FUNDAMENTAL PETROLEUM TRENDS

WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

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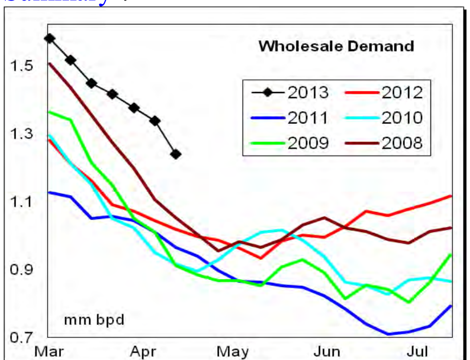
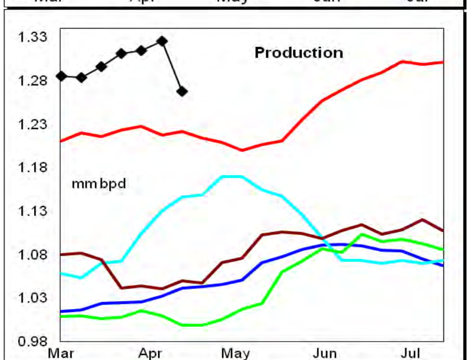
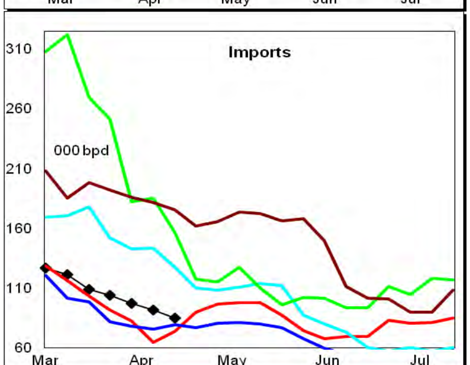
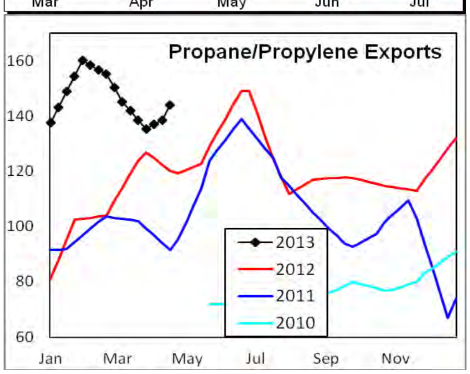


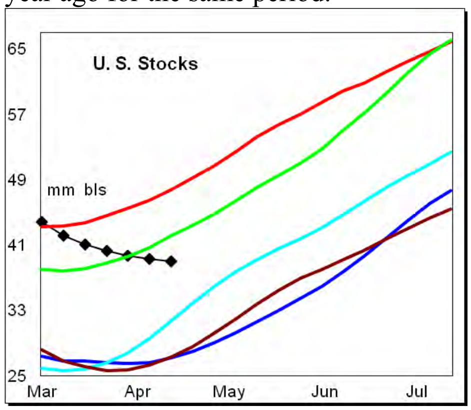






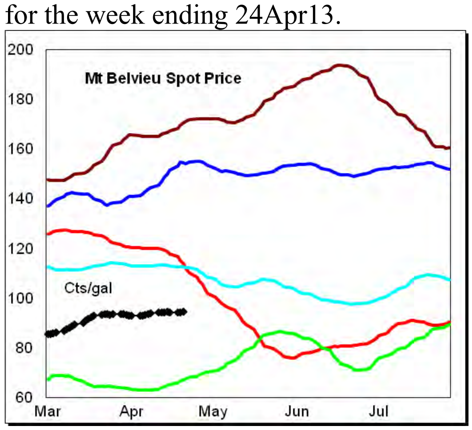
Wholesale demand fell -229,000 bpd on the week, as seasonal heating use decreased. Production decreased -66,000 bpd on the week while imports were -20,000 bpd lower.

Combined production and imports during the latest 4-wk period were +129,000 bpd above a year ago. Production was +100,000 bpd above last year (+8.2%), while imports were +29,000 bpd higher. The latest 4-wk average demand was +316,000 bpd above last year, +31%. Exports averaged +14,000 bpd (+11%) above a year ago for the same period.



Stocks were nearly unchanged on the week, ending the week at a level -18% below last years' record high. The 4-wk stock change was a draw of -2.1 million barrels, compared to a build of +4.6 million barrels last year.

Price and Spreads Mt Belvieu and Conway prices each increased +0.50 cpg for the week ending 24Apr13.



