



WEEKLY PETROLEUM SUPPLY-DEMAND TRENDS

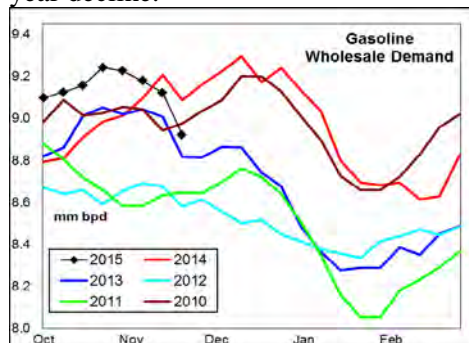
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, November 30, 2015

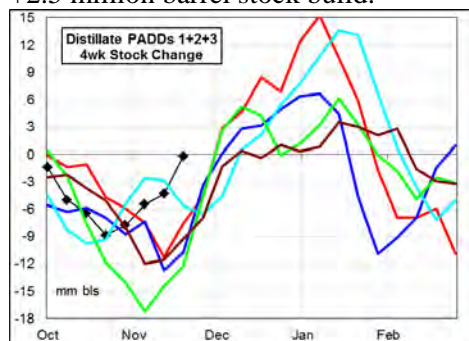


Major Fundamental Trends¹

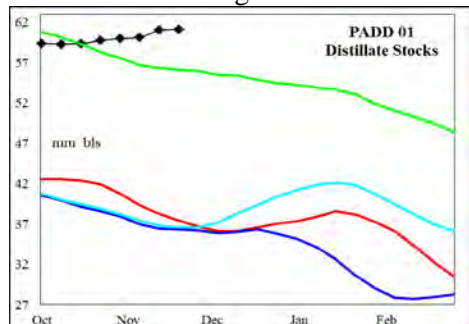
Wholesale gasoline demand for the latest 4-wk period fell below a year ago by -17,000 bpd, the first year-on-year decline.



Distillate wholesale demand fell -0.5 million bpd last week, leading to a +2.5 million barrel stock build.

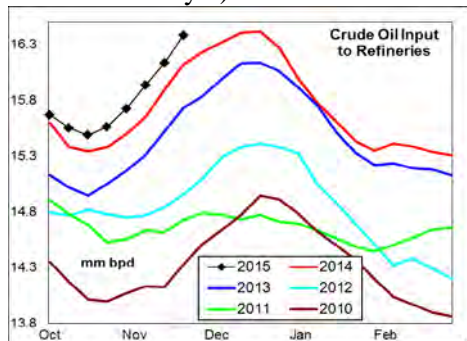


For the latest 4-wk period distillate stocks were nearly unchanged; compared to an average draw of -10 million barrels for the last 2-yrs. Unusually warm temperatures and year-on-year increased production underlies this divergence.



Distillate stocks were +28 million barrels above last year, with +25 million barrels of the increase

concentrated on the East Coast (+69% over the last 3-yrs).



Refinery crude oil thruput was near the winter quarter high last week. Look for an additional increase of over +0.3 million bpd during the next month.

Wholesale Demand for gasoline and distillate each decreased on the week, while jet fuel was slightly higher.

Wholesale demand, measured over the last four weeks compared to a year ago: gasoline decreased -0.2%, distillate increased +2.1%, jet fuel increased +4%, while residual fuel increased +16%.

Stocks forward coverage: Gasoline demand coverage increased last week on a +2.5 million barrel stock build, and lower wholesale demand. Coverage ended the week at a level below the 5-yr range.

Distillate demand coverage increased on a +1 million barrel stock build, and sharply lower wholesale demand. Coverage ended the week at a level above the last 3-yrs.

Jet fuel coverage increased on a +0.7 million barrel stock build, and higher wholesale demand. Coverage levels matched 5-yr lows.

Refinery utilization rates increased on a +304,000 bpd rise in crude oil runs last week. During the latest 4-wk period crude oil input was +231,000 bpd above last year.

Gasoline yield % on crude oil runs fell on the week due to no change in output compared to the +0.3 million bpd rise in crude oil runs. Gasoline yield % on crude oil runs ended the week at a level that matched historic lows for this time of year.

Distillate yield % on crude oil runs

also decreased on no change in output compared to the increase in crude oil runs. The yield % on crude oil runs matched 3-yr lows on the week.

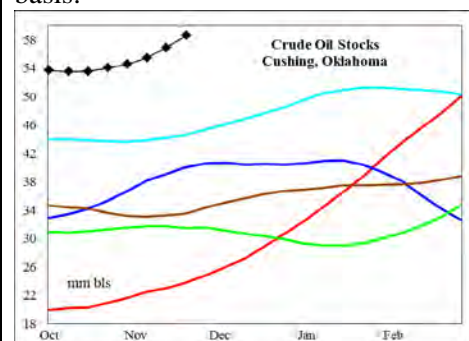
Jet fuel yield % on crude oil runs increased on a +58,000 bpd rise in output compared to the rise in crude oil runs, with yields sharply above the 5-yr range.

Petroleum Imports/Exports: Crude oil imports increased +0.4 million bpd last week. Imports were a record high for jet fuel.

During the latest 4-wk period crude oil imports were unchanged from a year ago; distillate imports were +34,000 bpd higher; finished gasoline imports +18,000 bpd higher; gasoline blend stock imports -116,000 bpd lower, jet fuel imports decreased -3,000 bpd, while residual fuel imports were -102,000 bpd lower.

Exports of distillate for the week ending 30Oct15 were -195,000 bpd below a year ago, gasoline +17,000 bpd higher, jet fuel -15,000 bpd lower and residual fuel oil was -98,000 bpd lower.

Crude Oil stocks increased +1 million barrels on the week, with a +1.7 million barrel build in Cushing. Stocks in Cushing have increased +5.5 million barrels in the last 3-wks, due in part to the sharp drop in West Texas cash basis.



Stock levels are at record highs in all regional markets. Look for limited stock building in the near term as refiners reach seasonal peak thruput by year end.

¹ Source is latest EIA Weekly Statistics



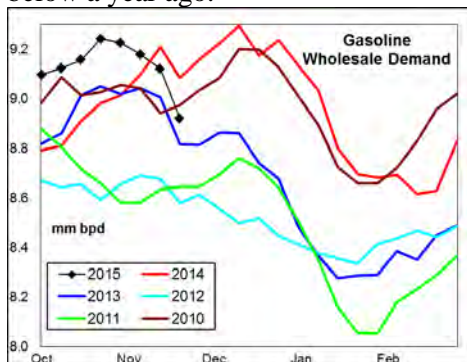
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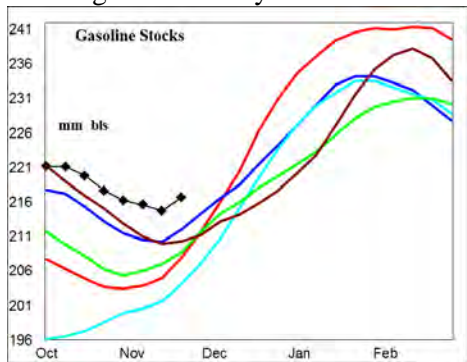
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Product Supply-Demand Trends

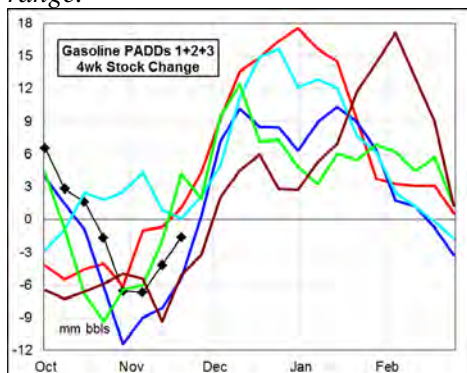
Gasoline wholesale demand decreased -0.1 million bpd on the week, to a level below a year ago. The latest 4-wk average demand was -17,000 bpd below a year ago.



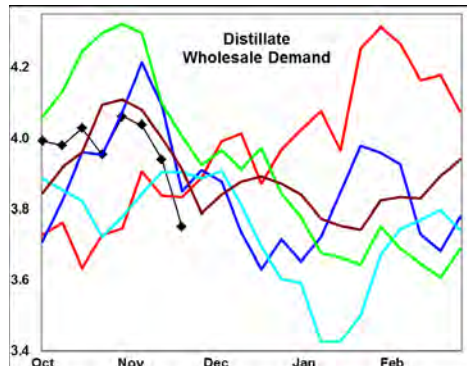
Supply increased +0.1 million bpd last week; with the 4-wk average nearly unchanged from last year.



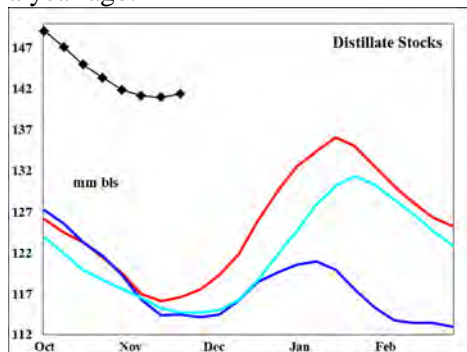
The latest 4-wk stock change East of the Rockies was a -1.6 million barrel draw, equal to the 2-yr mid range. Stock levels remain very high on the East Coast, while the Rockies and West regions are at the low end of the 5-yr range.



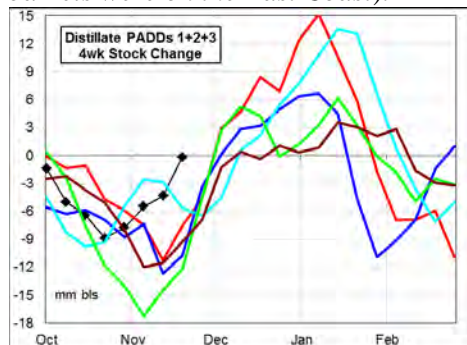
Distillate wholesale demand fell -0.5 million bpd last week, to a level below the 5-yr range. The latest 4-wk average wholesale demand was +79,000 bpd above last year.



Supply decreased -37,000 bpd, with the 4-wk average +206,000 bpd above a year ago.

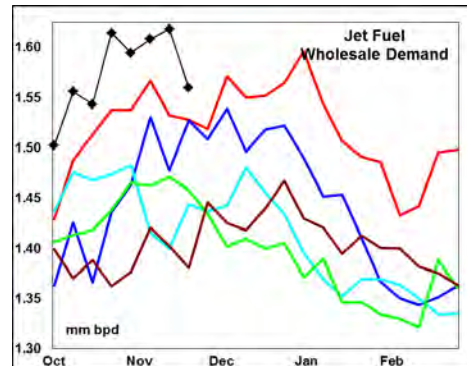


Stocks increased +1 million barrels on the week, with builds in every region. Stocks ended the week +28 million barrels above the last 3-yr (25 million barrels were on the East Coast).



Jet Fuel wholesale demand increased +41,000 bpd on the week, at a level above the 5-yr range. The latest 4-wk average demand was +64,000 bpd above last year.

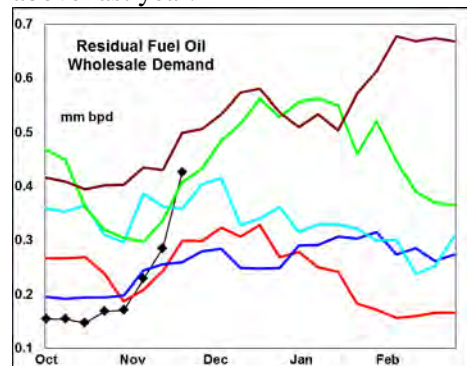
Supply increased +153,000 bpd on the week, driven by higher imports and production; with the 4-wk average +69,000 bpd above a year ago. Both imports and production were above the 5-yr range. Stocks increased +0.7 million barrels on the week, to a level above the last 2-yr.



Look for sharply lower seasonal demand, offset by reduced output during maintenance season so that stock levels remain at the low end of the historic range.

A rebound in imports should assure ample supplies in coastal markets.

Residual fuel oil demand increased +266,000 bpd on the week to a level above the last 3-yr. Demand for the latest 4-wk period was +31,000 bpd above last year.



Supply (production + imports) decreased -14,000 bpd on the week, due to lower production. Stocks fell -1.7 million barrels, with the level still above the 5-yr range. Production fell to a record low for the season.



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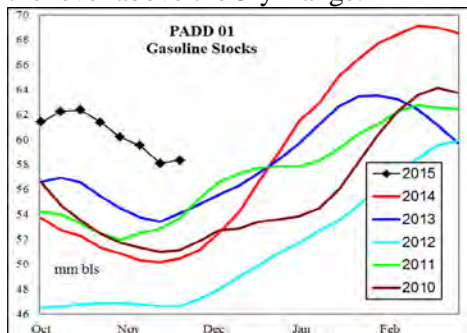
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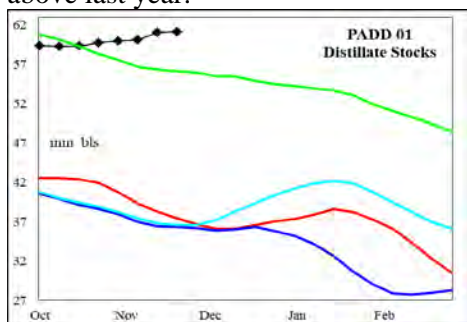
PADD Supply Trends

PADD 1 refinery crude oil runs increased +13,000 bpd on the week to a record high. The latest 4-wk average thru put was +22,000 bpd above a year ago.

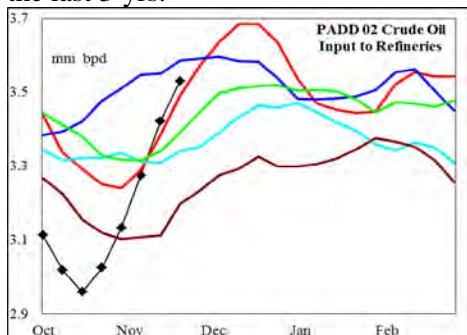
Gasoline supplies increased +111,000 bpd for the week. The 4-wk average gasoline supply was +110,000 bpd above last year. Stocks increased +0.7 million barrels for the week, with the level above the 5-yr range.



Distillate supply decreased -28,000 bpd on the week, with the 4-wk average +61,000 bpd above last year. Production was +10% above last year for the latest 4-wk period. Stocks increased +0.1 barrels to a level +69% above last year.



Jet fuel stocks increased +0.9 million barrels on the week to a level above the last 3-yrs.



PADD 2 crude oil refinery runs increased +155,000 bpd on the week,

to a level near historic highs. The latest 4-wk average thru put was unchanged from a year ago.

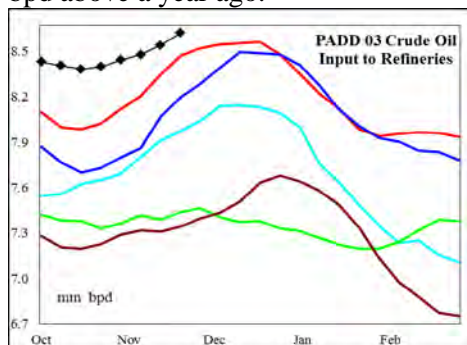
Crude oil stocks increased +2.1 million barrels last week. Cushing saw a +1.7 million barrel stock build for the week.

Gasoline supply increased +35,000 bpd on the week. Production for the most recent 4-wk period was +67,000 bpd above a year ago. Stocks increased +0.2 million barrels on the week, to a level near 3-yr highs for the period.

Distillate supply declined -42,000 bpd on the week, to a level that matched 3-yr lows. The latest 4-wk average production was -52,000 bpd below last year. Stocks increased +0.7 million barrels on the week, to a level that matched 3-yr highs for the period.

Jet fuel production remains exceptionally high, up +20% from last year for the latest 4-wk period. Stocks fell to a fresh 5-yr low.

PADD 3 refinery runs increased +628,000 bpd last week. During the latest 4-wk period, runs were +230,000 bpd above a year ago.



Crude oil imports climbed +0.4 million bpd on the week, with the 4-wk average -0.4 million bpd below last year.

Crude oil stocks decreased -1.1 million barrels, to a level +55 million barrels (+29%) above the prior high for the period.

Gasoline supply decreased -175,000 bpd on the week, with the latest 4-wk average +189,000 bpd above a year ago. Stocks increased +0.9 million barrels on the week, to a level above the 3-yr mid range.

Distillate supply increased +45,000 bpd on the week, with the latest 4-wk average supply +255,000 bpd above a year ago. Stocks were unchanged on the week, at a level near 3-yr highs for the period.

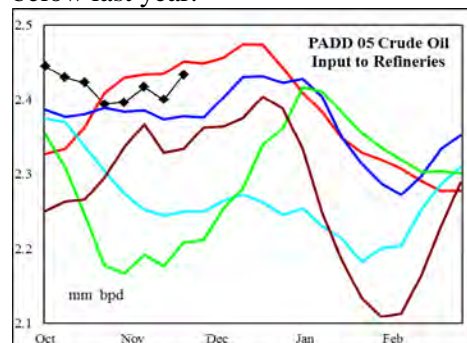
Jet fuel production increased +28,000 bpd on the week, to a level above the 5-yr range. Stocks decreased -0.3 million barrels on the week, to a level well that matched 5-yr lows.

PADD 4 refinery crude runs increased +18,000 bpd last week, to a level above the 5-yr range. The latest 4-wk average was +10,000 bpd above last year.

Gasoline supply decreased -19,000 bpd on the week, to a level that matched last year. Stocks extended a recent downtrend to match 5-yr lows.


Distillate supply increased +5,000 bpd on the week, to a level near last year. Stocks ended the week at a level that matched the 3-yr mid range.

PADD 5 crude oil refinery runs increased +54,000 bpd on the week to a level near last year. The 4-wk average thru put rate was -28,000 bpd below last year.



Gasoline supply increased +27,000 bpd on higher production and imports; with the latest 4-wk average -47,000 bpd below last year. Production was -45,000 bpd below last year for the current week. Stocks increased +0.7 million barrels on the week, at the winter season stock build began.

Distillate supply declined -17,000 bpd on the week. The 4-wk average supply was -46,000 bpd below last year. Stocks ended the week at a level near 5-yr lows.



FUNDAMENTAL

PETROLEUM TRENDS

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PETROLEUM: Graph Link and Weekly Summary

A Fundamental Petroleum Trends Weekly Report

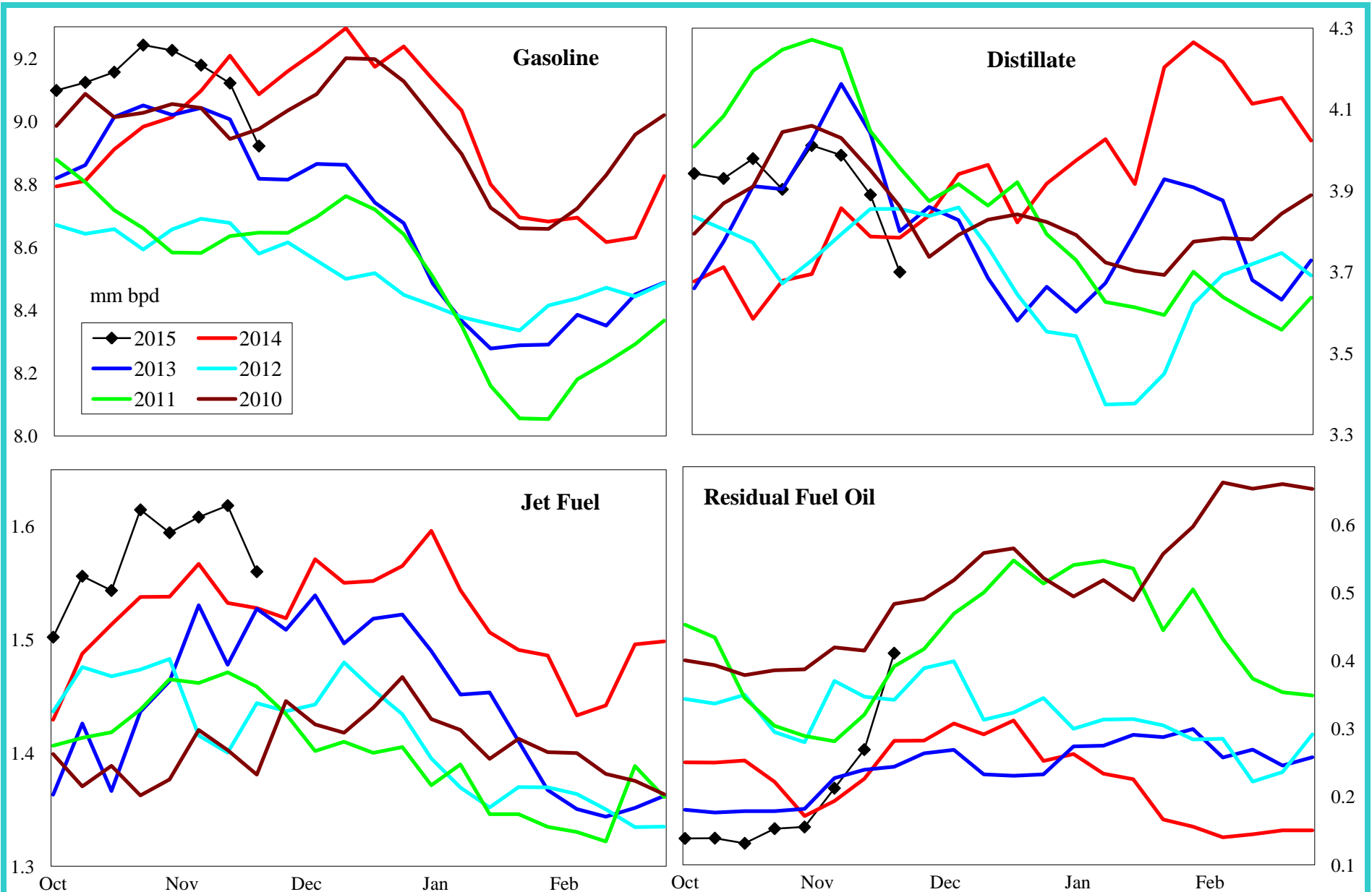
November 25, 2015

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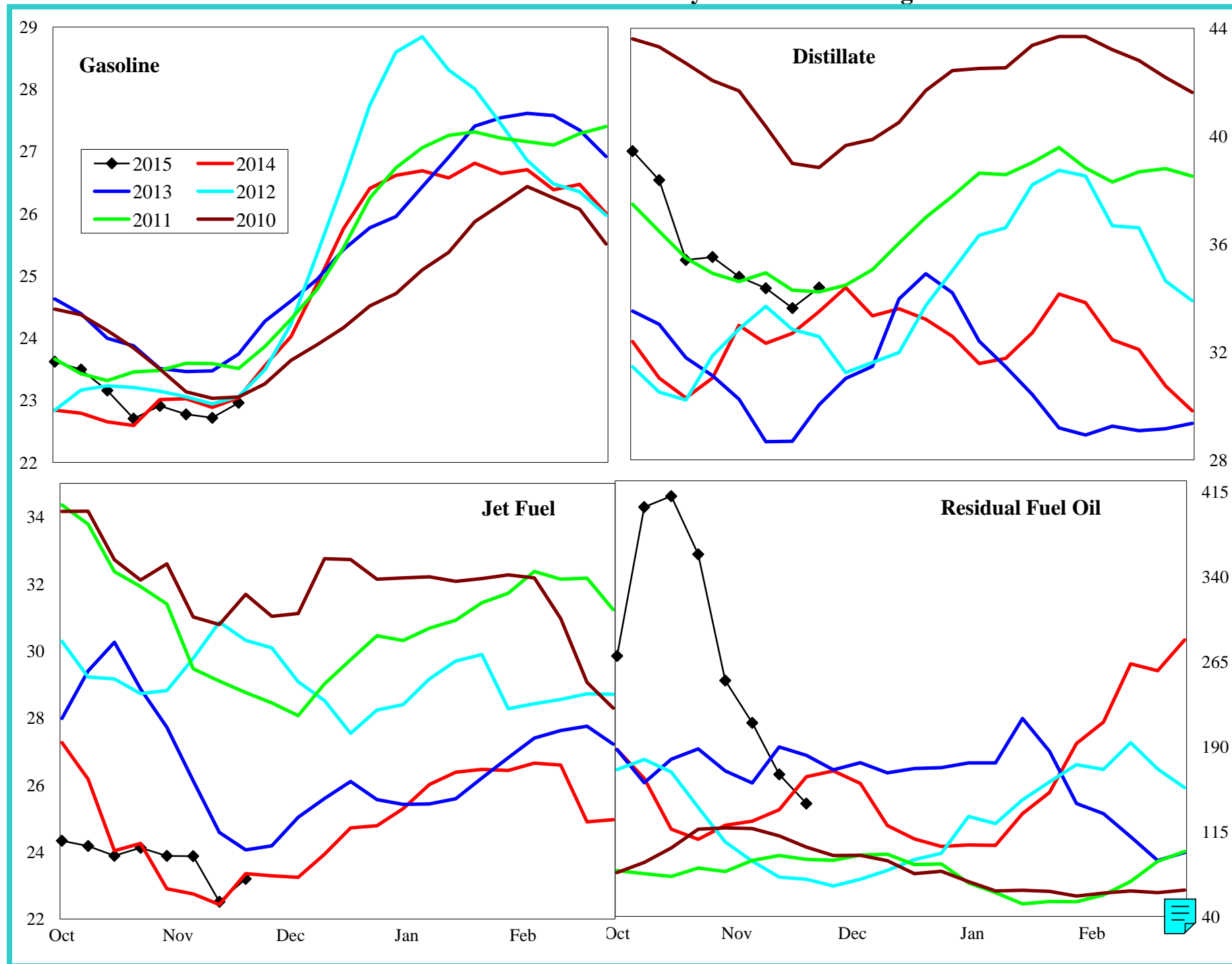
Fundamental Trends	Wholesale Demand	Stocks Days Fwd Coverage	Refinery Utilization		Product Yield %		Imports
Supply/Demand Trends	20-Nov-15	EIA-DOE CHANGE FROM PRIOR WEEK					
	000 bpd stocks 000 bls	U. S. Total	PADD				
			1	2	3	4	5
Crude Oil	Stocks	961	-2,406	2,112	-1,139	38	2,355
	Imports	365	-149	-210	355	-76	444
	Input	304	13	155	62	18	54
	% Utilization	1.70					
Gasoline	Stocks	2,478	711	241	858	-61	729
	Production	-14	47	25	-161	-19	17
	Imports	70	64	10	-14	0	10
	Supplied	-133					
Distillate	Stocks	1,046	139	675	45	114	74
	Production	-9	2	-41	45	5	-21
	Imports	-28	-30	-1	0	0	3
	Supplied	-457					
Jet Fuel	Stocks	655	884	27	-340	-27	109
	Production	58	26	-2	28	0	5
	Imports	95	46	0	0	0	49
	Supplied	41					
Residual Fuel Oil	Stocks	-1,720	-485	-117	-1,137	3	17
	Production	-27	-2	-17	15	-2	-22
	Imports	13	-31	0	15	0	28
	Supplied	266					

United States Wholesale Petroleum Demand

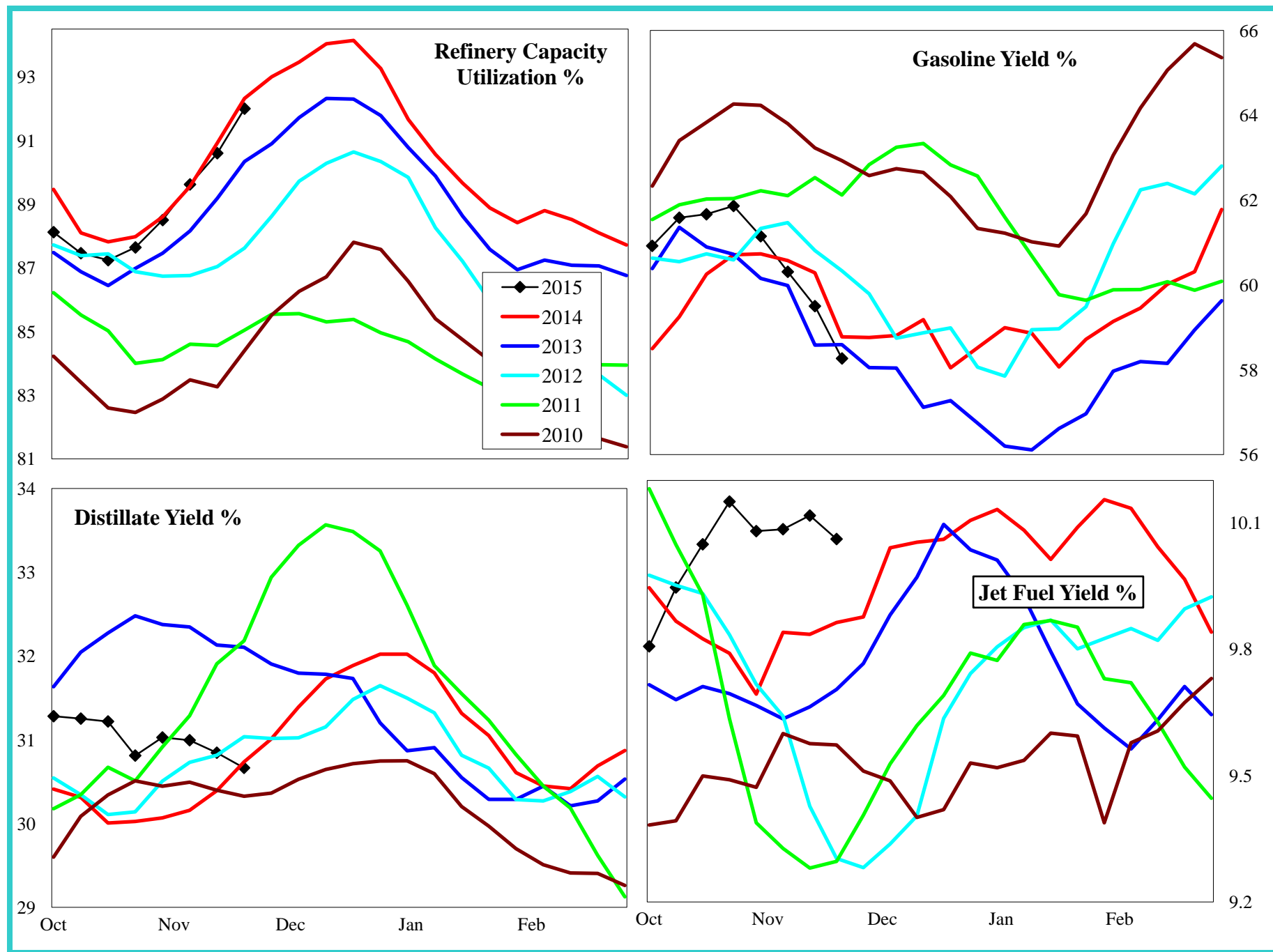


	000 bpd change from prior year				% change from prior year			
	4wk avg	Oct	Sep	Aug	4wk avg	Oct	Sep	Aug
Gasoline	-17	9	269	218	-0.2	0.1	3.1	2.3
Distillate	79	-312	30	-116	2.1	-7.4	0.8	-3.0
Jet Fuel	64	110	74	90	4.1	7.5	5.0	5.9
Resid	31	-173	-133	14	16.2	-59.2	-49.8	6.6

