WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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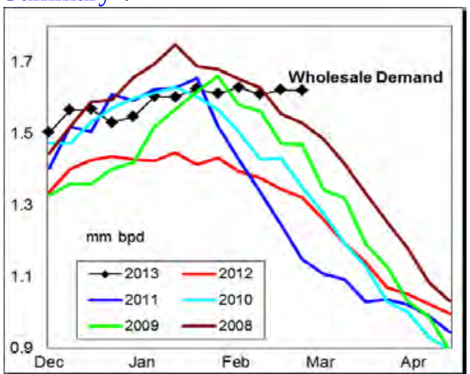
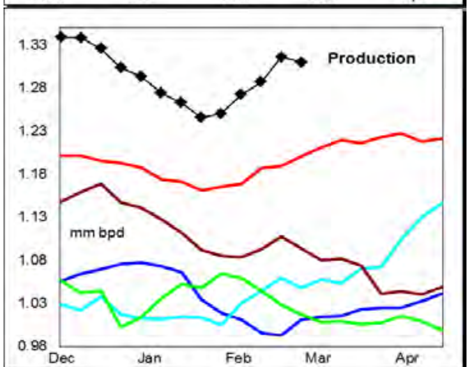
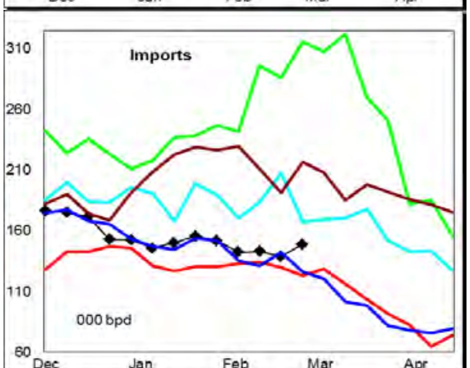
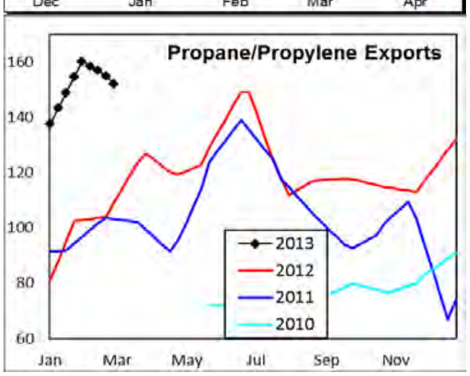






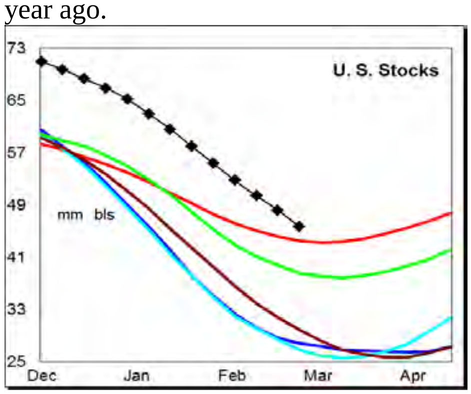


Wholesale demand declined -136,000 bpd on the week, although the level remains well above the historic range.

[1] Source is latest EIA Weekly Statistics

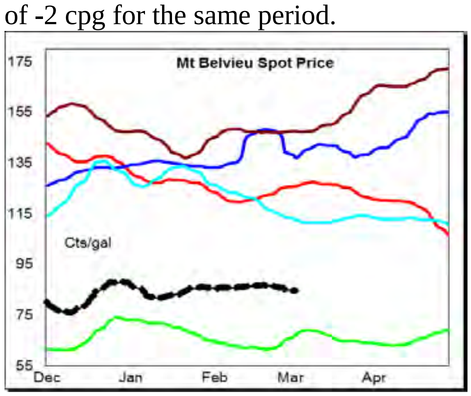
Production decreased -12,000 bpd on the week, while imports climbed +24,000 bpd.

Combined production and imports during the latest 4-wk period were +126,000 bpd above a year ago. Production was +111,000 bpd above last year (+9.4%), while imports were +15,000 bpd higher. The latest 4-wk average demand was +289,000 bpd above last year, +22%. Exports averaged +52,000 bpd (+50%) above a year ago.



Stocks decreased -2.2 million barrels last week, ending the week +2.2 million barrels above a year ago. The 4-wk stock change was a draw of -9.5 million barrels, matching the record draw for this time of year.

Price and Spreads Mt Belvieu prices decreased -1.5 cpg for the week ending 05Mar13 while Conway saw a decrease of -2 cpg for the same period.



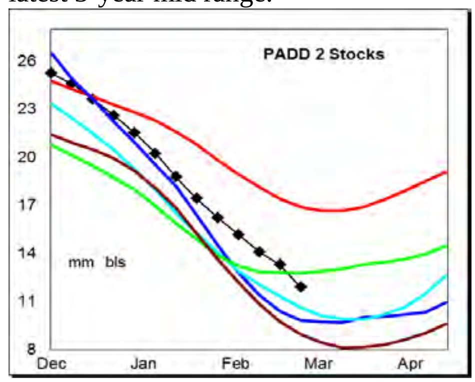
The Conway – Mt Belvieu price spread trended modestly higher last week, ending the week at -3 cpg.