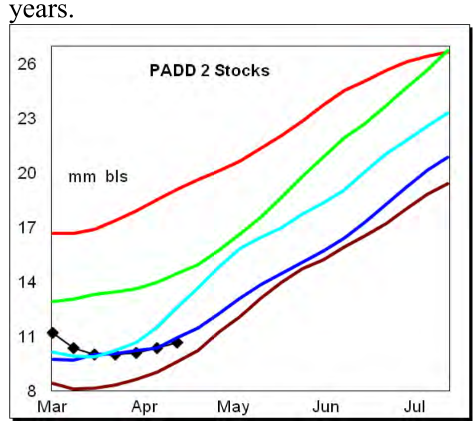
The Conway – Mt Belvieu price spread traded sideways last week, ending the week at -7 cpg.

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

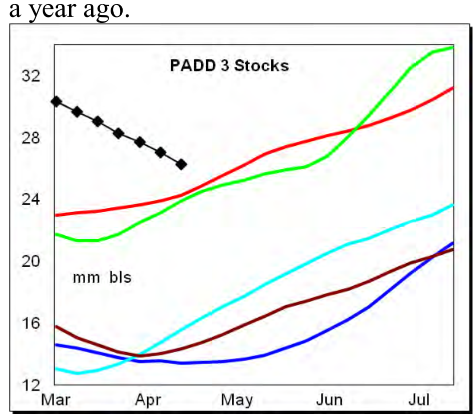
The propane / crude oil price spread pulled back late last week, ending at near last years' level.

PADD 1 stocks increased +0.2 million barrels last week, with the level -1.7 million barrels below last year. Supply decreased -5,000 bpd last week. Supply for the latest 4-wk period was +25,000 bpd above last year.

PADD 2 stocks increased +0.2 million barrels on the week. Supply decreased -38,000 bpd on lower production and imports. The latest 4-wk supply was +26,000 bpd above a year ago. Stock levels ended the week below the last 3-years.



PAD 3 stocks decreased -0.4 million barrels last week, to a level +9% above a year ago.



PADDs 4 & 5 stocks were unchanged on the week. The stock level ended the week at a level below the 5-year mid range.

Emerging Trends Carry out stock levels in regions other than the Gulf were ner historic lows due largely to the above normal heating season. Low stock levels and high demand for crude oil blending should limit end of season price weakness.

[1] Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

April 24, 2013

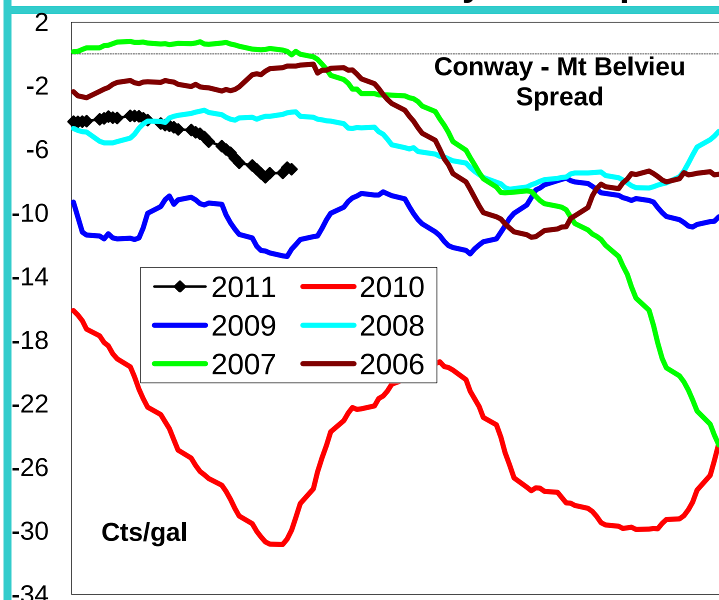
Fundamental Trends for the Week Ending: Friday, April 19, 2013

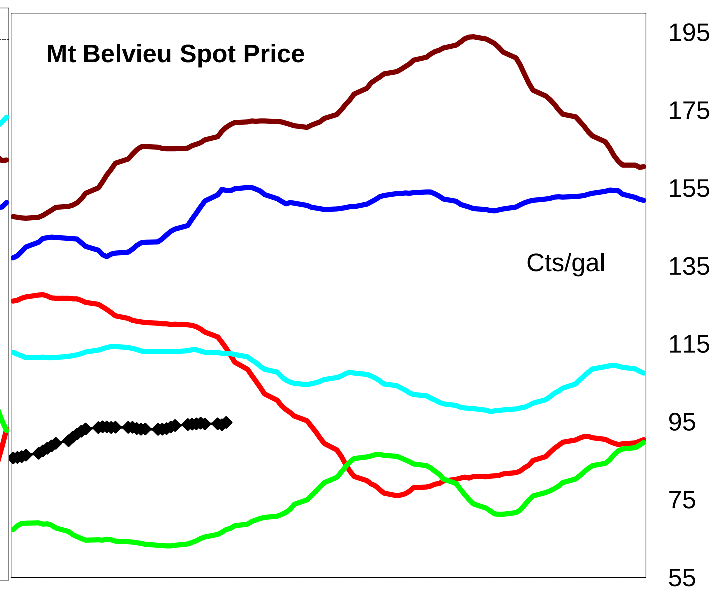
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	38,964	1,328	10,644	26,283	709	-62	170	242	-439	-35
Propylene Stocks	3,749					145				
Production	1,268	76	264	794	134	-66	-2	-22	-12	-30
Imports	85	42	38	0	5	-20	-3	-16	0	-1
Whsle Demand	1,218					-229				

