WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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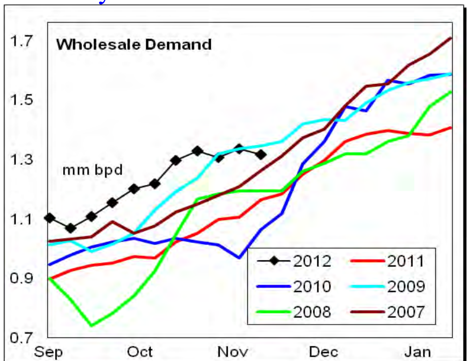
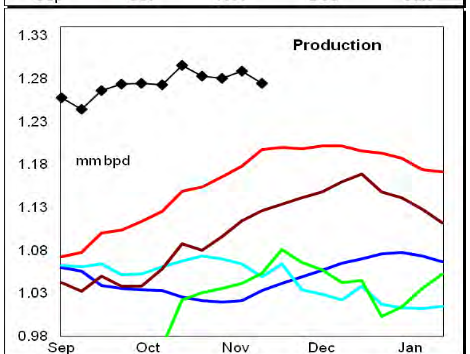
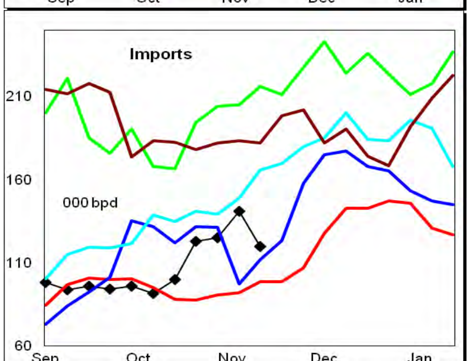
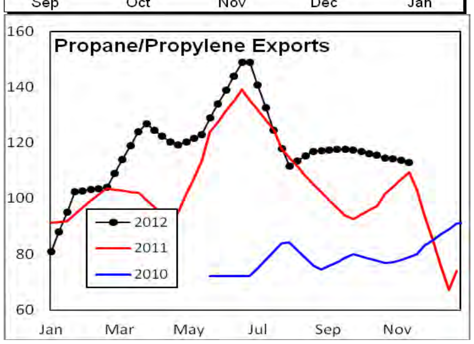


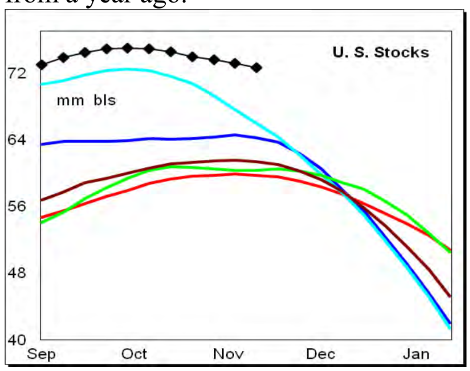






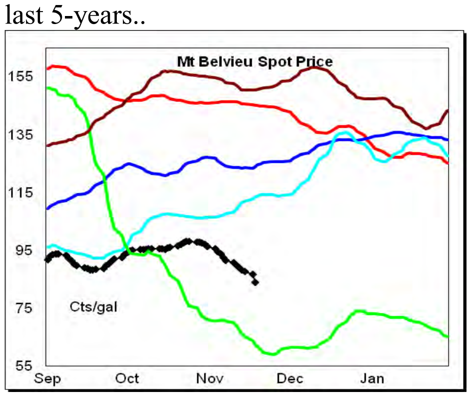
Wholesale demand decreased -33,000 bpd last week, with the level above the last 2-years. Production increased +19,000 bpd last week, concentrated on the east coast. Imports fell -64,000 bpd on the week, concentrated in the Midwest.

Combined production and imports during the latest 4-wk period were +148,000 bpd above a year ago. Production was +109,000 bpd above last year (+9%), while imports were +39,000 bpd higher. The latest 4-wk average demand was +213,000 bpd above last year, +18%. Exports for the most recent 4-wk were 114,000 bpd, up +9,000 bpd from a year ago.



Stocks decreased -0.5 million barrels last week, ending the week +13.3 million barrels above a year ago. The 4-wk stock change was a draw of -1.8 million barrels, a larger draw than four of the last 5-years.

Price and Spreads Mt Belvieu spot prices decreased -3 cpg for the week ending 21Nov12, while Conway prices were unchanged. Mt Belvieu prices ended the week at a level well below four of the last 5-years..



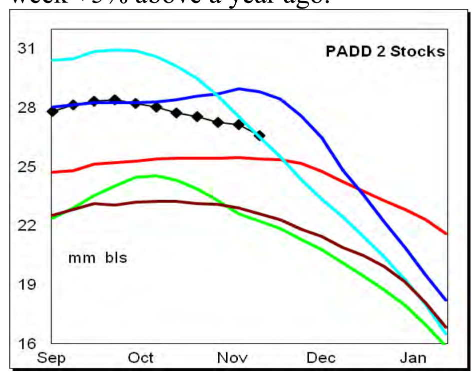
The Conway – Mt Belvieu price spread trended lower last week, ending the week at -9 cpg.

