FUNDAMENTAL PETROLEUM TRENDS

WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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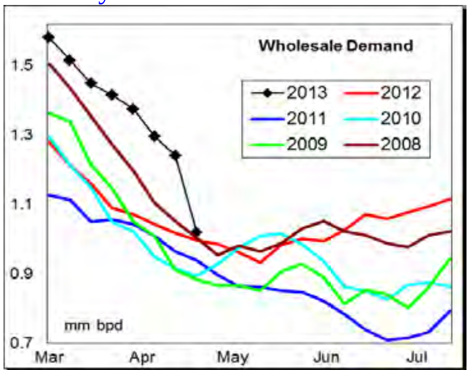
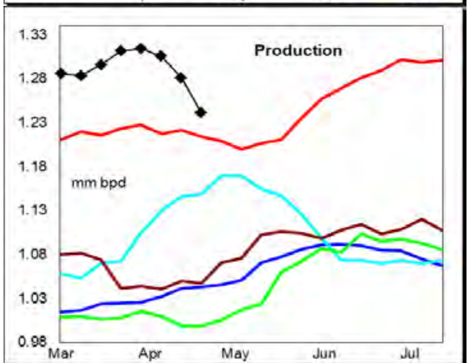
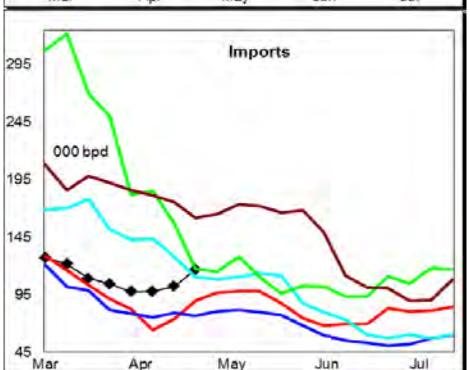
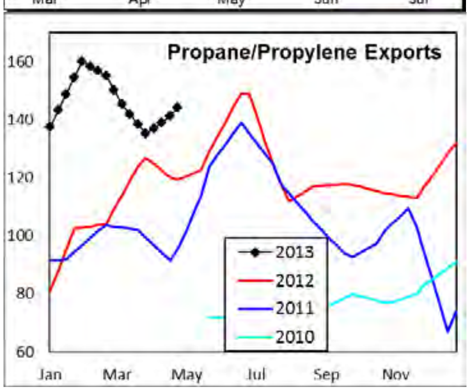


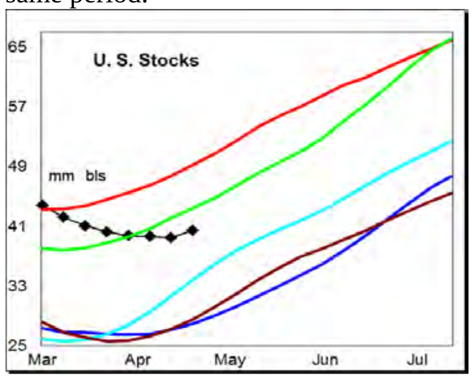






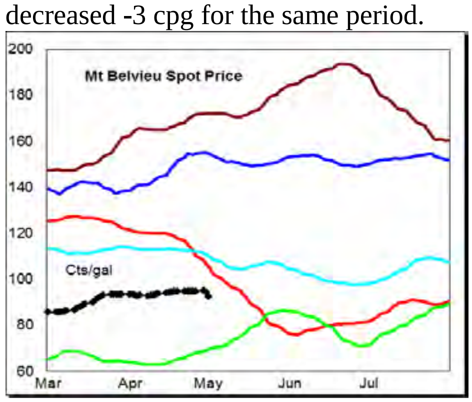
Wholesale demand fell -220,000 bpd on the week, as seasonal heating use decreased. Production decreased -27,000 bpd on the week while imports were +32,000 bpd higher.

Combined production and imports during the latest 4-wk period were +123,000 bpd above a year ago. Production was +87,000 bpd above last year (+7%), while imports were +36,000 bpd higher. The latest 4-wk average demand was +210,000 bpd above last year, +21%. Exports averaged +19,000 bpd (+16%) above a year ago for the same period.



Stocks increased +1.5 million barrels on the week, ending at a level -17% below last years' record high. The 4-wk stock change was a build of +0.2 million barrels, compared to a build of +5 million barrels last year.

Price and Spreads Mt Belvieu price decreased -2 cpg for the week ending 01May13 while Conway prices decreased -3 cpg for the same period.



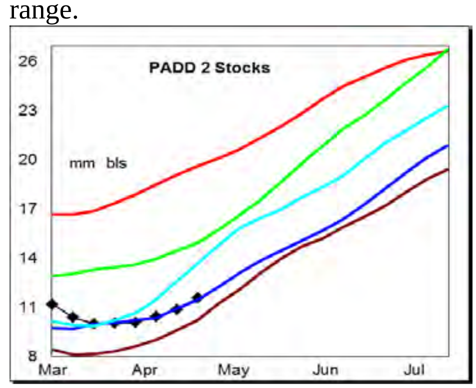
The Conway – Mt Belvieu price spread traded lower last week, ending the week at -8 cpg.

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

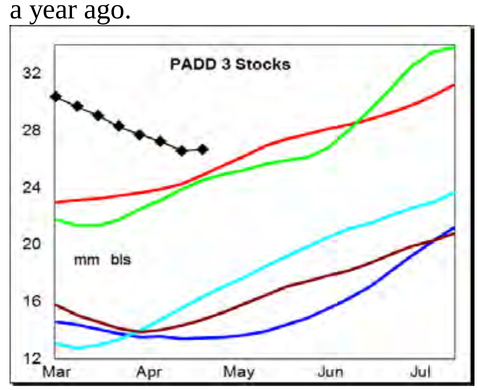
The propane / crude oil price spread pulled back last week, ending at near last years' level.

PADD 1 stocks increased +0.2 million barrels last week, with the level -1.7 million barrels below last year. Supply decreased -2,000 bpd last week. Supply for the latest 4-wk period was +29,000 bpd above last year.

PADD 2 stocks increased +0.9 million barrels on the week. Supply increased +29,000 bpd on higher imports. The latest 4-wk supply was +32,000 bpd above a year ago. Stock levels ended the week below at the low end of the 5-year range.



