

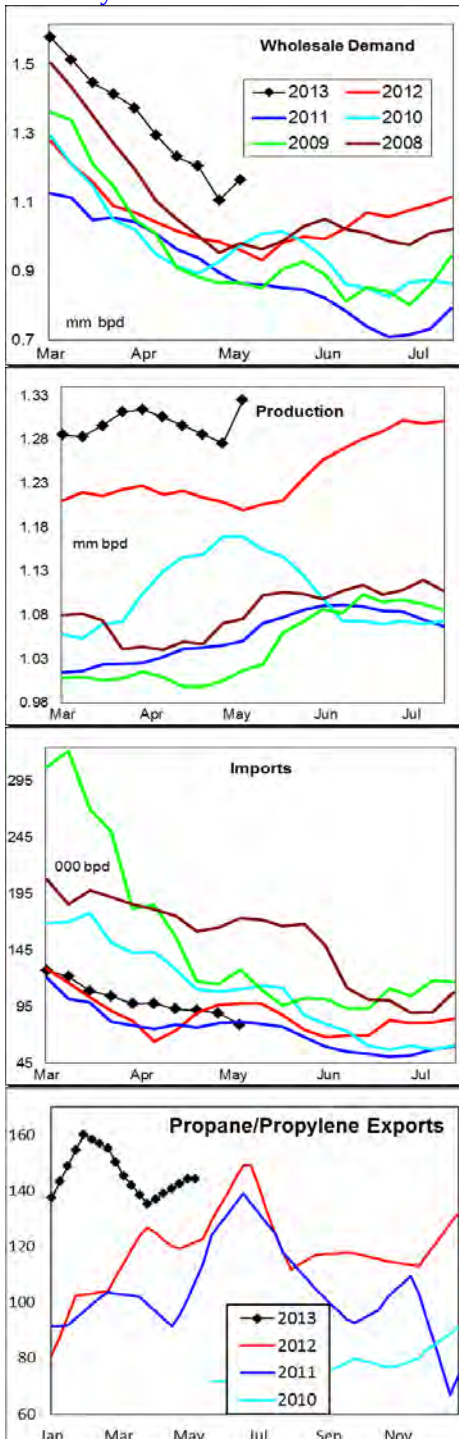


WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

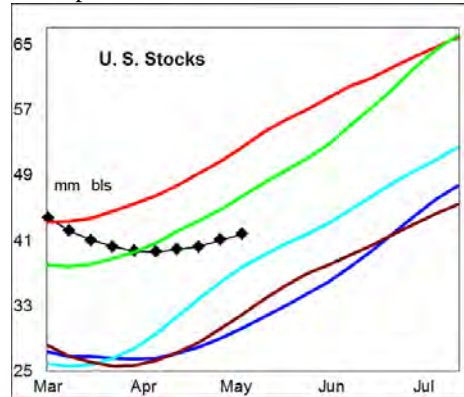
Summary¹ ?



Wholesale demand increased +29,000 bpd on the week, a level well above the historic range. Production increased +63,000 bpd on the week while imports

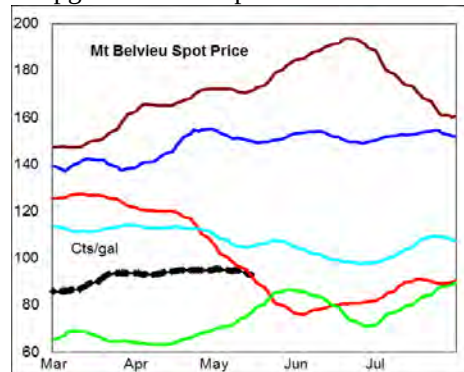
were +6,000 bpd higher.

Combined production and imports during the latest 4-wk period were +58,000 bpd above a year ago. Production was +64,000 bpd above last year (+5%), while imports were -8,000 bpd lower. The latest 4-wk average demand was +161,000 bpd above last year, +17%. Exports averaged +25,000 bpd (+21%) above a year ago for the same period.



Stocks increased +0.8 million barrels on the week, ending at a level -21% below last years' record high. The 4-wk stock change was a build of +2.2 million barrels, compared to a build of +6.4 million barrels last year.

Price and Spreads Mt Belvieu price decreased -5 cpg for the week ending 15May13 while Conway prices declined -3 cpg for the same period.



The Conway - Mt Belvieu price spread trended higher last week in favor of Conway, ending the week at -4 cpg.

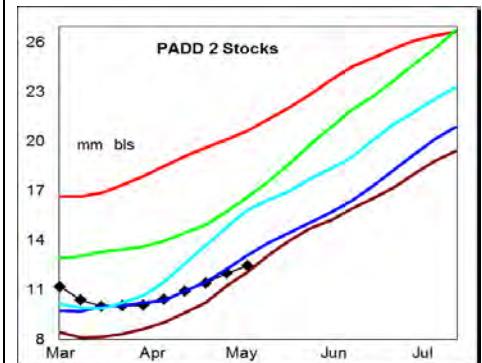
The propane to natural gas price spread traded sideways last week, ending at a level below the last 3-years.