The propane to natural gas price spread trended lower last week, ending at a level below the last 3-years.

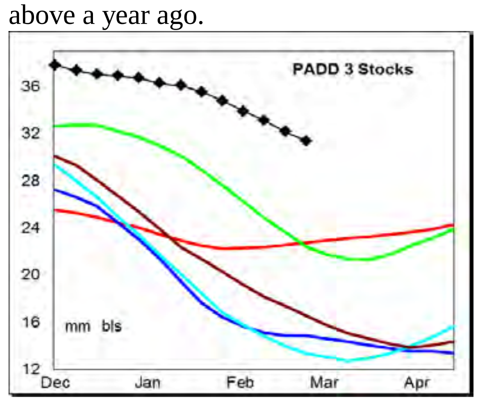
The propane / crude oil price spread trended higher on the week, ending a level slightly above the recent record low.

PADD 1 stocks decreased -0.1 million barrels on the week. Supply fell -26,000 bpd last week. Supply for the latest 4-wk period was +16,000 bpd above last year.

PADD 2 stocks declined -1.7 million barrels on the week. Supply increased +15,000 bpd on the week, due to higher production. The latest 4-wk supply was +16,000 bpd above a year ago. Stock levels ended the week at a level near the latest 3-year mid range.



PAD 3 stocks decreased -0.4 million barrels last week, with the level +36% above a year ago.



PADDs 4 & 5 stocks decreased -0.1 million barrels on the week. The stock level ended the week equal to the latest 3-year mid range.

Emerging Trends Above normal heating degree days are forecast for the eastern ½ half of the country during the next 10-days. High heating demand should support prices in the near term, although above average carryout stocks and high production risk an end of season price pull back.

PROPANE: Graph Link and Weekly Summary

March 6, 2013

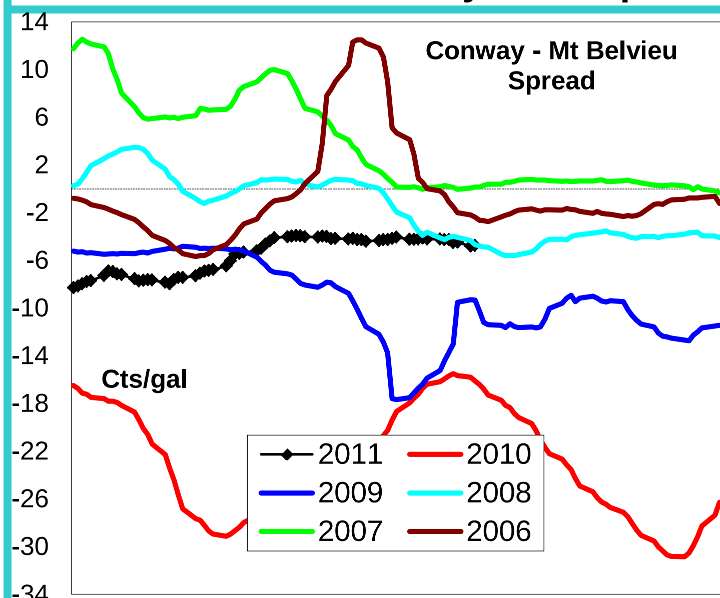
Fundamental Trends for the Week Ending: Friday, March 01, 2013

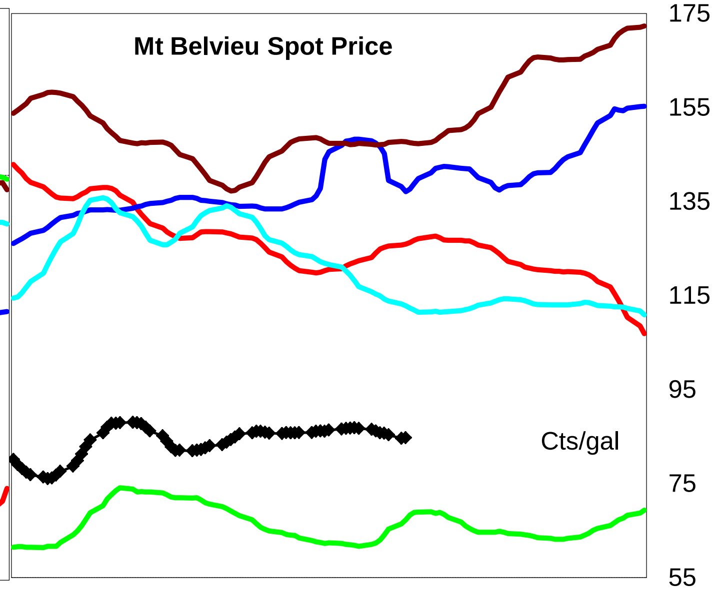
000 bpd / Stocks 000 bls	Weekly Supply-Demand: U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	Change from prior week: U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	45,672	1,686	11,873	31,377	736	-2,182	-94	-1,651	-370	-67
Propylene Stocks	2,963					6				
Production	1,310	78	255	804	173	-12	2	-42	19	9
Imports	149	63	70	0	17	24	14	16	0	-6
Whsle Demand	1,619					-136				