The propane to natural gas price spread extended the recent downtrend last week, ending at a level below each of the last 3-years.

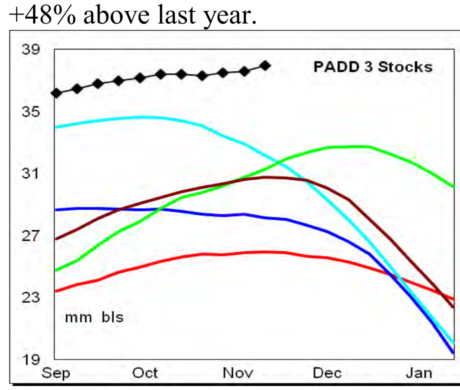
The propane / crude oil price spread trended lower last week ending at level near highs of the last 4-months.

PADD 1 stocks declined -0.2 million barrels on the week. Supply increased +5,000 bpd on the week. Supply for the latest 4-wk period was +16,000 bpd above last year.

PADD 2 stocks fell -0.8 million barrels on the week. Supply decreased -50,000 bpd on the week, due to lower imports. The latest 4-wk supply was +29,000 bpd above a year ago. Stock levels ended the week +5% above a year ago.



PAD 3 stocks climbed +0.5 million barrels last week, with the 4-wk stock change a build of +0.5 million barrels. The build was above each of the last 3-years. Stock levels ended the week +48% above last year.



PADDs 4 & 5 stocks were unchanged on the week. The stock level was +41% above a year ago.

Emerging Trends Well above normal temperatures are forecast across the entire country during the next 10-days. Stock levels remain high, particularly in the Gulf. There is risk of continued price weakness ahead of the start of winter heating.

[1] Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

November 25, 2012

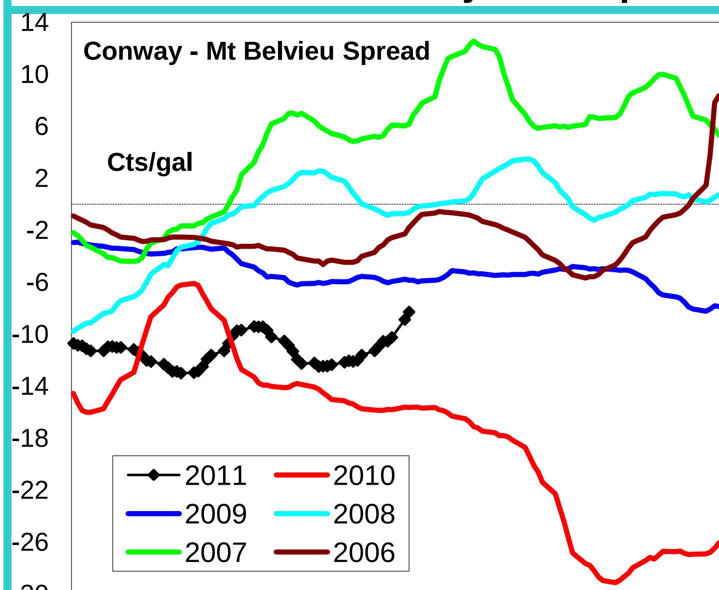
Fundamental Trends for the Week Ending: Friday, November 16, 2012

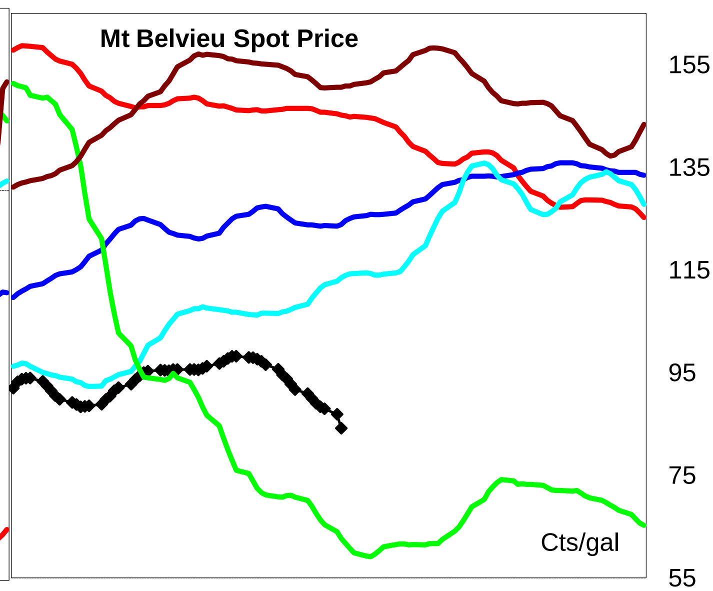
000 bpd / Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	72,666	5,121	26,564	37,939	3,042	-517	-181	-842	527	-21
Propylene Stocks	4,188					35				
Production	1,274	59	285	800	130	19	18	3	5	-7
Imports	120	58	43	0	19	-64	-13	-53	0	2
Whsle Demand	1,355					-33				