The propane / crude oil price spread extended the recent downtrend last week,

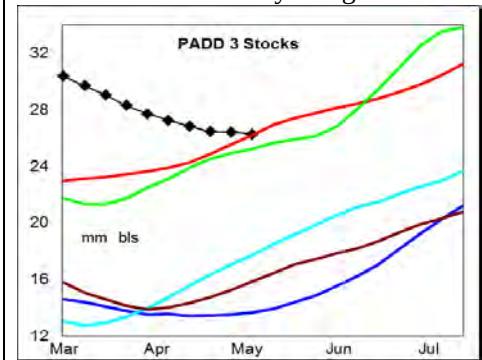
ending at a level near last years' record low.

PADD 1 stocks increased +0.2 million barrels last week, with the level -2.2 million barrels below last year. Supply increased +4,000 bpd last week. Supply for the latest 4-wk period was +7,000 bpd above last year.

PADD 2 stocks increased +0.5 million barrels on the week. Supply decreased -3,000 bpd on lower imports. The latest 4-wk supply was +8,000 bpd above a year ago. Stock levels ended the week -39% below last year and near 5-year lows.



PAD 3 stocks were unchanged last week, at a level -1% below a year ago.



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

Emerging Trends Carry out stock levels in regions other than the Gulf remain near historic lows due largely to the above normal heating season. Low stock levels and high demand for crude oil blending should provide support to spot prices.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary



May 15, 2013

Fundamental Trends for the Week Ending:

Friday, May 10, 2013

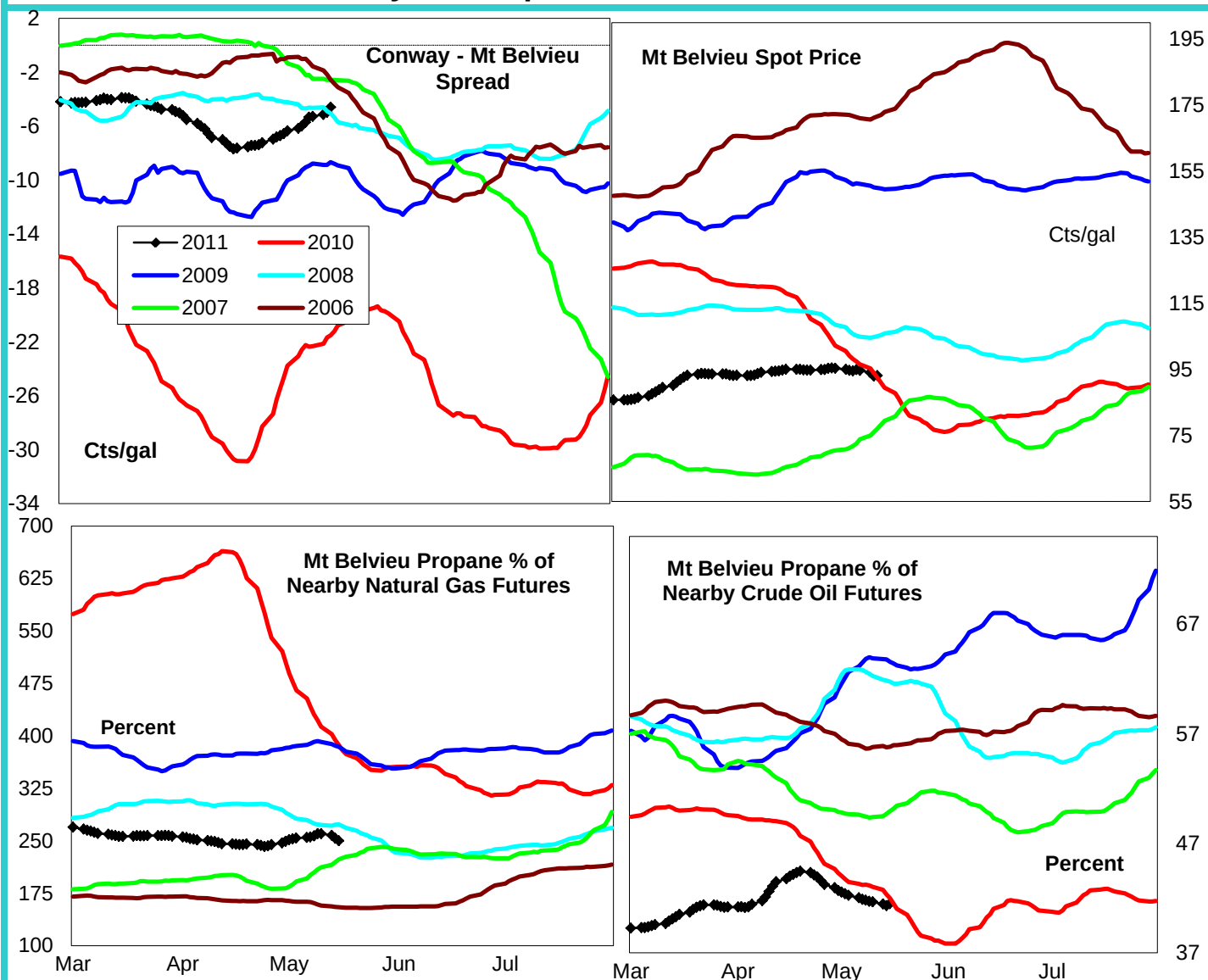
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	41,797	2,164	12,462	26,260	911	800	221	522	-30	87
Propylene Stocks	3,522					-147				
Production	1,325	84	288	797	156	63	-3	1	35	30
Imports	79	34	35	0	10	6	7	-4	0	2
Whsle Demand	1,146					29				