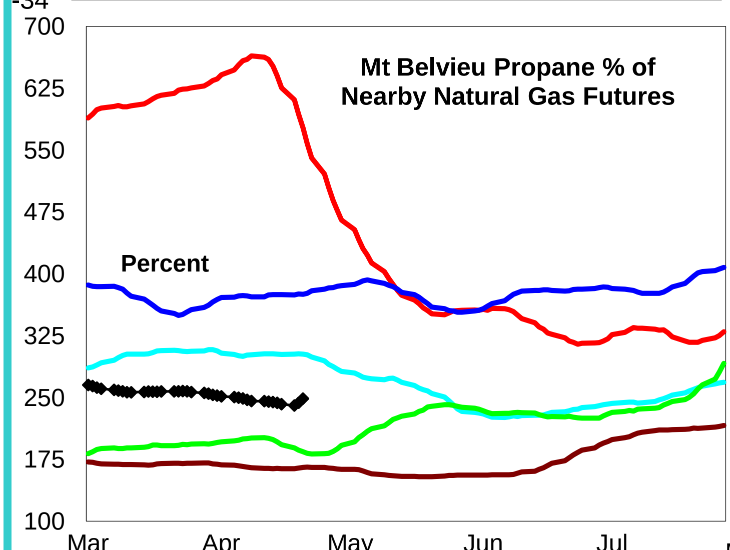
Price Trends for the Week Ending: Wednesday, April 24, 2013

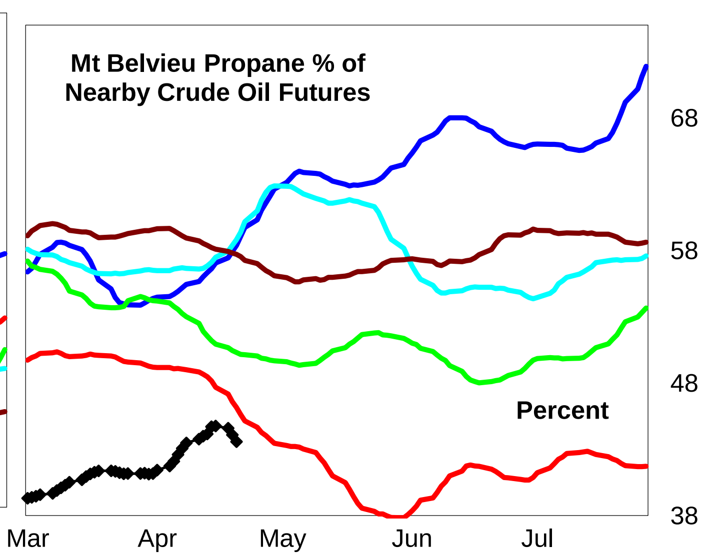
Cents/gal	Average for week ending:				Change from:			% change from:		
	4/24/13	4/17/13	3/27/13	4/20/12	4/17/13	3/27/13	4/20/12	4/17/13	3/27/13	4/20/12
Mont Belvieu Spot	94.5	94.7	94.1	118.1	-0.18	0.60	-24.03	-0.2	0.6	-20.3
Conway Spot	87.0	86.8	90.1	86.0	0.27	-3.29	4.02	0.3	-3.7	4.7