PAD 3 stocks increased +0.4 million barrels last week, to a level +8% above a year ago.



PADDs 4 & 5 stocks increased +0.1 million barres on the week. The stock level ended the week at the 5-year mid range.

Emerging Trends Carry out stock levels in regions other than the Gulf were near 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

May 2, 2013

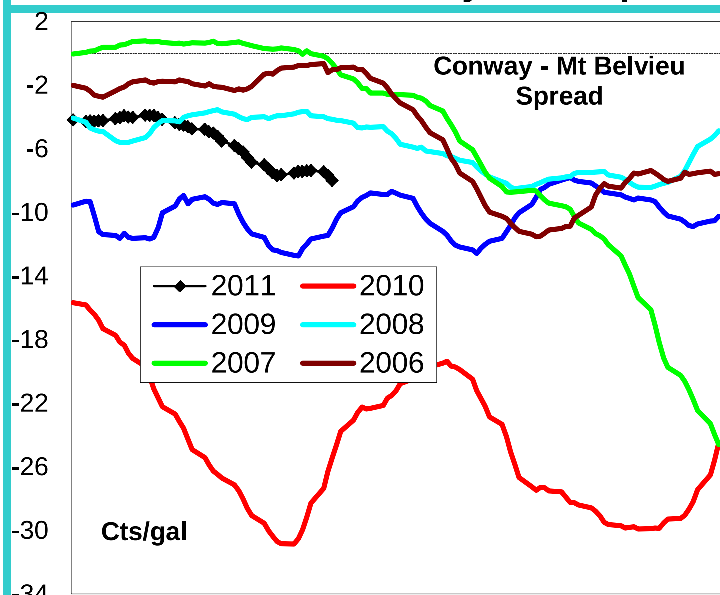
Fundamental Trends for the Week Ending: Friday, April 26, 2013

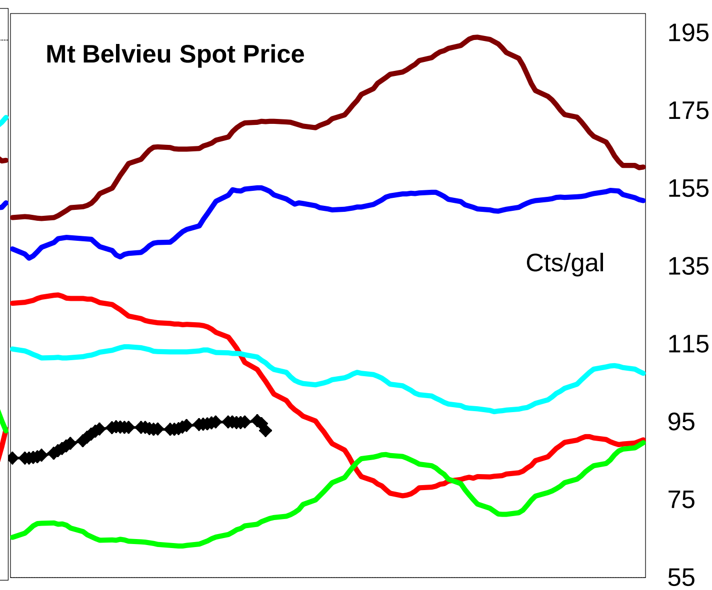
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S.	PADD				U.S.	PADD			
	Total	1	2	3	4&5	Total	1	2	3	4&5
Stocks	40,476	1,492	11,574	26,647	763	1,512	164	930	364	54
Propylene Stocks	3,853					104				
Production	1,241	69	267	780	125	-27	-7	3	-14	-9
Imports	117	47	65	0	6	32	5	26	0	1
Whsle Demand	998					-220				

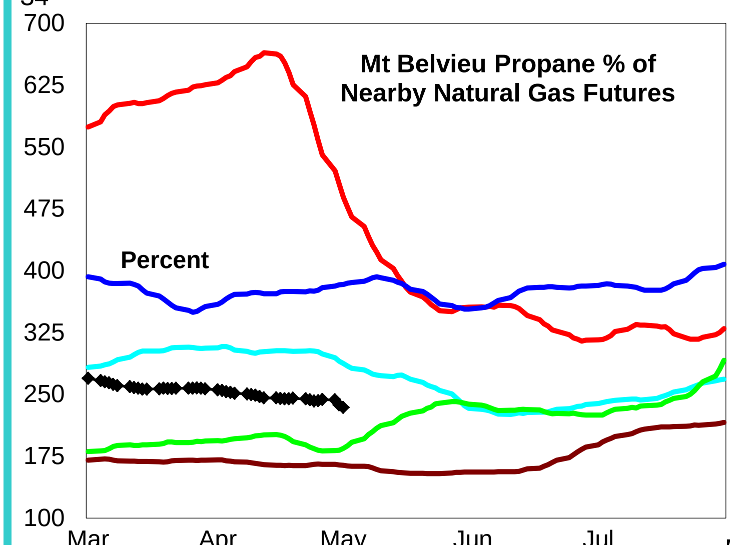
Price Trends for the Week Ending: Wednesday, May 01, 2013

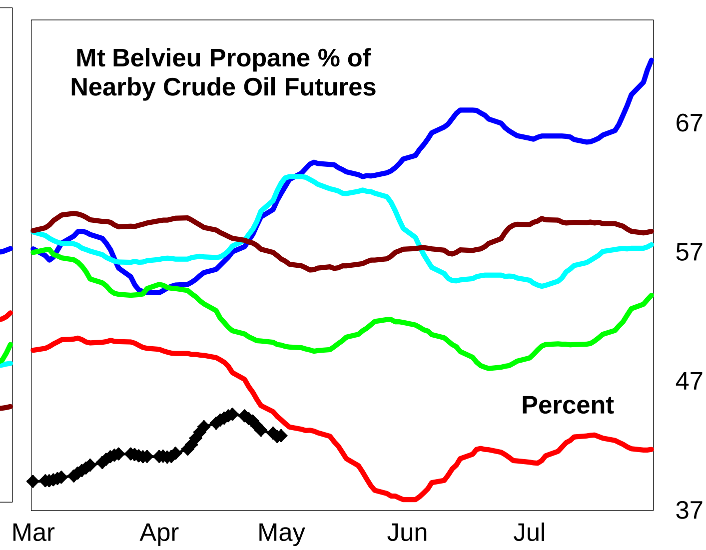
Cents/gal	Average for week ending:				Change from:			% change from:		
	5/1/13	4/24/13	4/3/13	4/27/12	4/24/13	4/3/13	4/27/12	4/24/13	4/3/13	4/27/12
Mont Belvieu Spot	95.3	94.5	93.7	108.5	0.77	0.79	-14.77	0.8	0.8	-13.6
Conway Spot	87.8	87.0	88.5	80.8	0.80	-1.49	7.68	0.9	-1.7	9.5