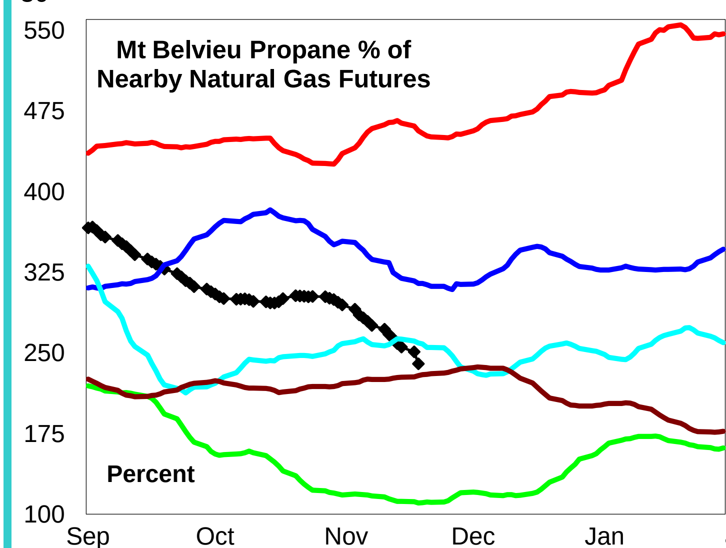
Price Trends for the Week Ending: Tuesday, November 20, 2012

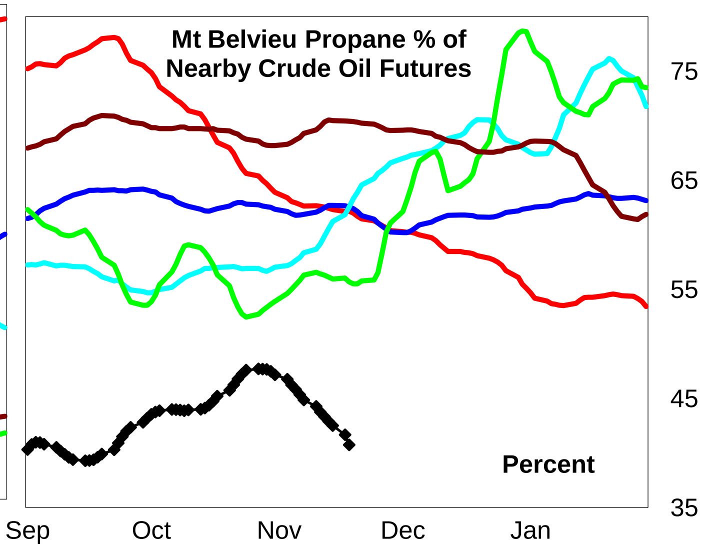
Cents/gal	Average for week ending:				Change from:			% change from:		
	11/20/12	11/13/12	10/23/12	11/17/11	11/13/12	10/23/12	11/17/11	11/13/12	10/23/12	11/17/11
Mont Belvieu Spot	87.9	90.9	96.2	145.3	-2.91	-5.32	-49.09	-3.2	-5.5	-33.8
Conway Spot	77.7	79.8	85.9	129.5	-2.07	-6.13	-43.65	-2.6	-7.1	-33.7

Key Price Spreads and Differentials









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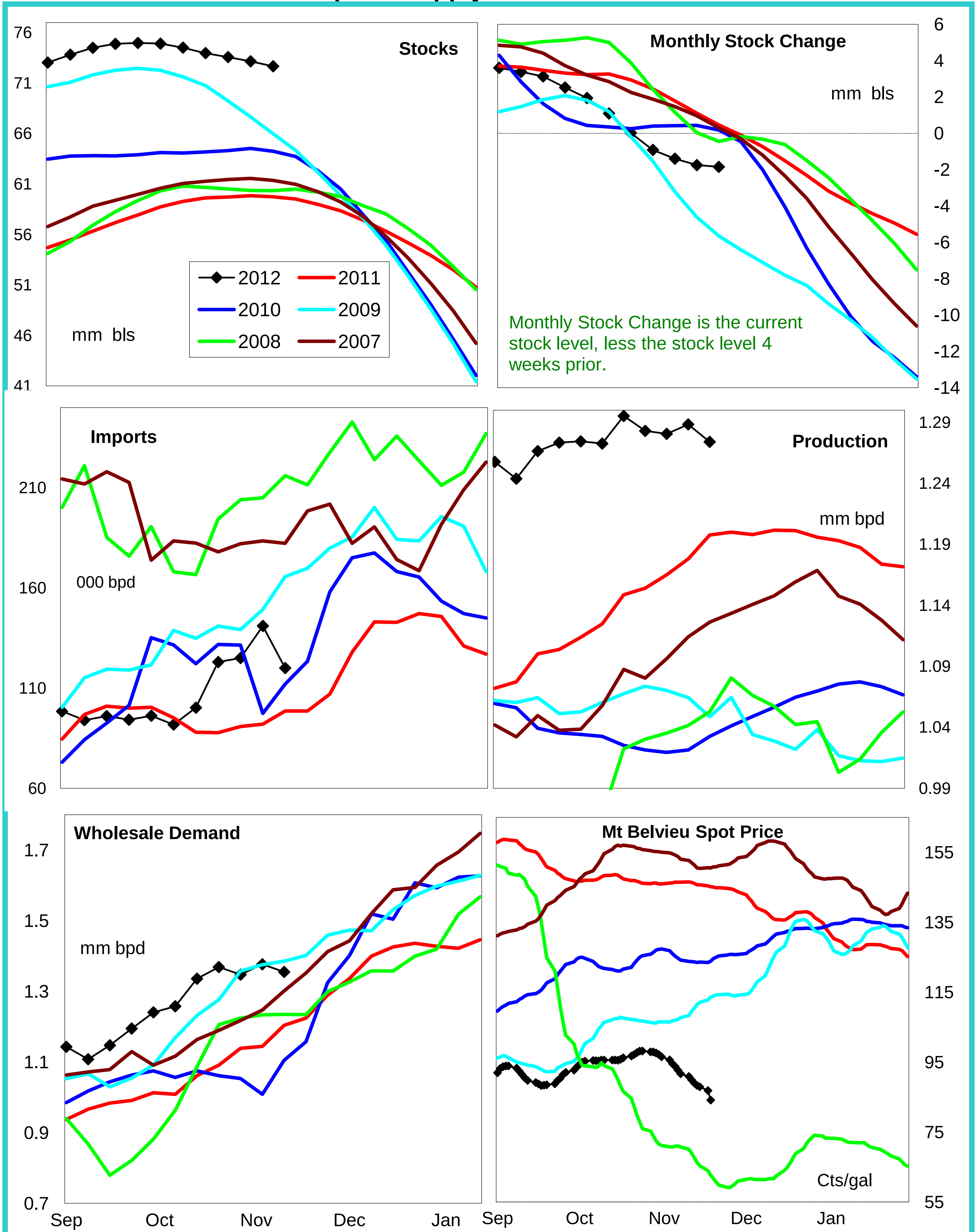
U. S. Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Oct	Sep	Aug
000 bpd (000 bls stks)	13,281	-2,299	109	39		213	169	108	-16
% change	22.4	-509	9.3	41.4		18.5	14.1	10.6	-1.5