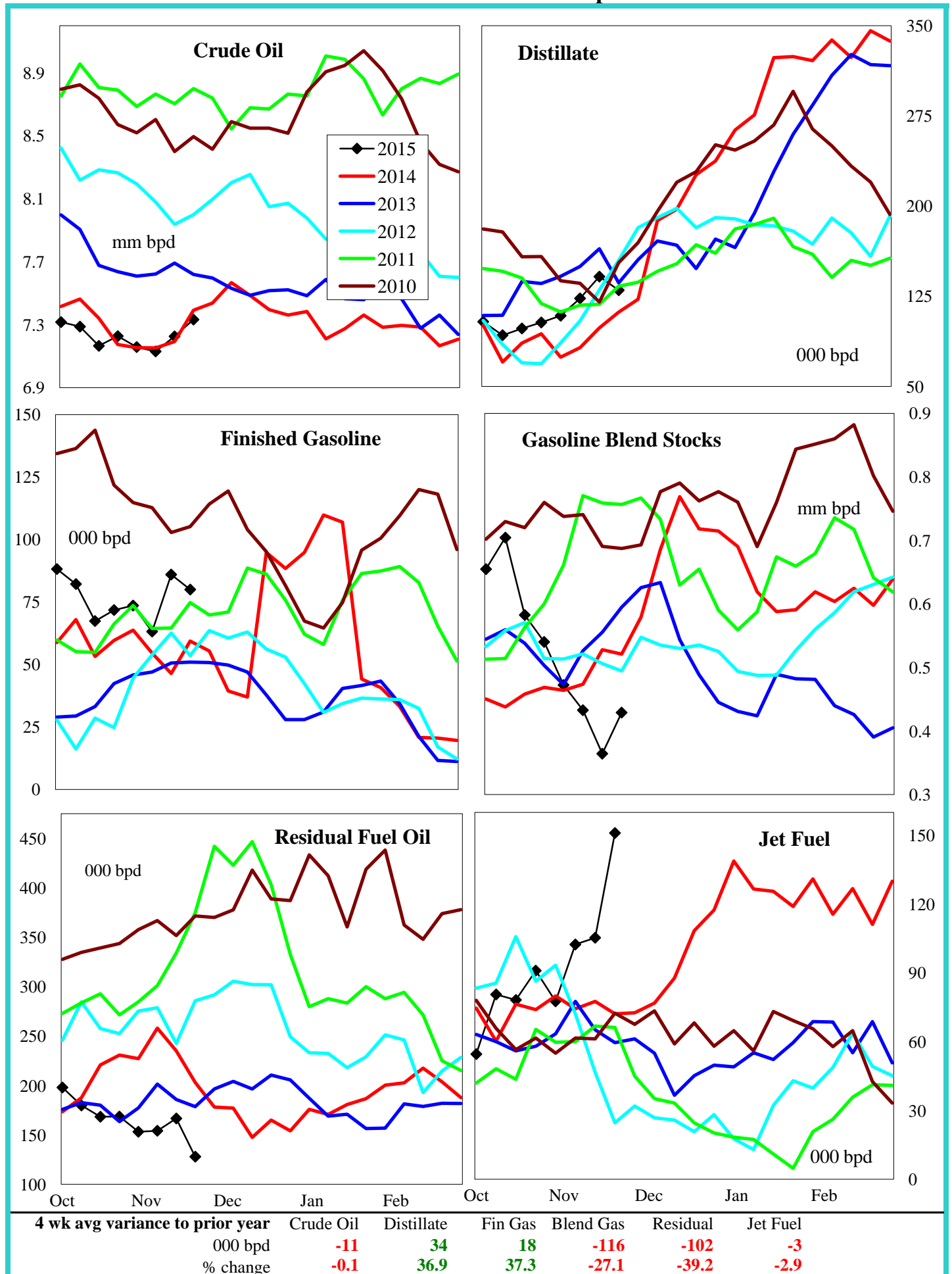


United States Product Stocks: Days Forward Coverage

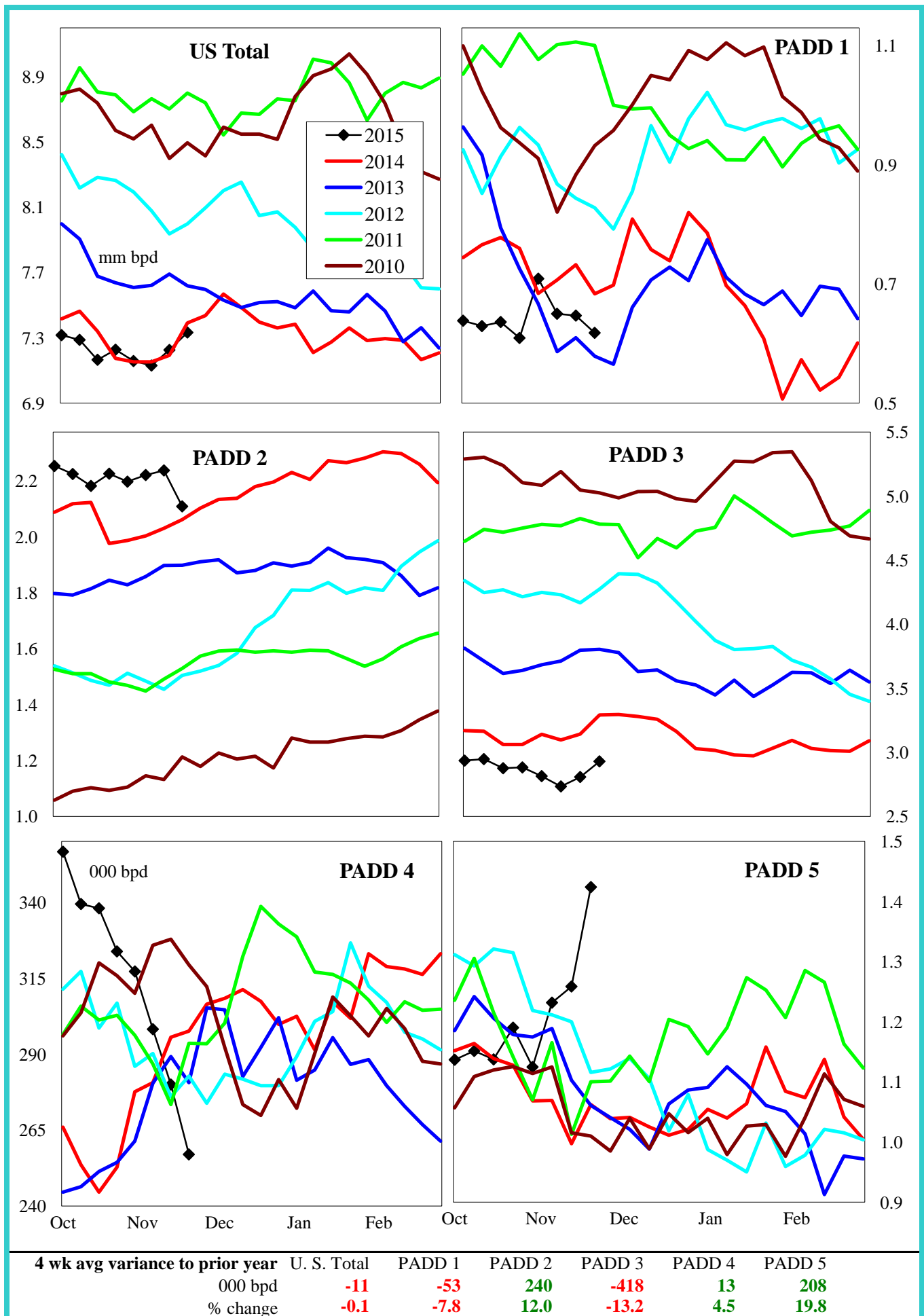
United States Refinery Percent Utilization Rate and Product Yields



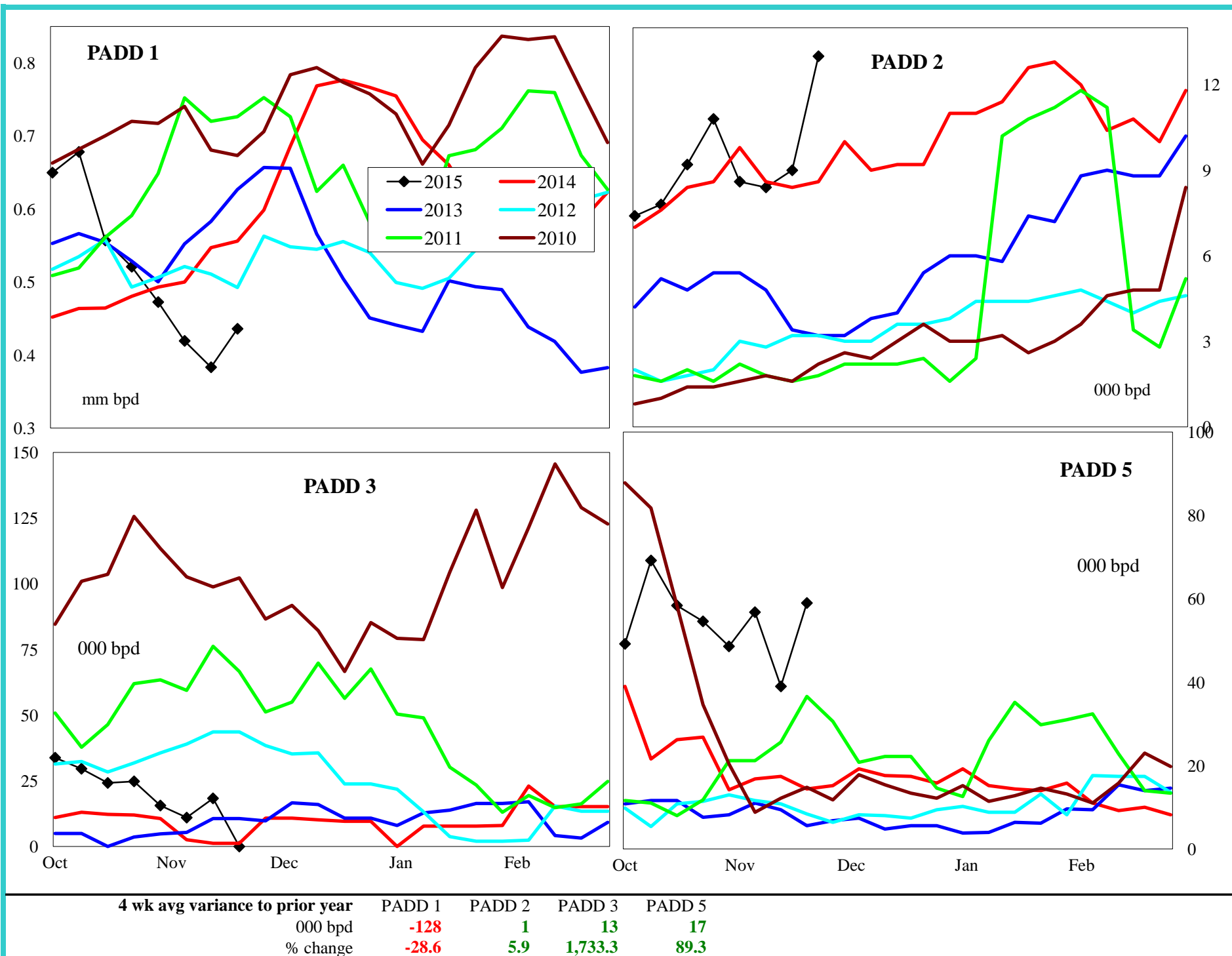
United States Petroleum Imports



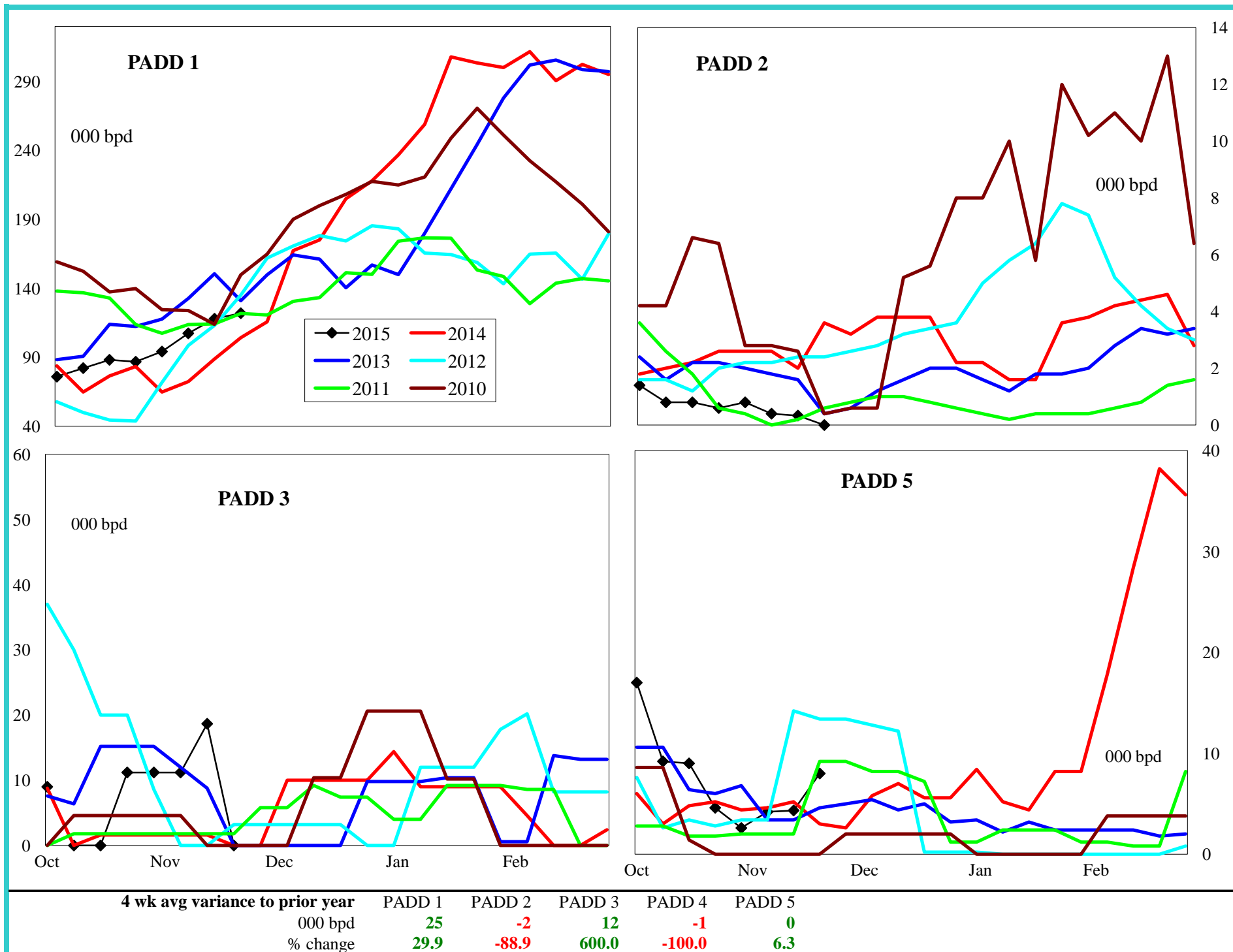
Crude Oil Imports by PADD



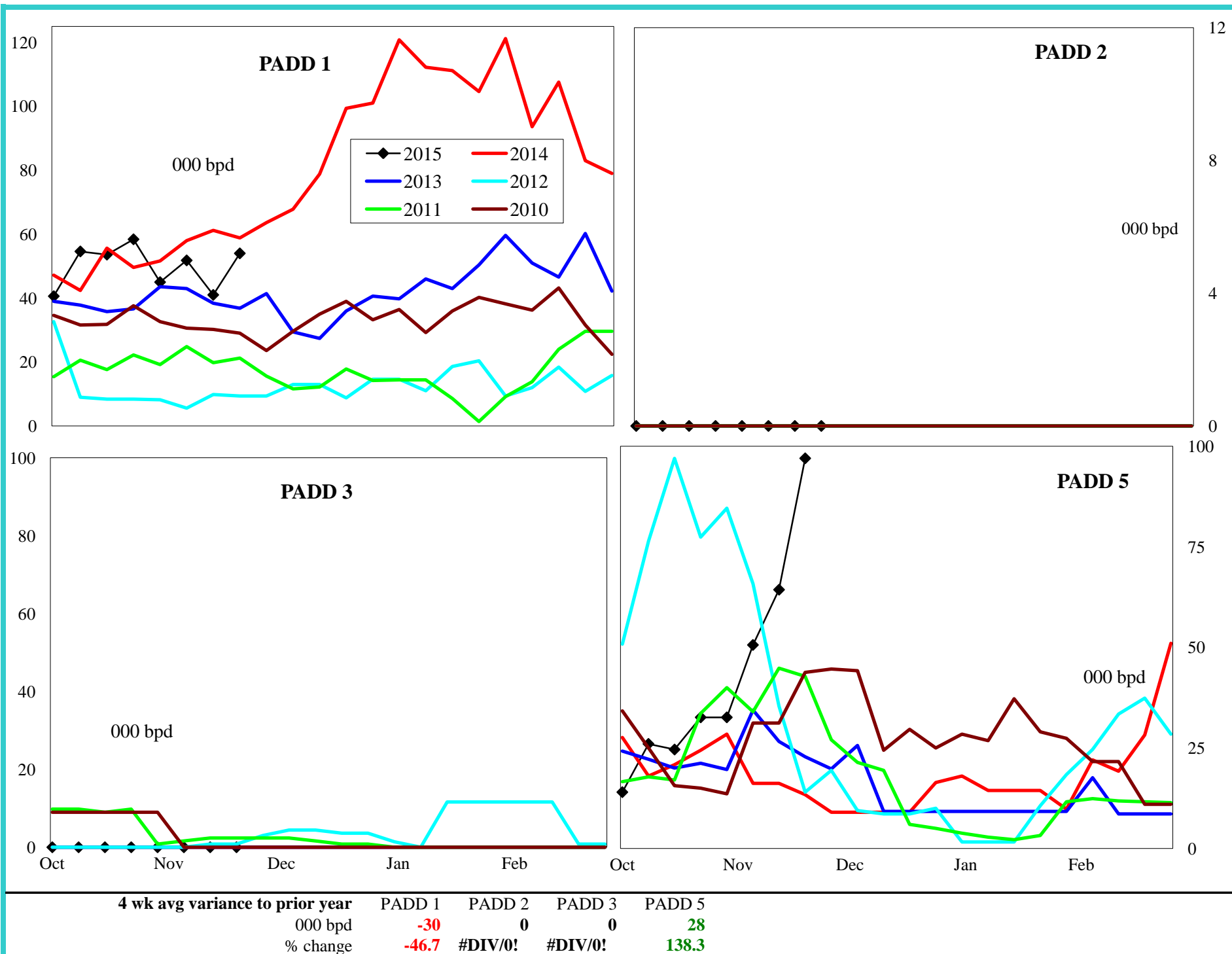
Gasoline Imports by PADD (Finished + Blend Stocks)



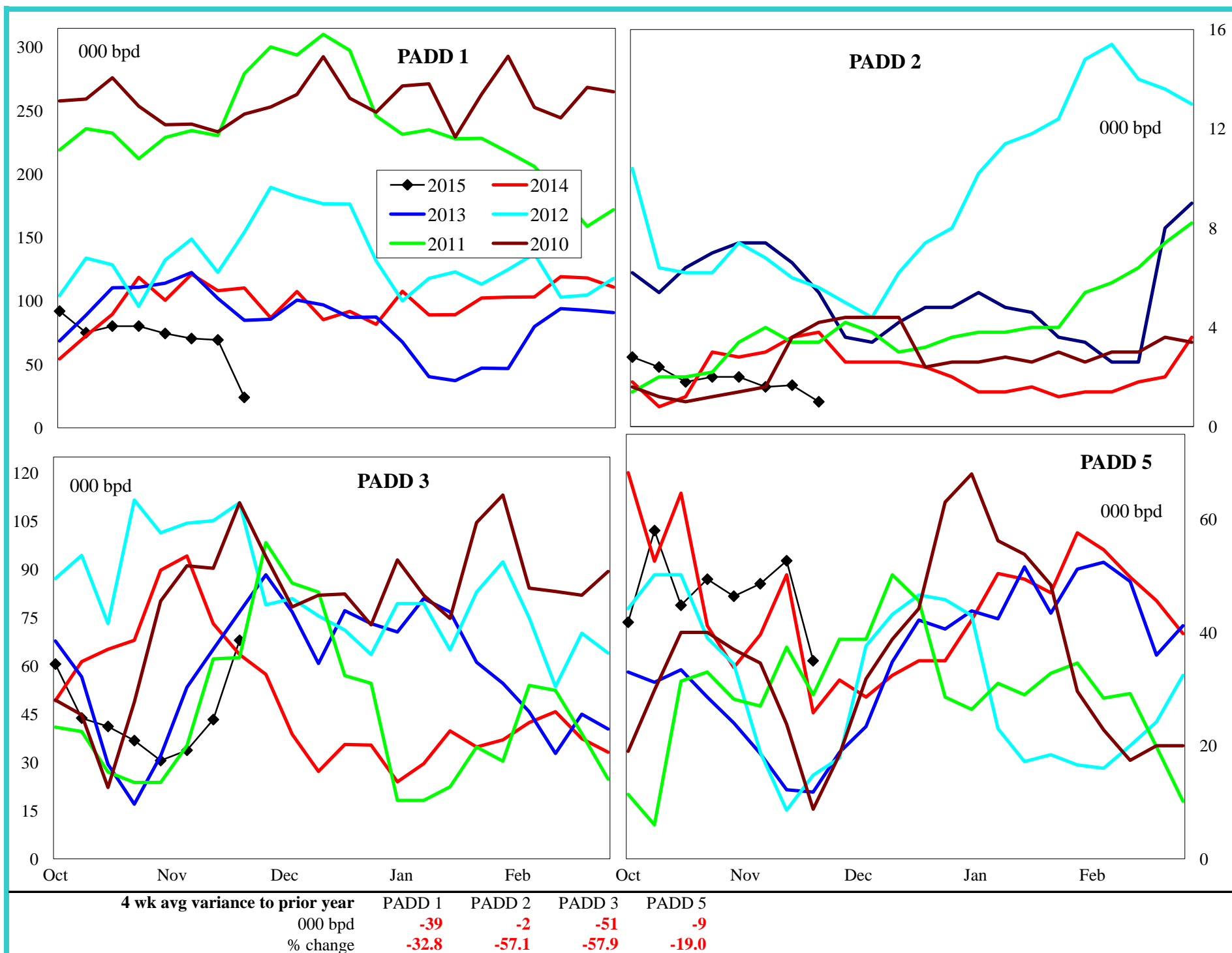
Distillate Imports by PADD



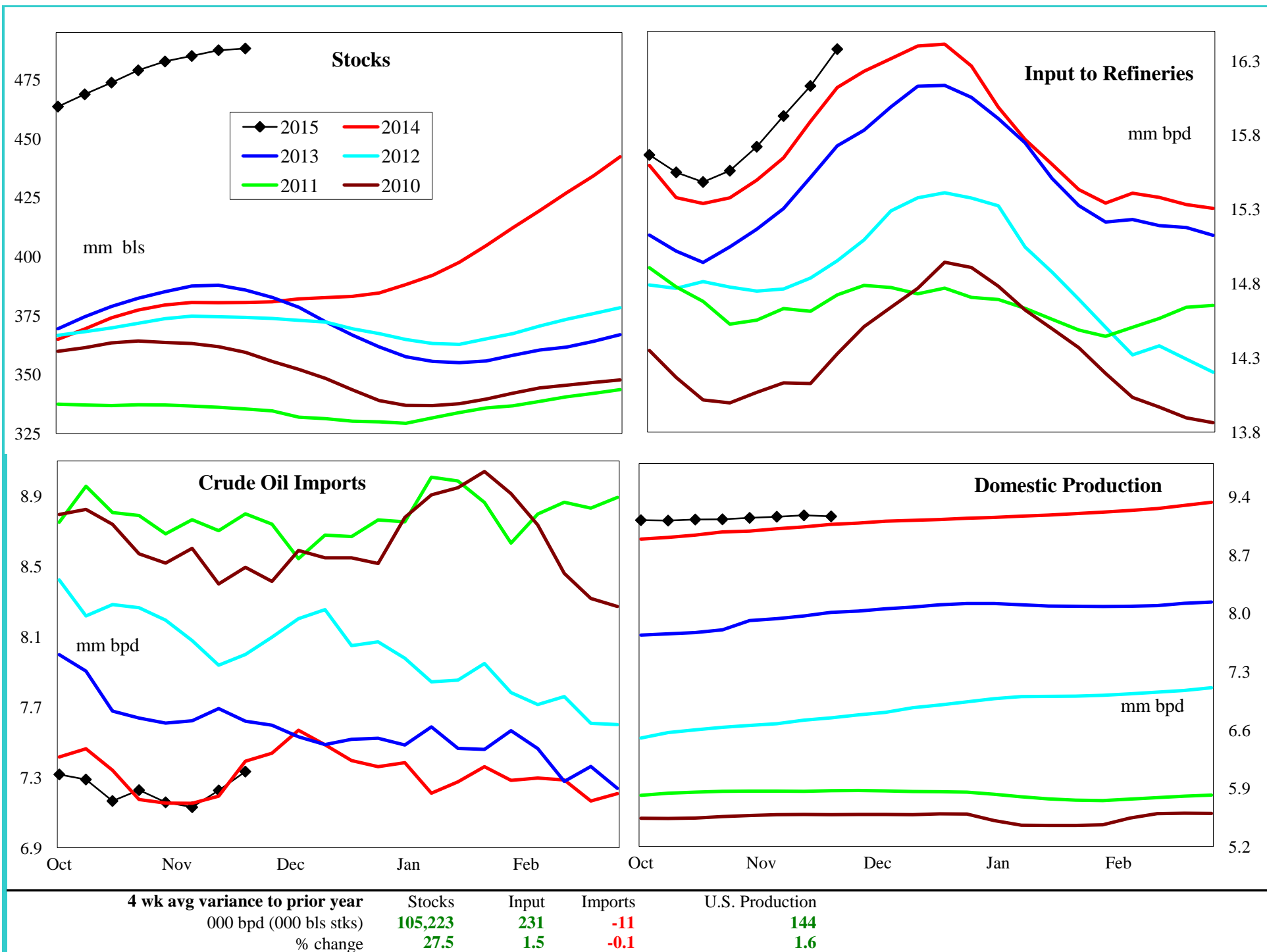
Jet Fuel Imports by PADD



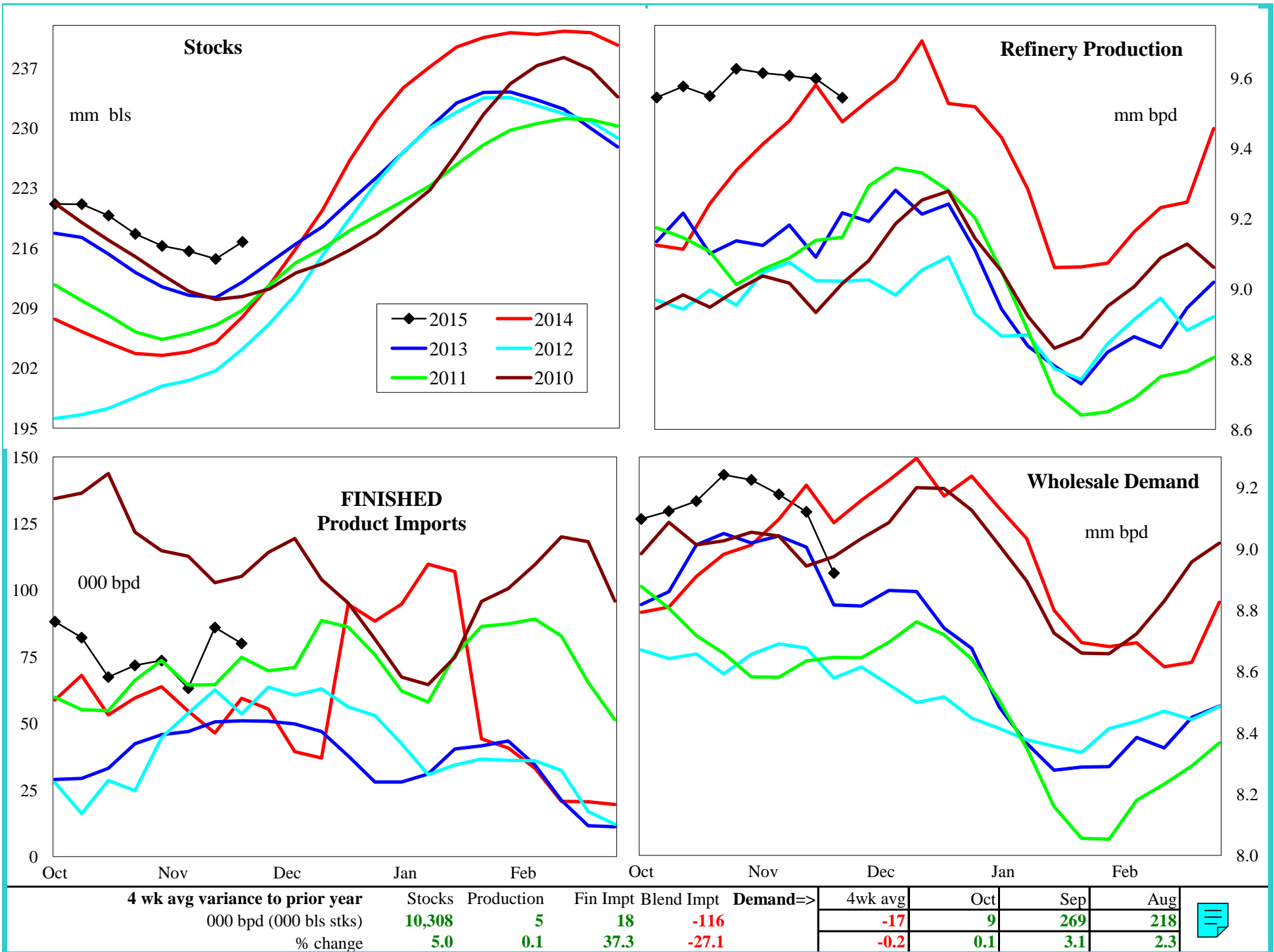
Residual Fuel Oil Imports by PADD



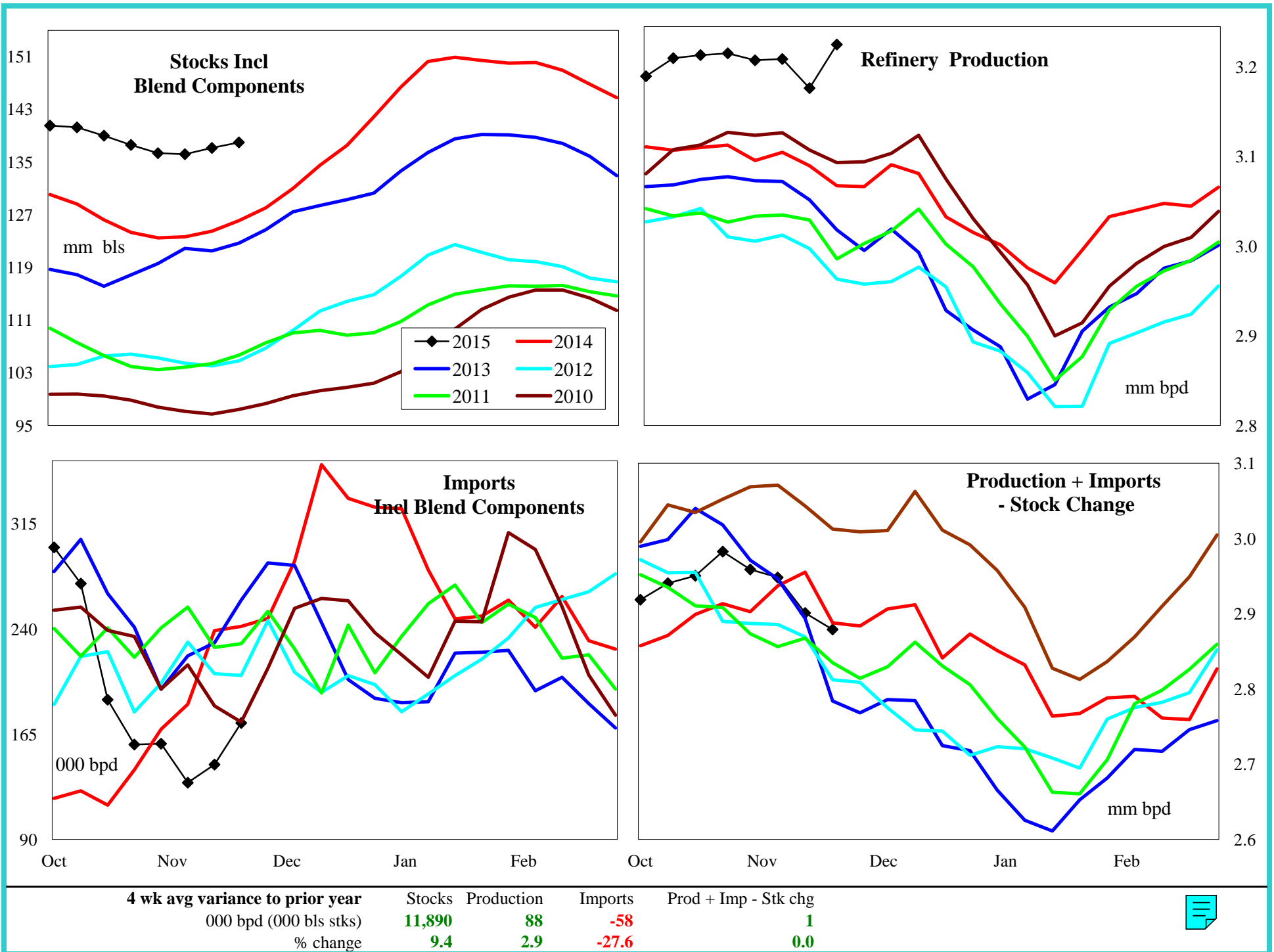
United States Crude Oil Supply and Demand Balance



