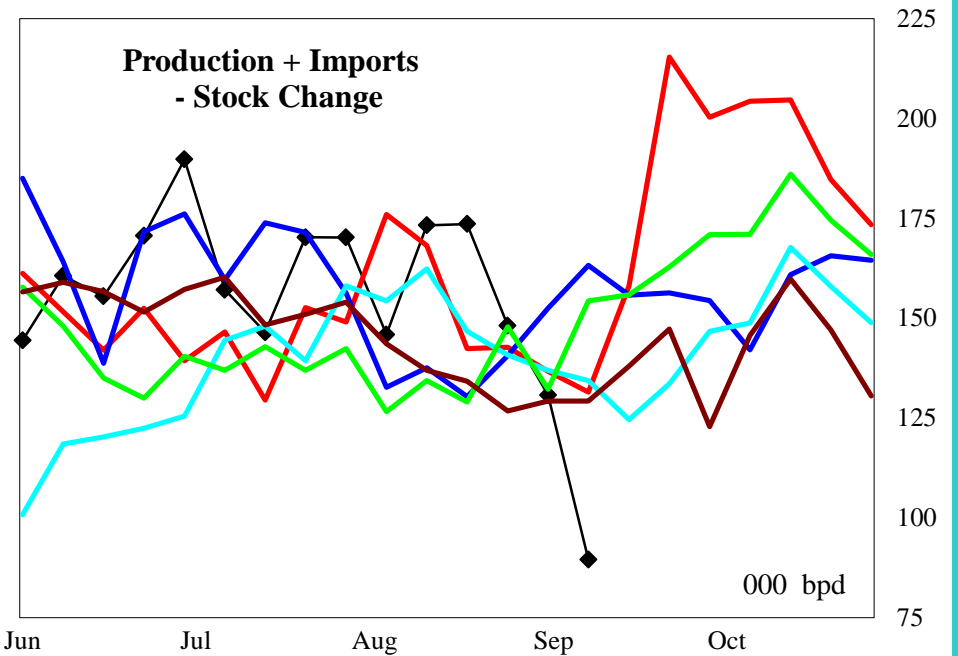
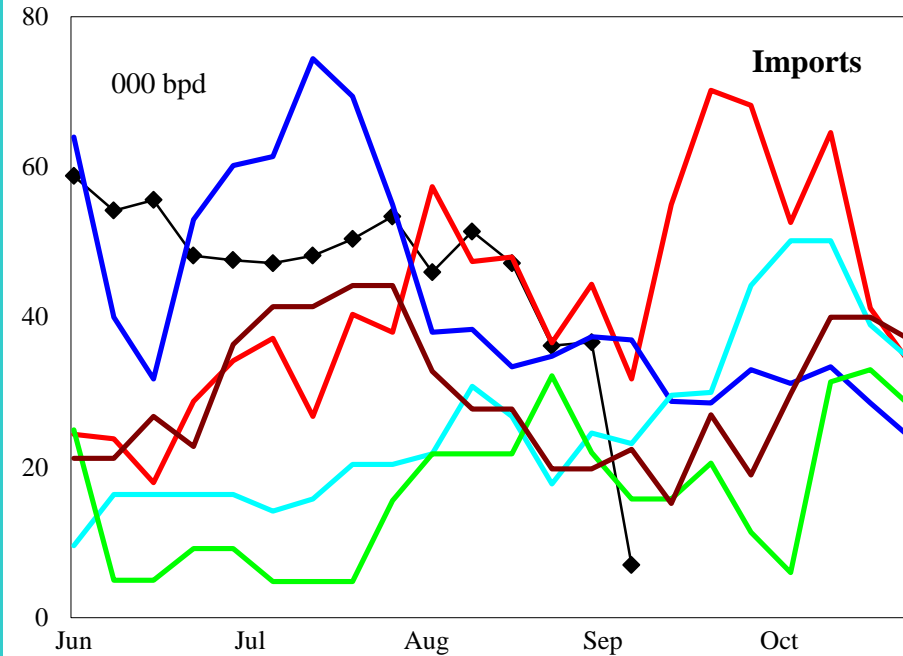
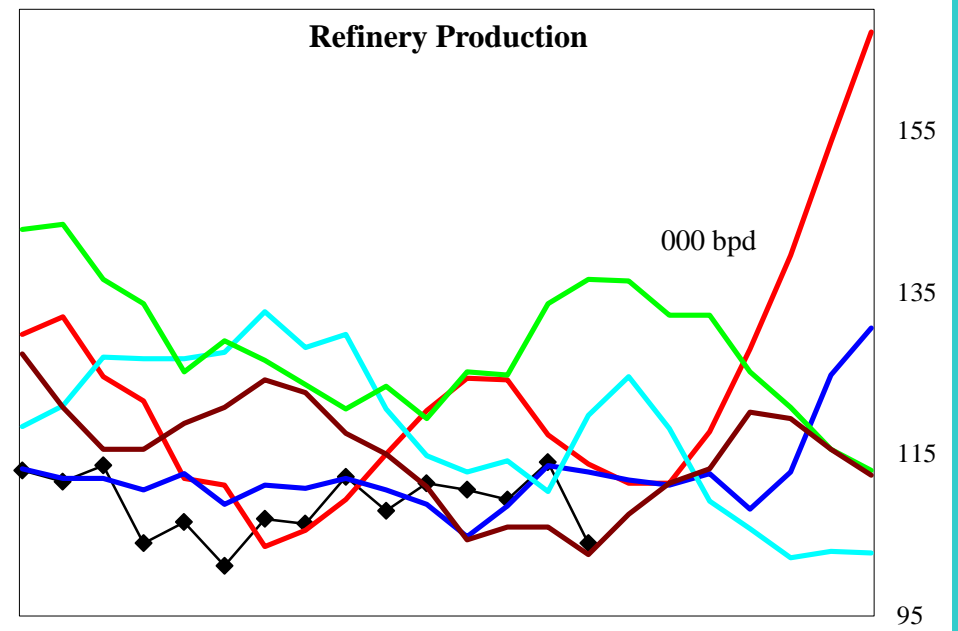
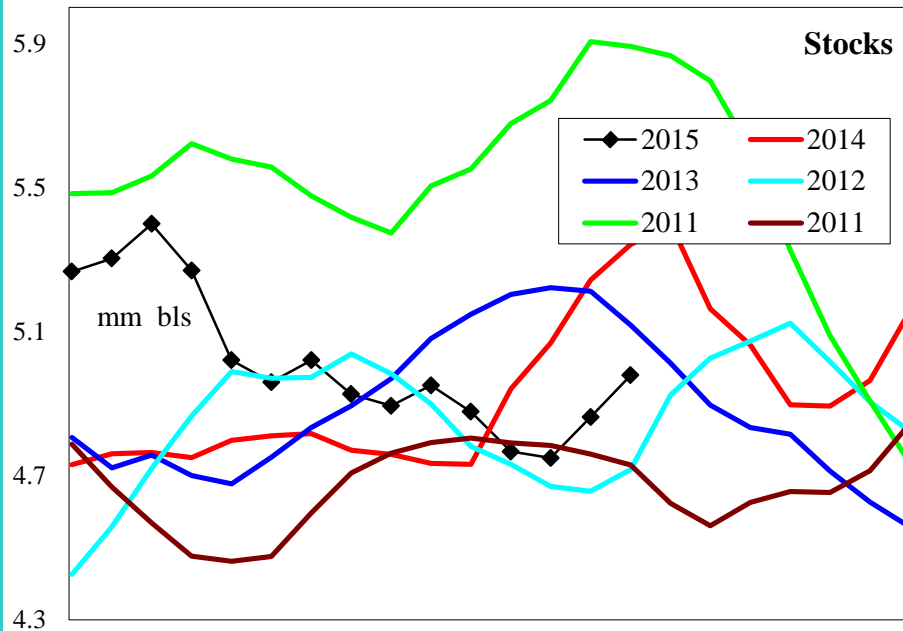
PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply



PADD 5 Residual Fuel Oil Supply



4 wk avg variance to prior year

000 bpd (000 bbls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

-363

-16

-3

-14

-6.8

-13.2

-7.8

-10.0