Key Price Spreads and Differentials

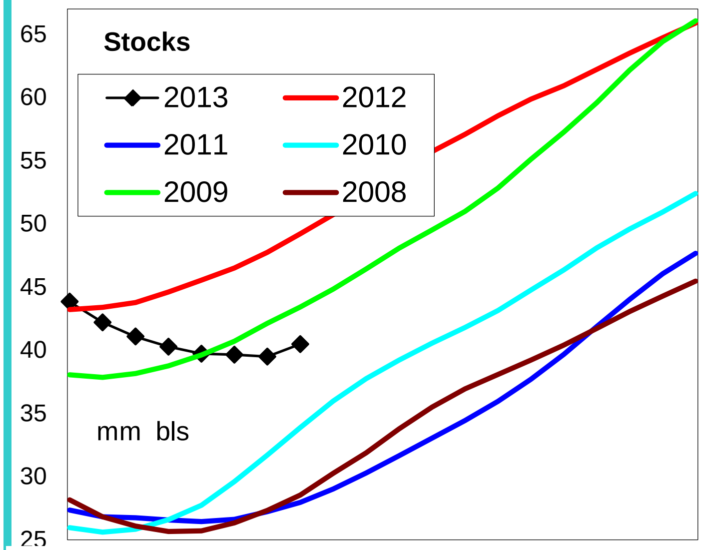


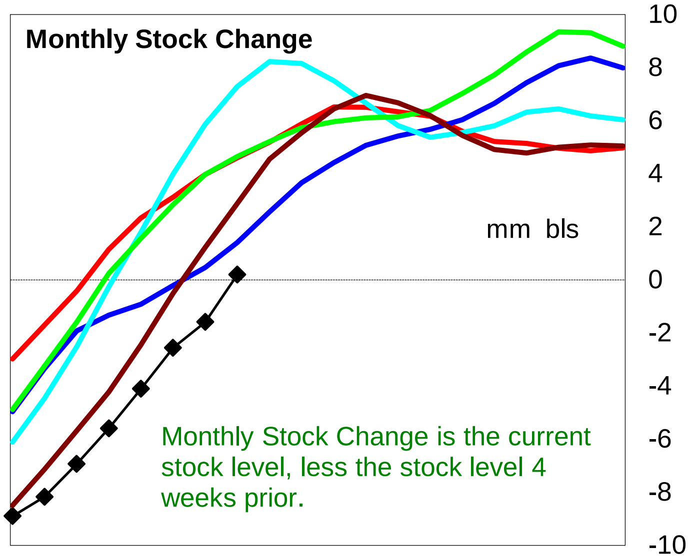


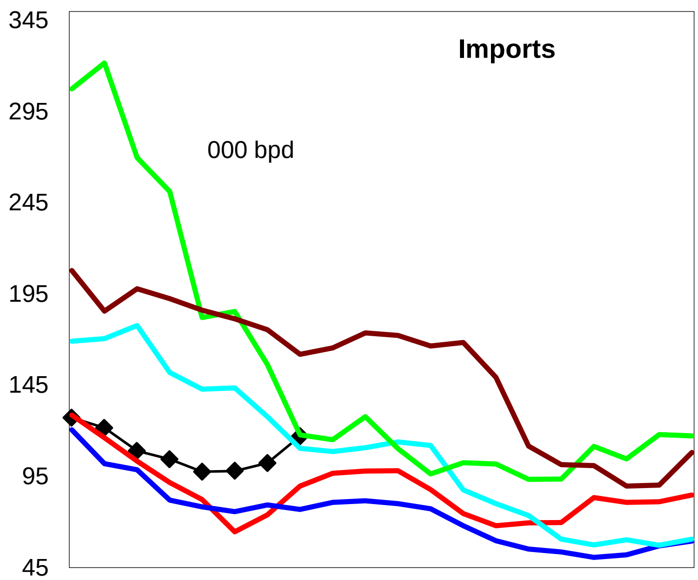


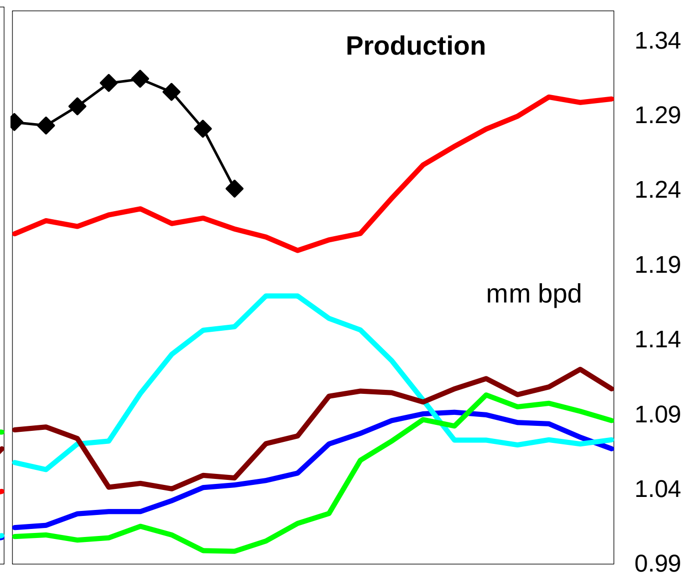


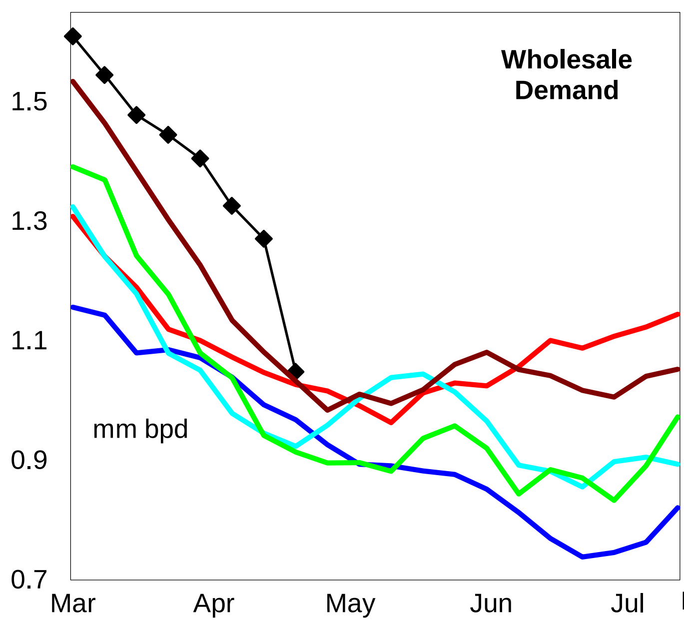
U. S. Propane Supply and Demand Balance

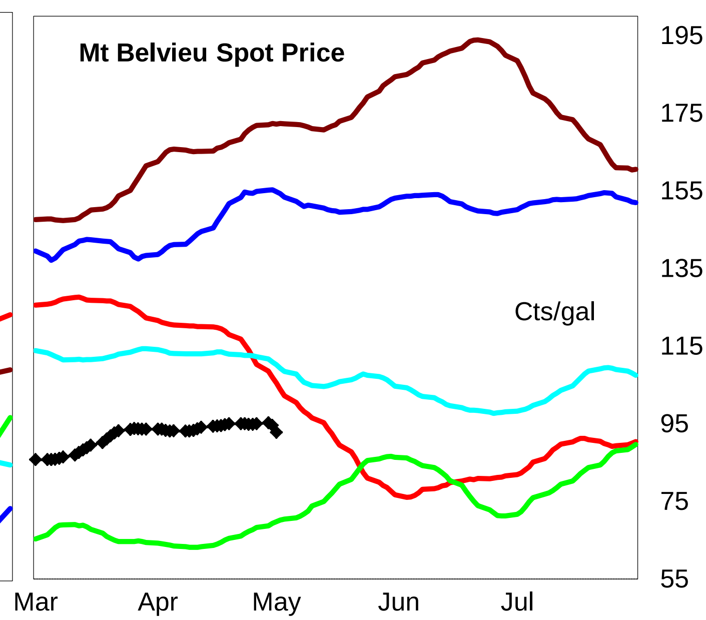












4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Mar	Feb	Jan
000 bpd (000 bls stks)	-8,031	-4,409	87	36		210	330	277	287
% change	-16.6	-96	7.1	57.2		20.5	29.1	20.6	20.4