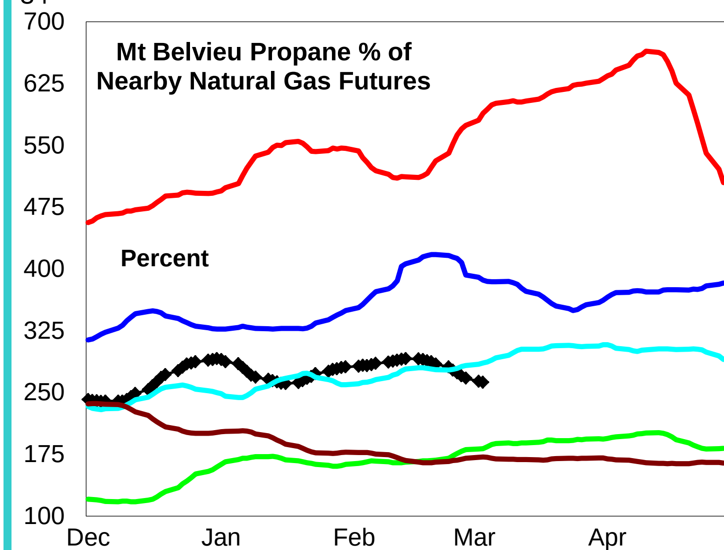
Price Trends for the Week Ending: Tuesday, March 05, 2013

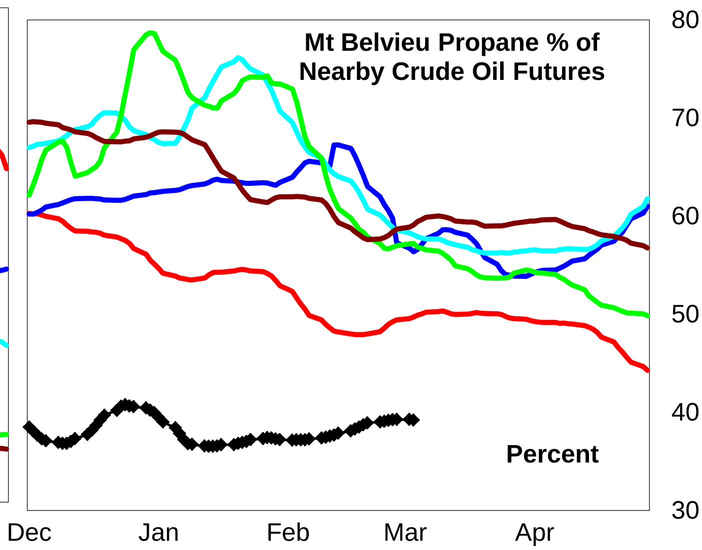
Cents/gal	Average for week ending: 3/5/13	2/26/13	2/5/13	3/1/12	Change from: 2/26/13	2/5/13	3/1/12	% change from: 2/26/13	2/5/13	3/1/12
Mont Belvieu Spot	85.3	86.7	86.6	124.9	-1.33	0.12	-38.34	-1.5	0.1	-30.7
Conway Spot	80.9	82.6	82.3	109.4	-1.78	0.36	-27.08	-2.2	0.4	-24.8