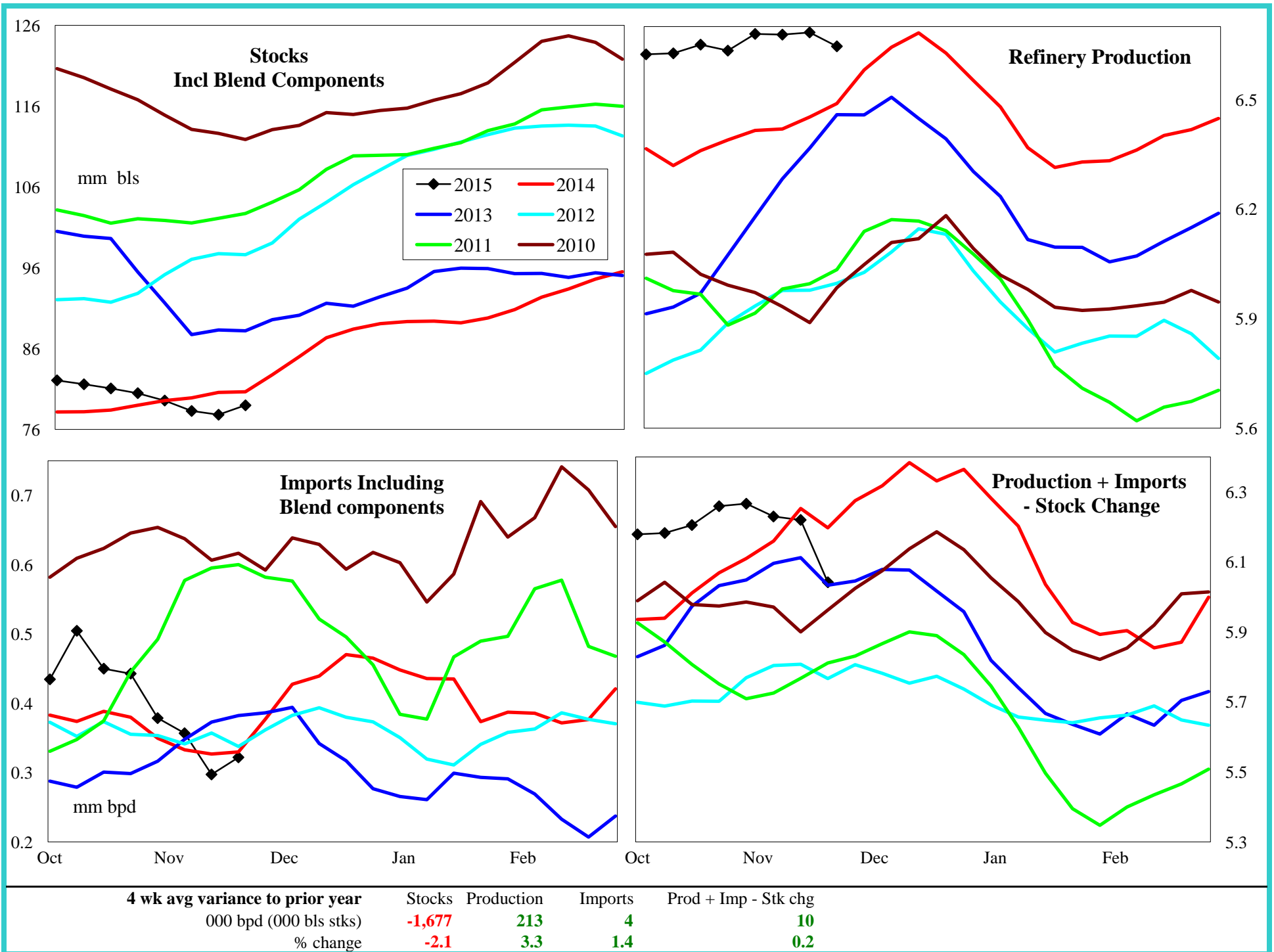
United States Gasoline Supply and Demand Balance



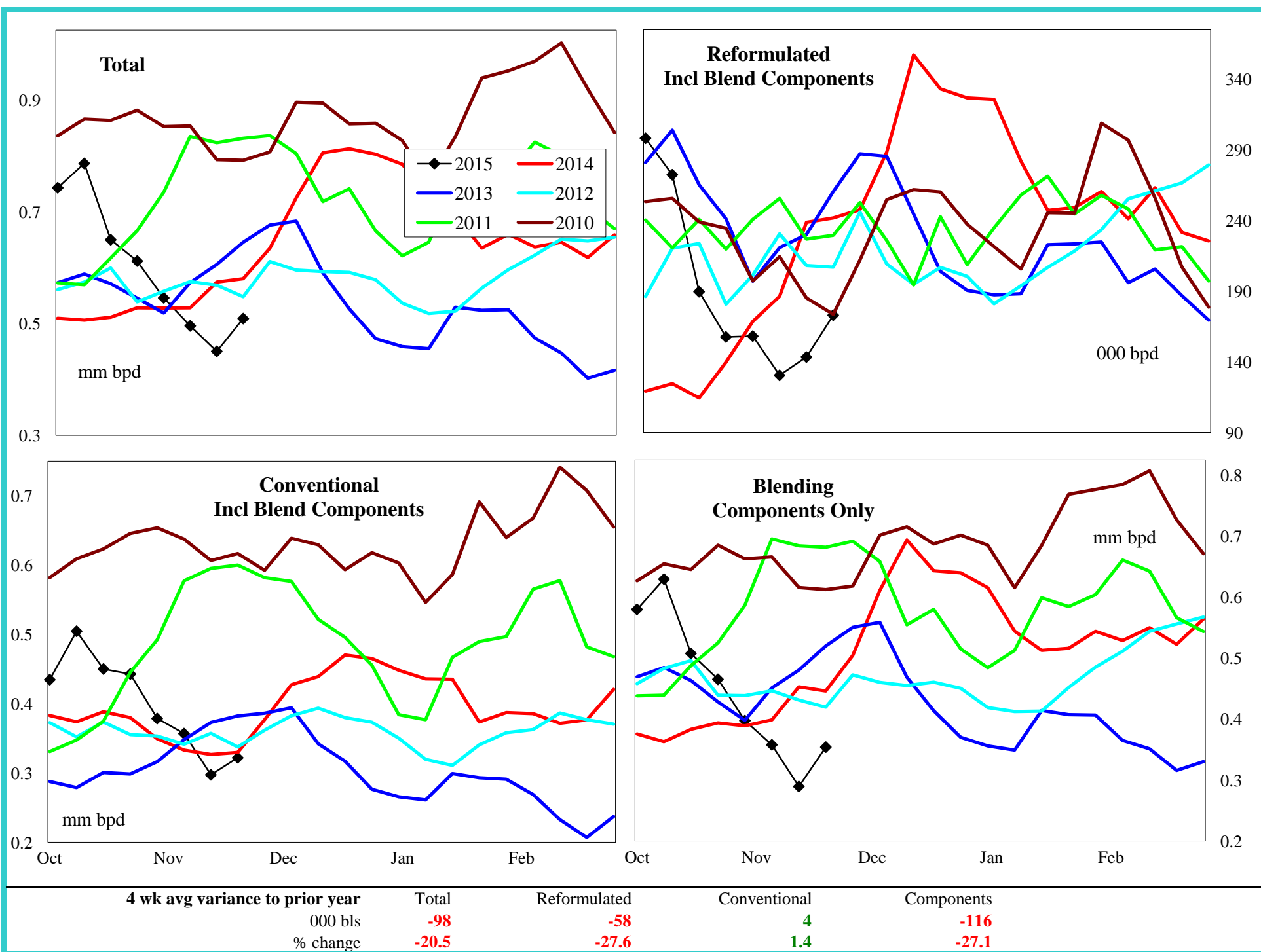
United States Reformulated Gasoline Supply



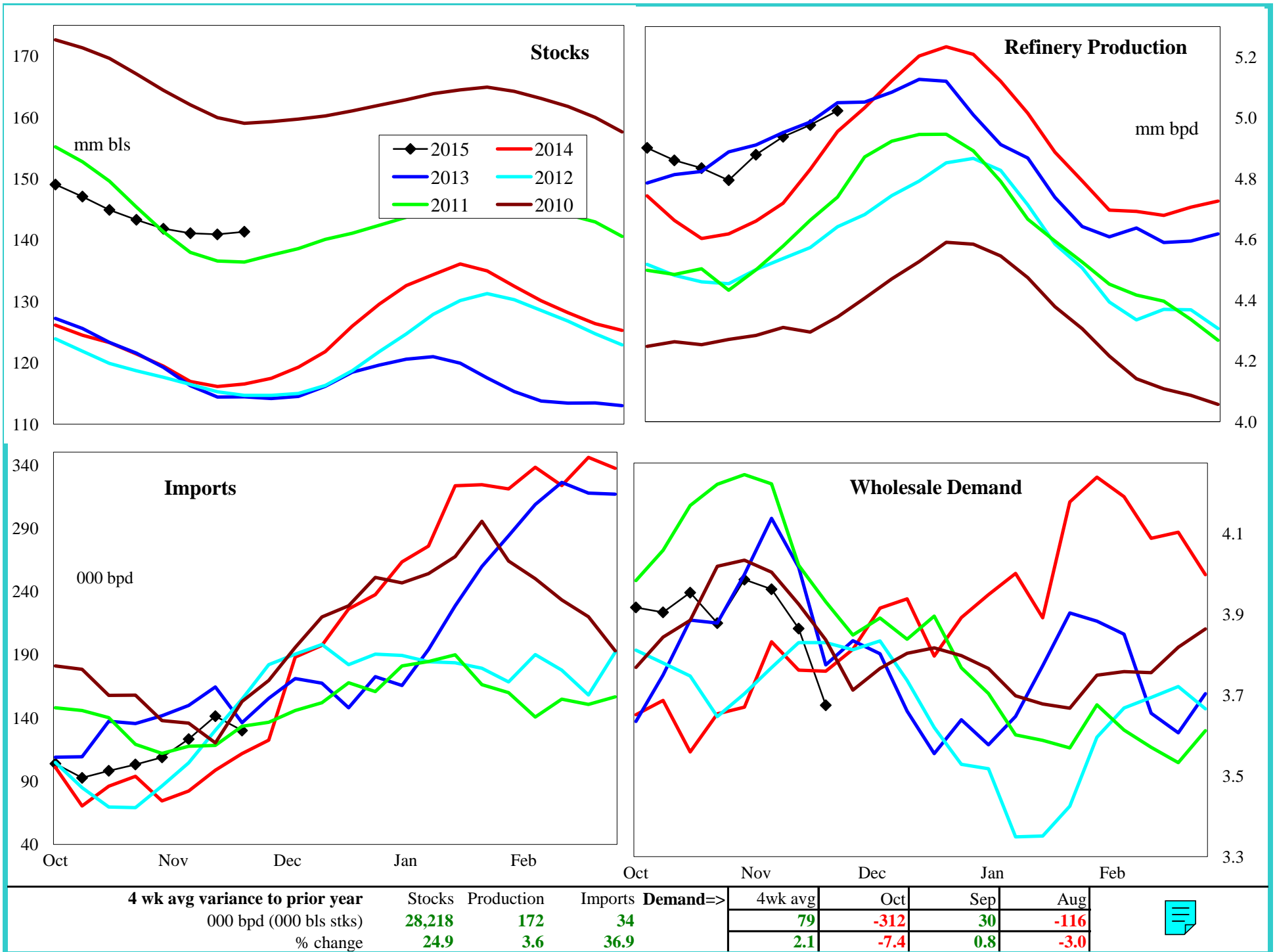
United States Conventional Gasoline Supply



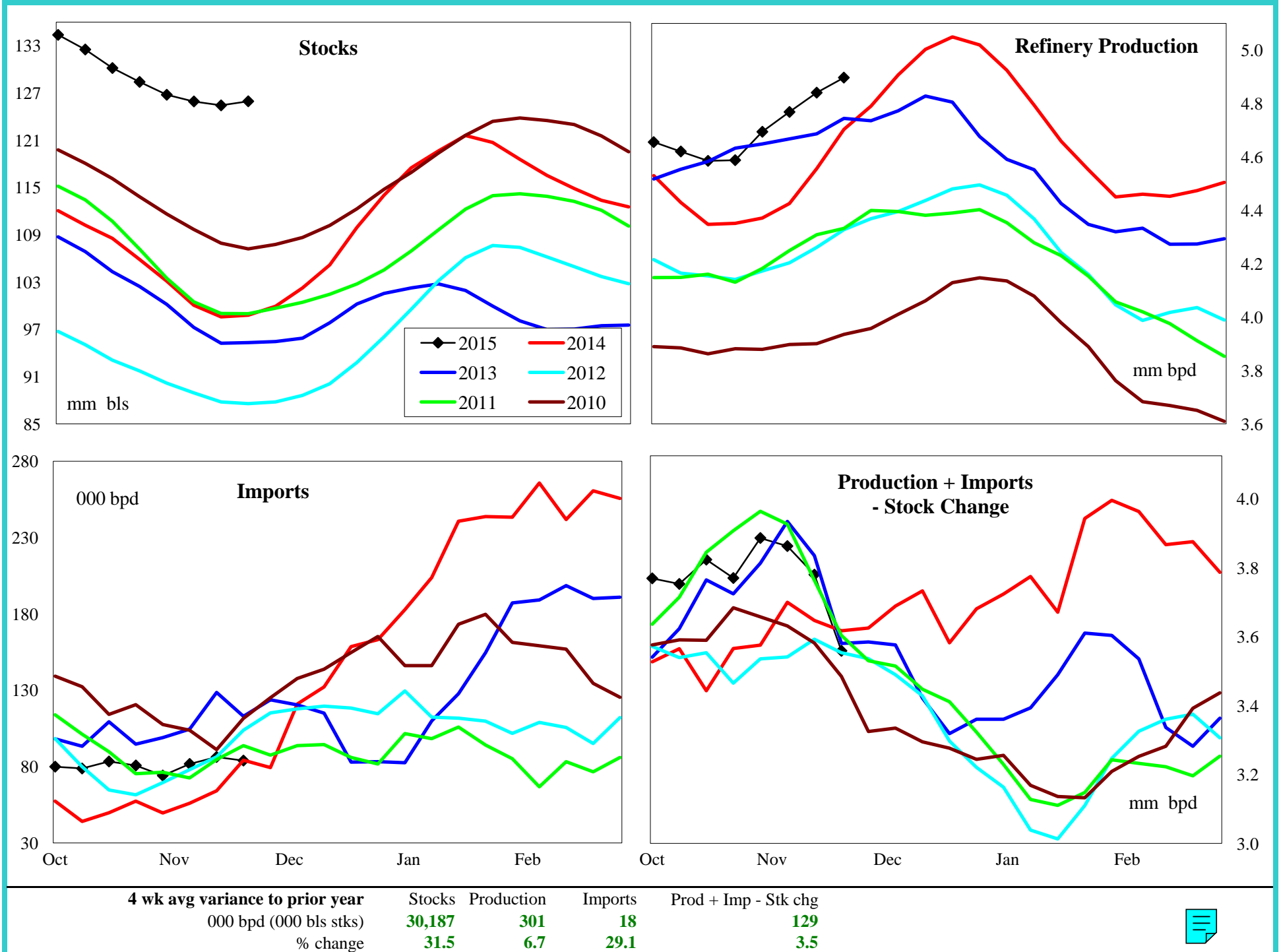
United States Gasoline Imports by Type



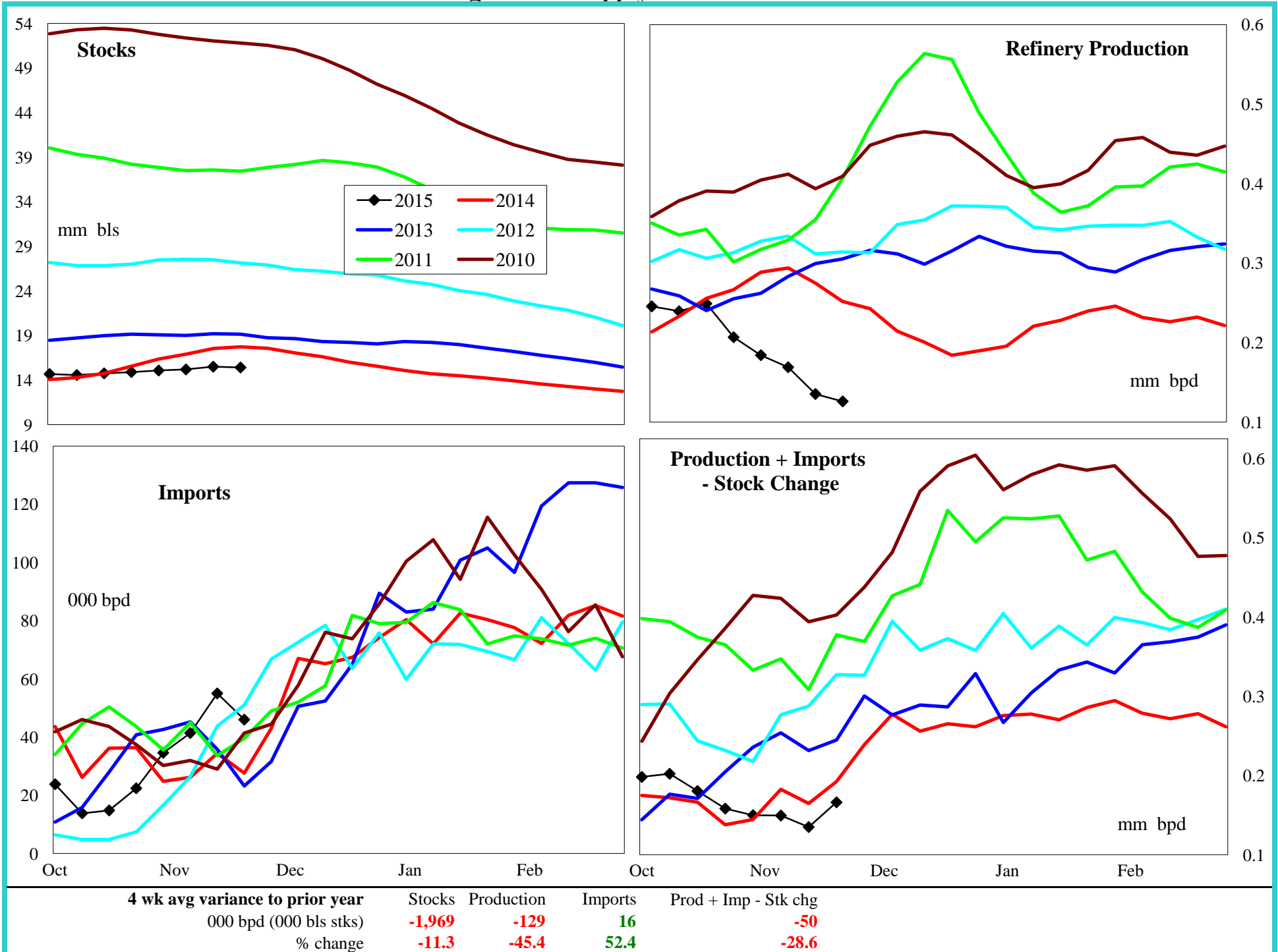
United States Distillate Supply and Demand Balance



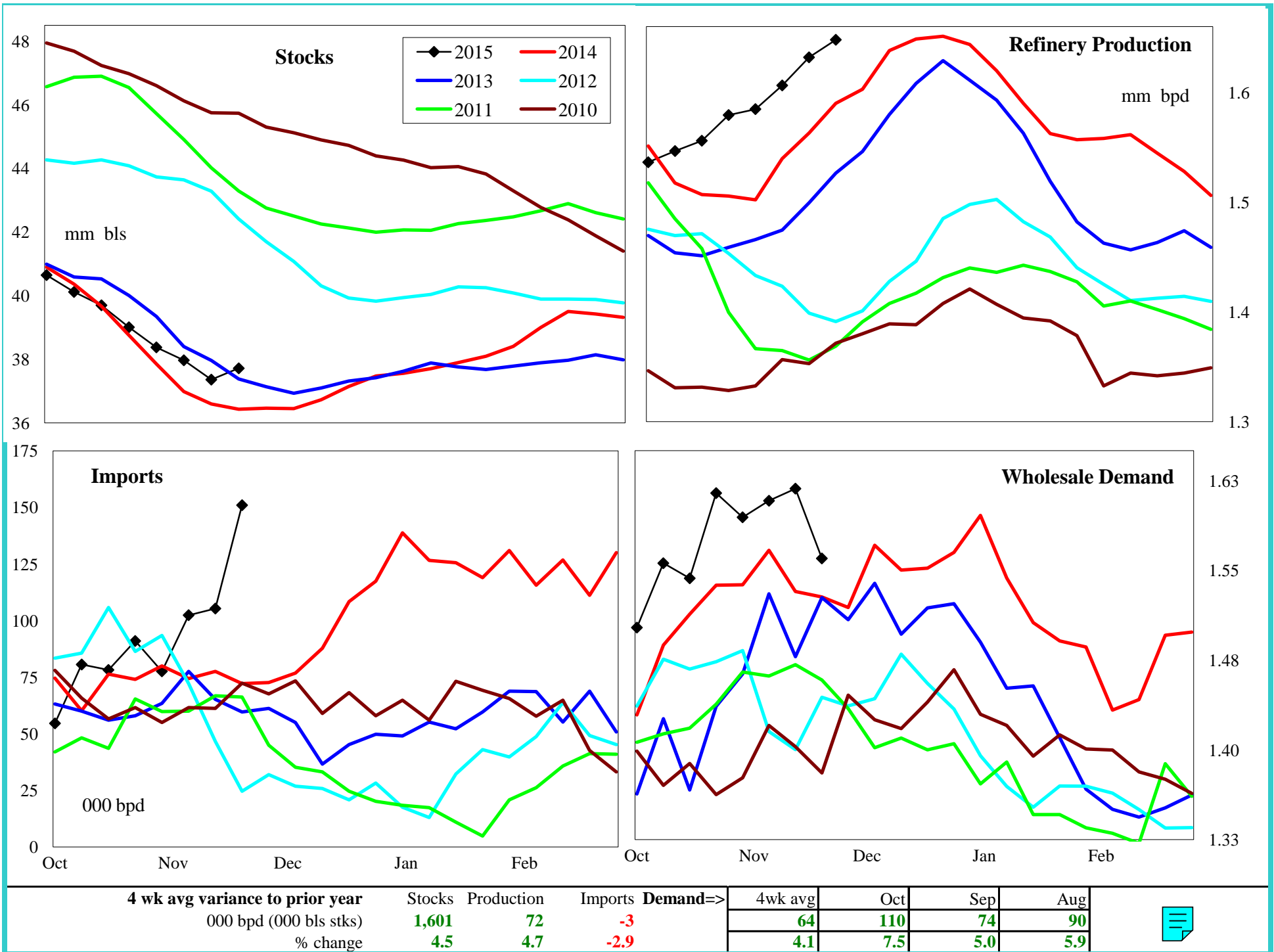
United States Low Sulfur Distillate Supply and Demand Balance



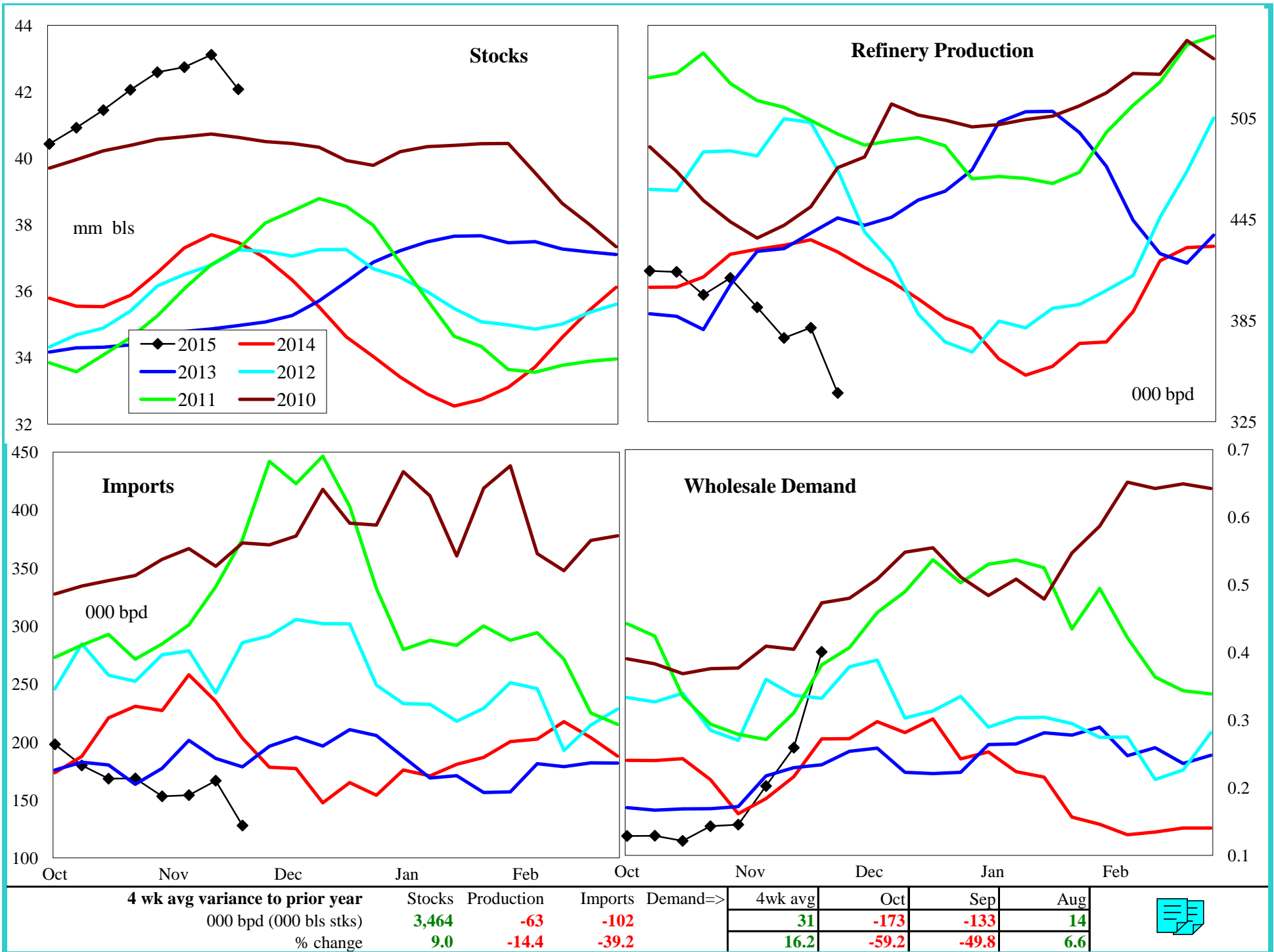
United States High Sulfur Supply Distillate and Demand Balance



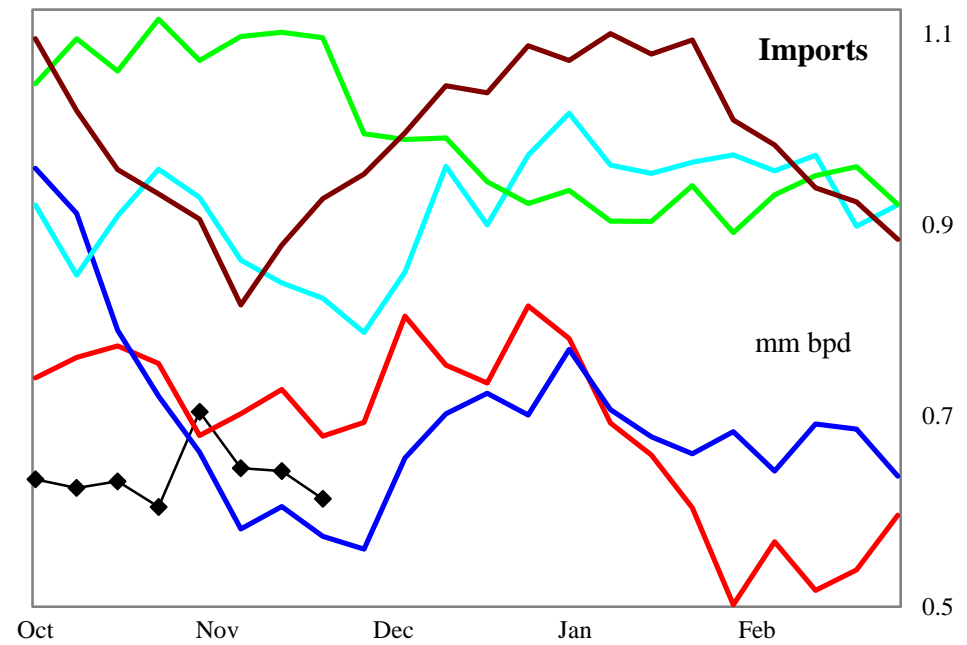
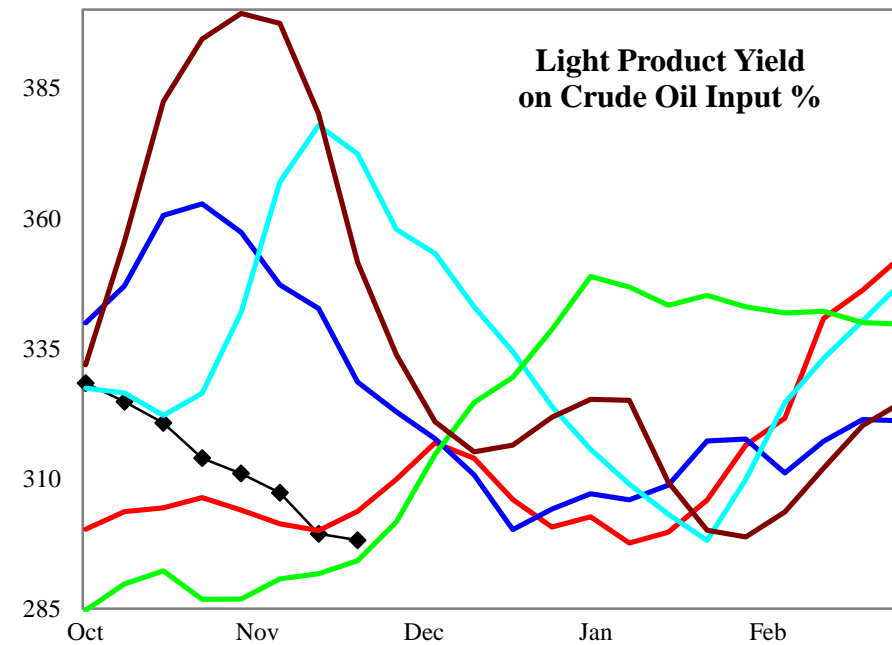
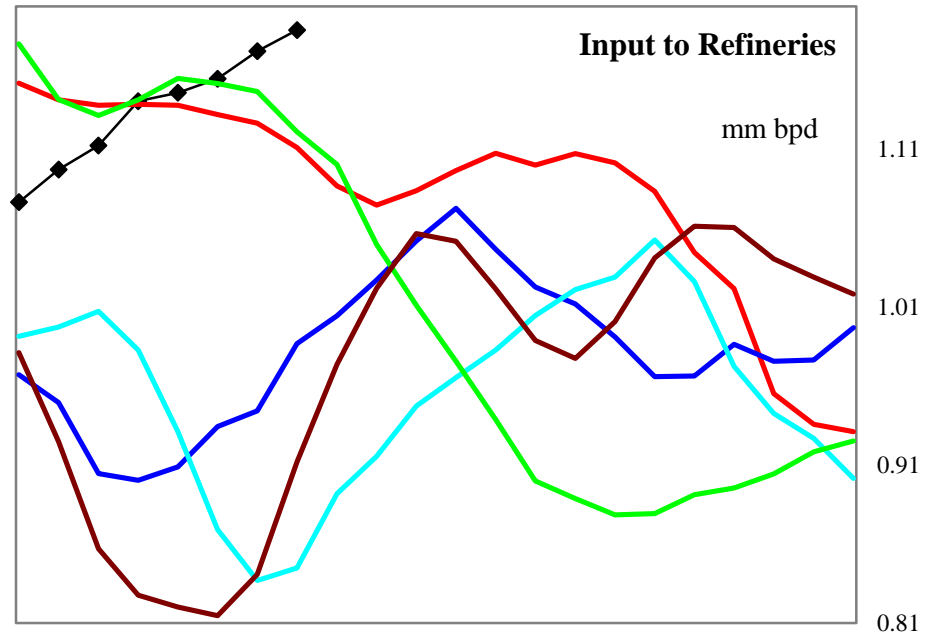
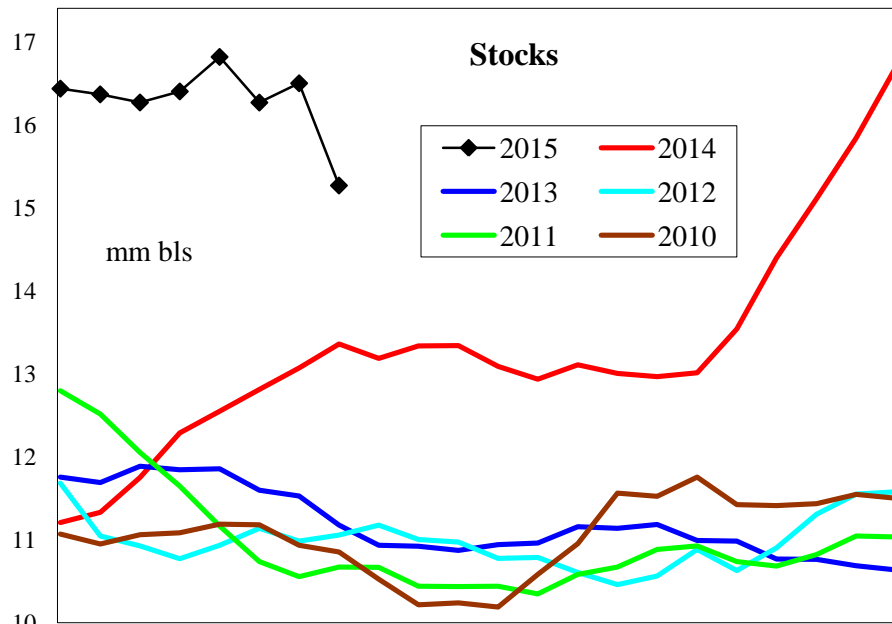
United States Jet Fuel Supply and Demand Balance