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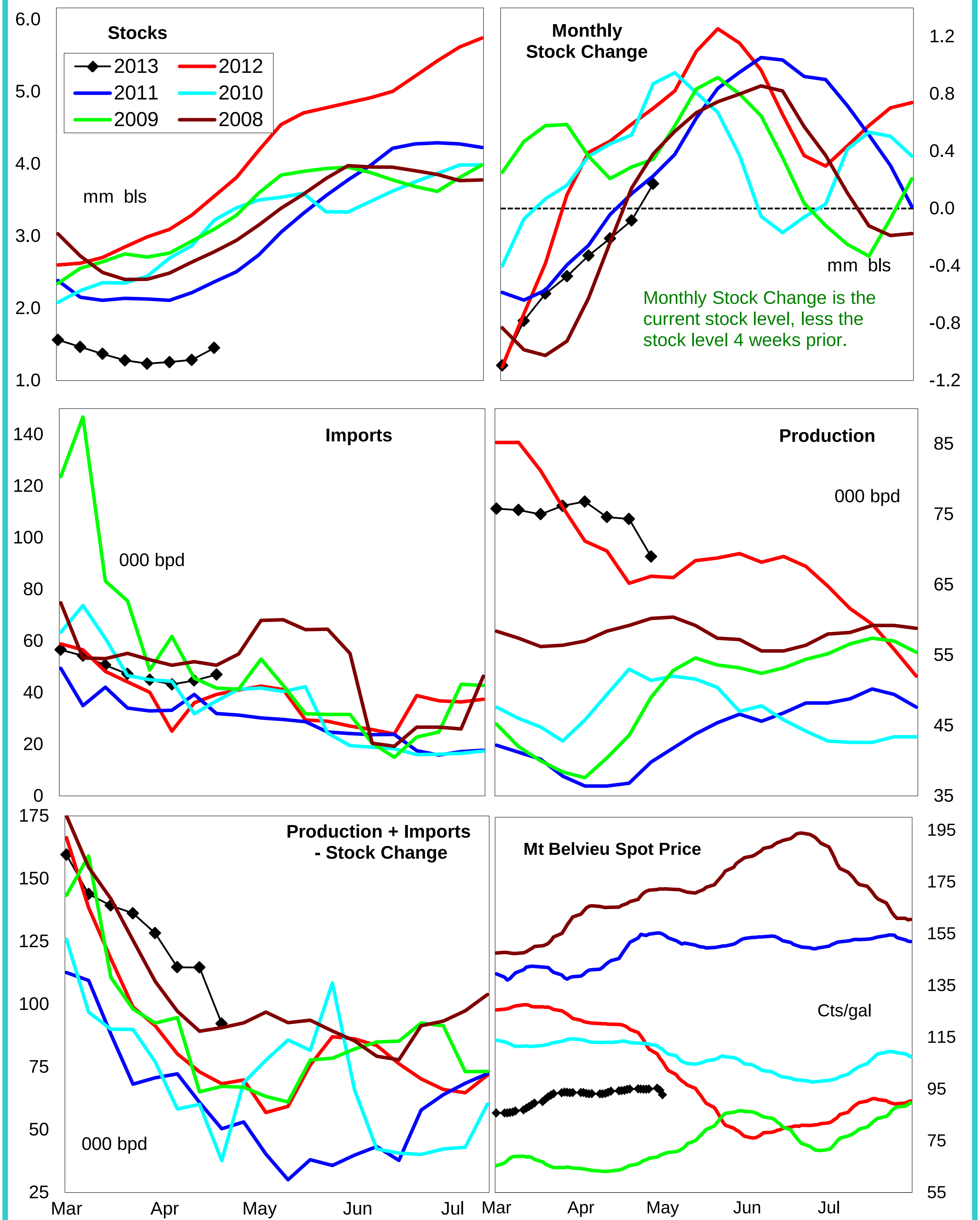
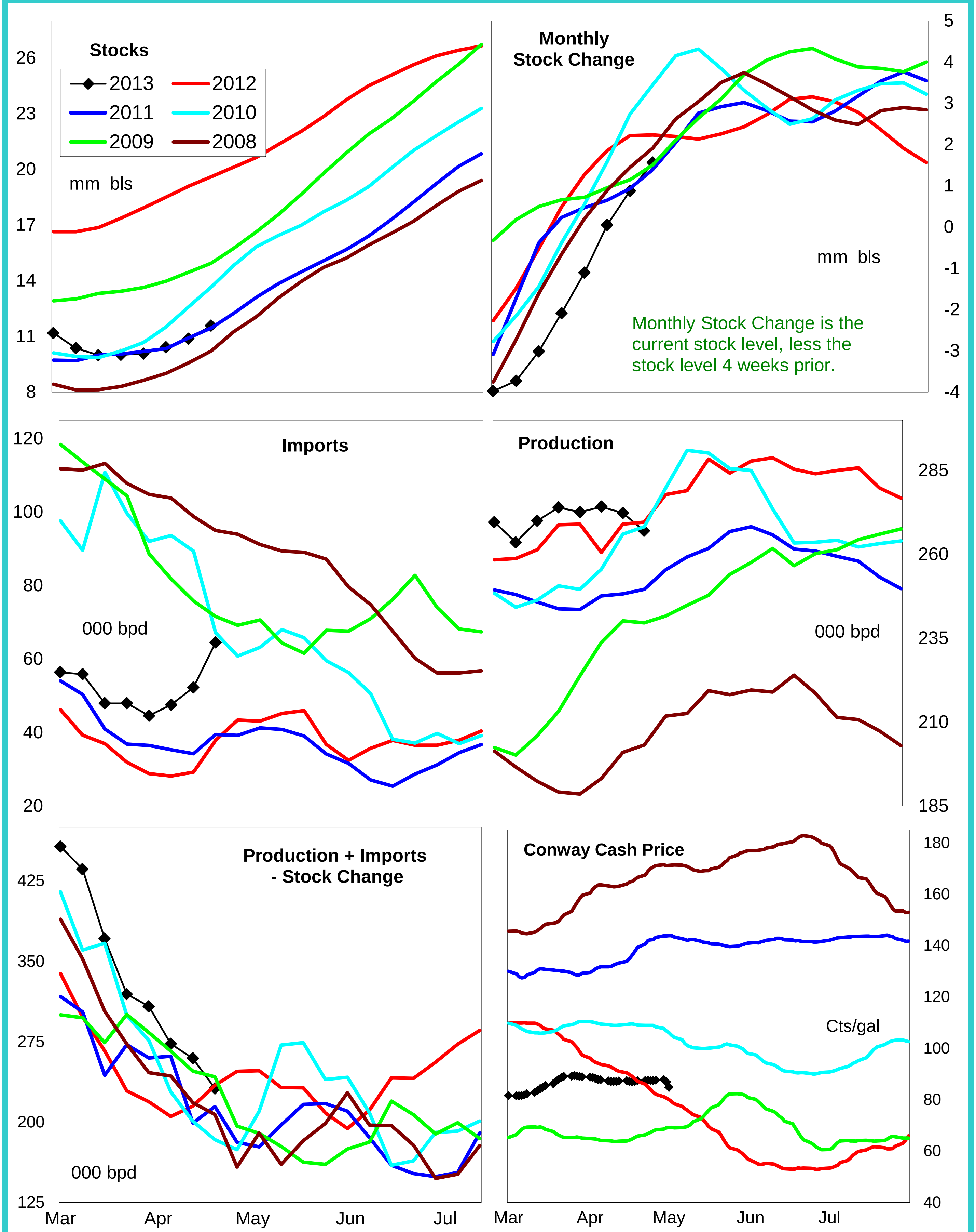
PADD 1 Propane Supply and Demand Balance