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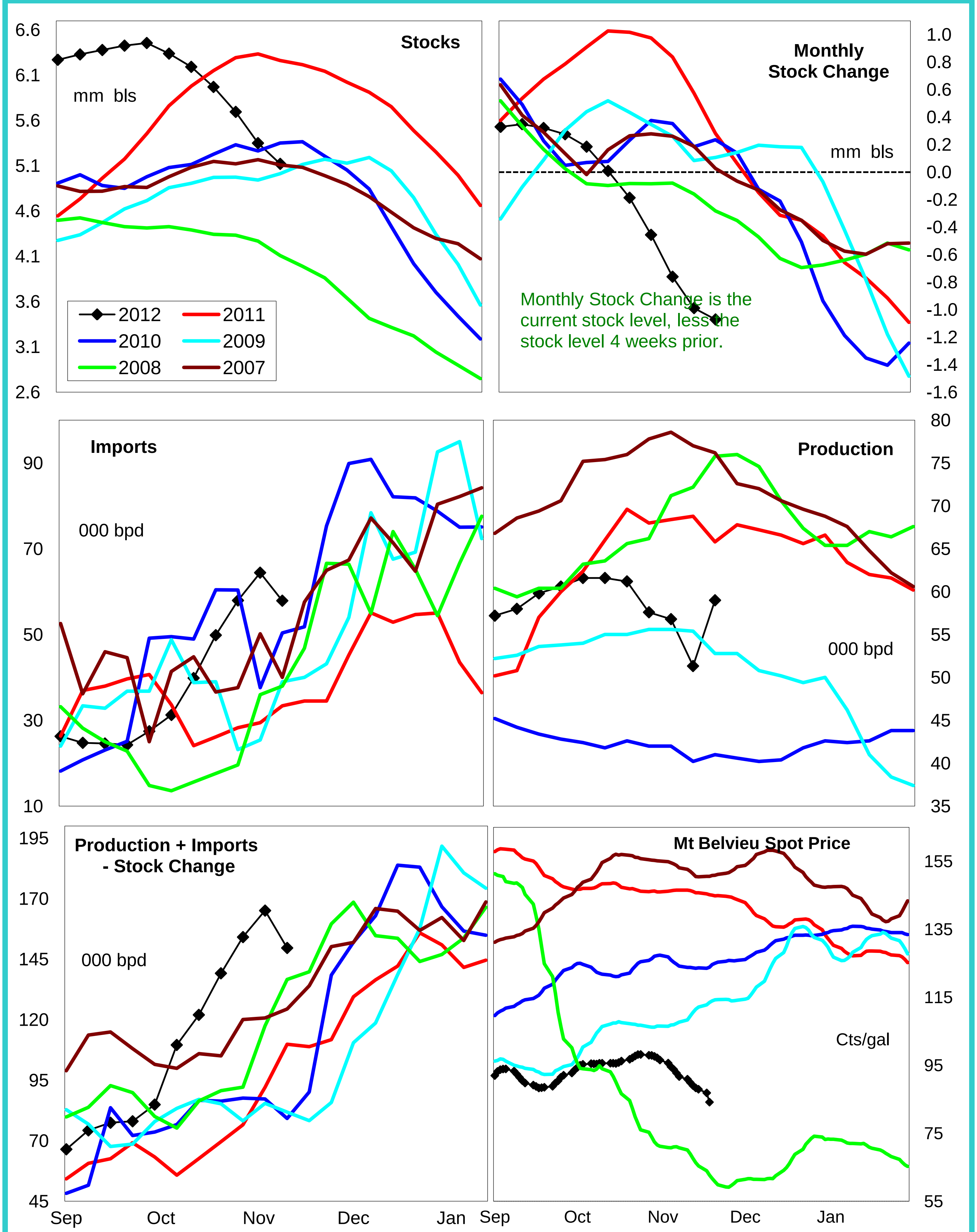
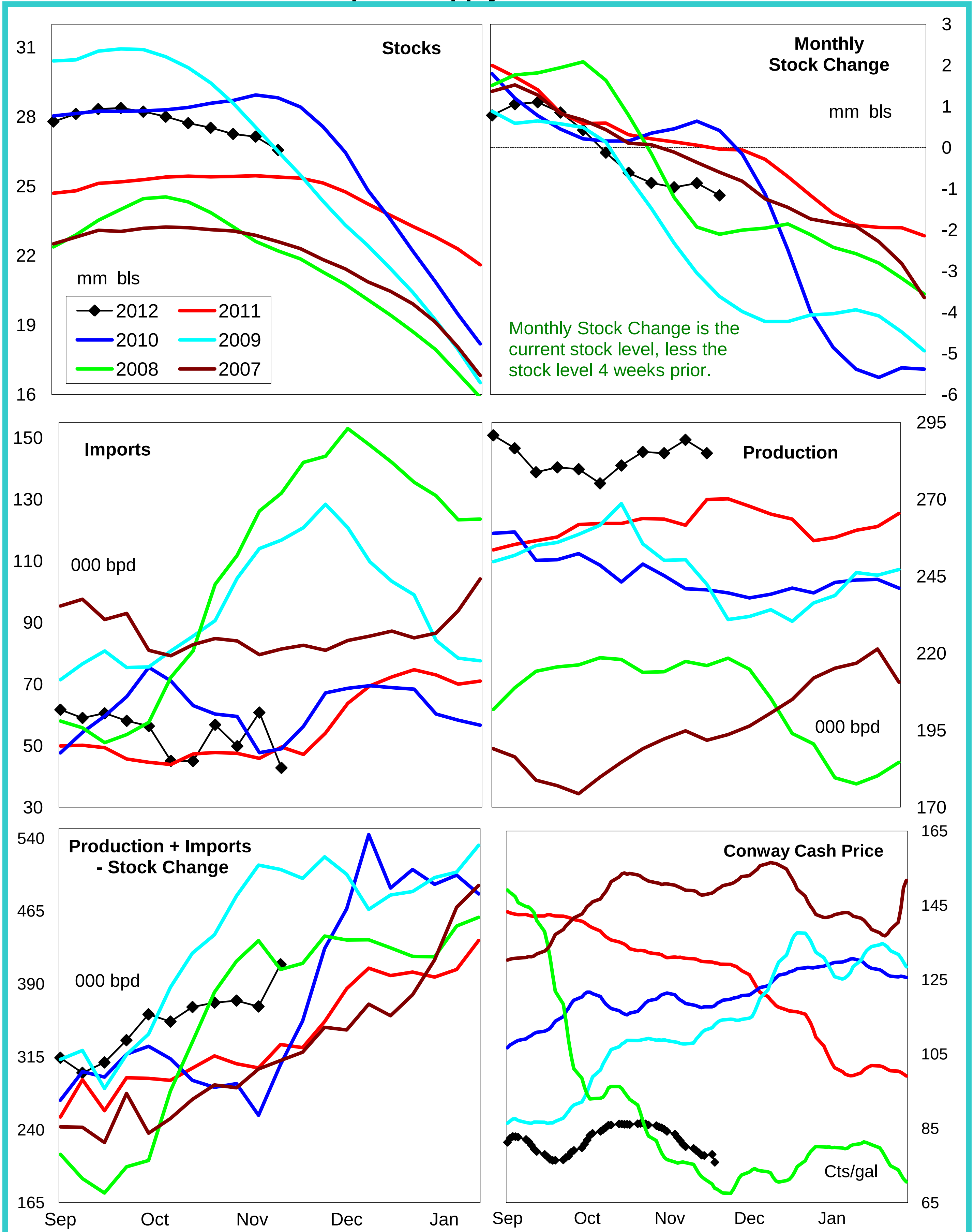
PADD 1 Propane Supply and Demand Balance