Key Price Spreads and Differentials

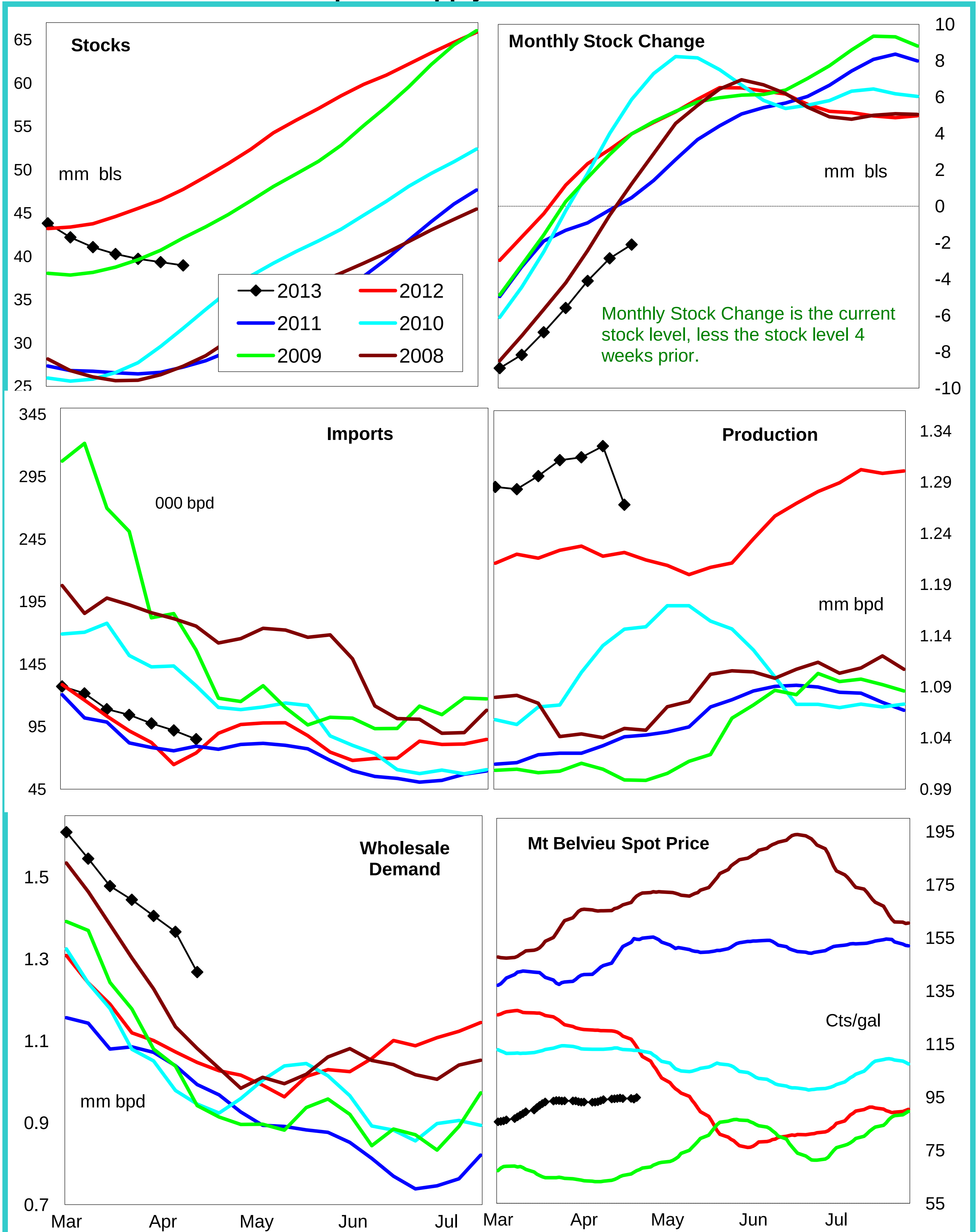






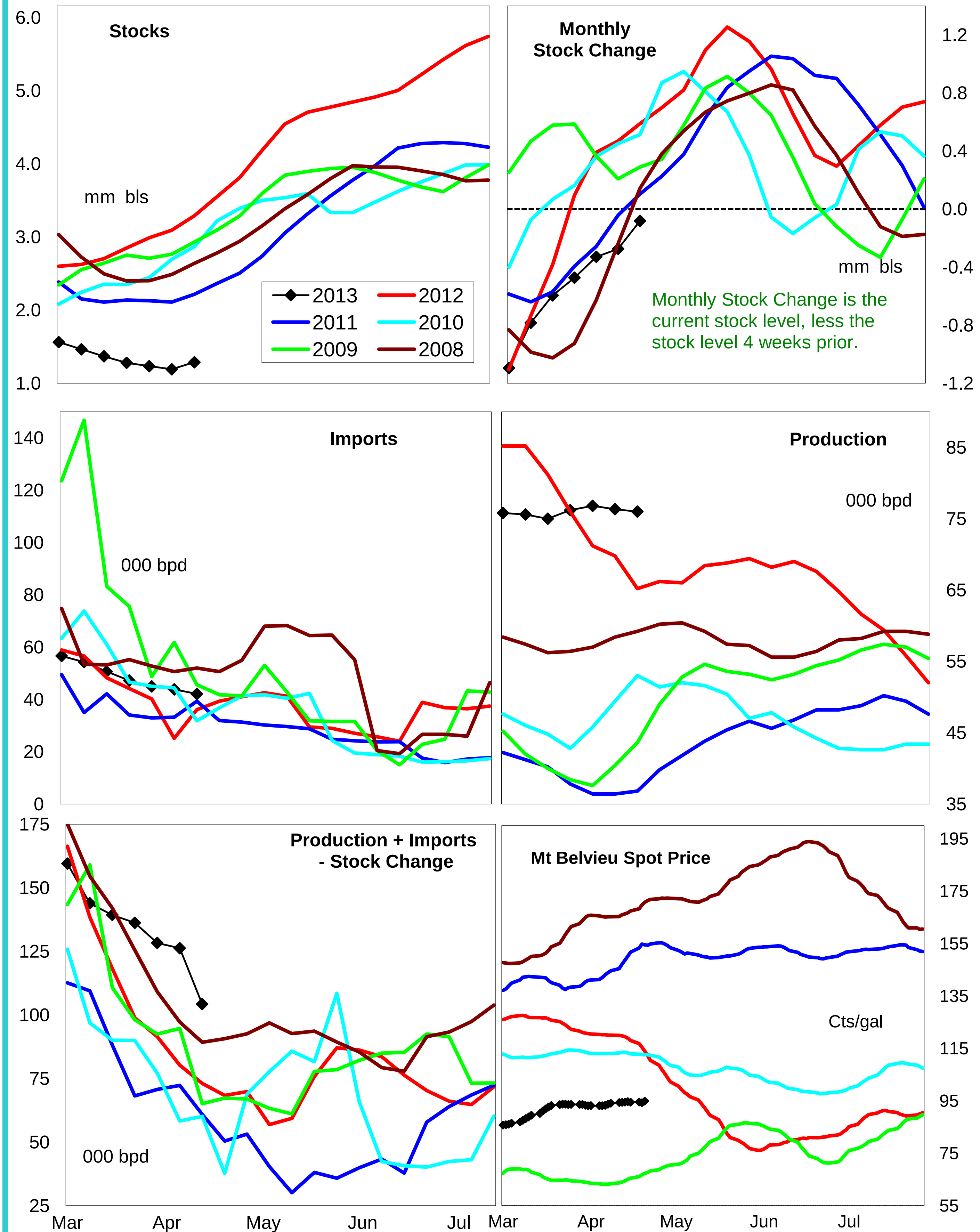


U. S. Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Mar	Feb	Jan
000 bpd (000 bls stks)	-8,476	-6,088	100	29		316	330	277	287
% change	-17.9	-153	8.2	45.1		30.7	29.1	20.6	20.4

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)	-1,691	-669	6	19	38
% change	-56.0	-113.7	8.2	81.7	44.0