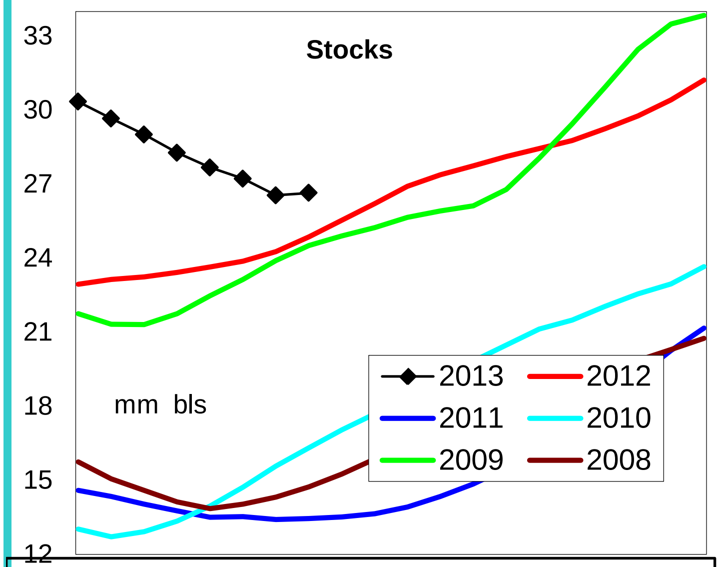
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-1,673	-527	8	21	34
% change	-52.9	-75.3	12.0	88.3	43.7