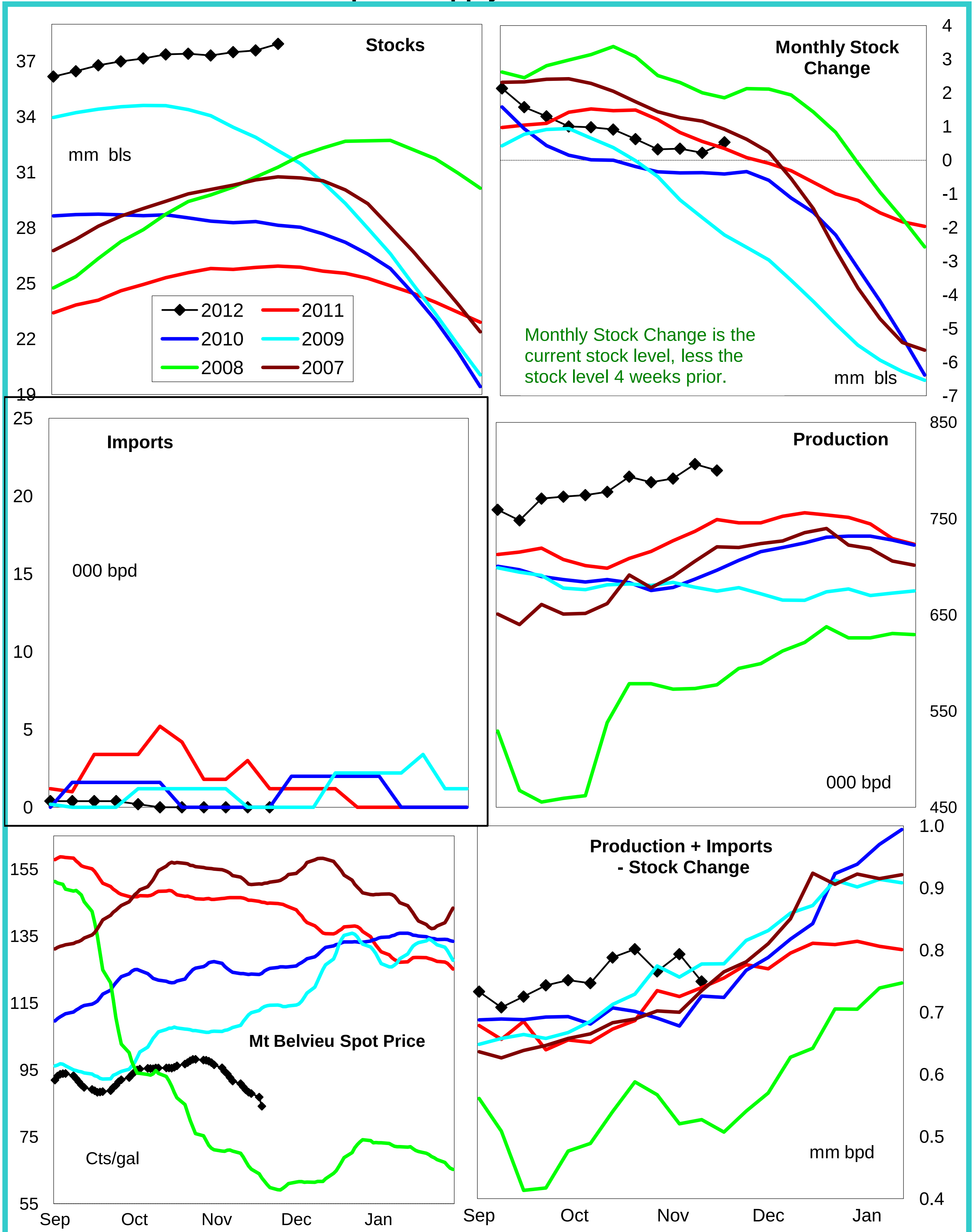
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-1,173	-1,353	-15	31	65
% change	-18.6	-480.4	-21.9	106.3	74.7