Key Price Spreads and Differentials

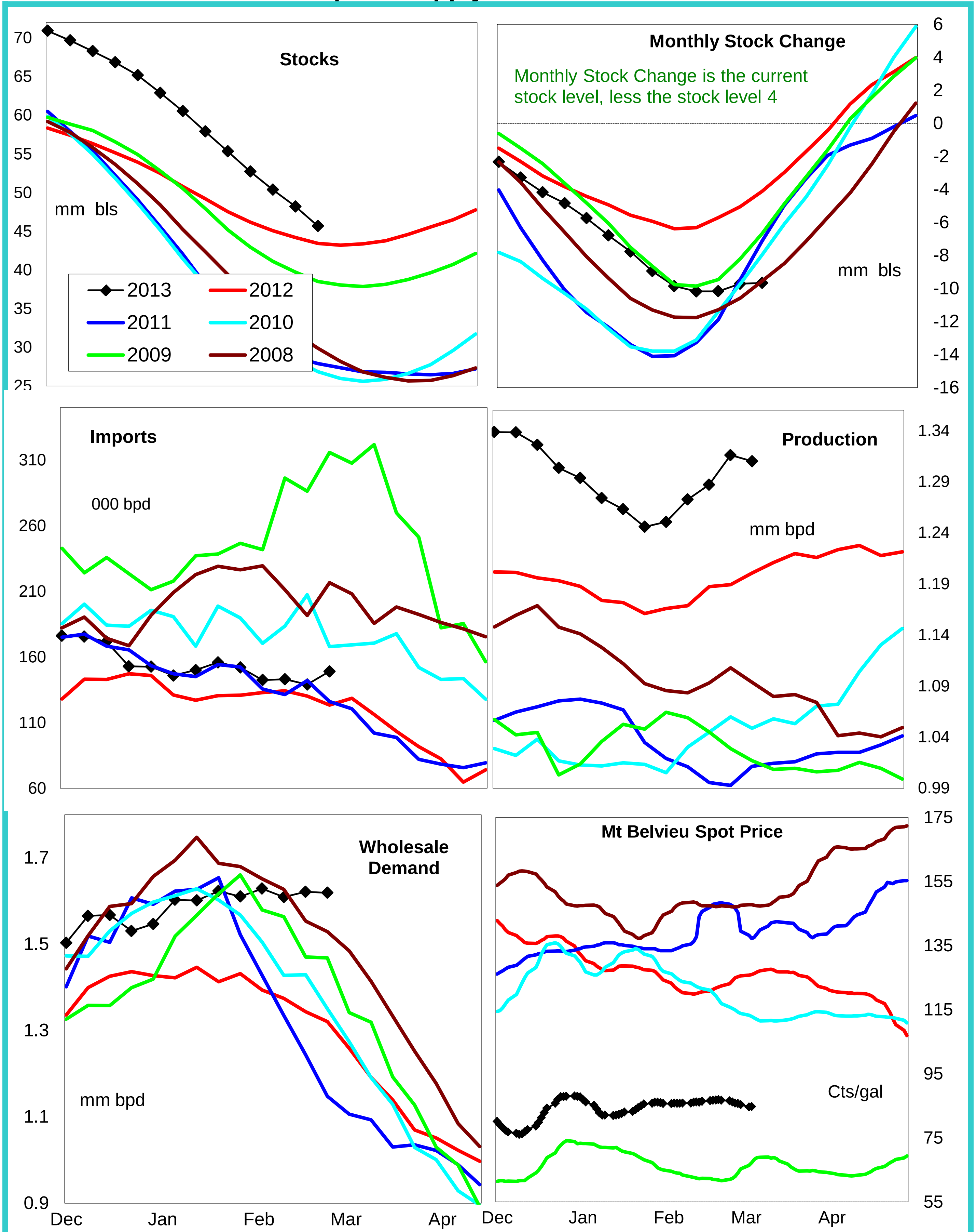








U. S. Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Jan	Dec	Nov
000 bpd (000 bls stks)	2,174	-5,554	111	15		289	220	67	-34
% change	5.0	135	9.4	11.2		21.7	15.6	4.6	-2.6

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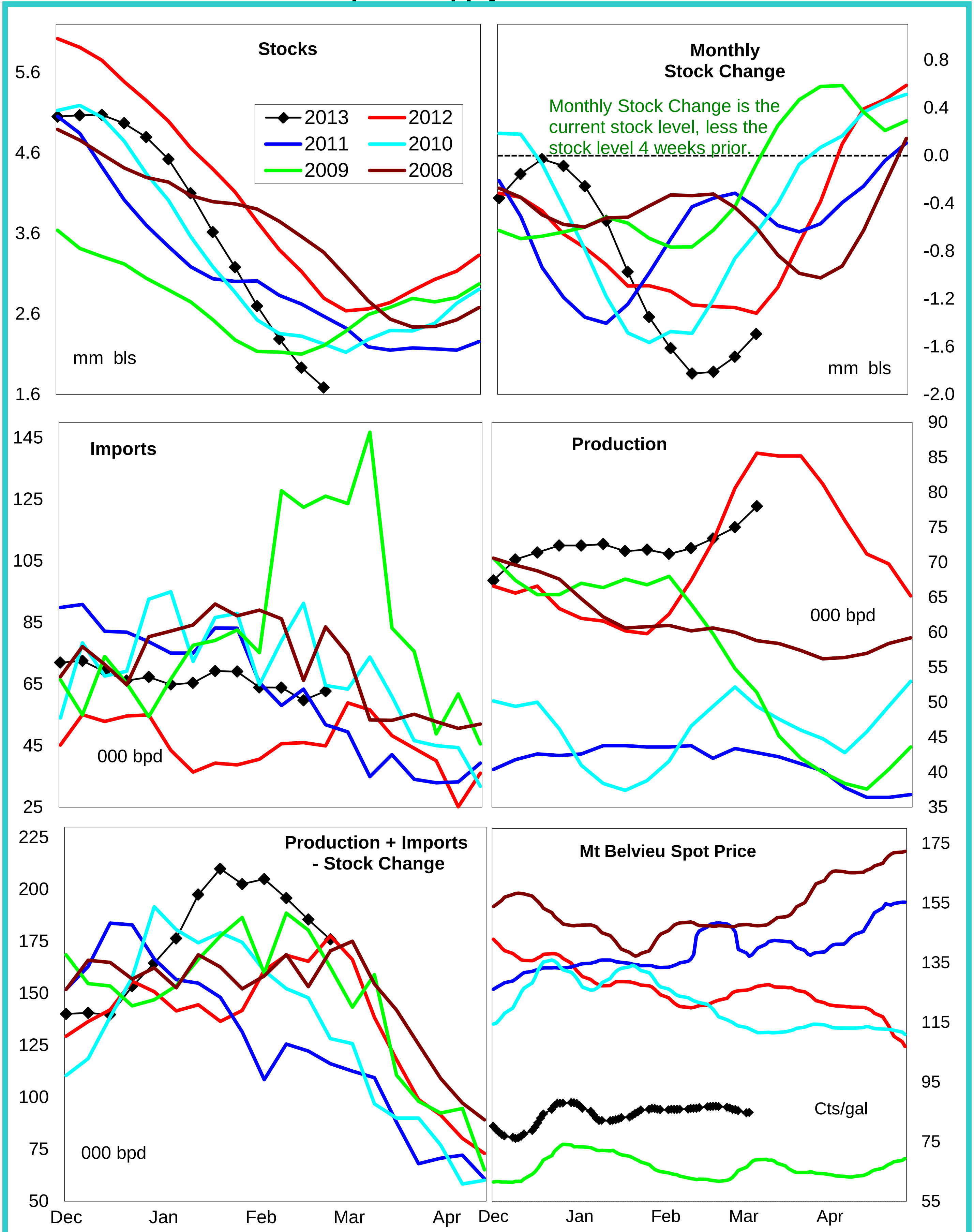
PADD 1 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-979	-174	-3	19	22
% change	-36.7	13.2	-4.2	40.1	13.3