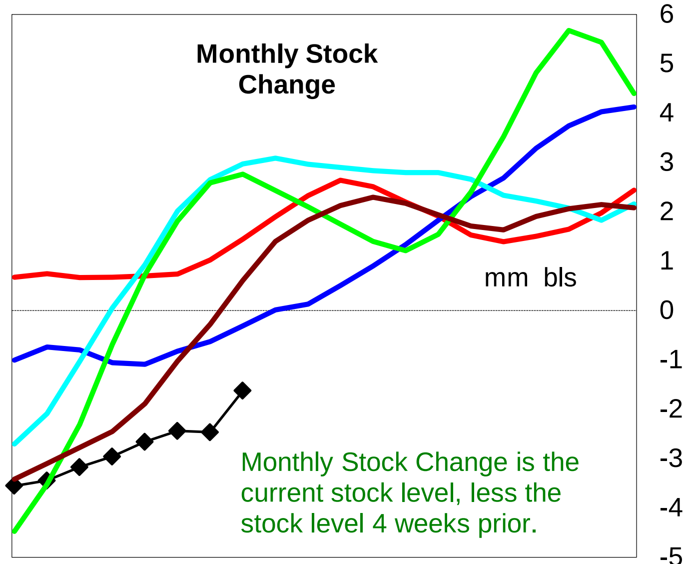
PADD 2 Propane Supply and Demand Balance

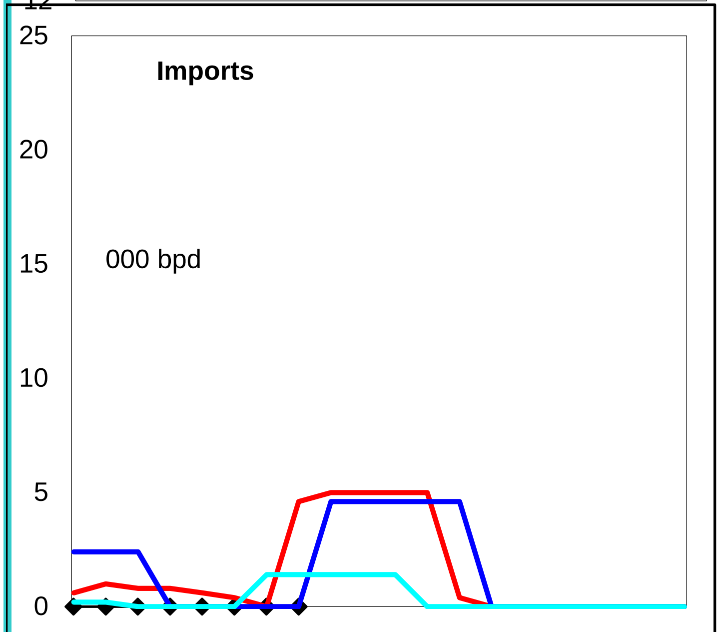


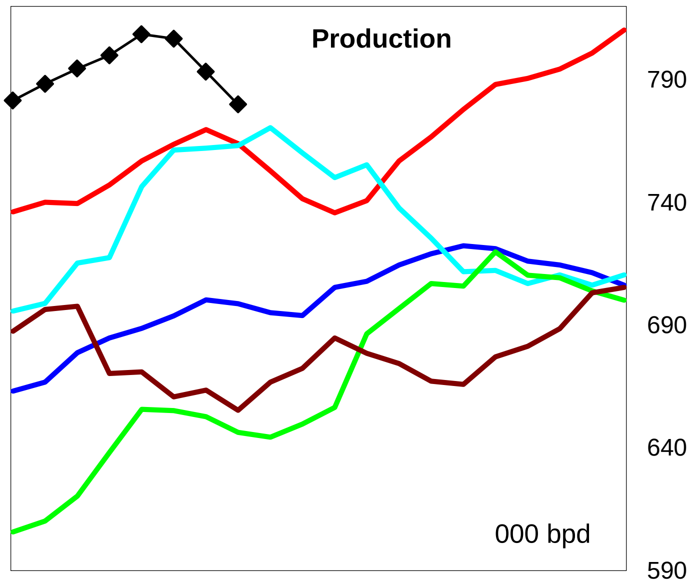
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-8,047	-669	15	17	50
% change	-41.0	-30.0	5.6	58.8	22.7

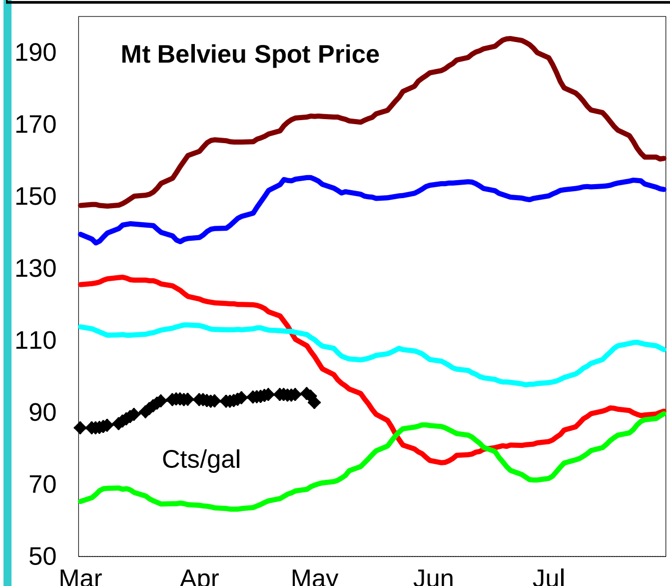
PADD 3 Propane Supply and Demand Balance

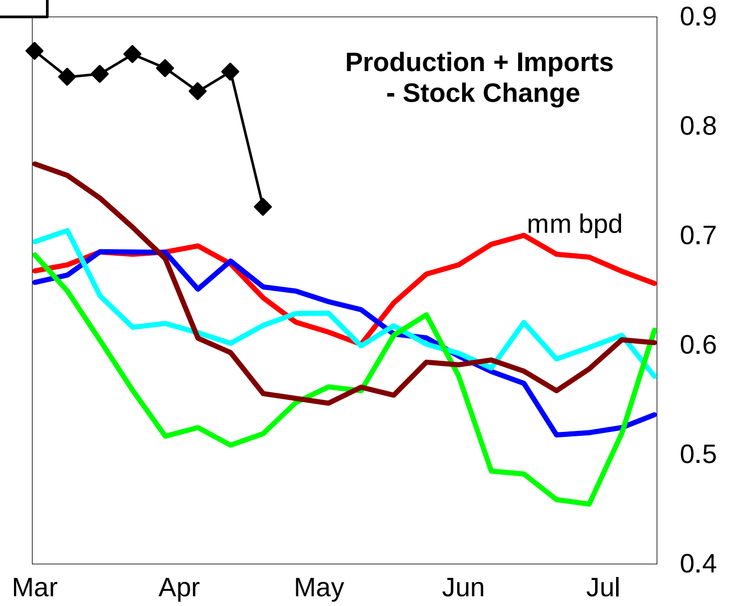












4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	2,026	-3,074	32	0	142
% change	8.2	-212	4.1	#DIV/0!	19.9