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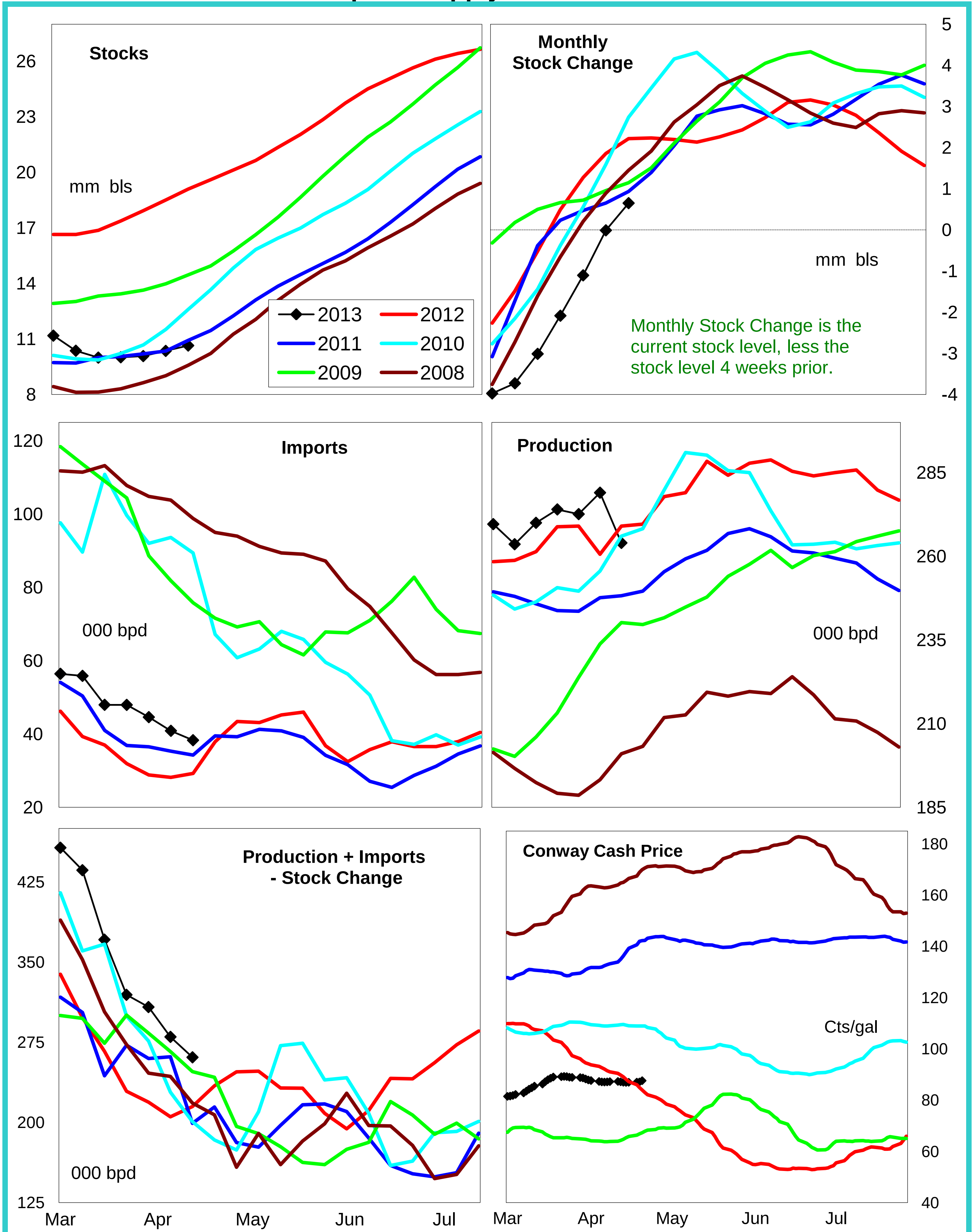
PADD 2 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-8,667	-1,570	11	15	75
% change	-44.9	-70.7	4.2	50.4	34.6