United States Residual Fuel Supply and Demand Balance



PADD 1 Crude Oil Supply and Refining



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

1,910

14.7

Input

22

2.0

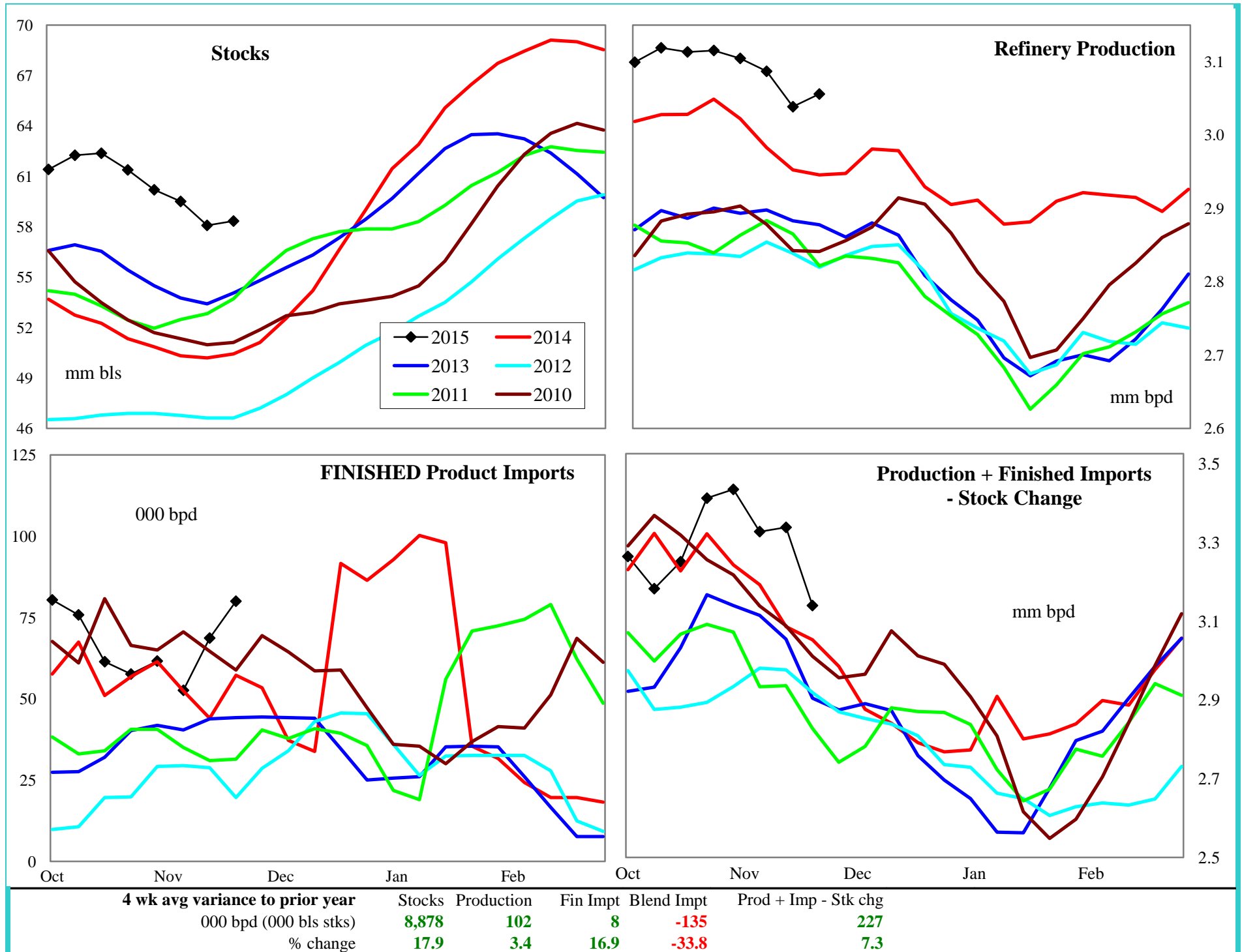
Imports

-53

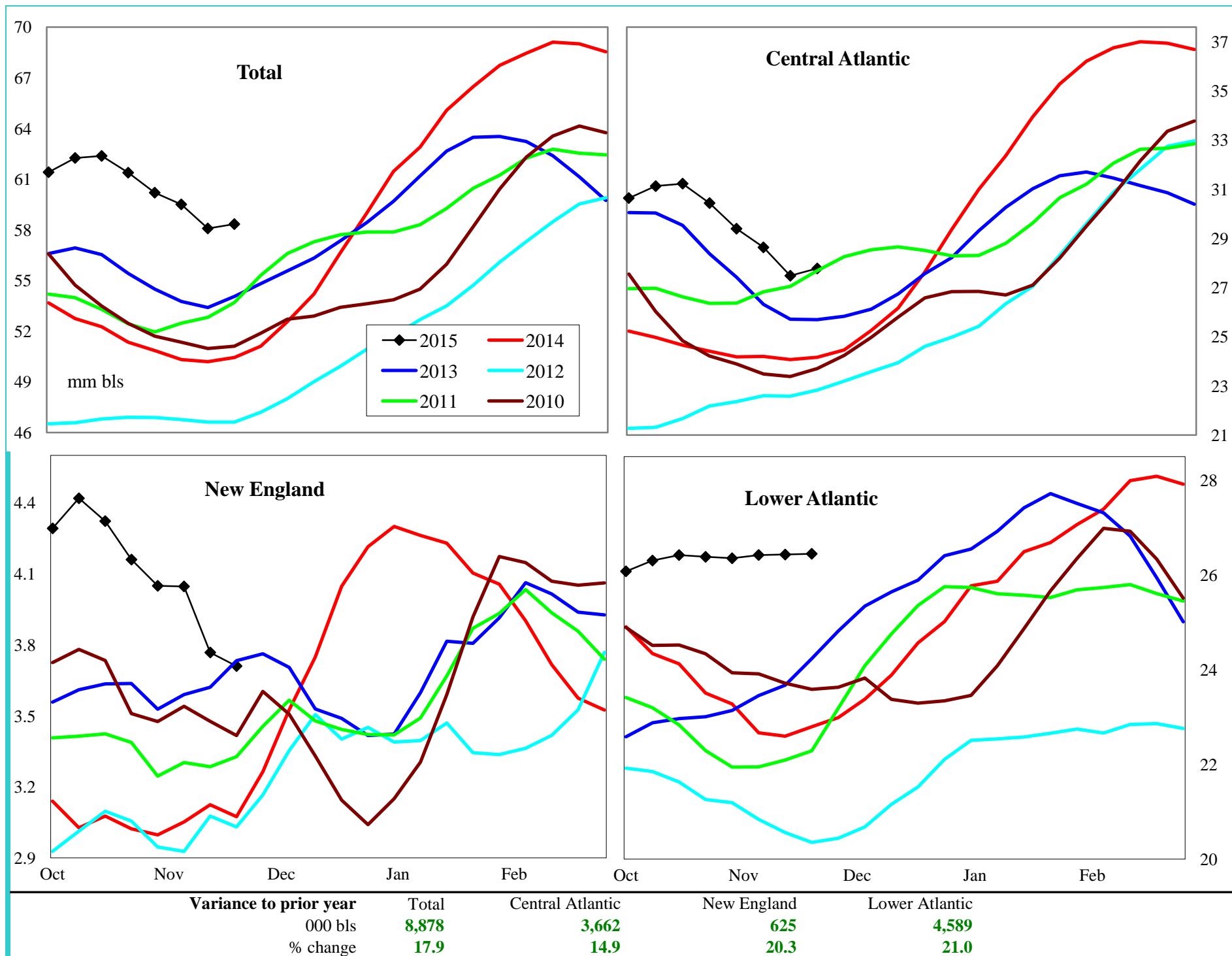
-7.8



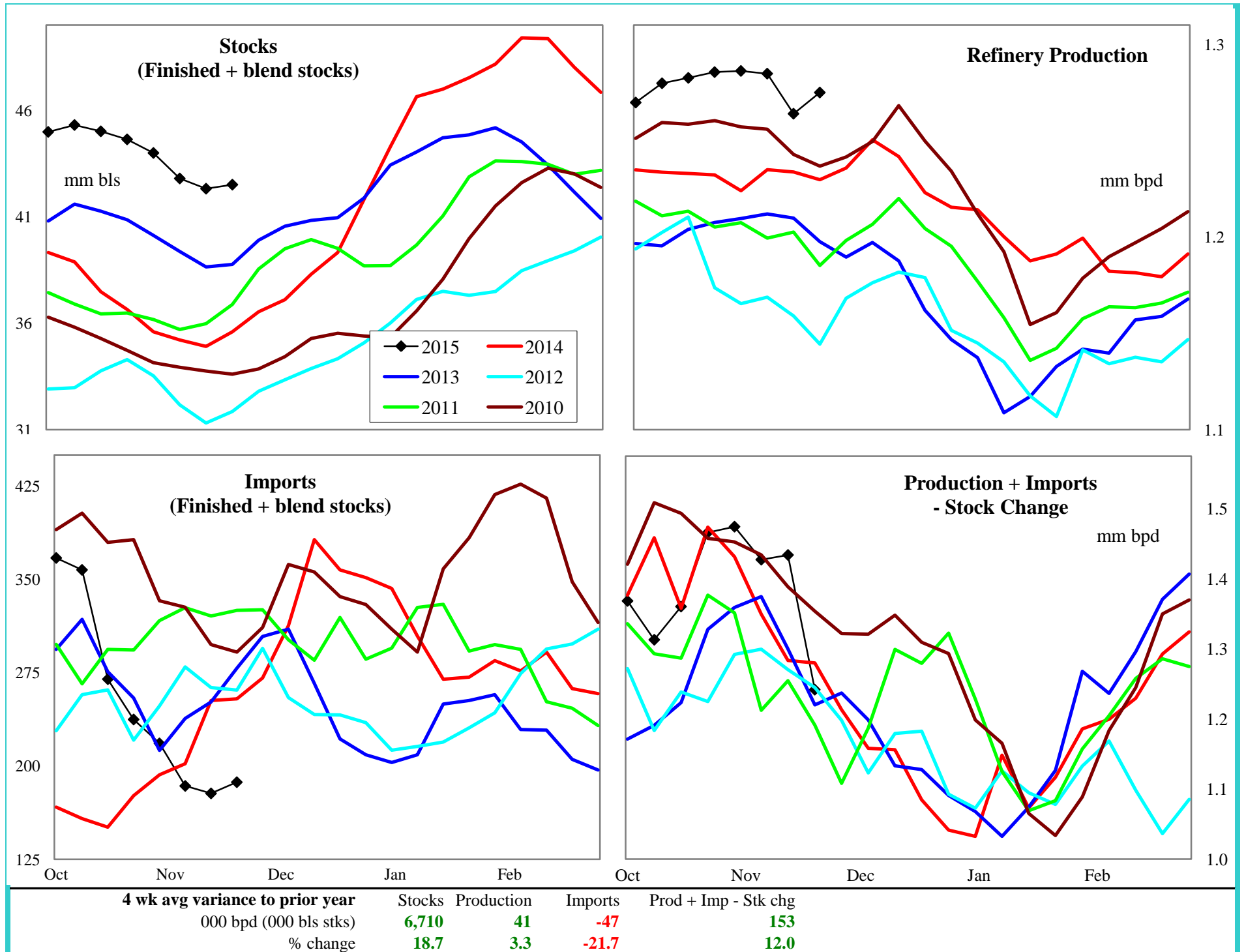
PADD 1 Gasoline Supply



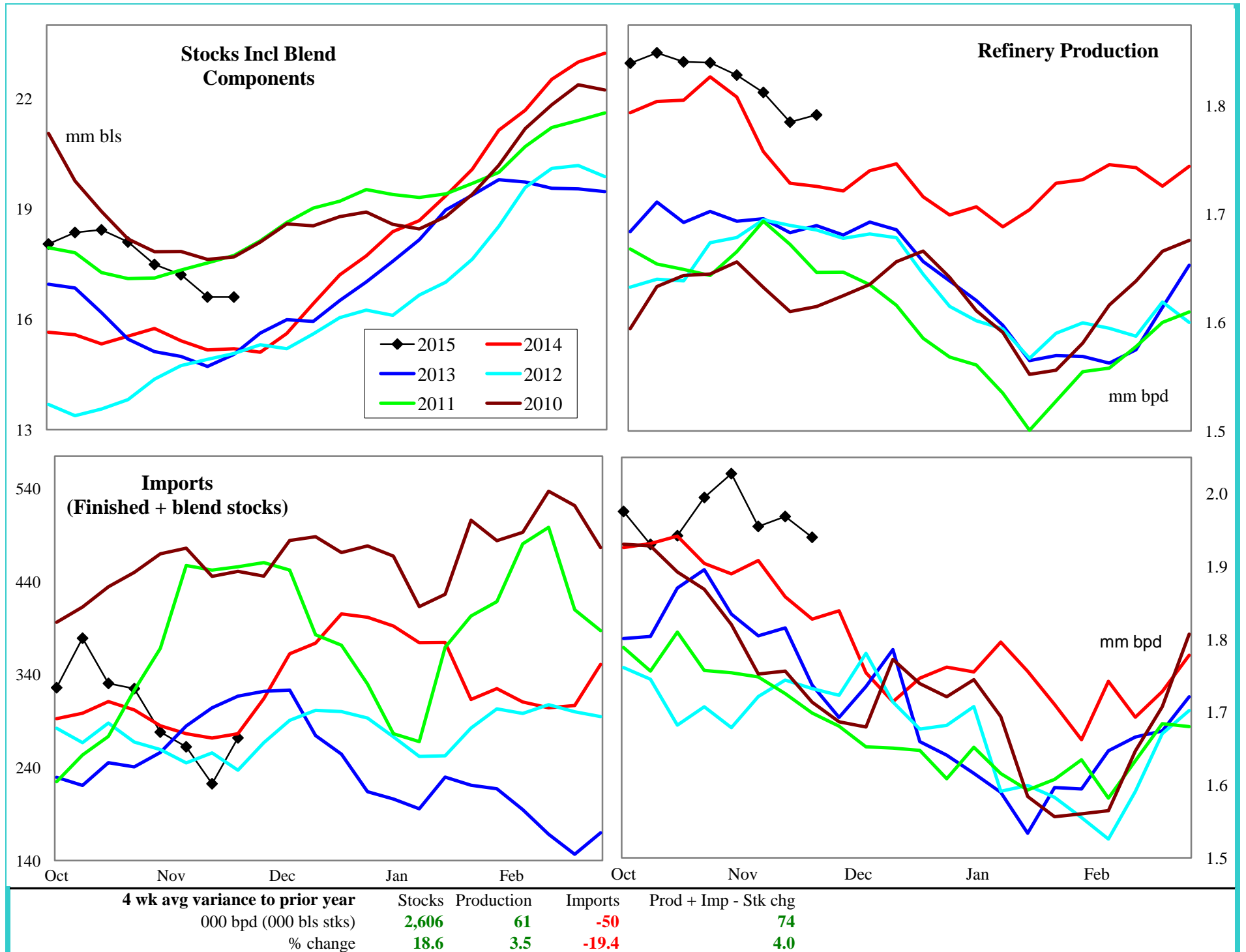
PADD 1 Gasoline Stocks by Region

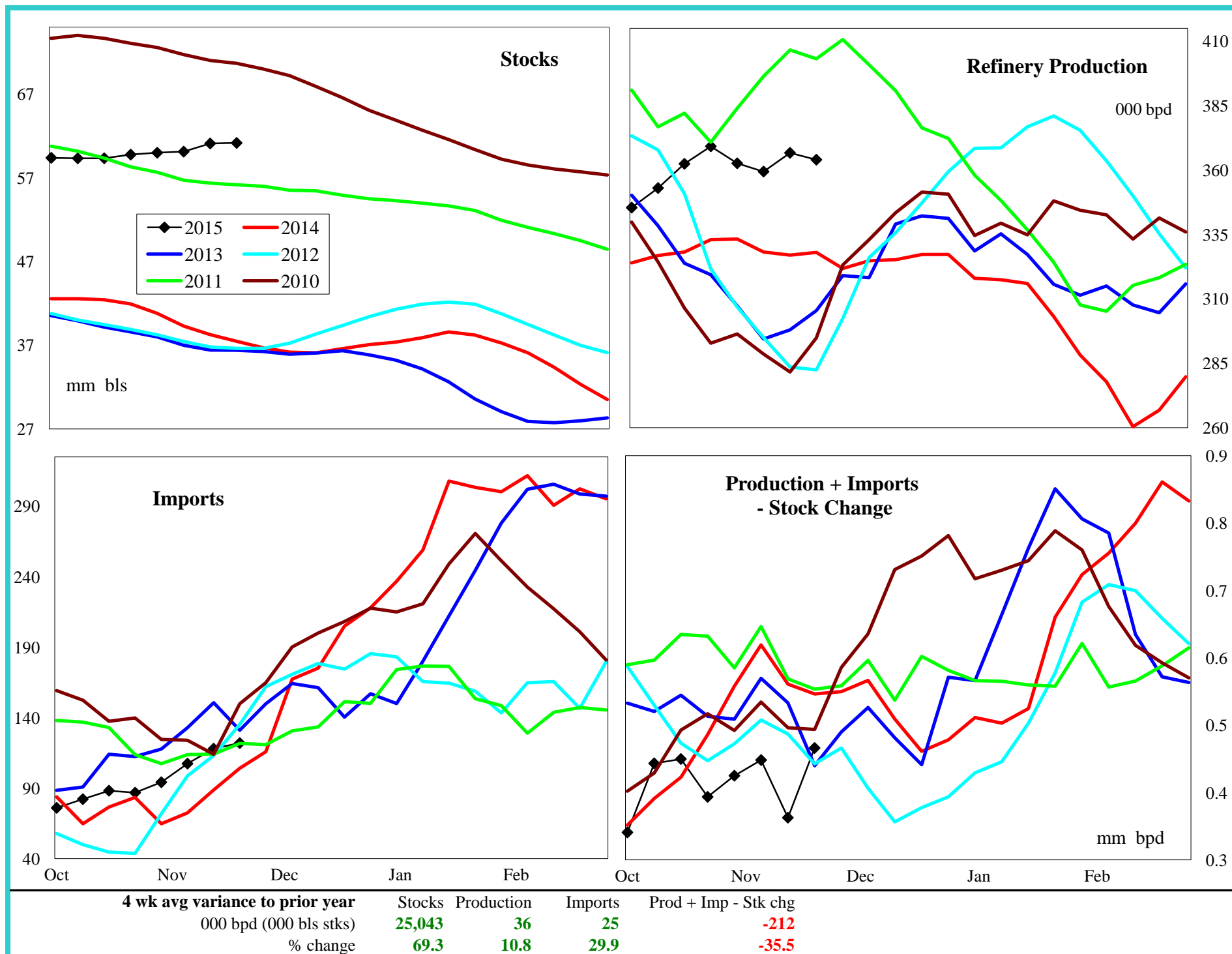


PADD 1 Reformulated Gasoline Supply