PADD 2 Propane Supply and Demand Balance



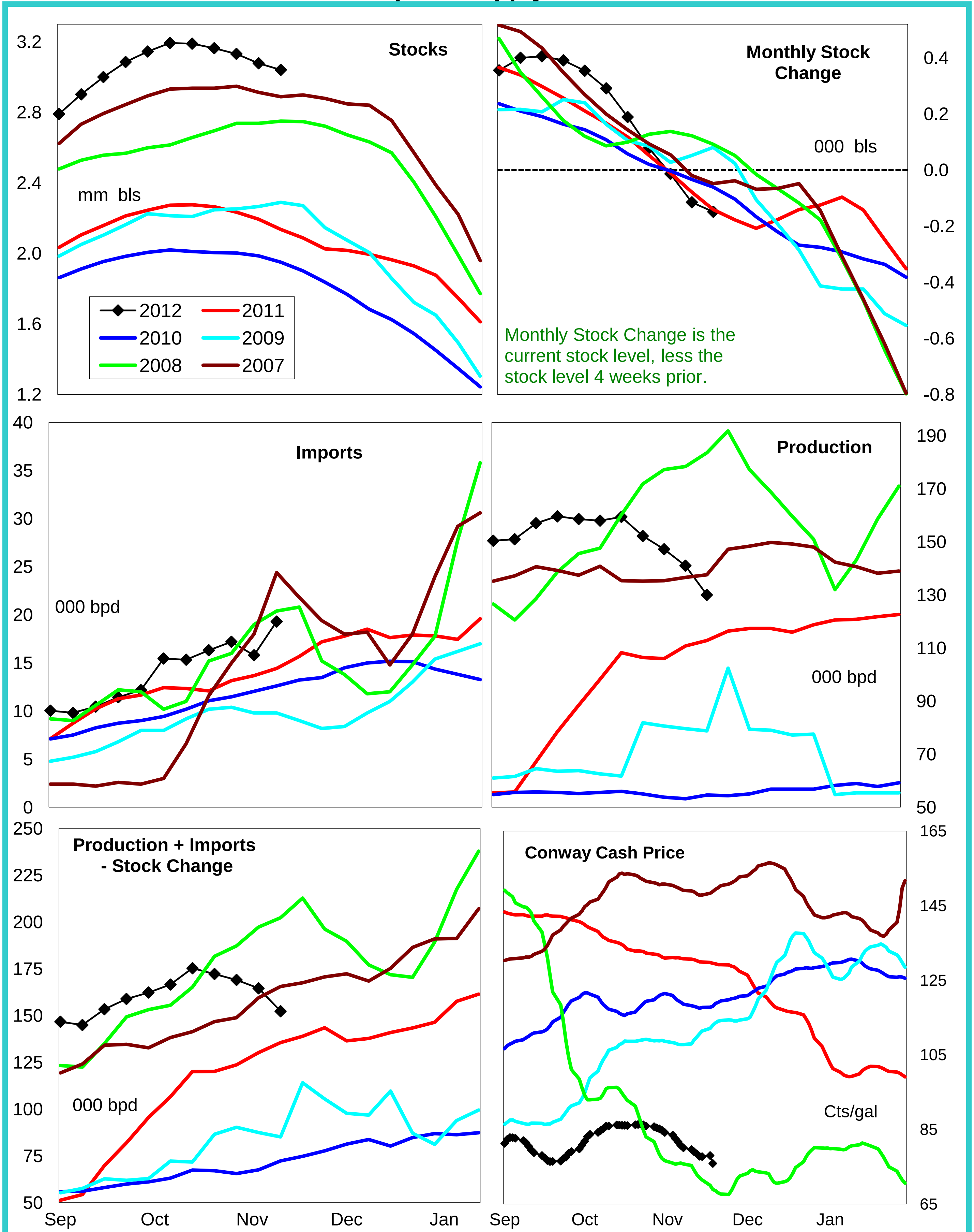
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	1,264	-1,122	23	6	66
% change	5.0	2,967.7	8.6	11.7	21.1