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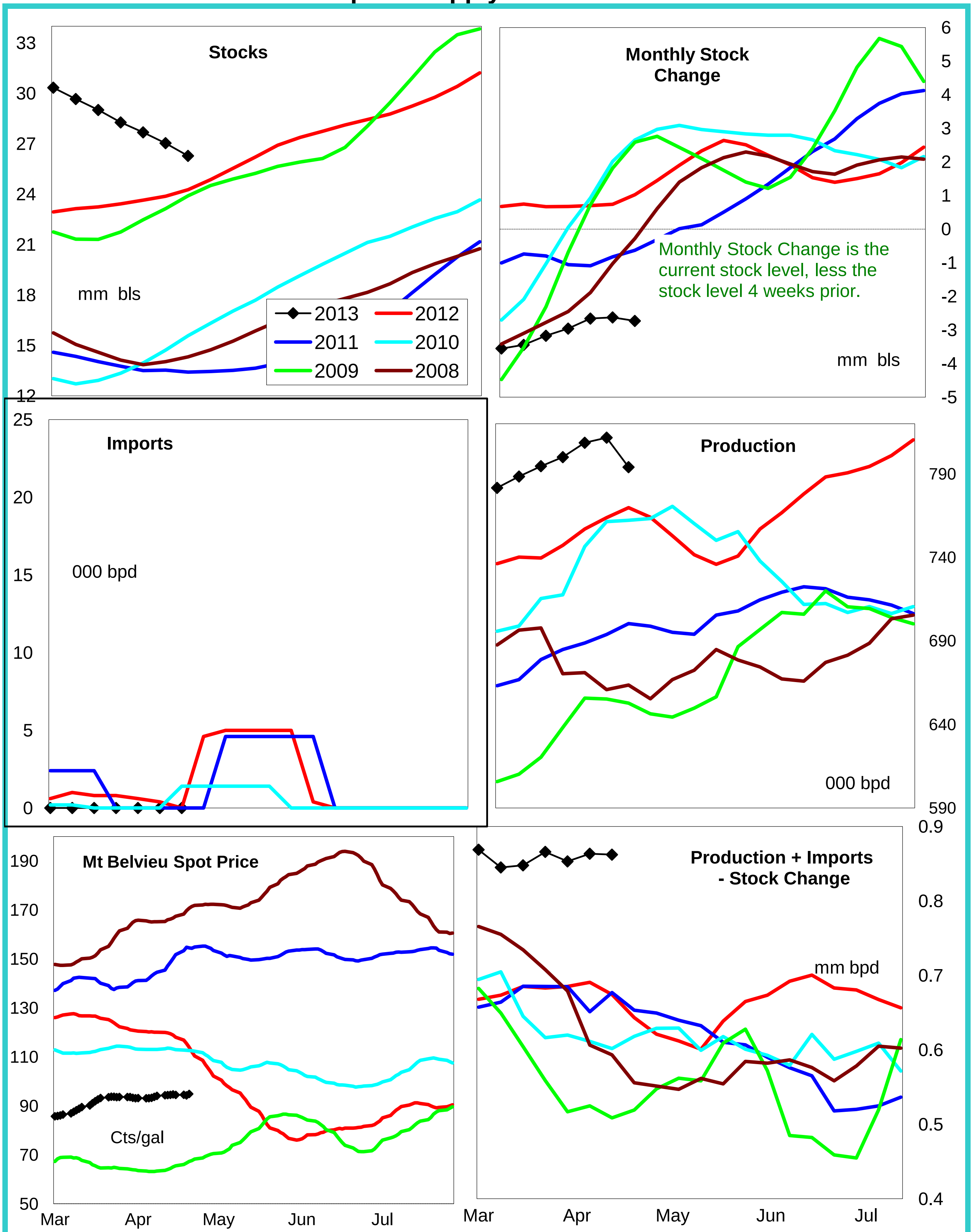
PADD 3 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	2,177	-3,756	57	-1	178
% change	9.0	-367	7.5	-100.0	24.6