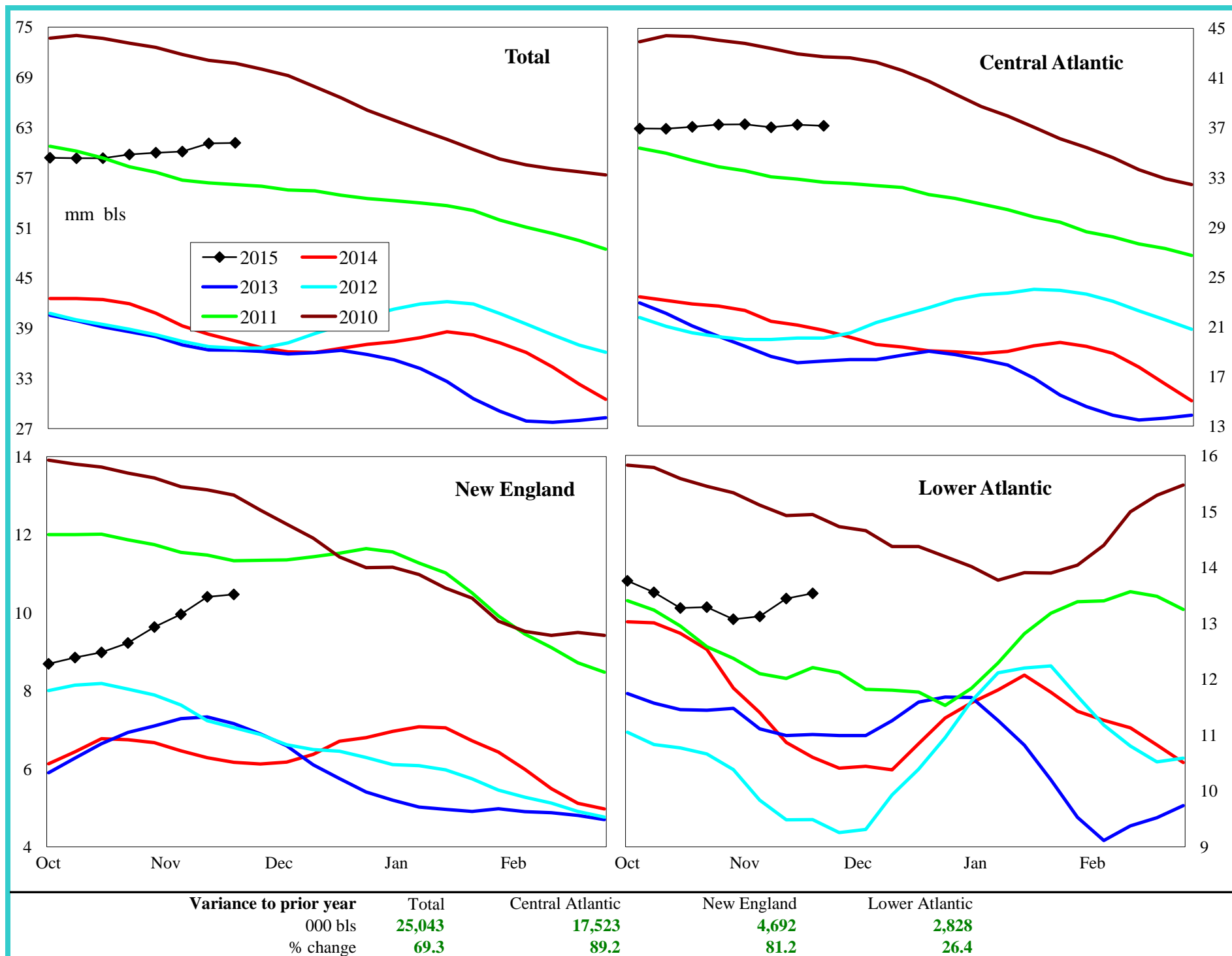


PADD 1 Conventional Gasoline Supply

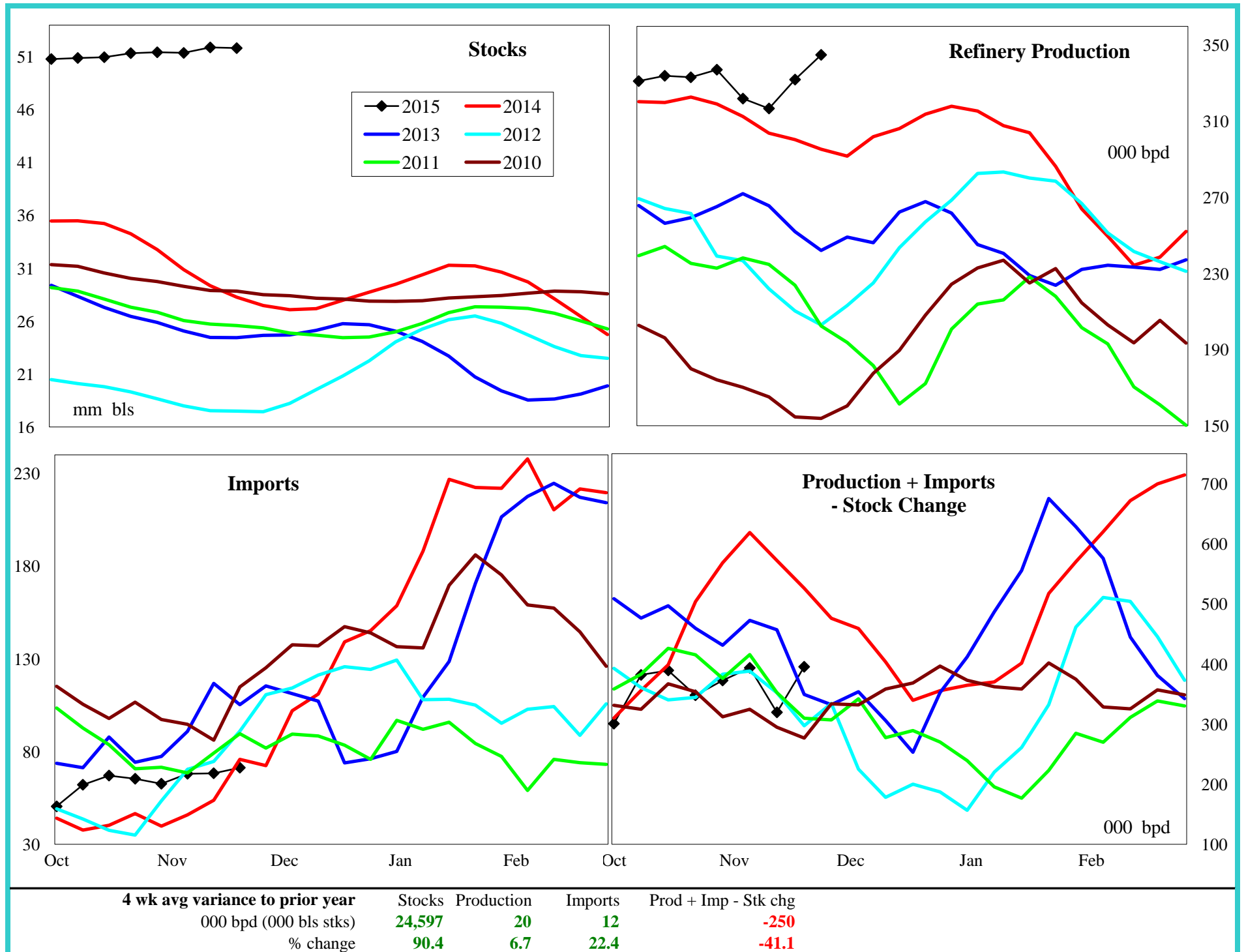




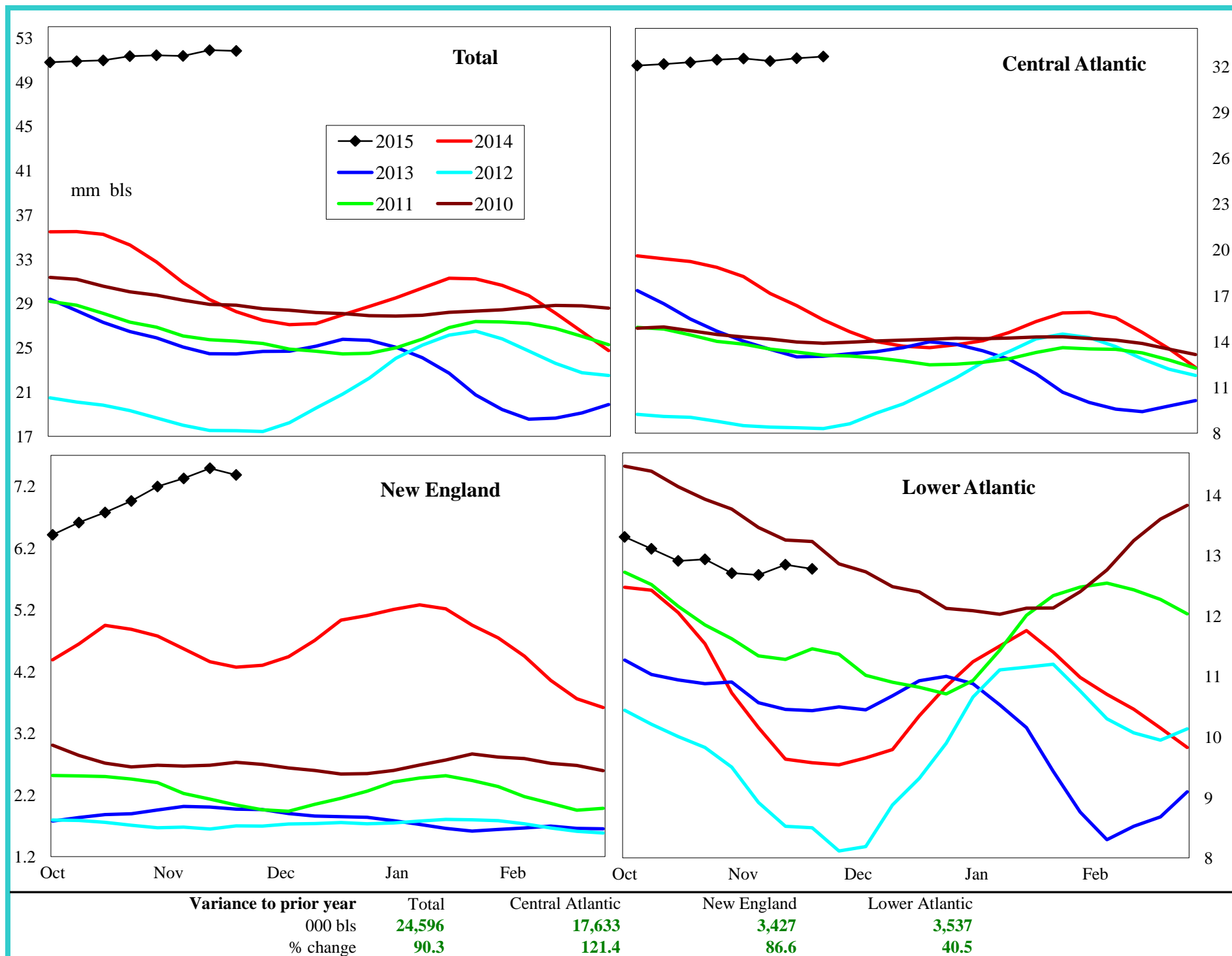
PADD 1 Distillate Stocks by Region



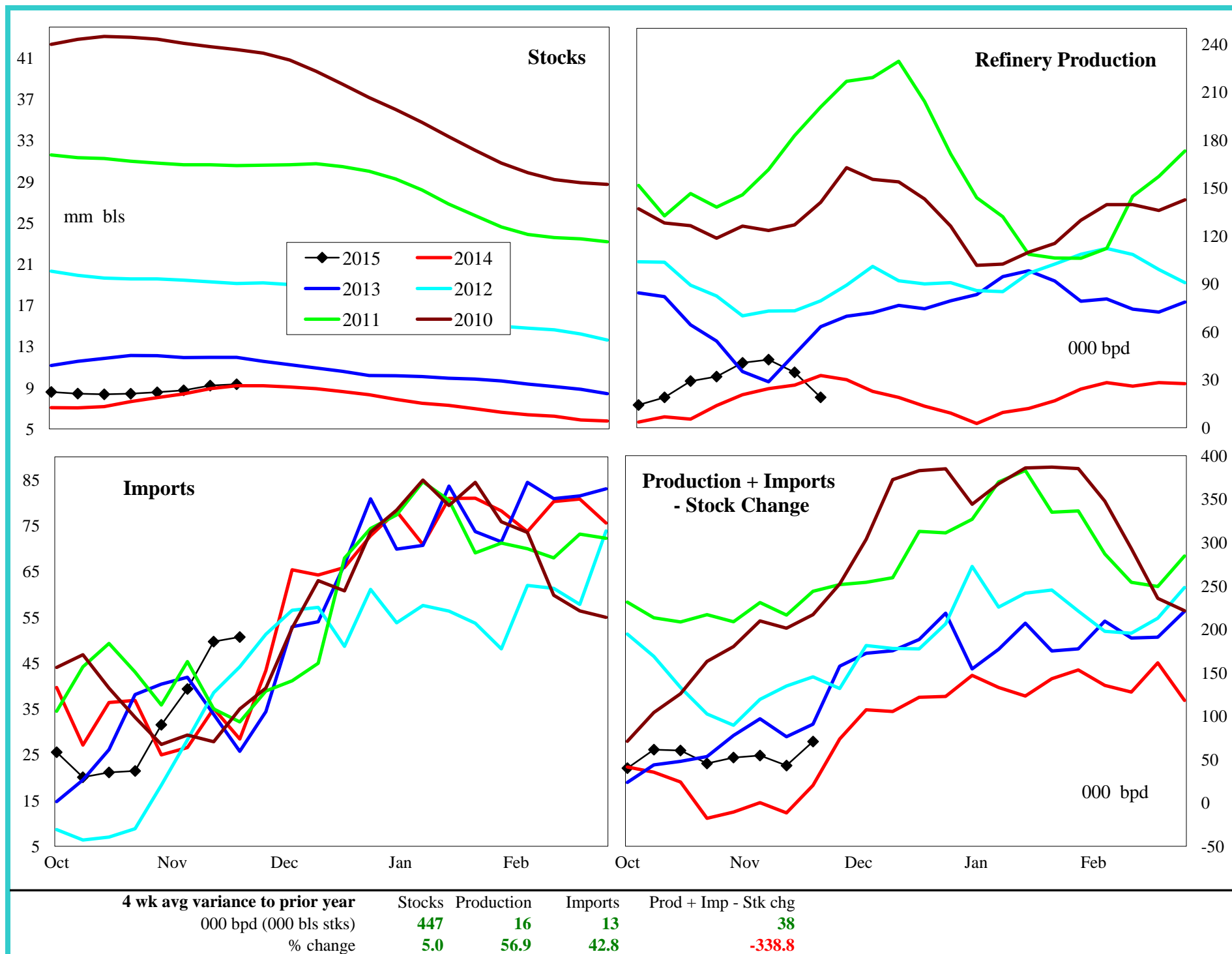
PADD 1 Low Sulfur Distillate Supply



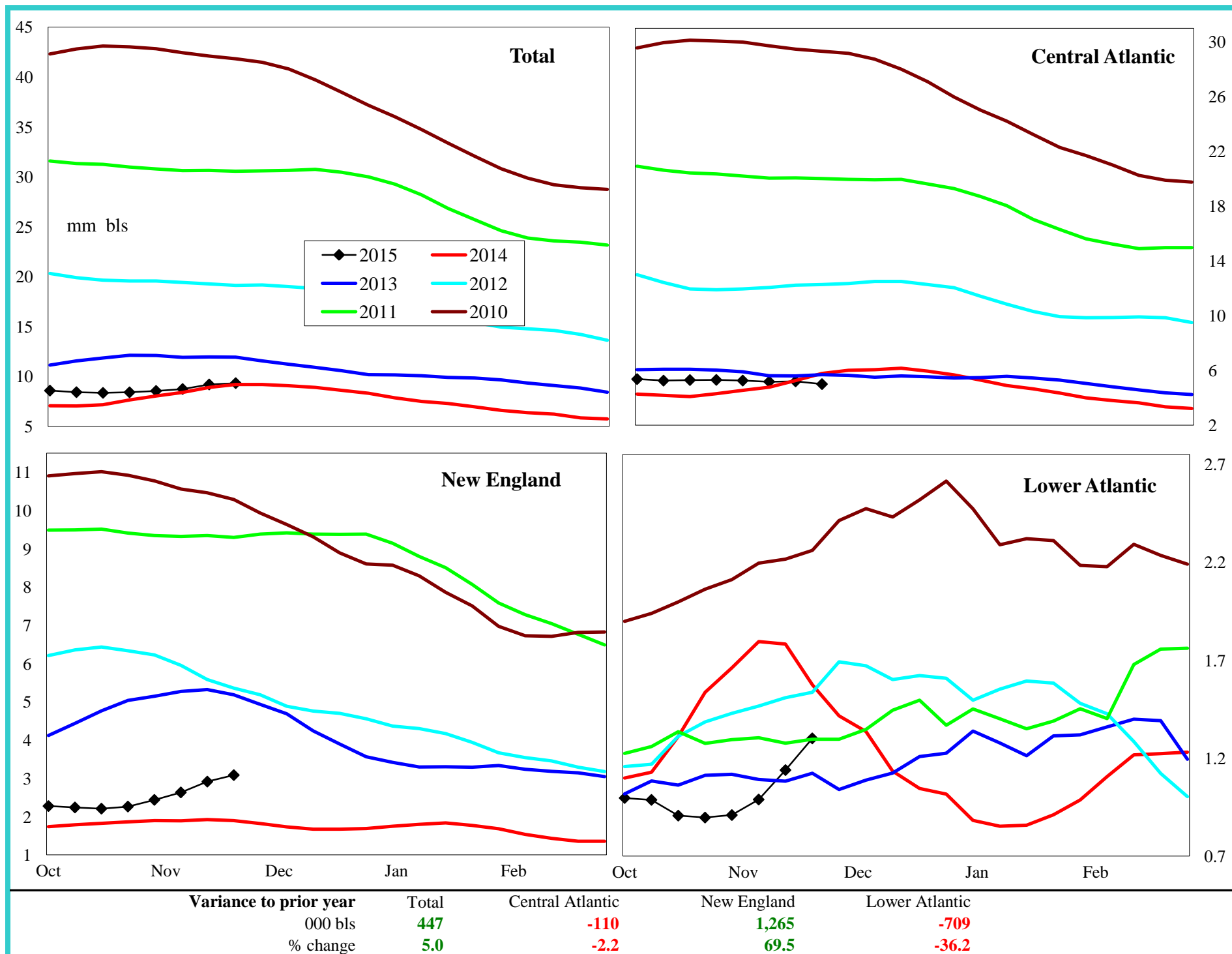
PADD 1 Low Sulfur Distillate Stocks by Region



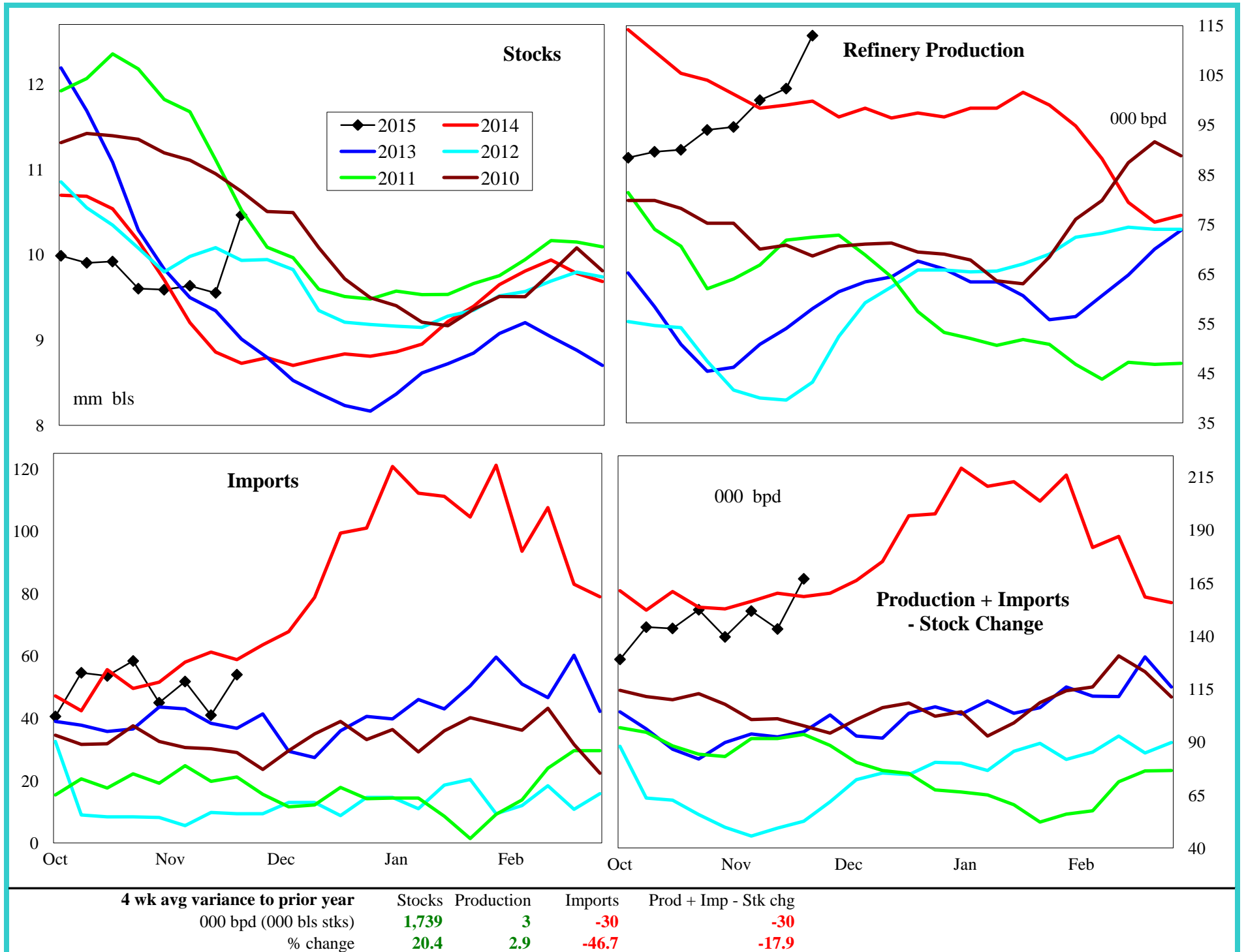
PADD 1 High Sulfur Distillate Supply



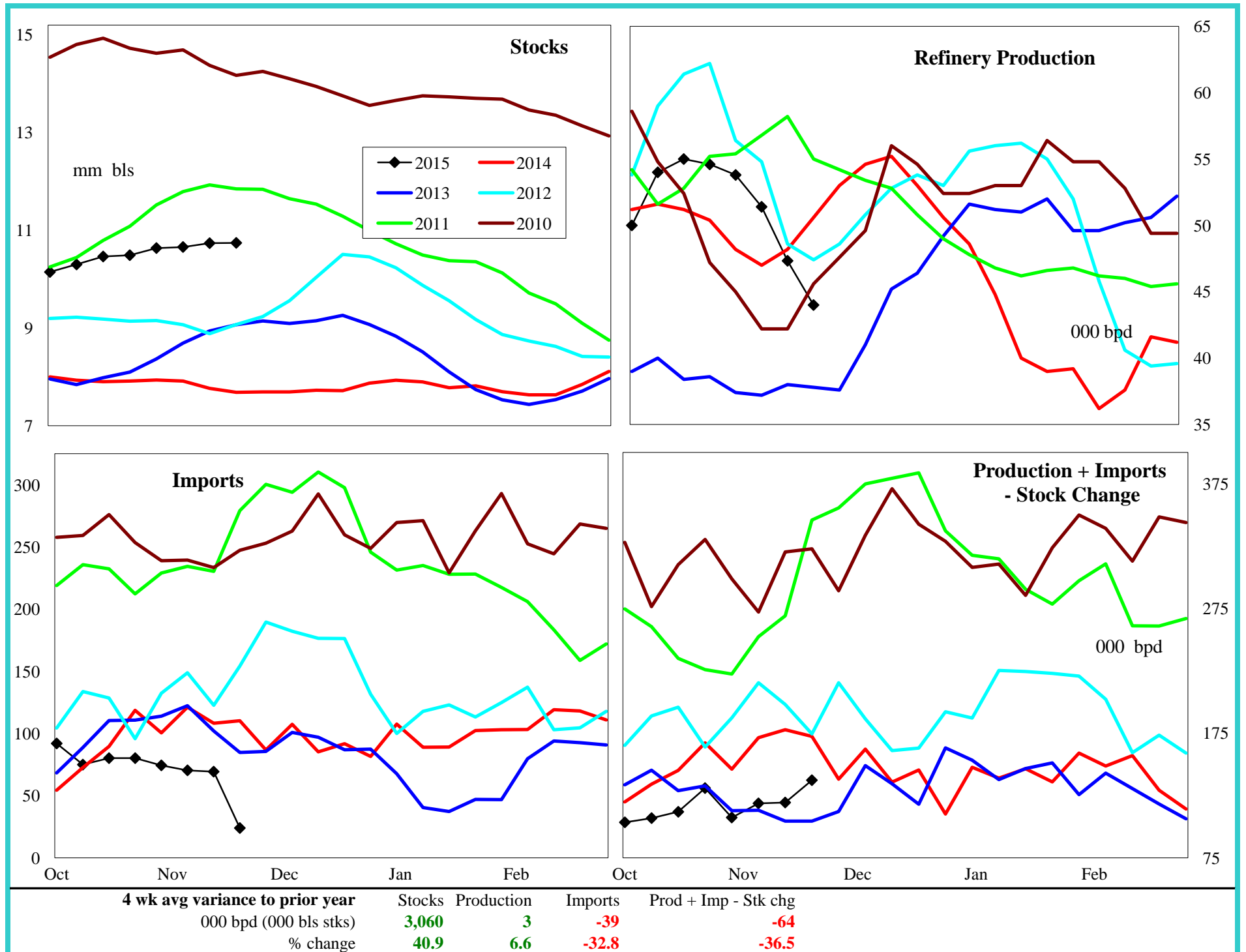
PADD 1 High Sulfur Distillate Stocks by Region