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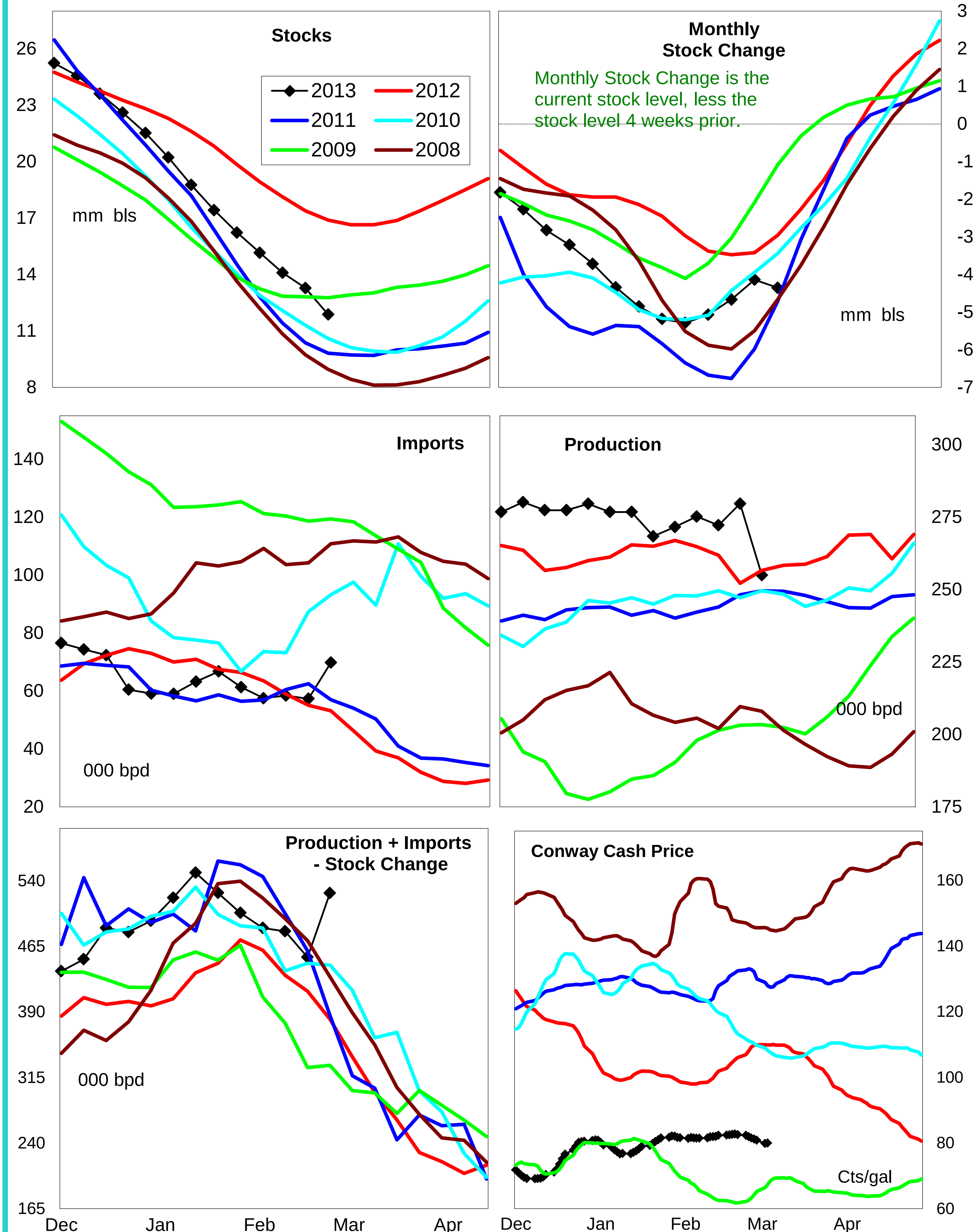
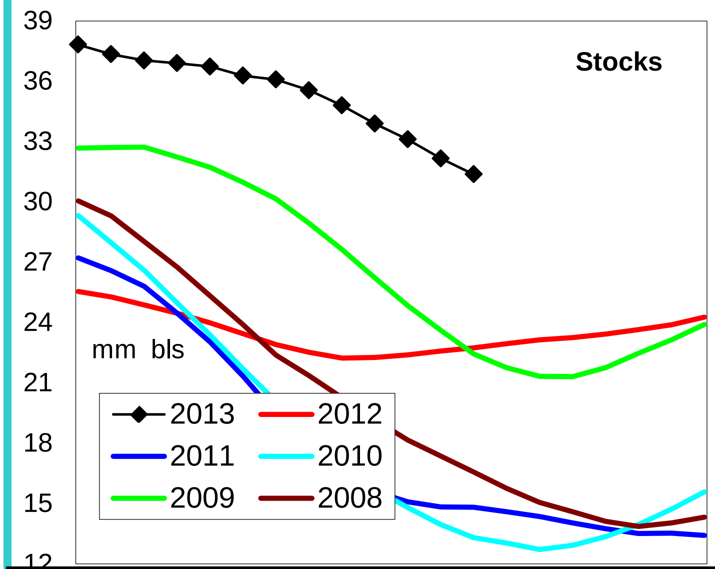
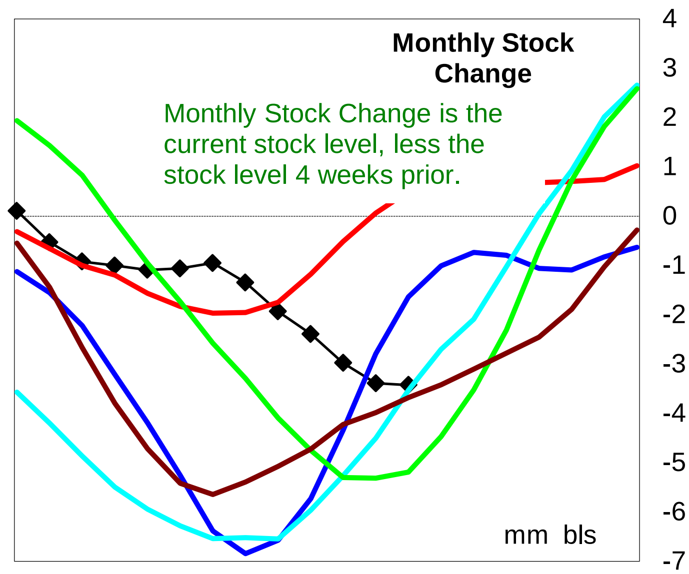
PADD 2 Propane Supply and Demand Balance