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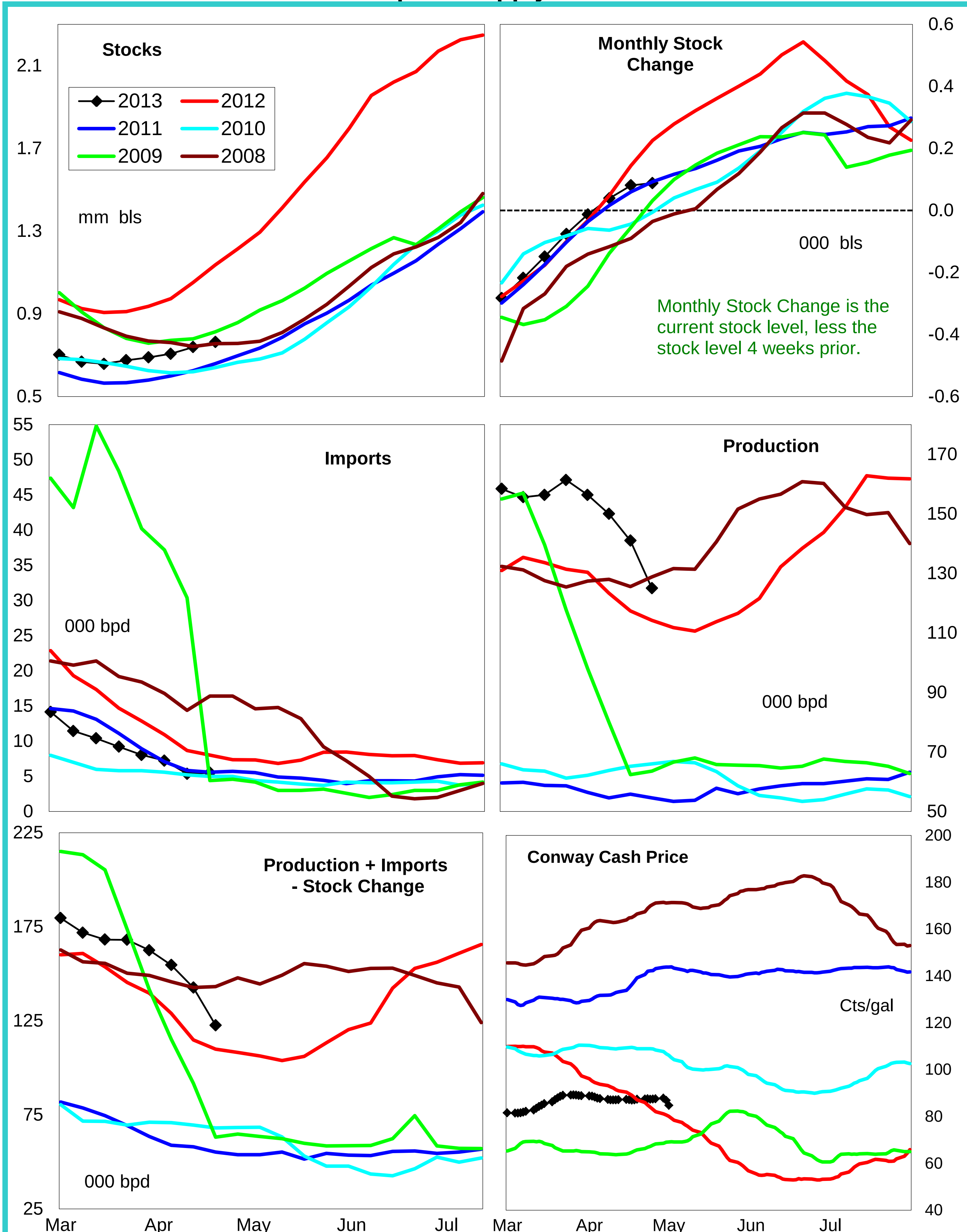
PADDs 4 and 5 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-335	-138	32	-3	22
% change	-30.5	-60.9	27.1	-26.7	18.0