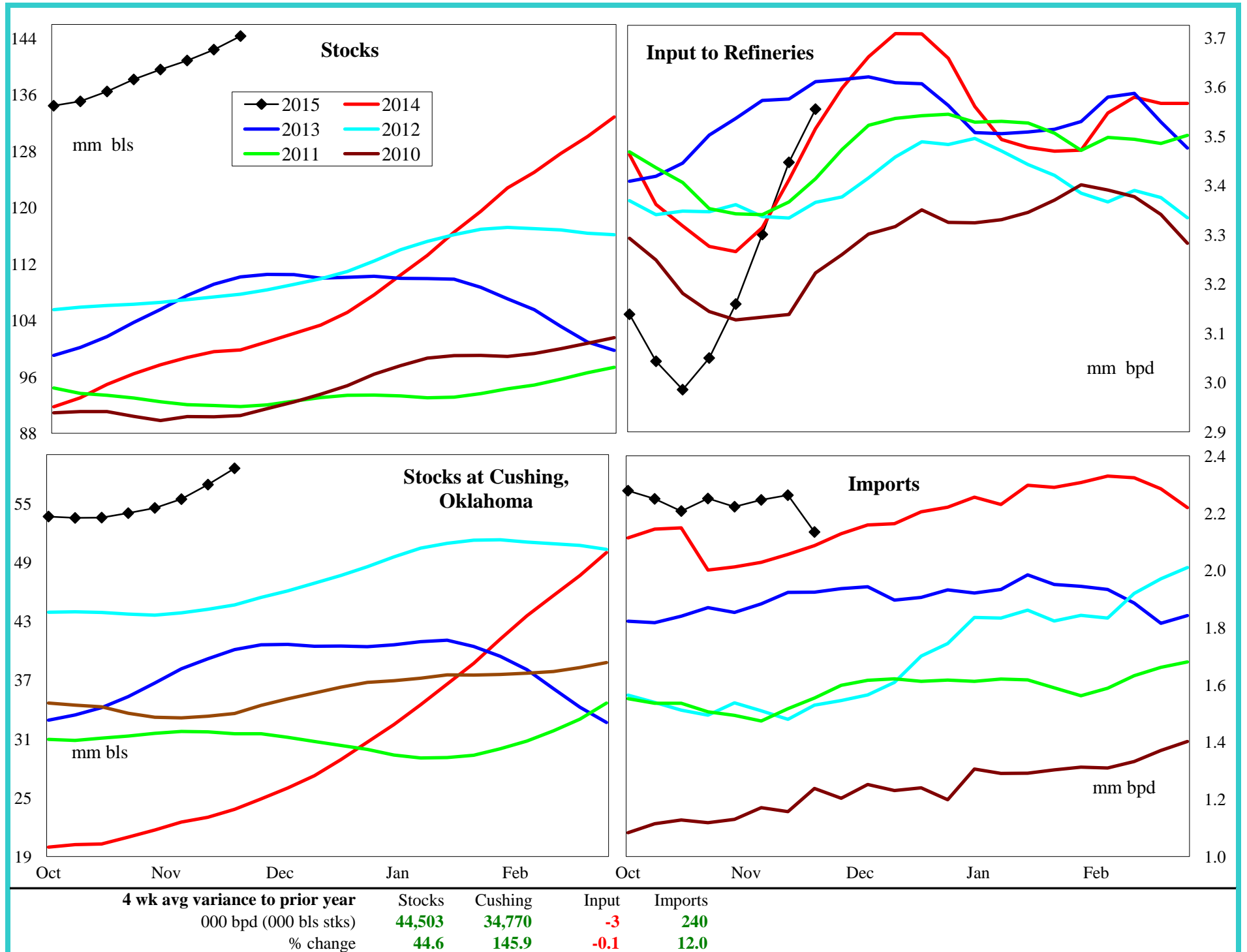
PADD 1 Jet Fuel Supply



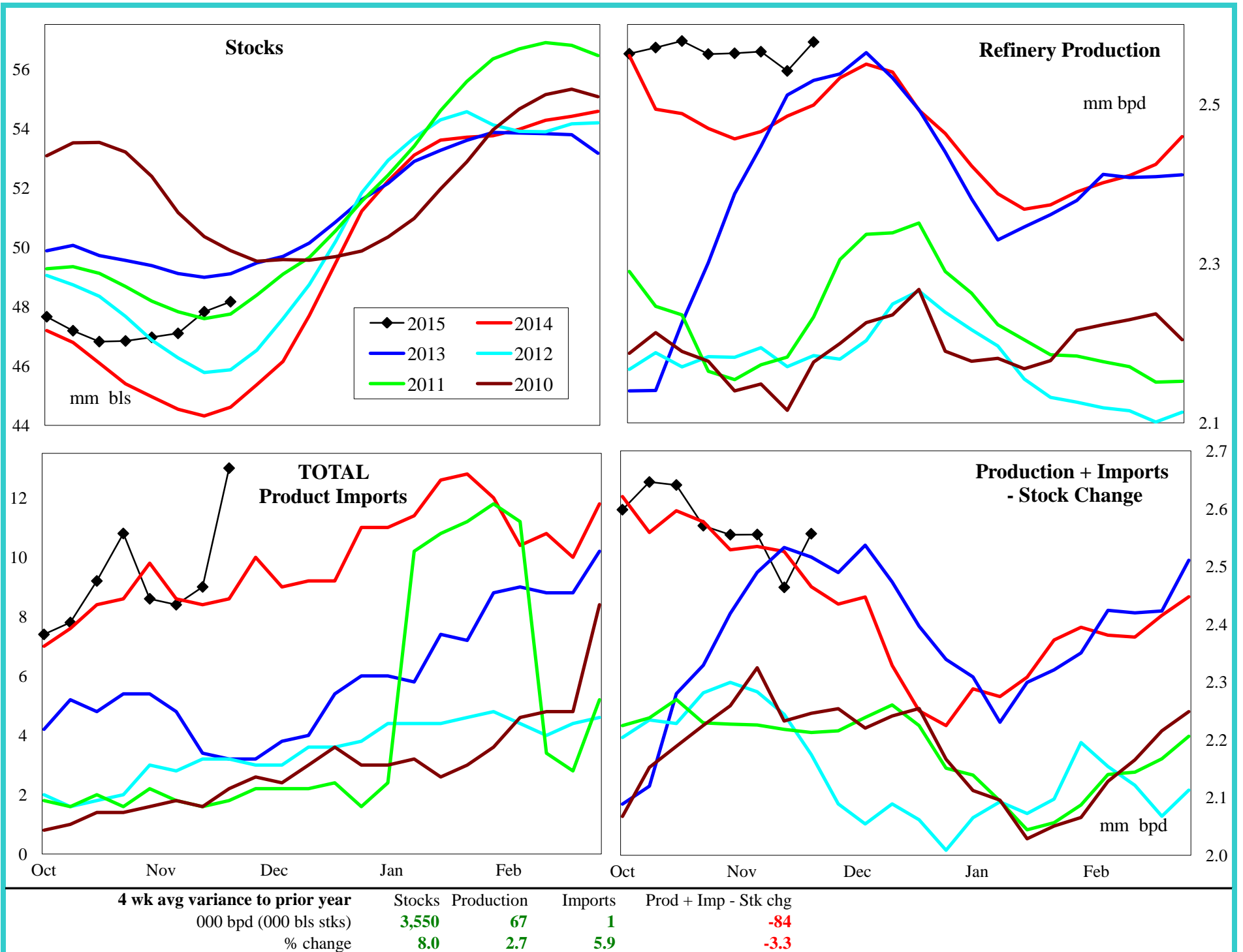
PADD 1 Residual Fuel Oil Supply



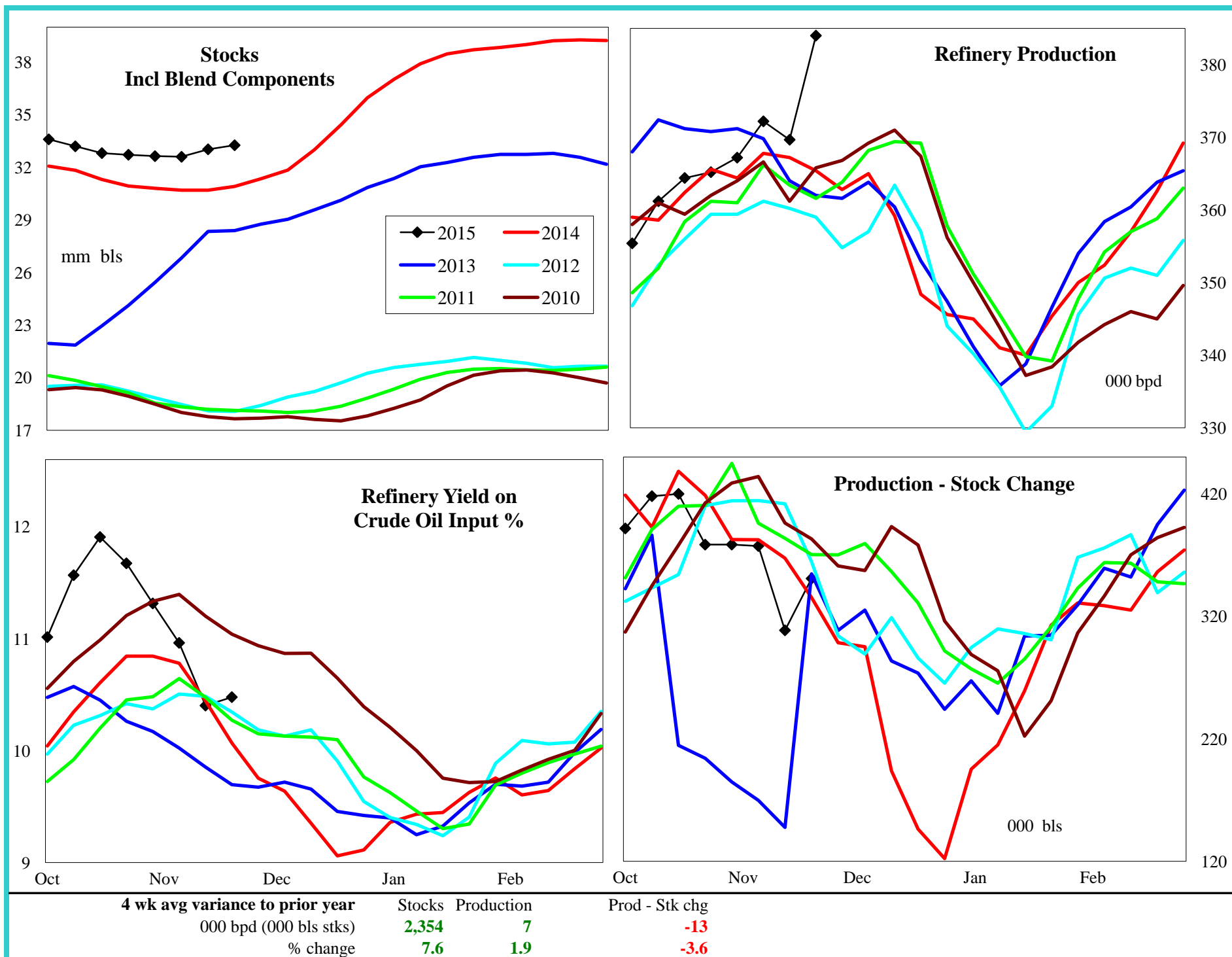
PADD 2 Crude Oil Supply and Refining



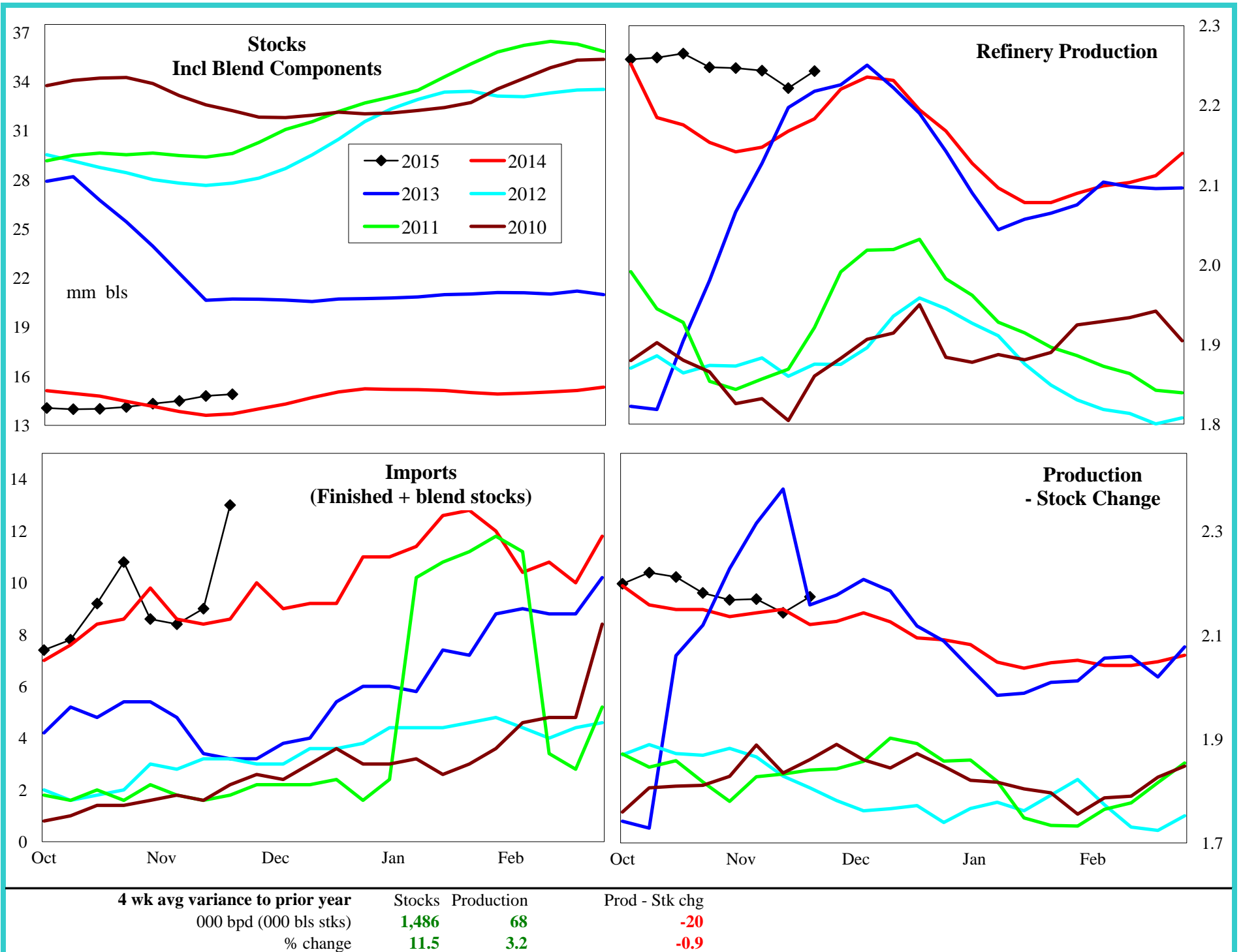
PADD 2 Gasoline Supply



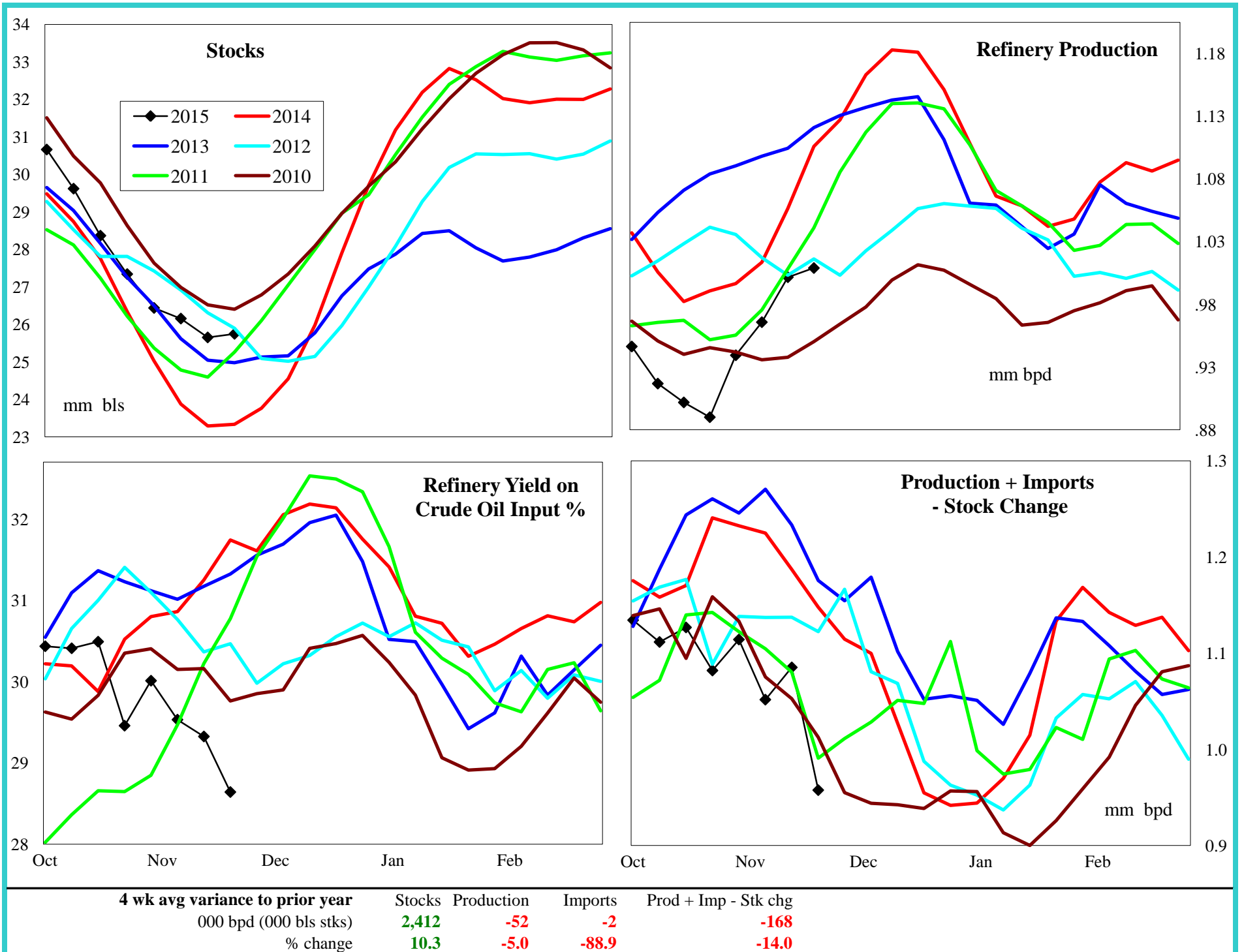
PADD 2 Reformulated Gasoline Supply



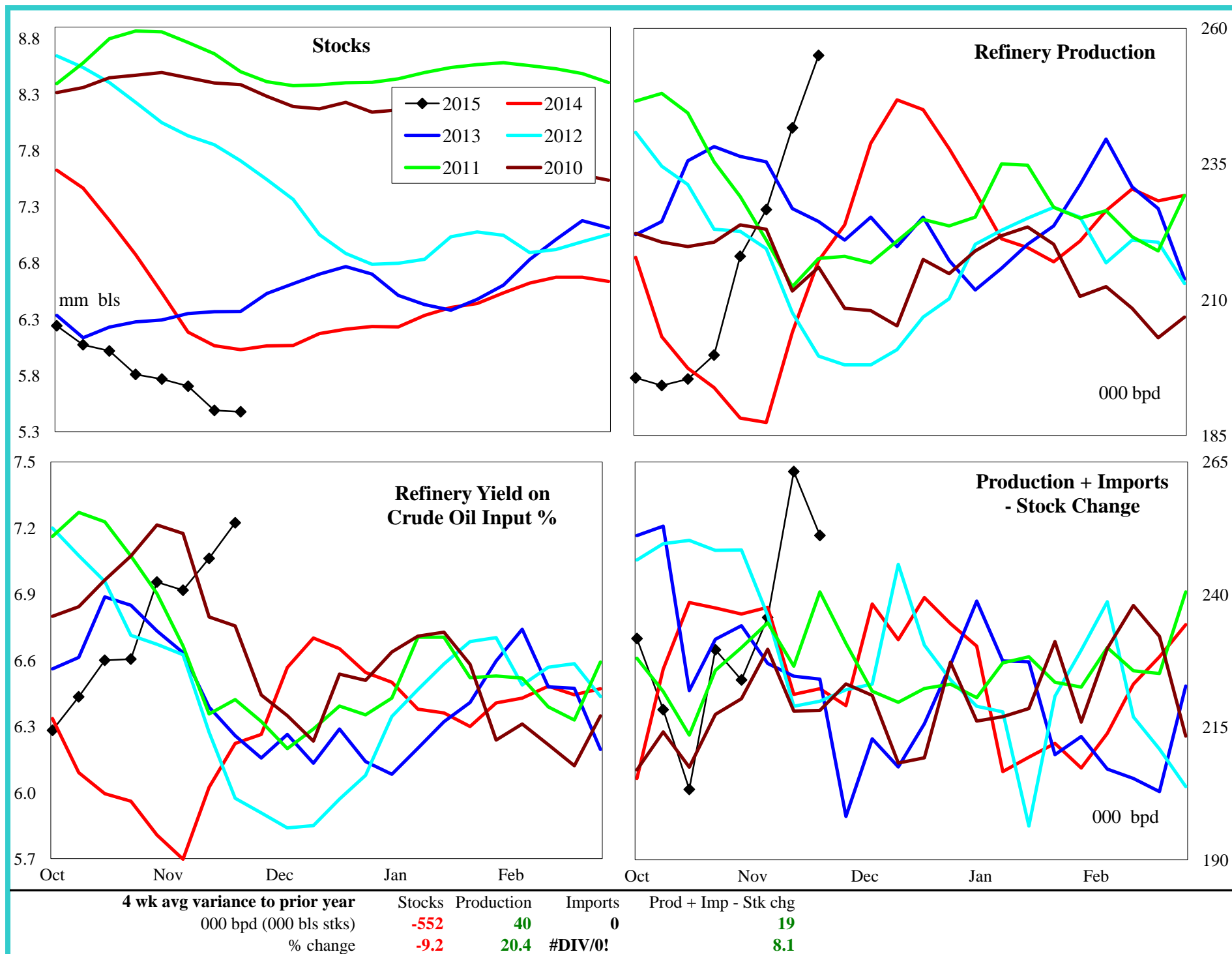
PADD 2 Conventional Gasoline Supply



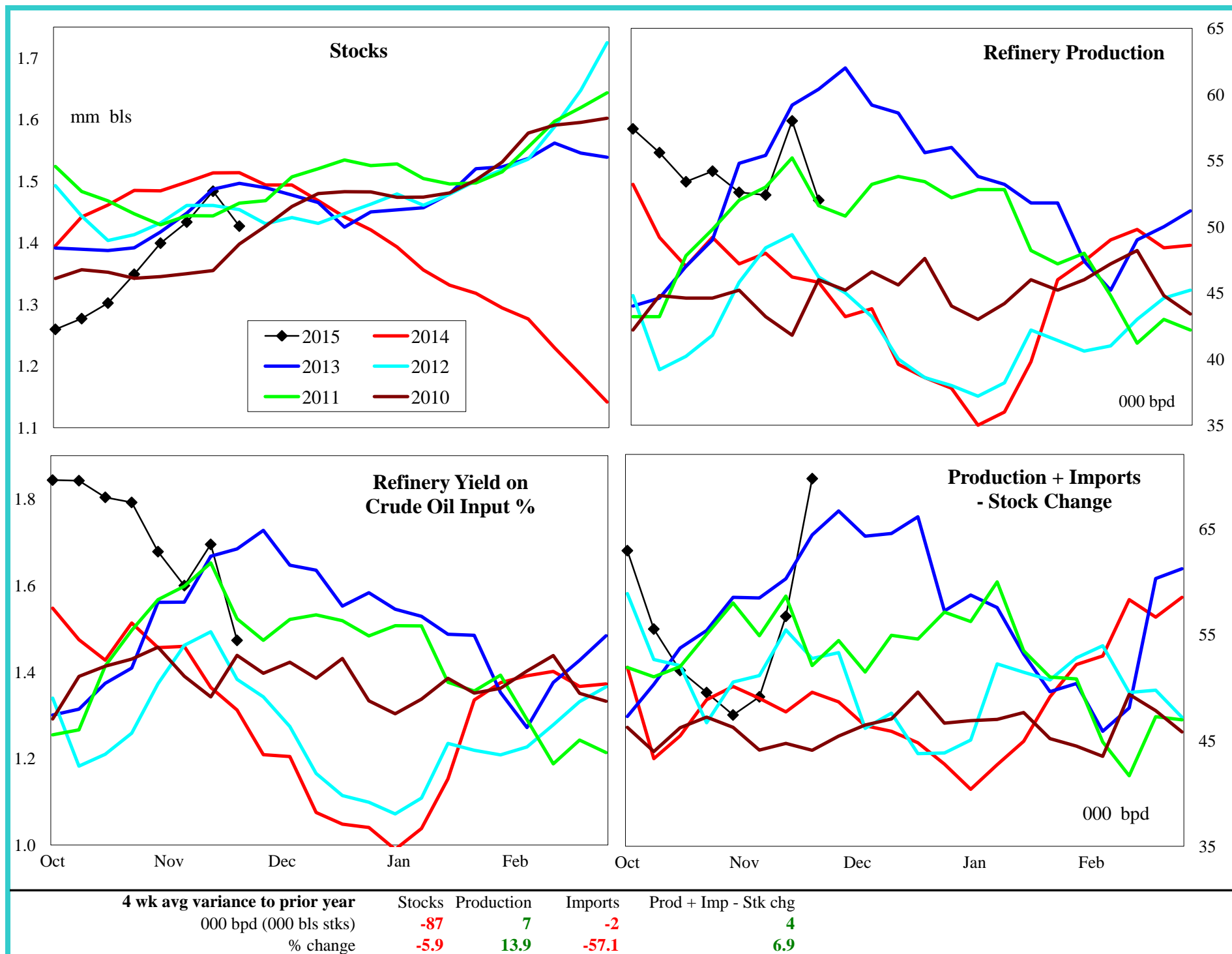
PADD 2 Distillate Supply



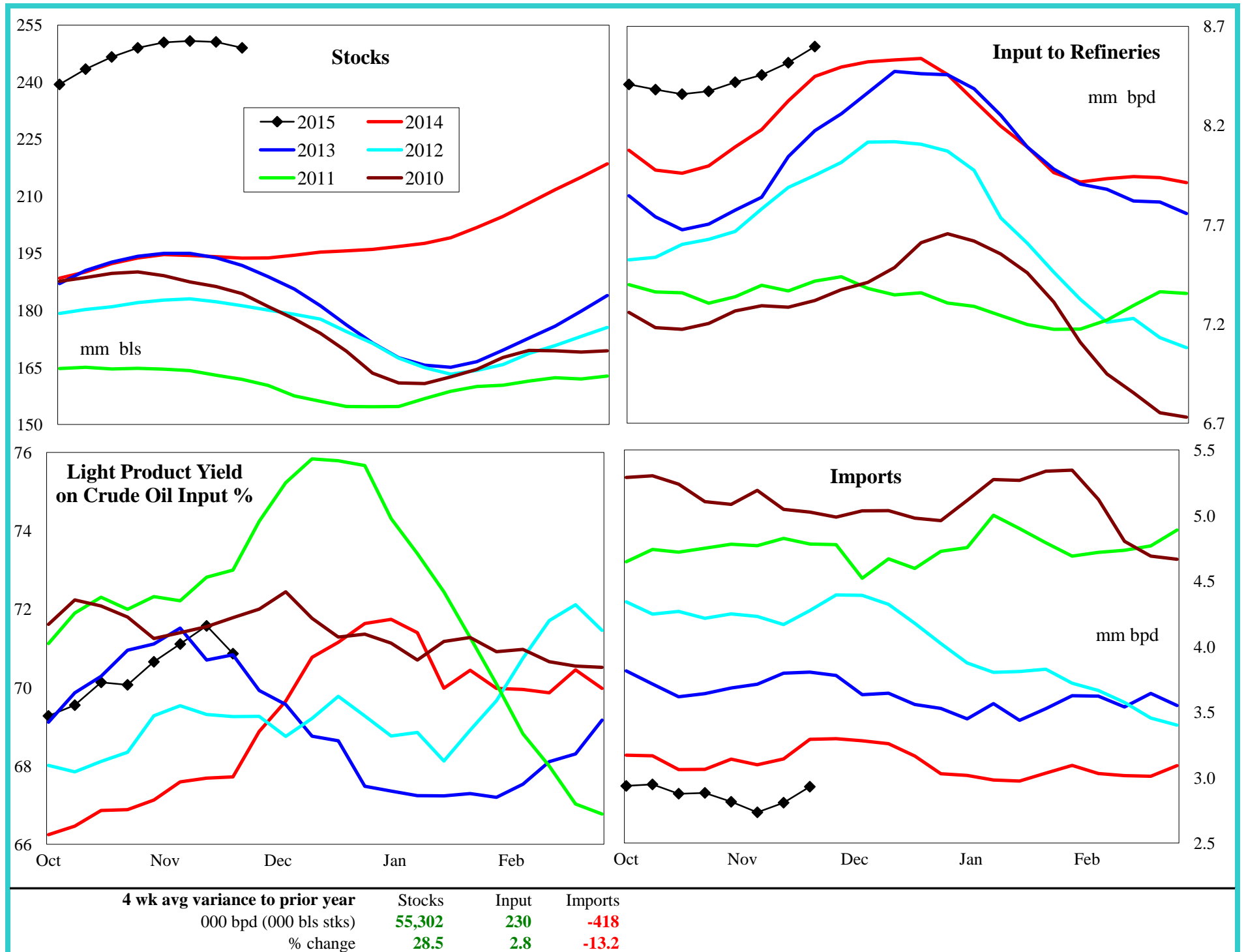
PADD 2 Jet Fuel Supply



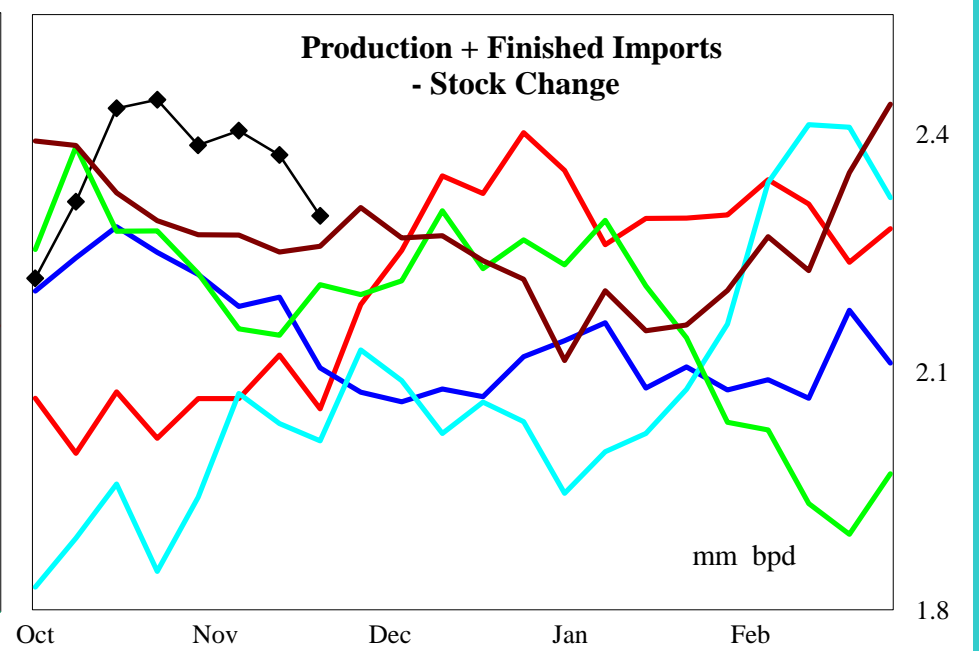
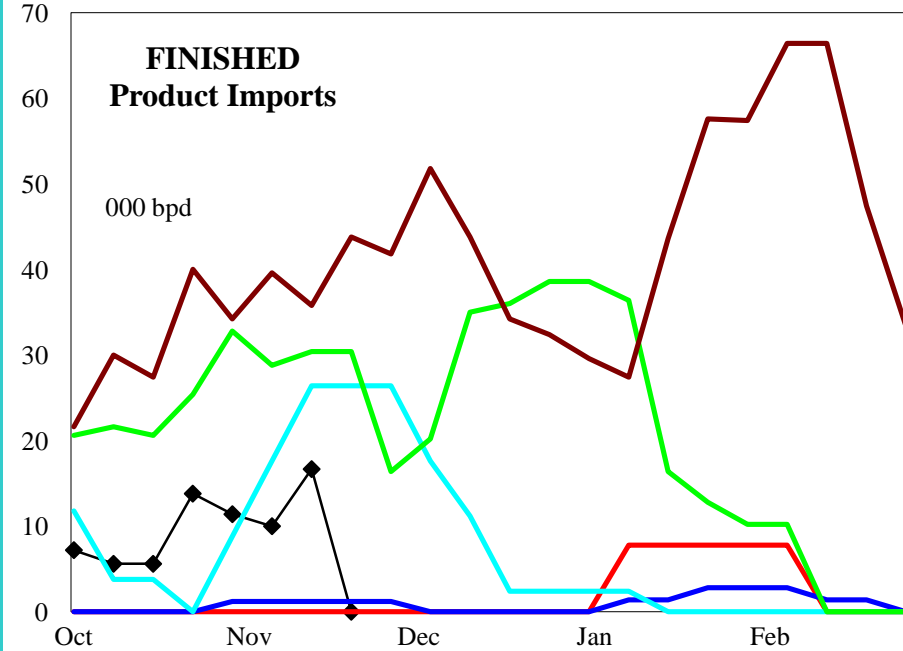
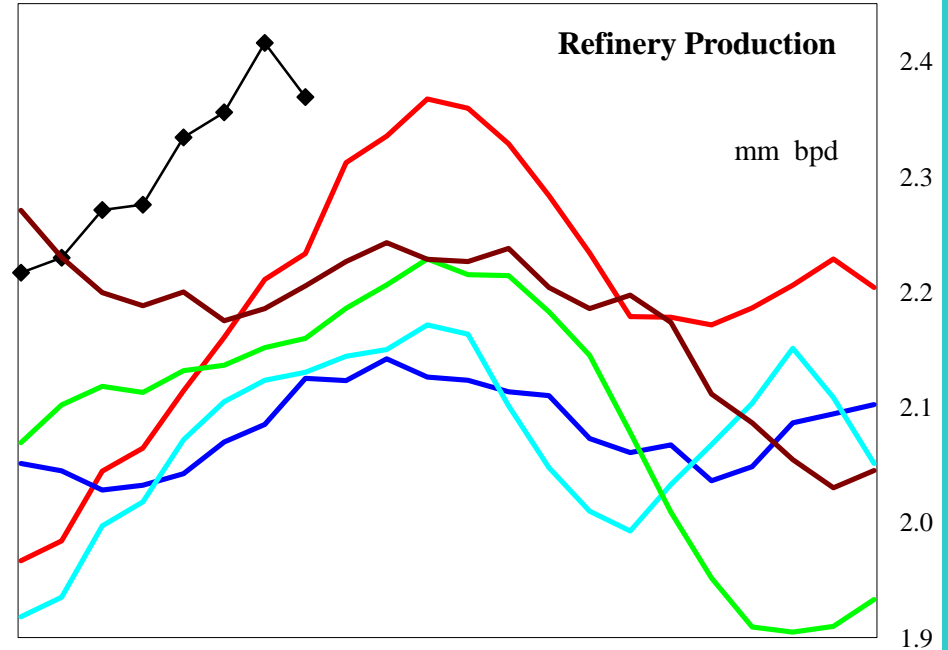
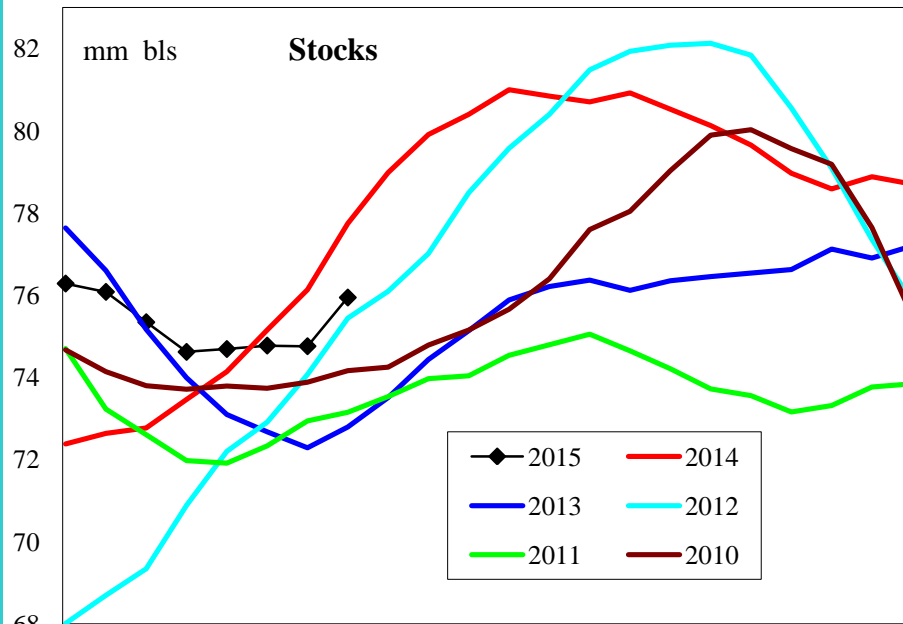
PADD 2 Residual Fuel Oil Supply