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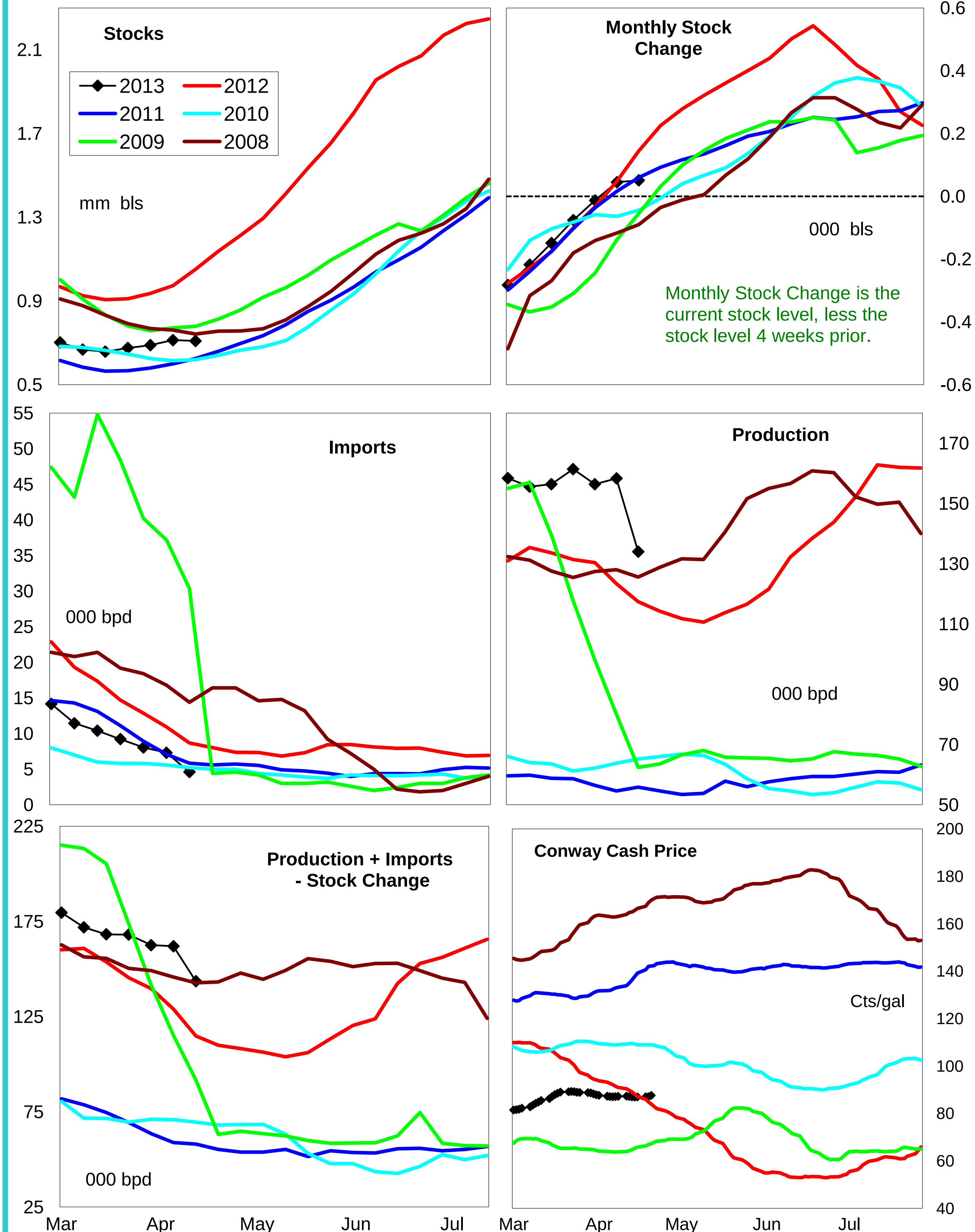
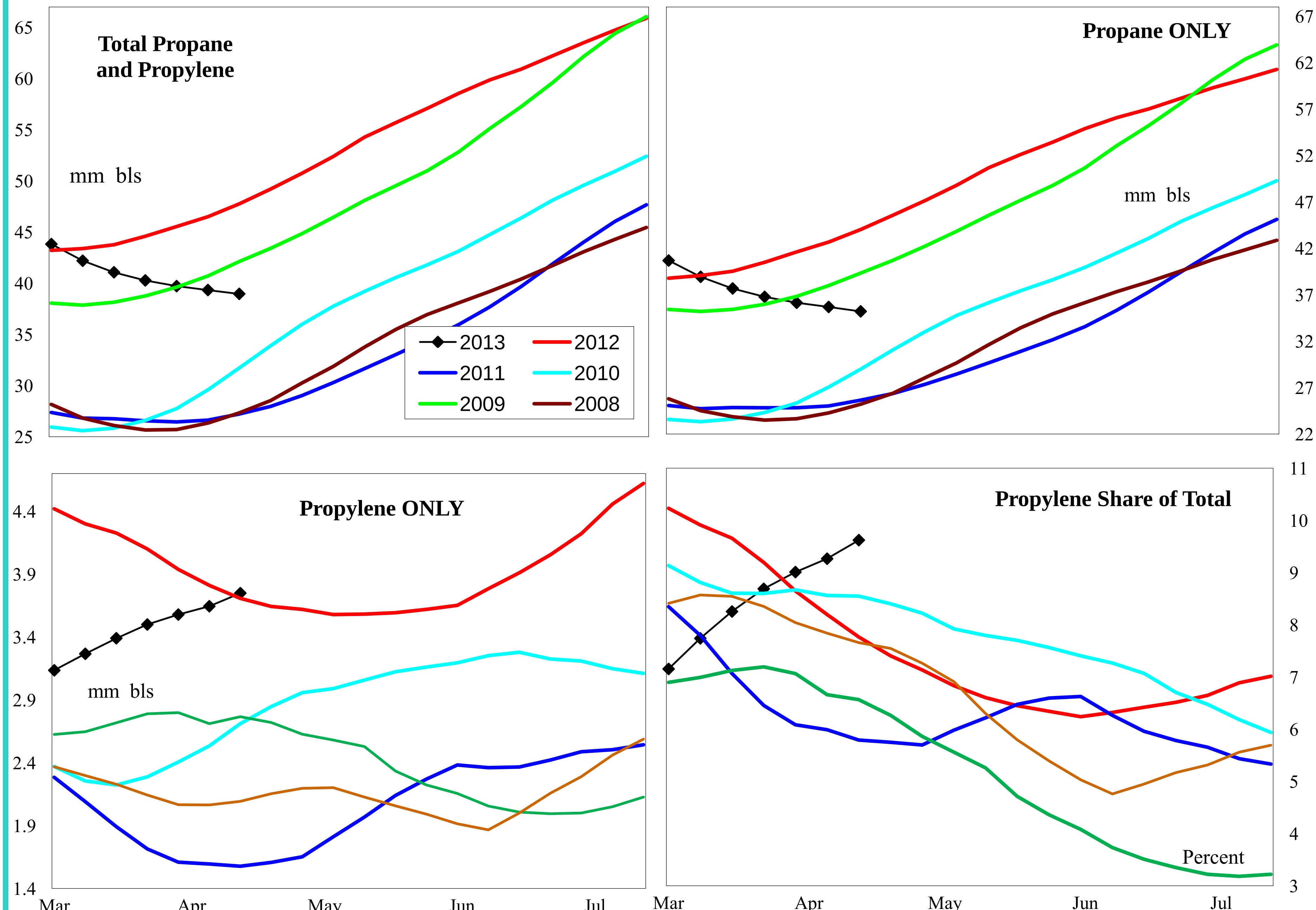
PADDs 4 and 5 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-295	-94	27	-4	27
% change	-29.4	-64.9	20.7	-34.4	20.3

U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	-8,476	-8,537	41
% change	-17.9	-19.5	1.1

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