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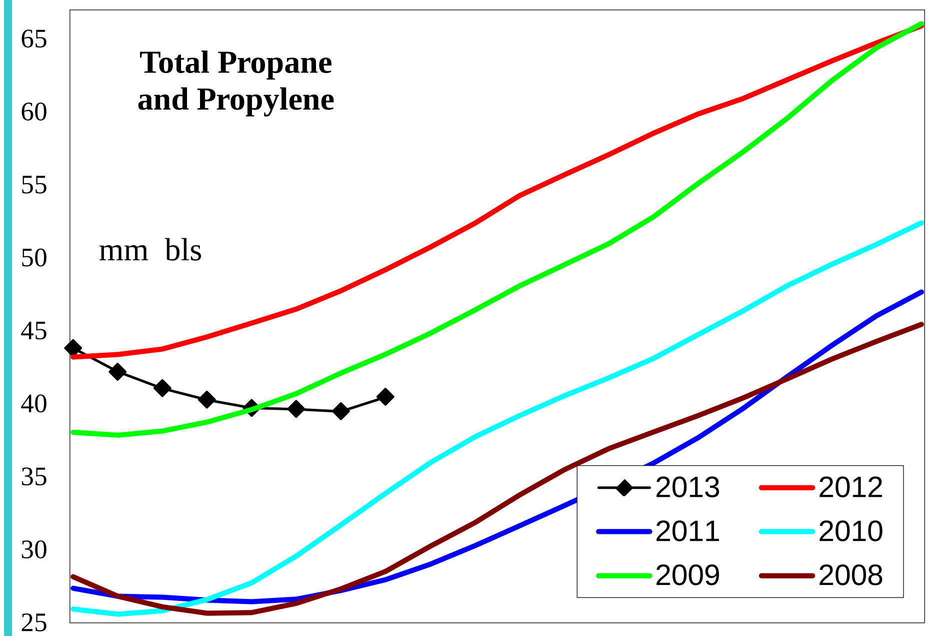
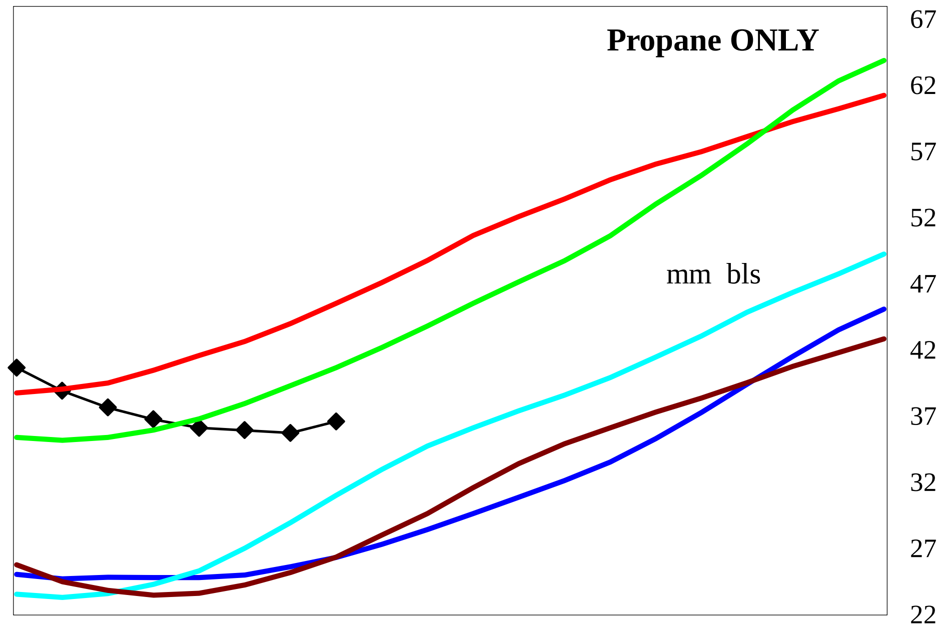
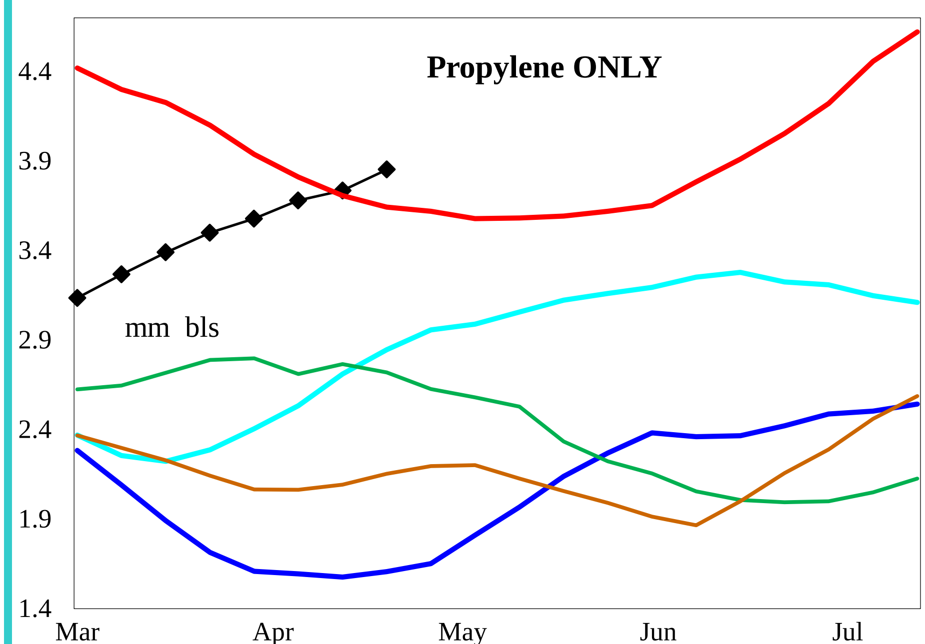
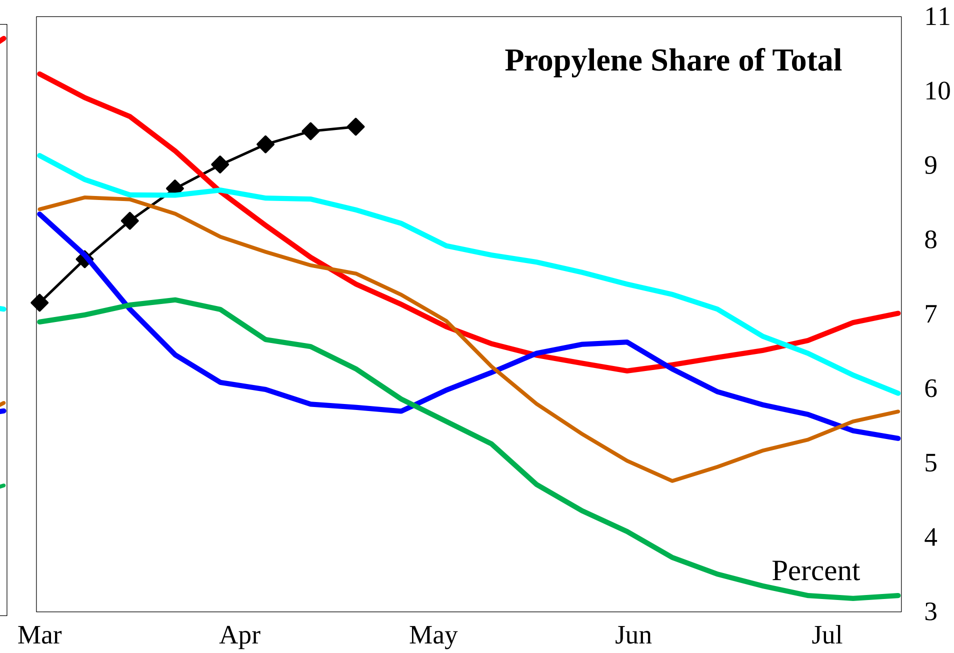
U. S. Propane and Propylene Stocks









Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	-8,031	-8,345	210
% change	-16.6	-18.6	5.8

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