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

-1,855**-2.4**

Production

176**8.1**

Fin Impt

13**#DIV/0!**

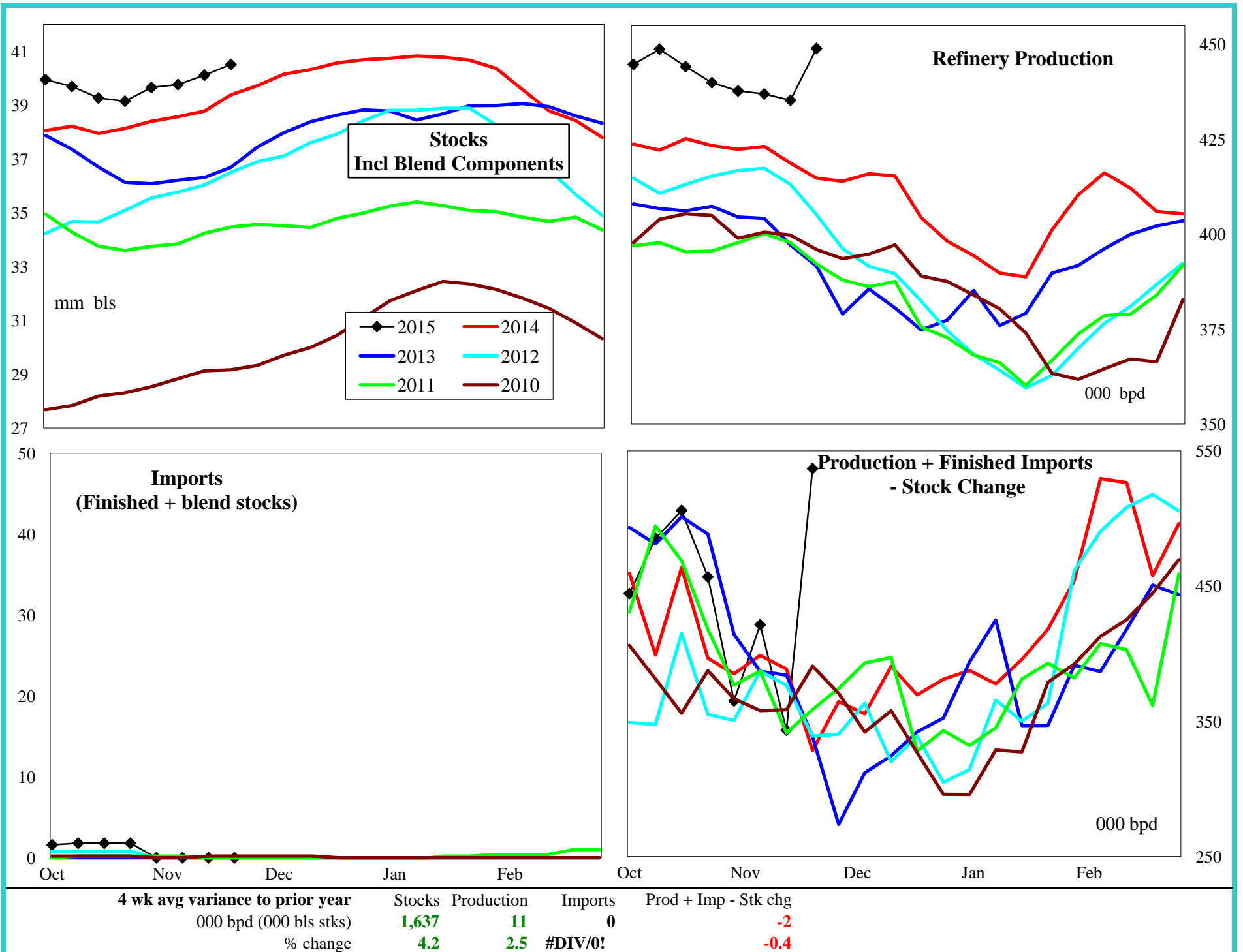
Blend Impt

1**66.7**

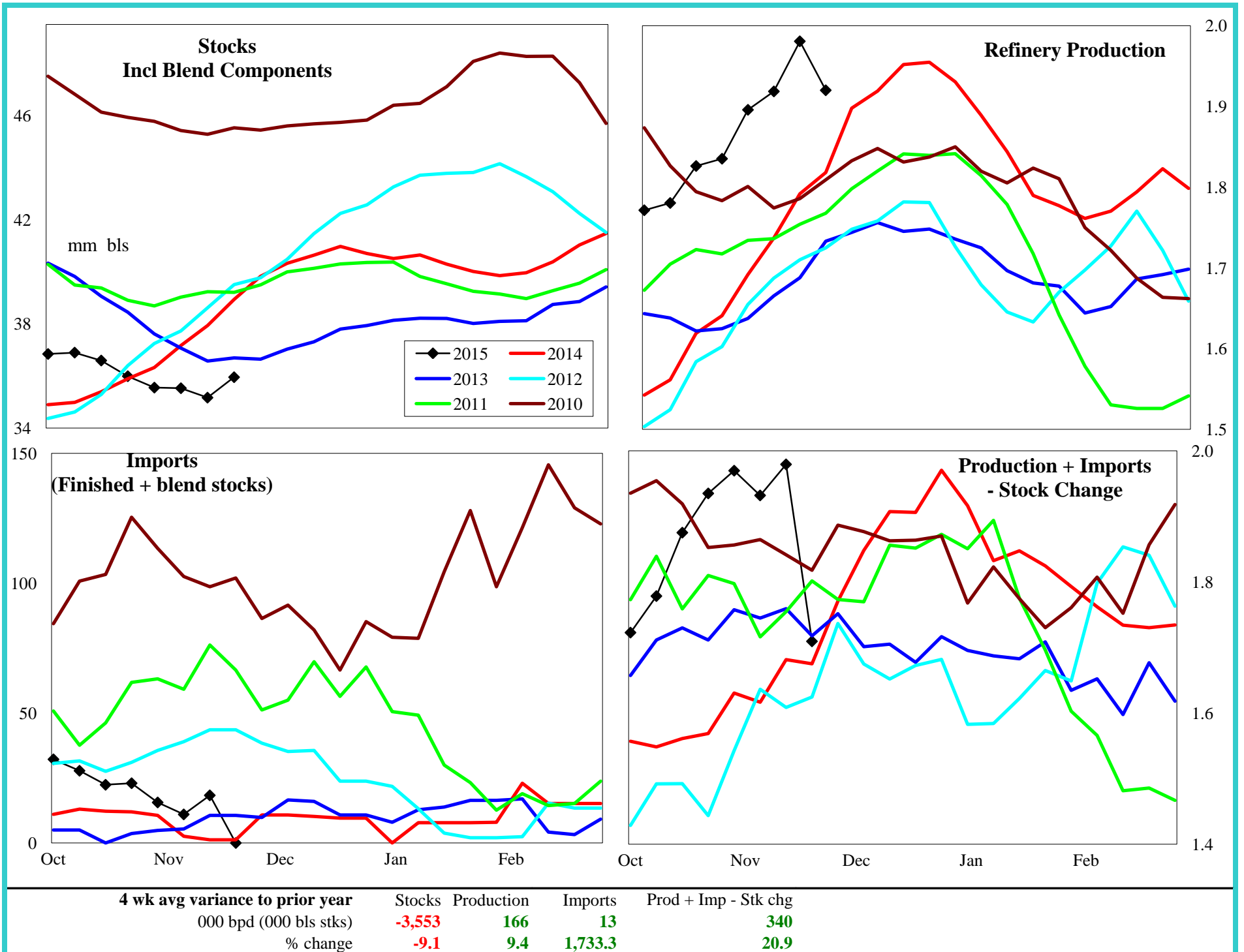
Prod + Imp - Stk chg

338**16.6**

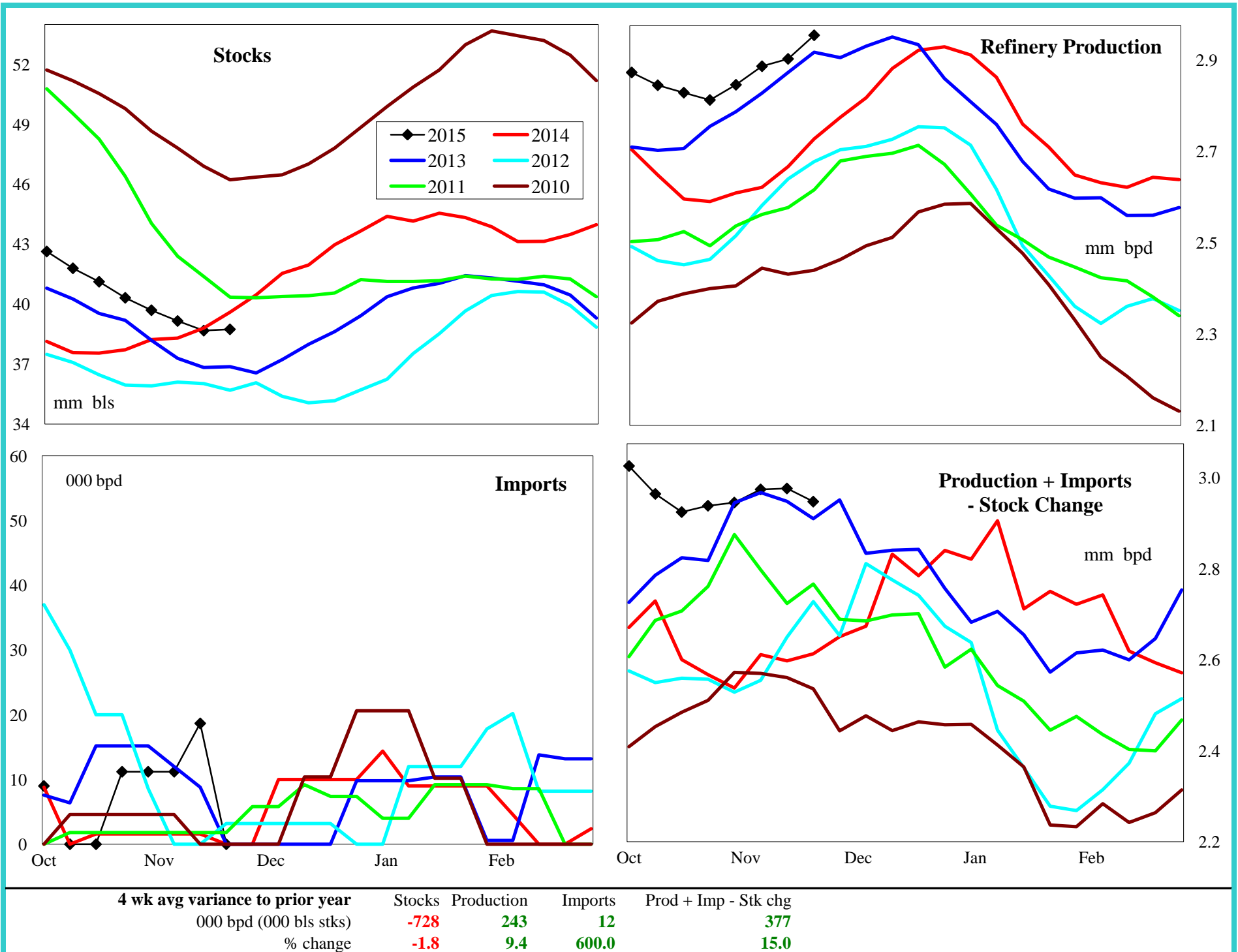
PADD 3 Reformulated Gasoline Supply



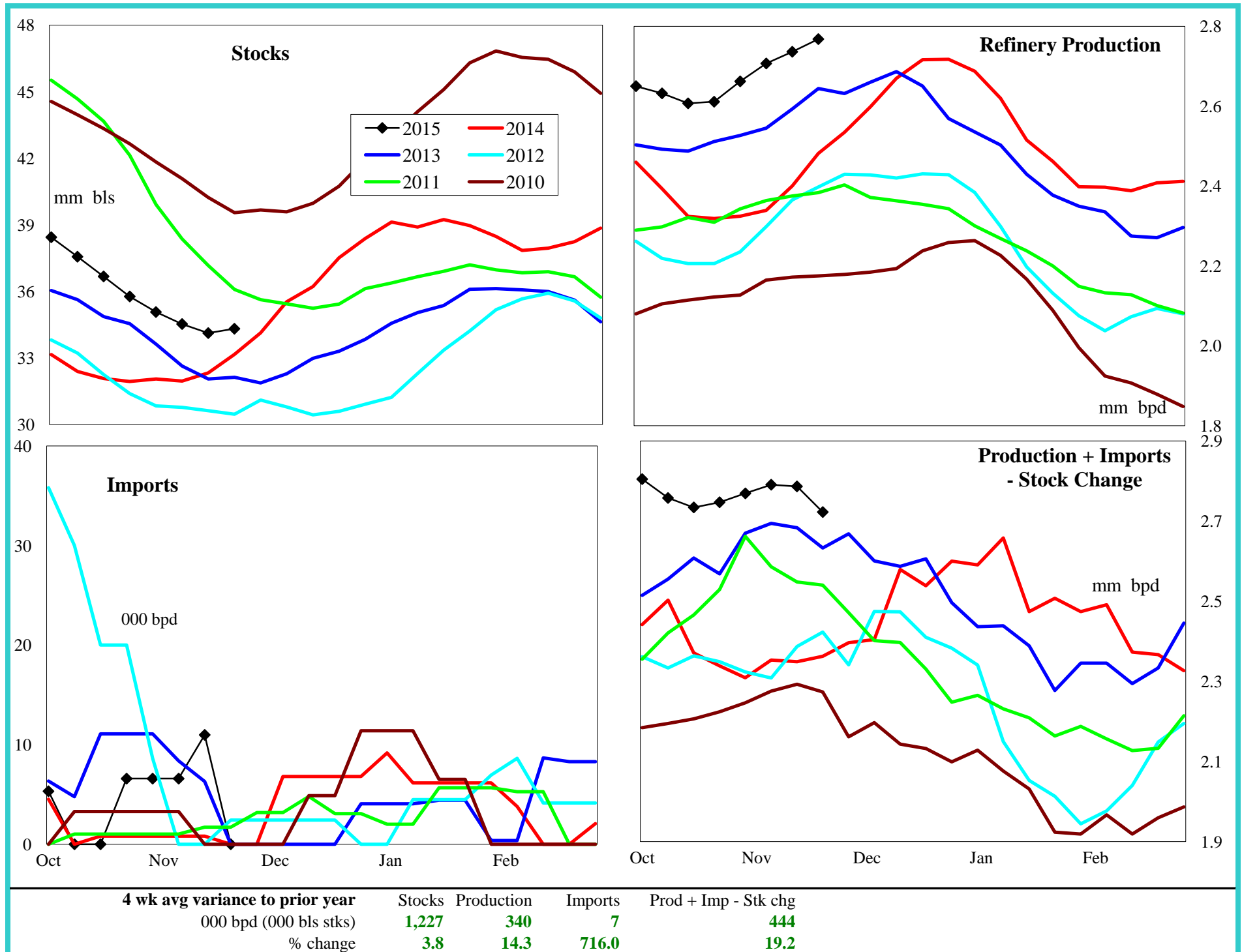
PADD 3 Conventional Gasoline Supply



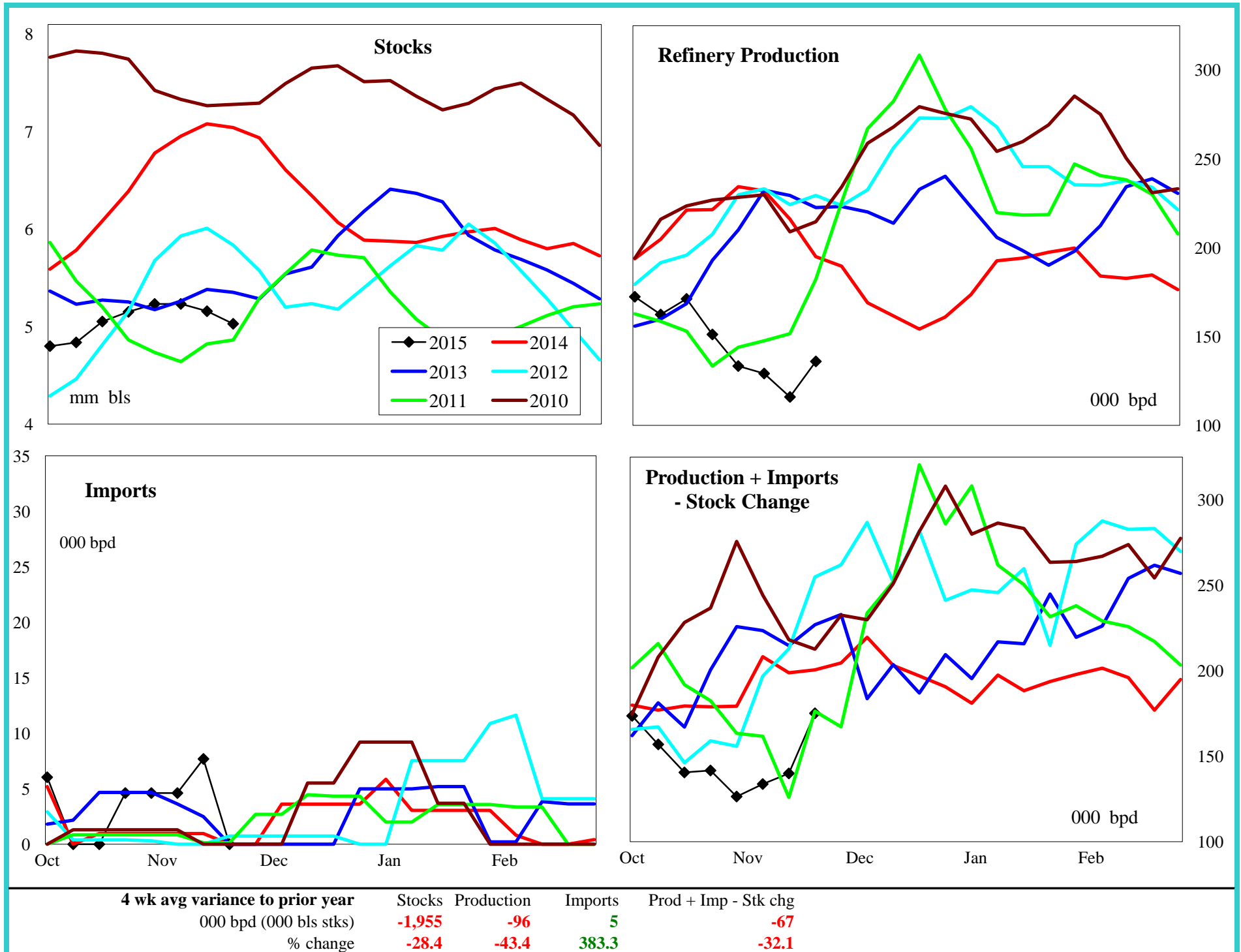
PADD 3 Distillate Supply

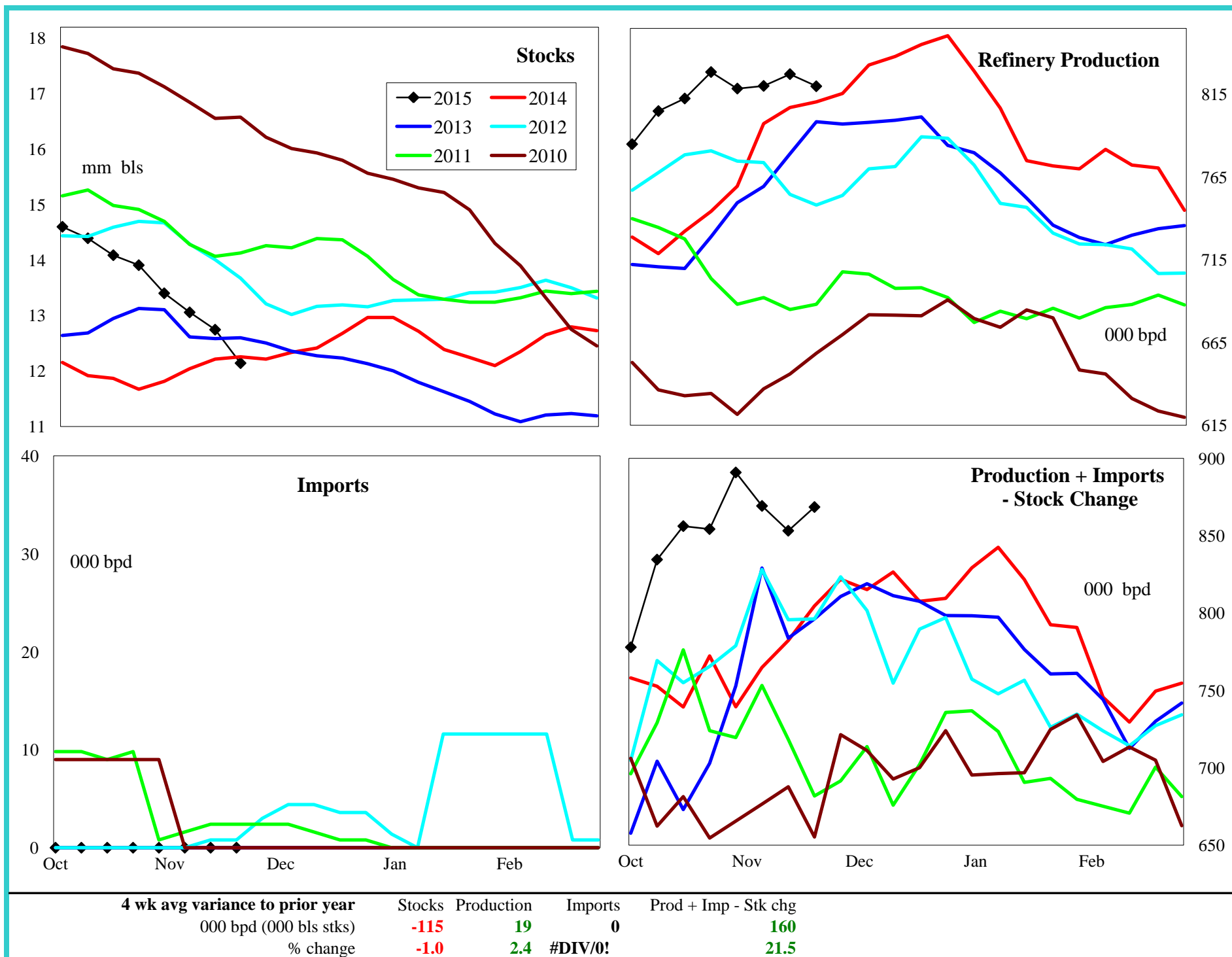


PADD 3 Low Sulfur Distillate Supply

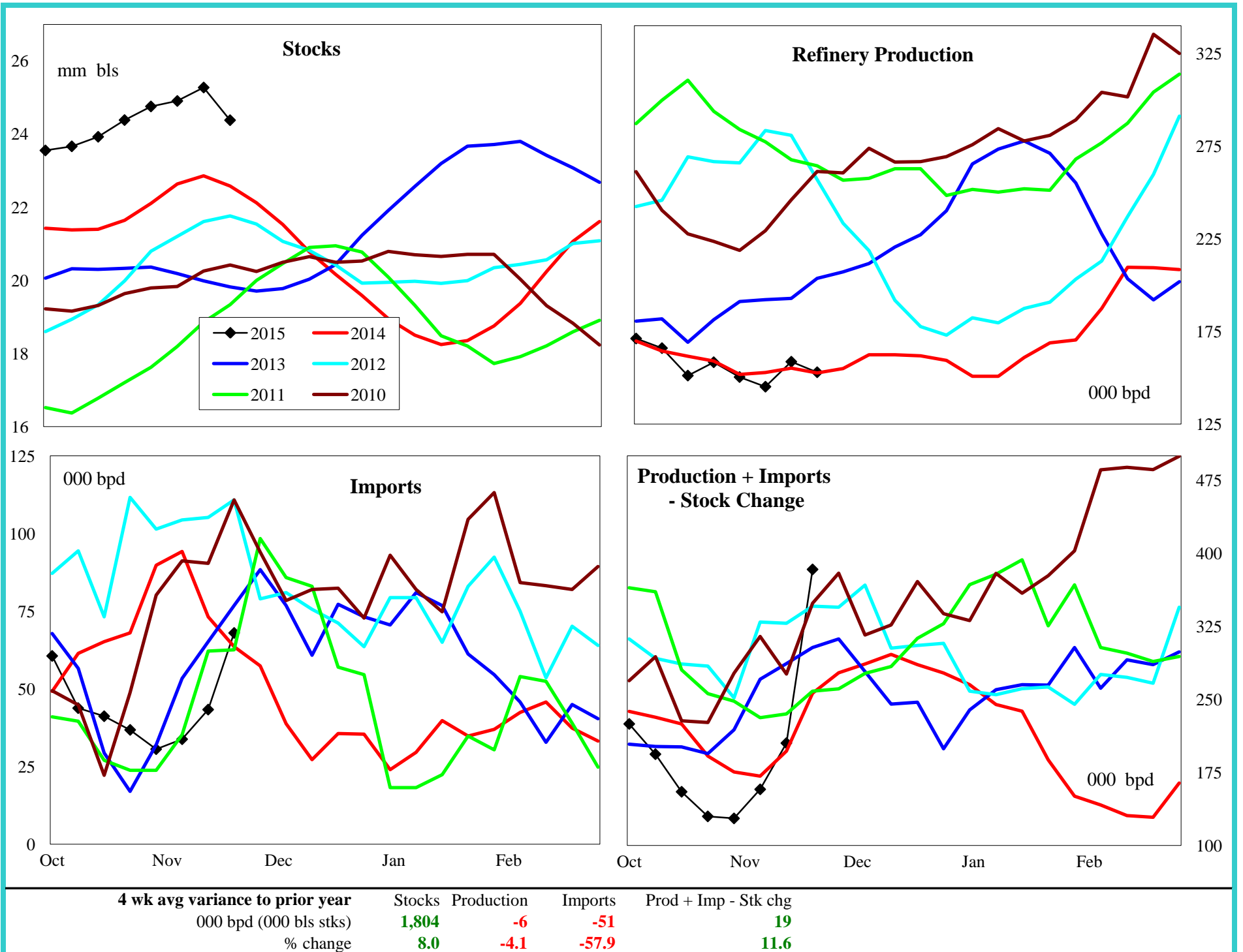


PADD 3 High Sulfur Distillate Supply

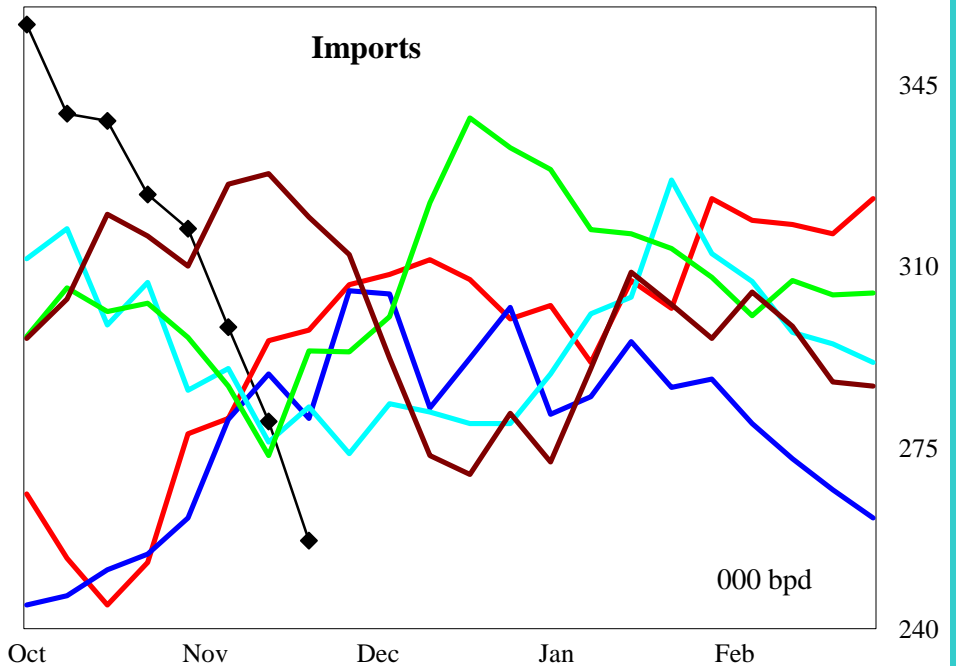
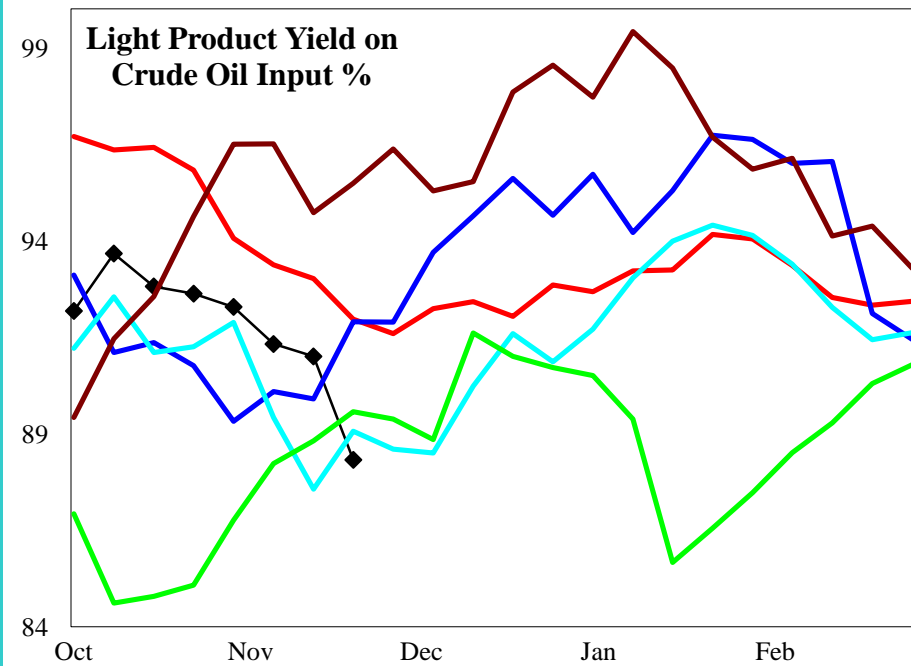
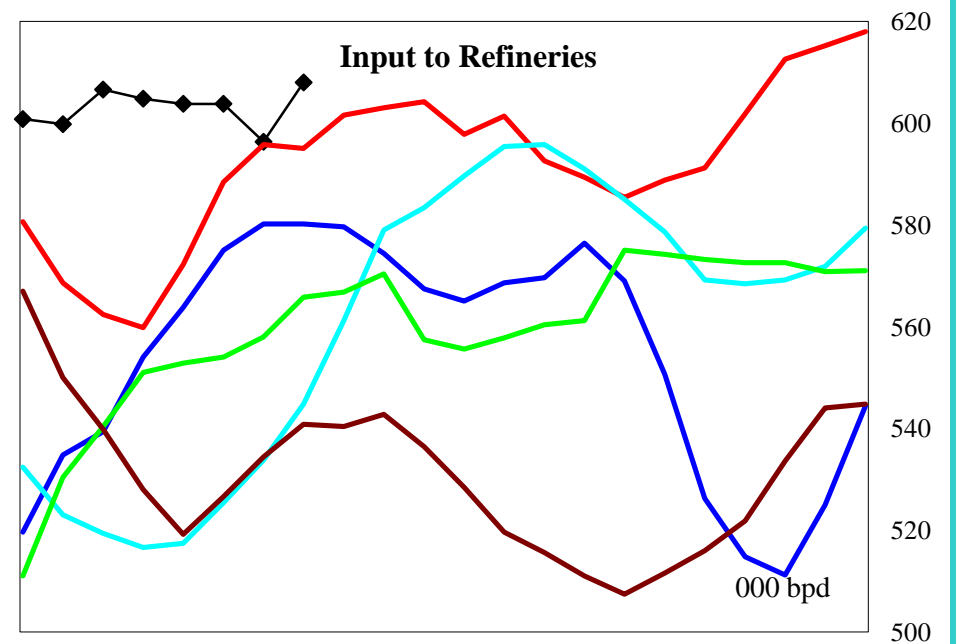
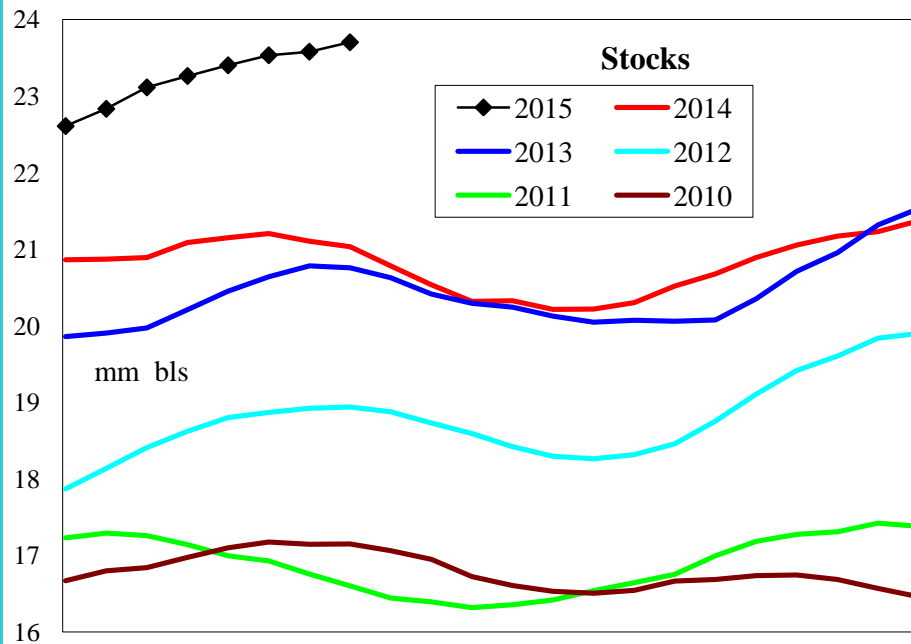




PADD 3 Residual Fuel Oil Supply



PADD 4 Crude Oil Supply and Refining



4 wk avg variance to prior year

000 bpd (000 bbls stks)