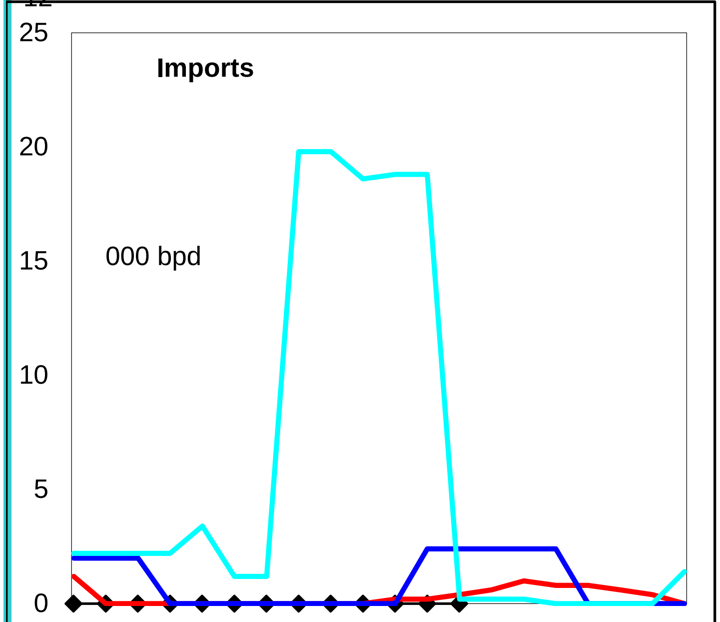


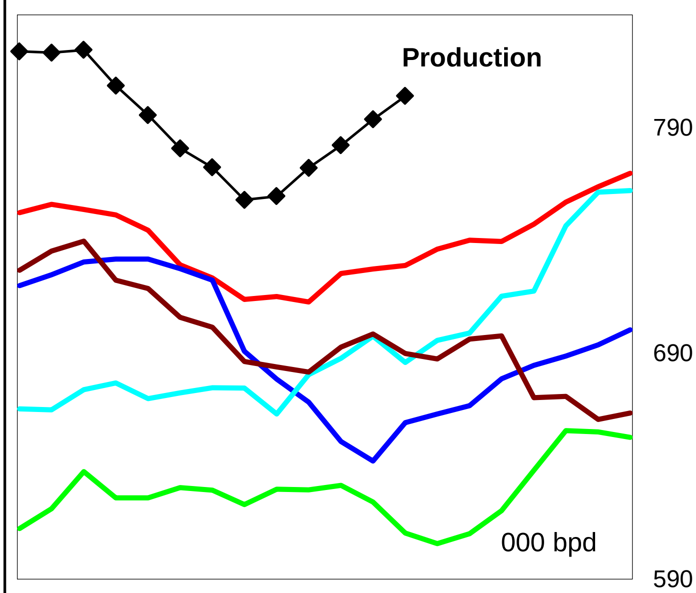
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-4,979	-1,400	11	5	65
% change	-29.5	47.4	4.3	8.4	15.3