PADD 3 Propane Supply and Demand Balance



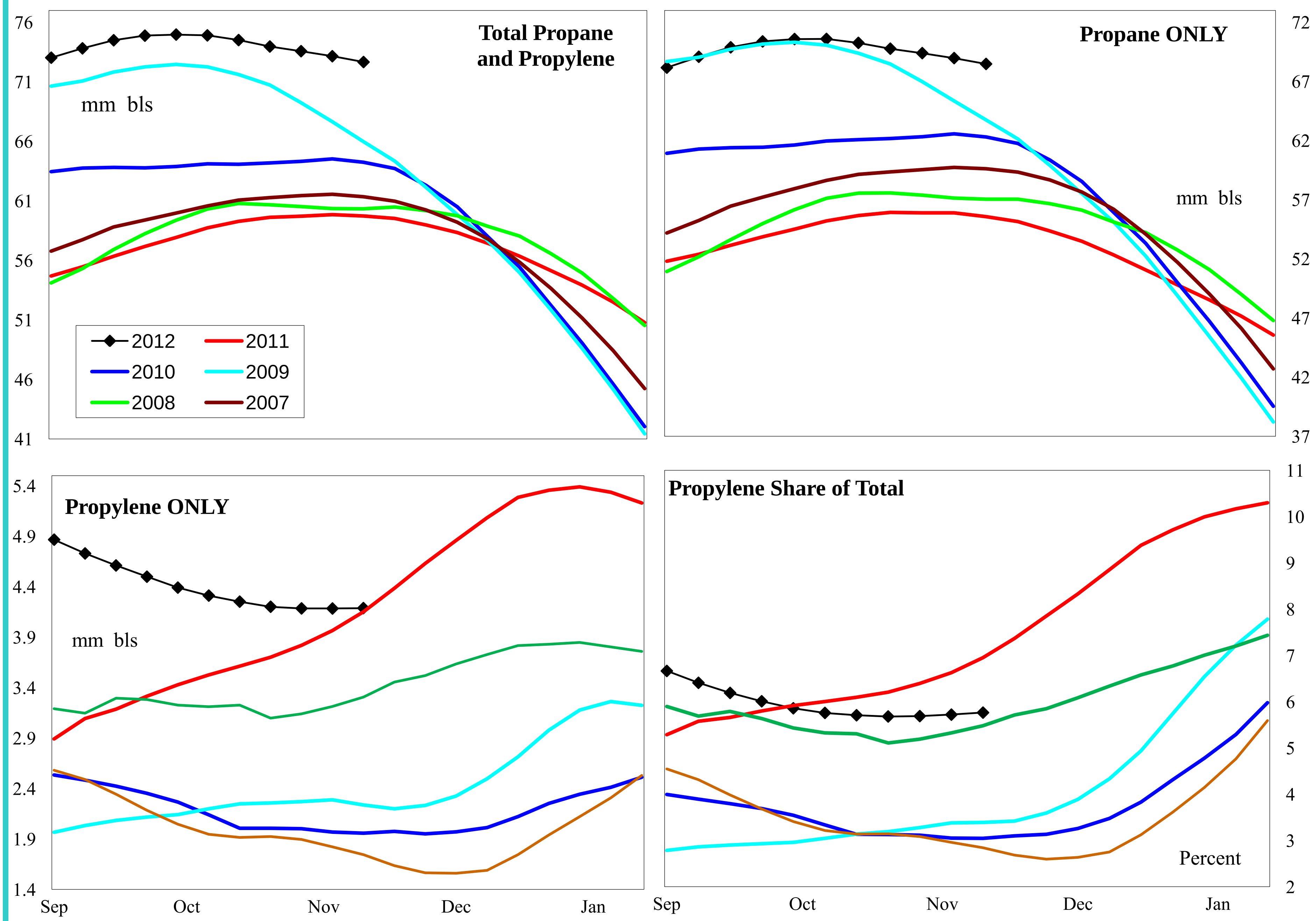
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	12,298	184	65	-2	56
% change	48.0	53	8.8	-100.0	7.7