% change

Stocks

2,671

13.0

Input

10

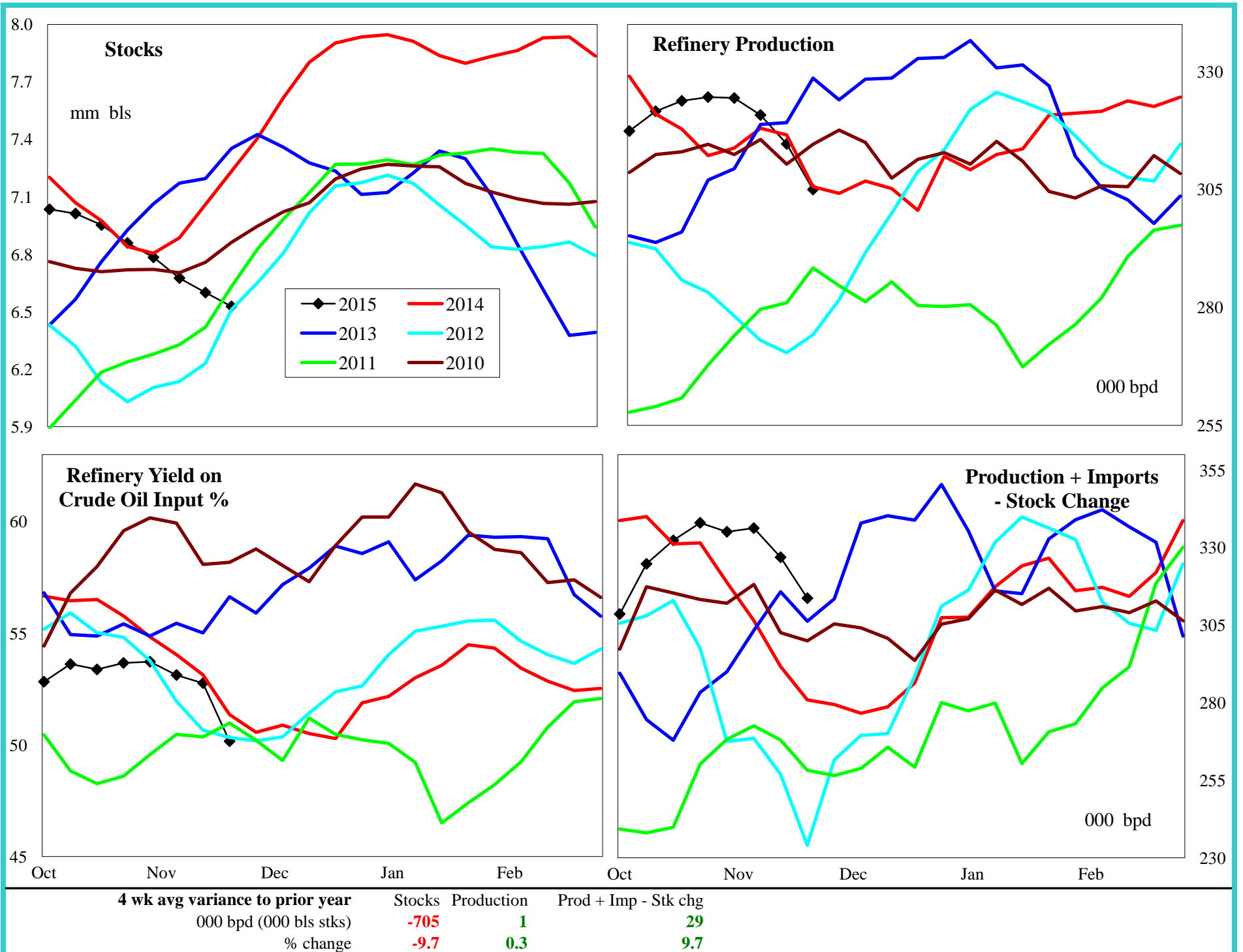
1.6

Imports

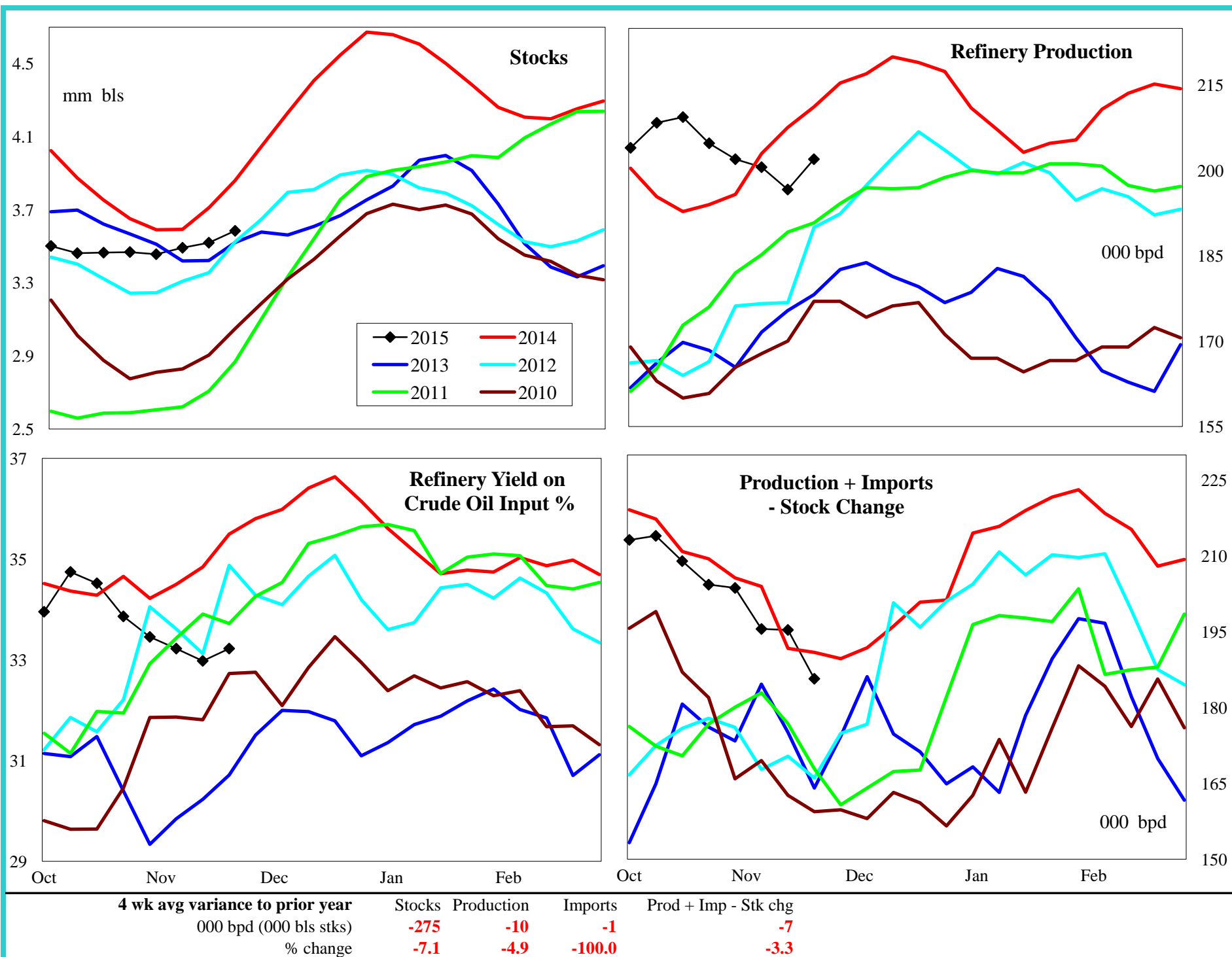
13

4.5

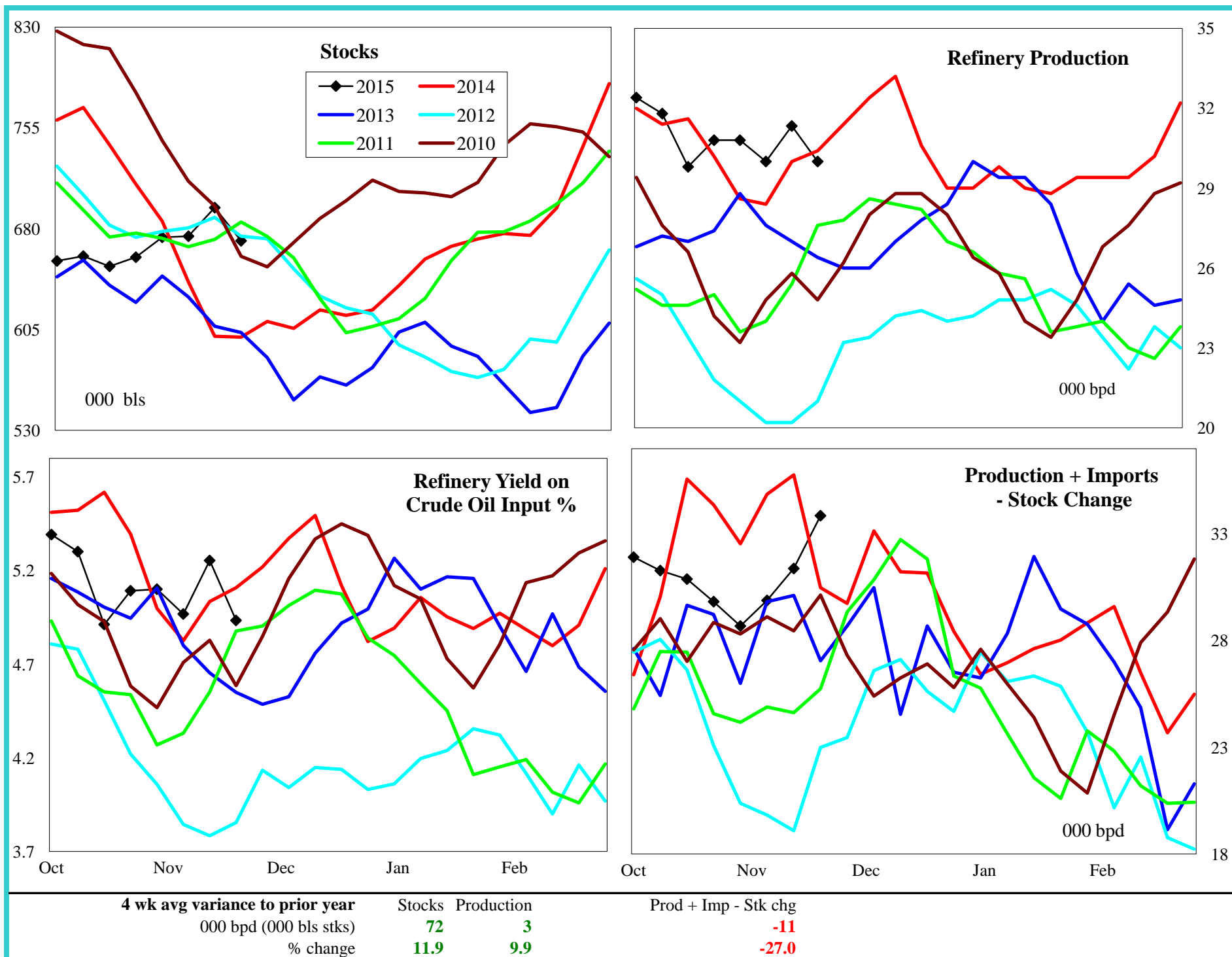
PADD 4 Gasoline Supply



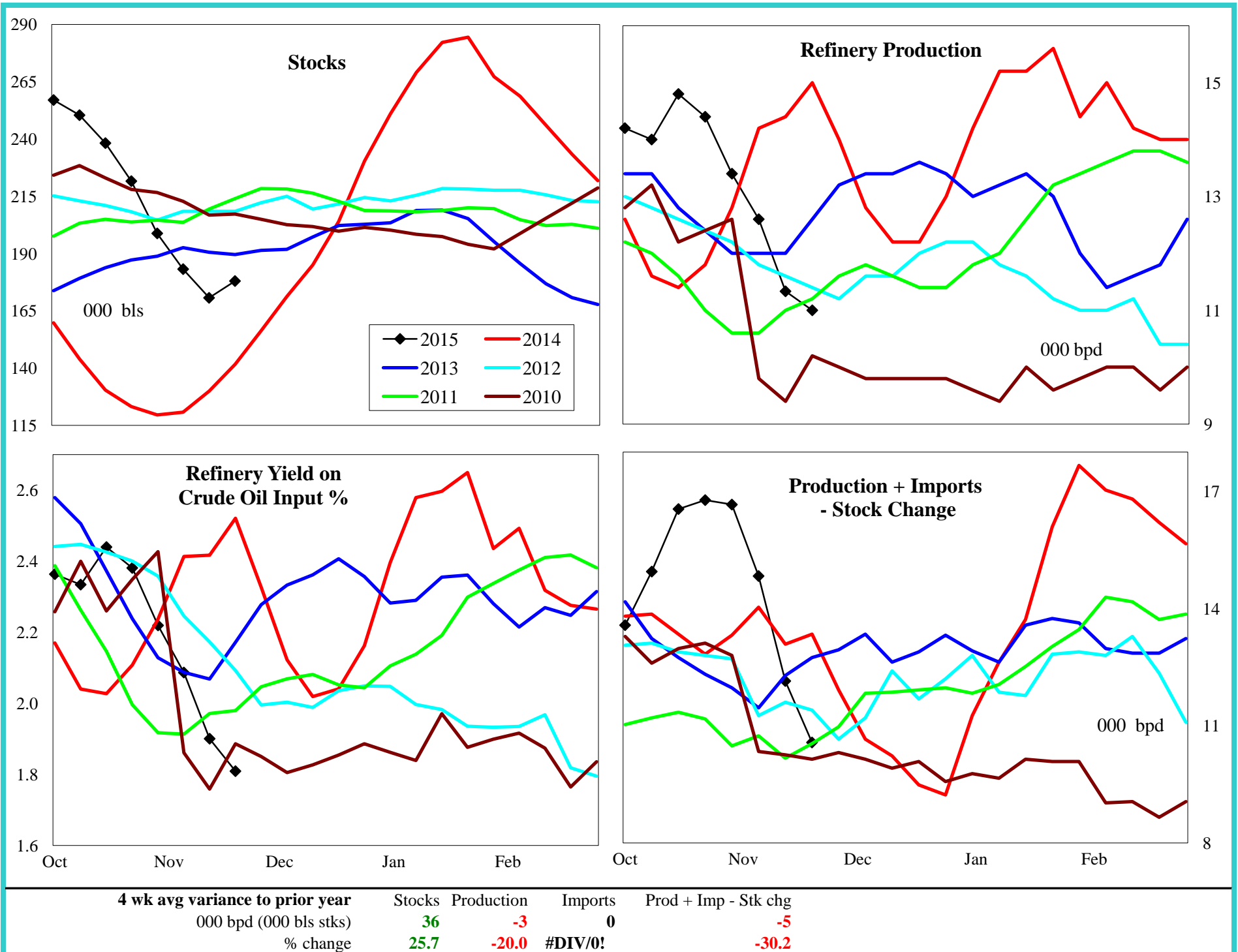
PADD 4 Distillate Supply



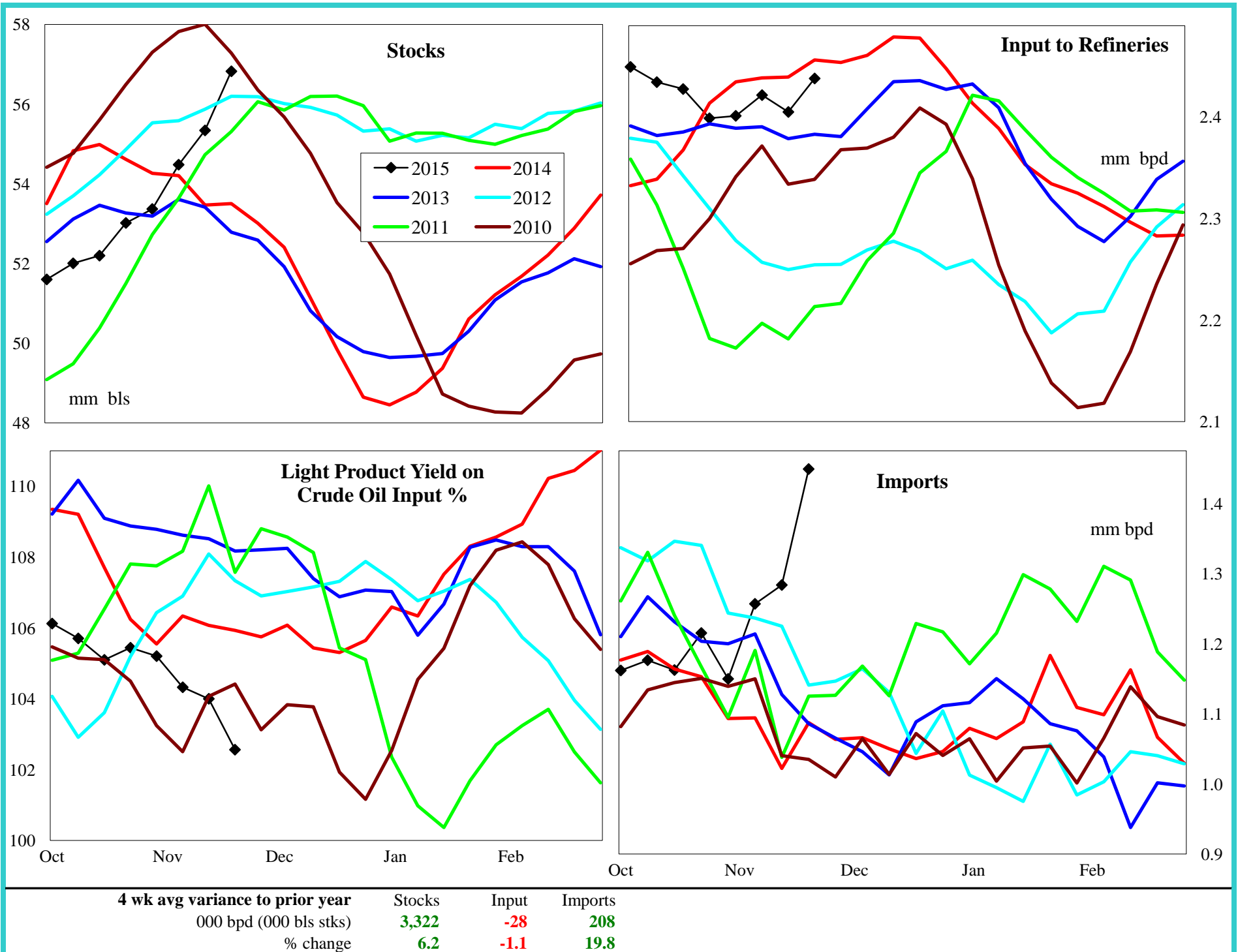
PADD 4 Jet Fuel Supply



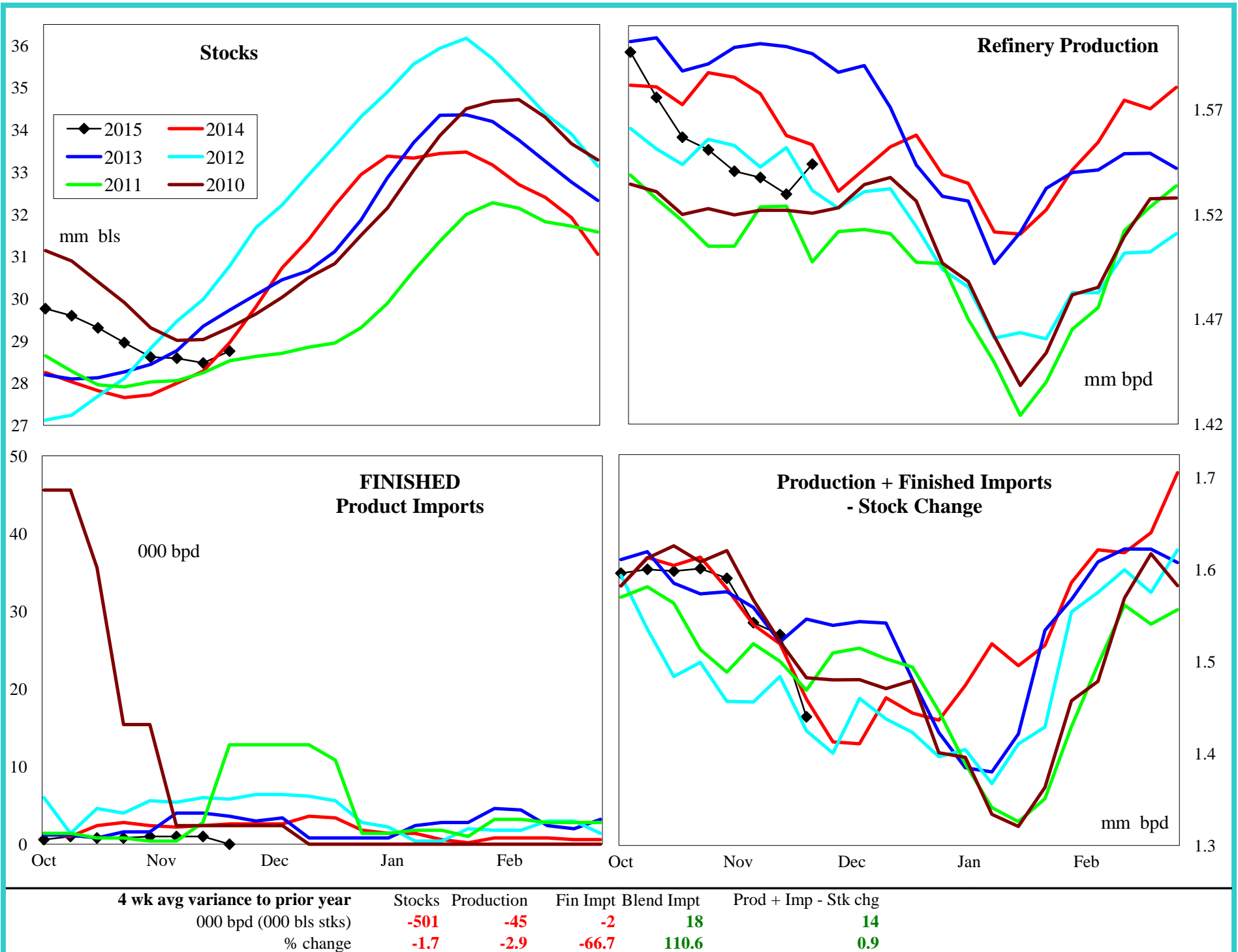
PADD 4 Residual Fuel Oil Supply



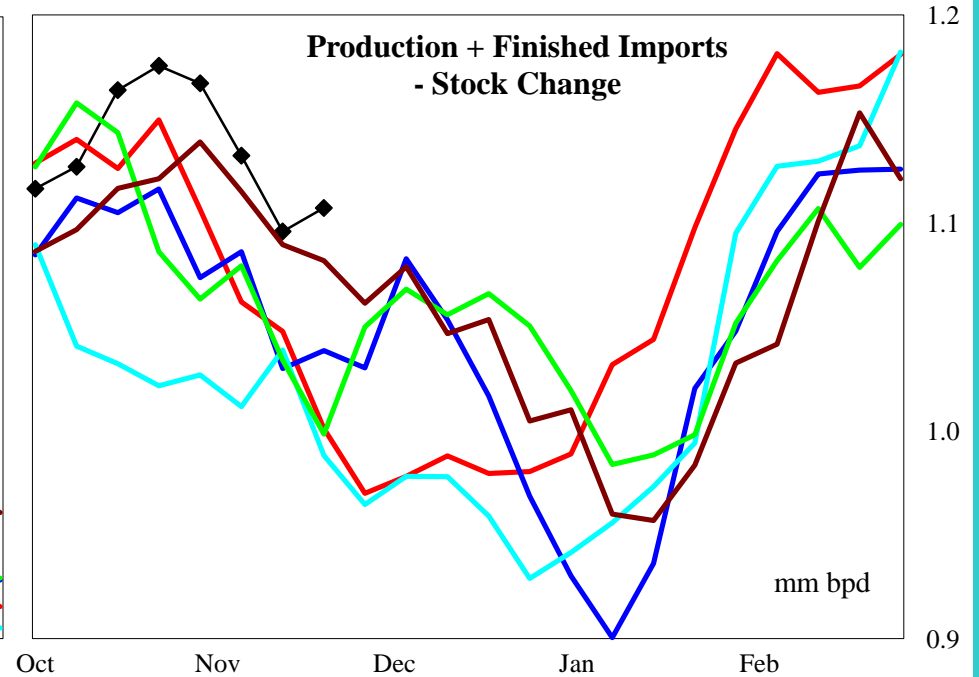
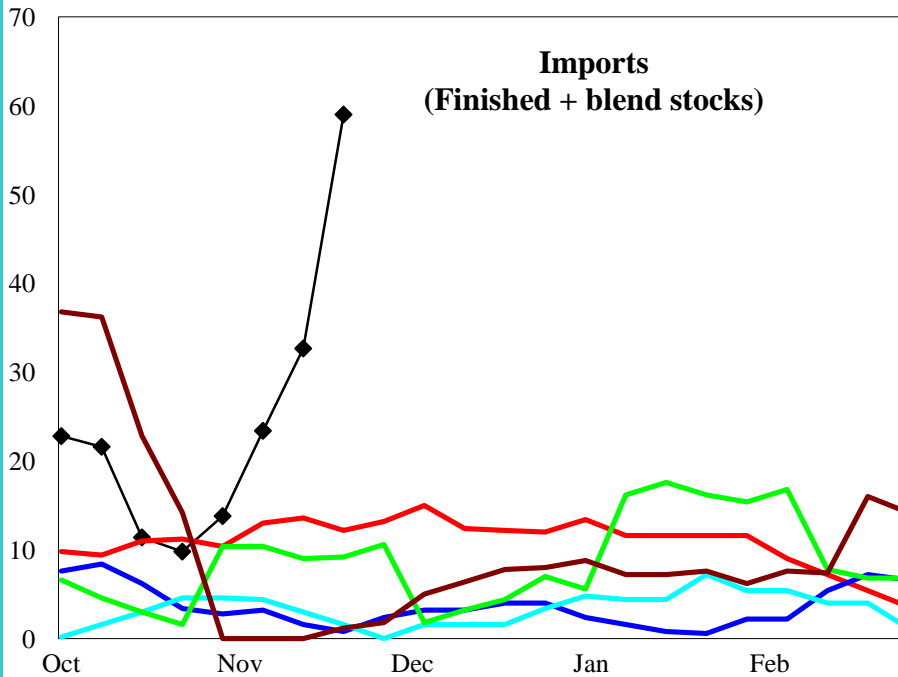
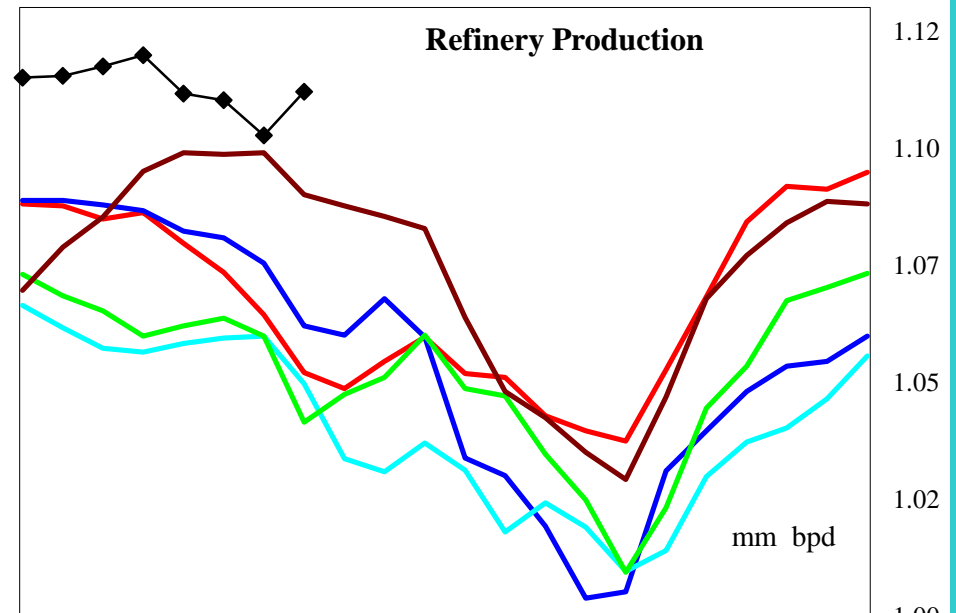
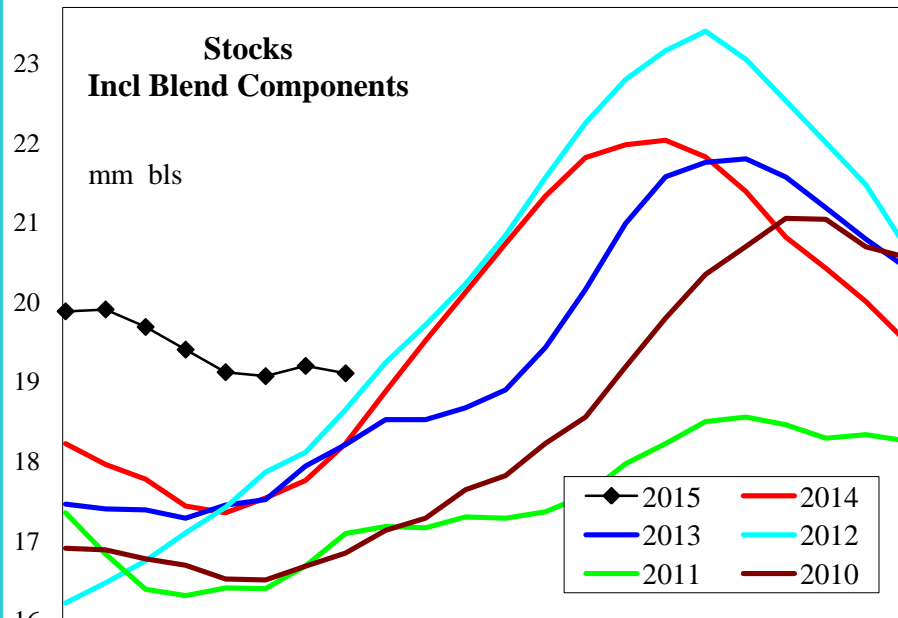
PADD 5 Crude Oil Supply and Refining



PADD 5 Gasoline Supply



PADD 5 Reformulated Gasoline Supply



4 wk avg variance to prior year

000 bpd (000 bls stks)

% change

Stocks

Production

Imports

Prod + Imp - Stk chg

817

38

12

72

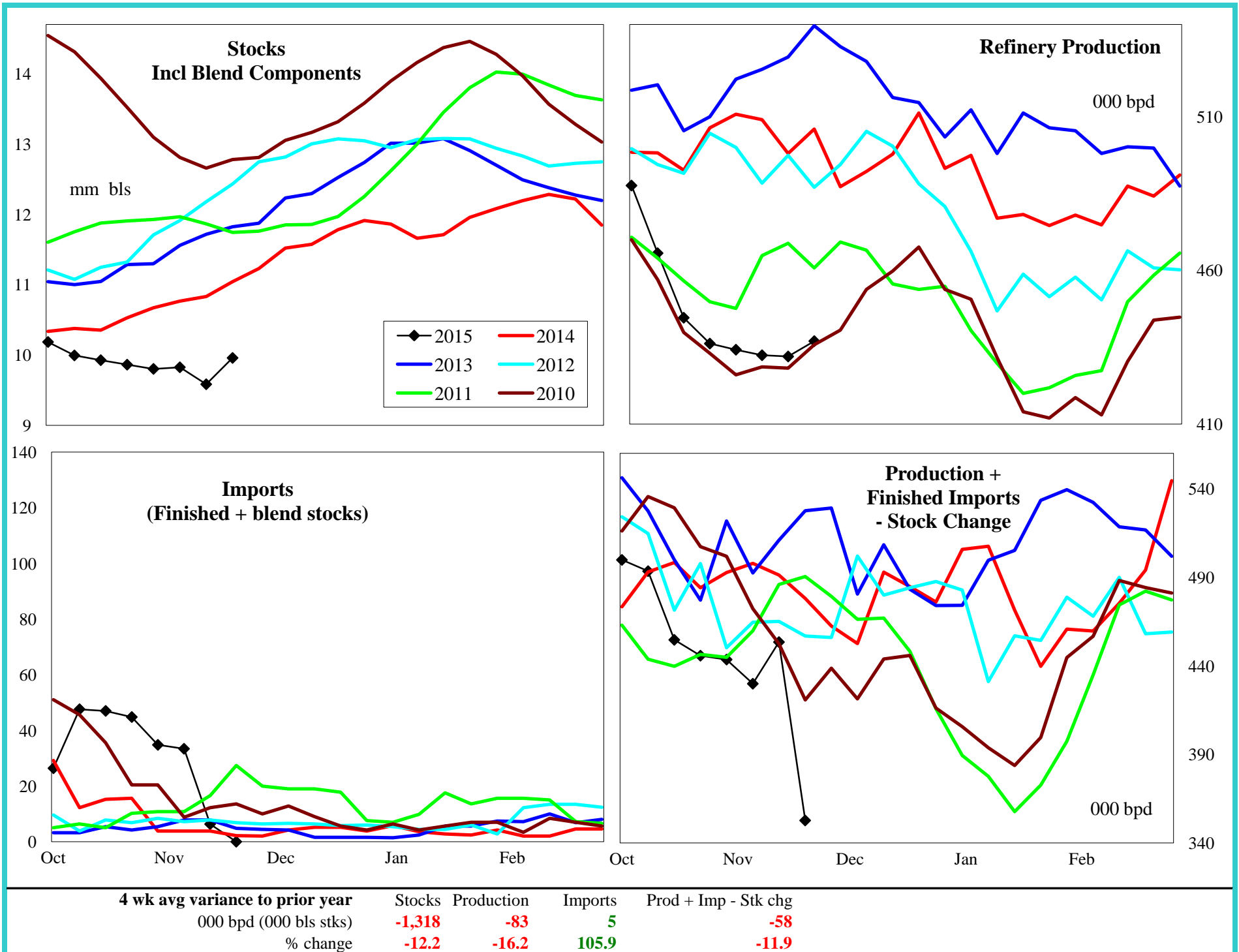
4.5

3.6

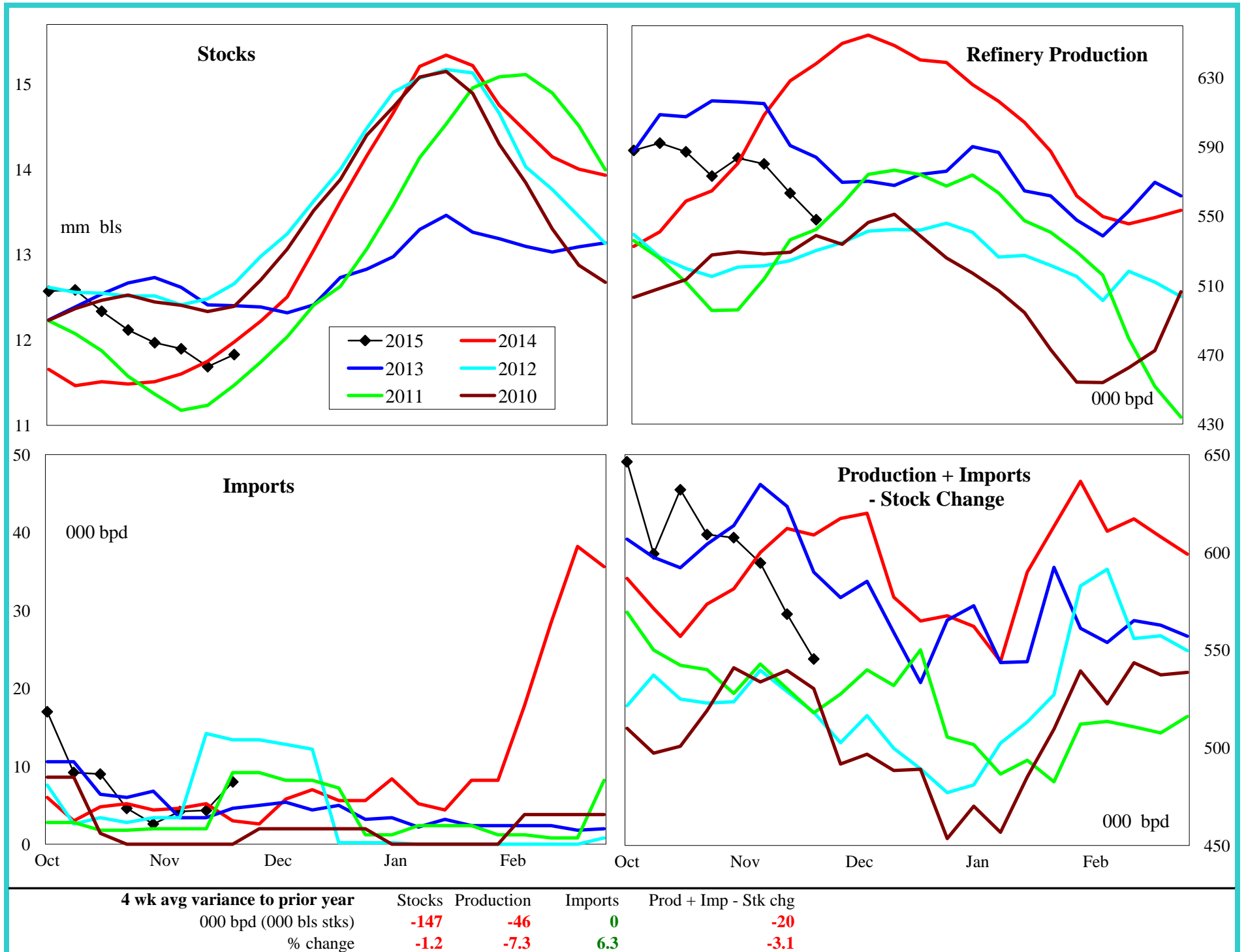
84.5

7.0

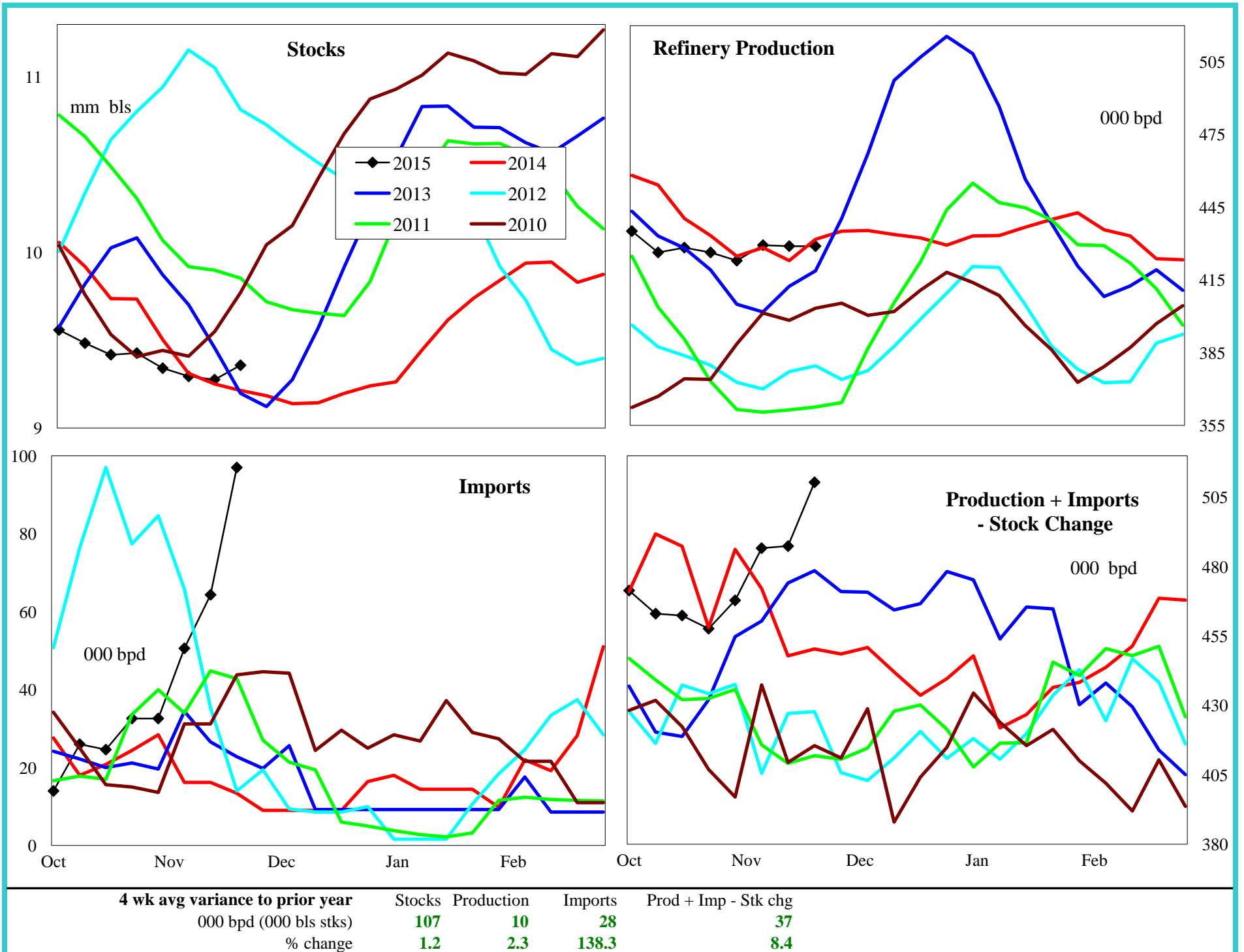
PADD 5 Conventional Gasoline Supply



PADD 5 Distillate Supply



PADD 5 Jet Fuel Supply



PADD 5 Residual Fuel Oil Supply