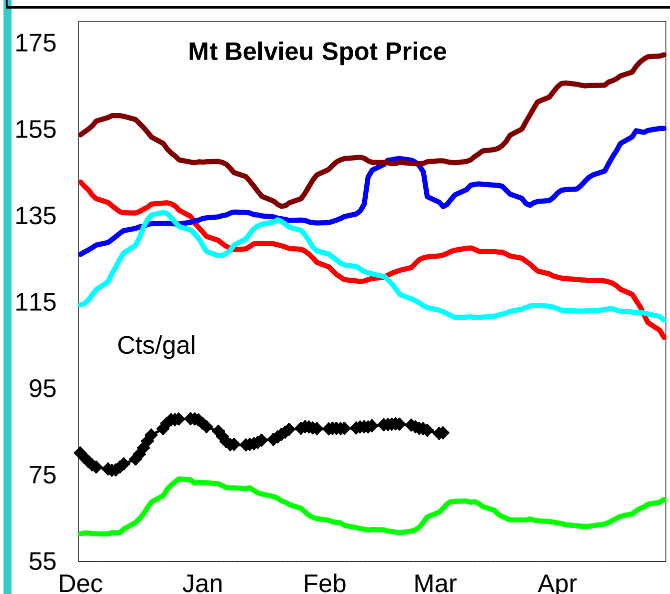
PADD 3 Propane Supply and Demand Balance

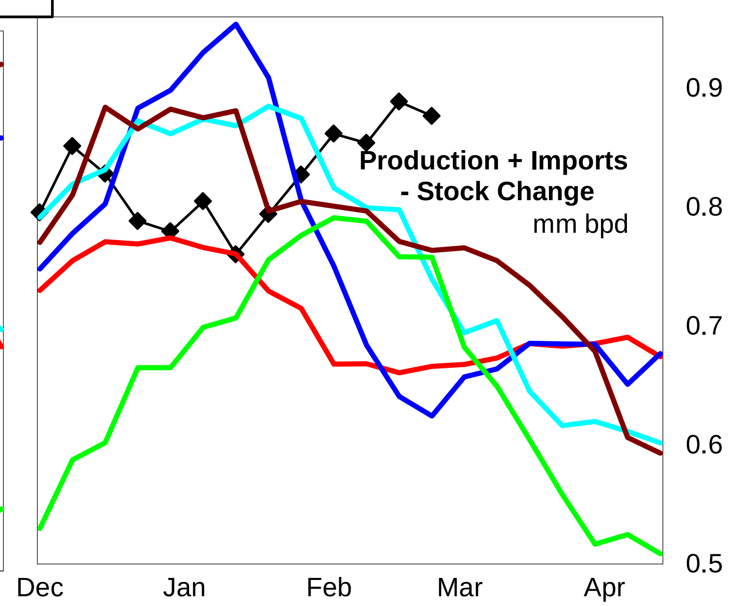












4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	8,396	-3,928	64	0	204
% change	36.5	-779	8.8	-100.0	29.0

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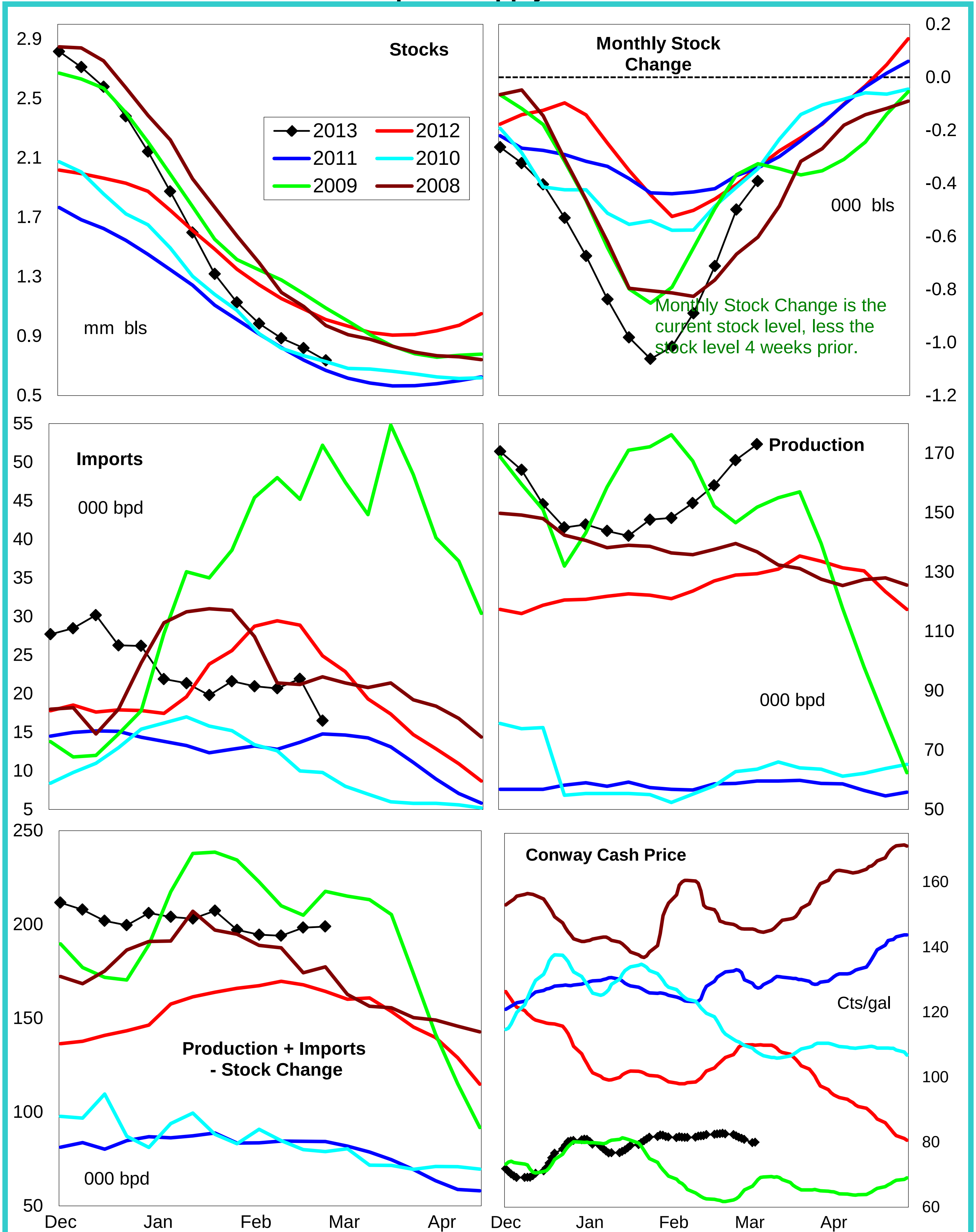
PADDs 4 and 5 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-264	-52	40	-8	29
% change	-26.4	15.5	31.1	-27.4	17.4