PADDs 4 and 5 Propane Supply and Demand Balance



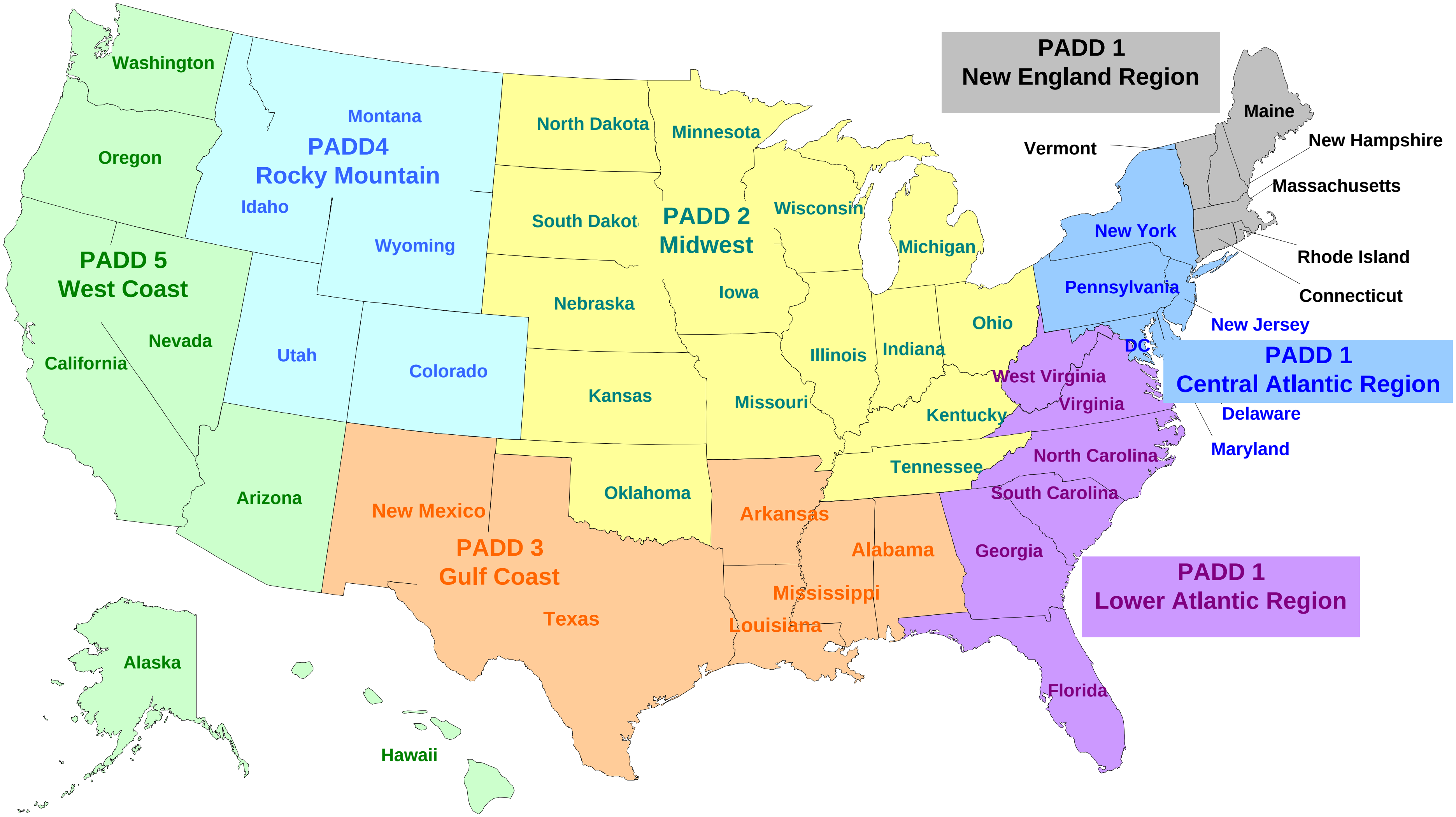
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	891	-8	37	4	37
% change	41.4	6.0	34.7	29.2	29.2

U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	13,281	13,223	35
% change	22.4	23.9	0.9

U. S. Petroleum Administrative for Defense Districts (PADDs)



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