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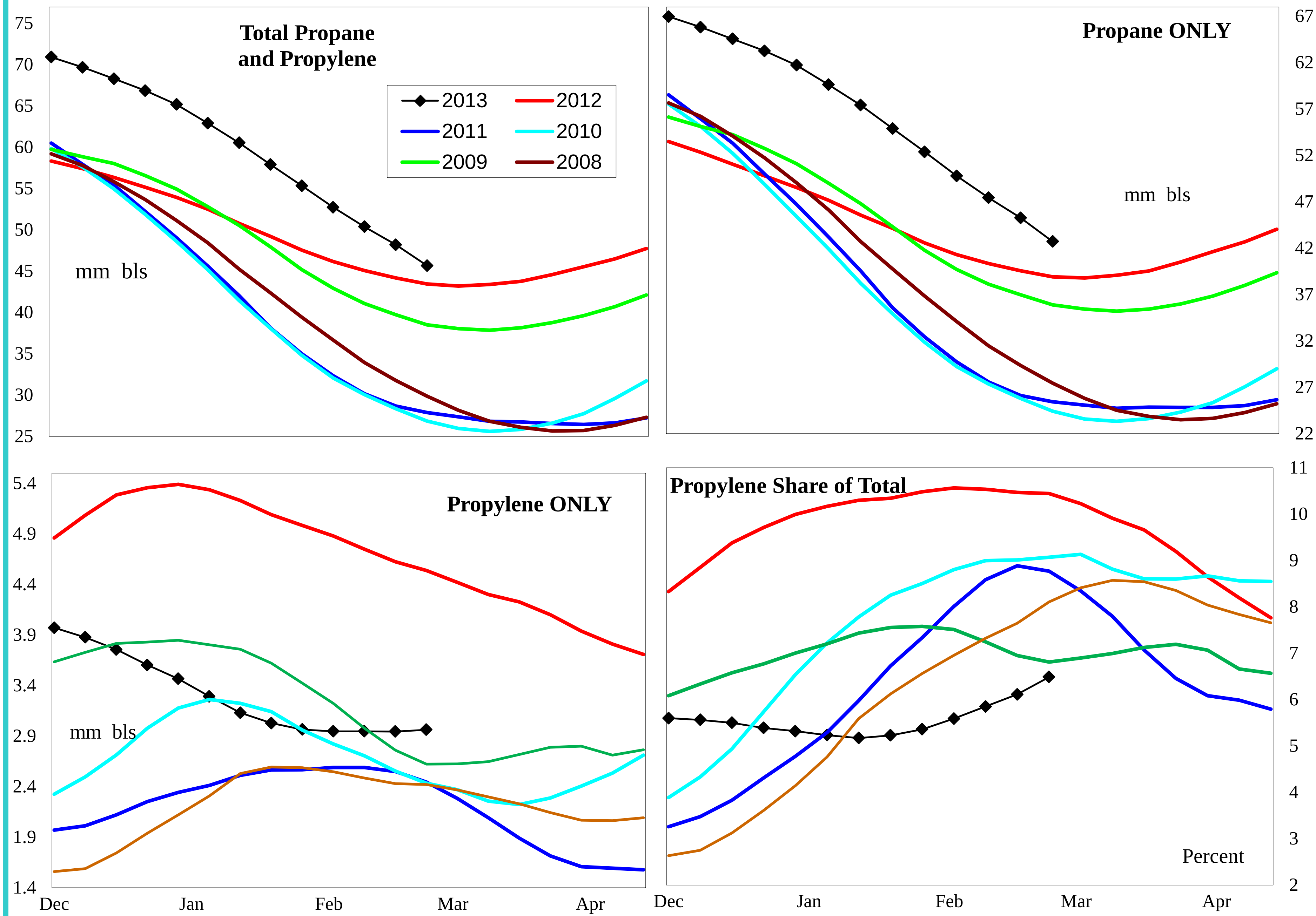
U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	**2,174**	**3,574**	**-1,575**
% change	**5.0**	**9.1**	**-34.7**

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

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