Price Trends for the Week Ending:

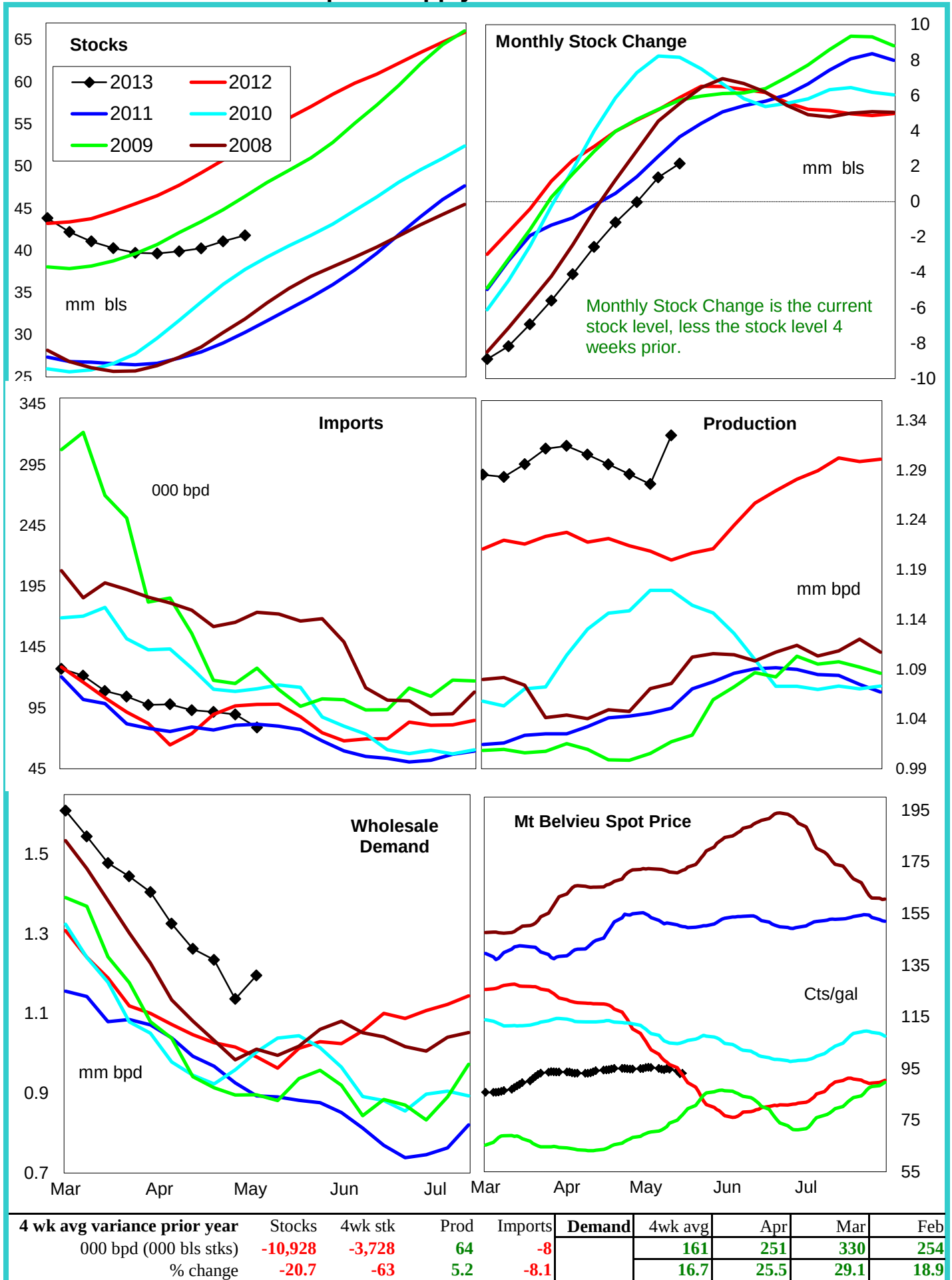
Wednesday, May 15, 2013

Cents/gal	Average for week ending:				Change from:			% change from:		
	5/15/13	5/8/13	4/17/13	5/11/12	5/8/13	4/17/13	5/11/12	5/8/13	4/17/13	5/11/12
Mont Belvieu Spot	94.0	95.4	94.7	95.2	-1.46	0.75	-0.52	-1.5	0.8	-0.5
Conway Spot	88.9	89.6	86.8	72.8	-0.75	2.84	13.96	-0.8	3.3	19.2

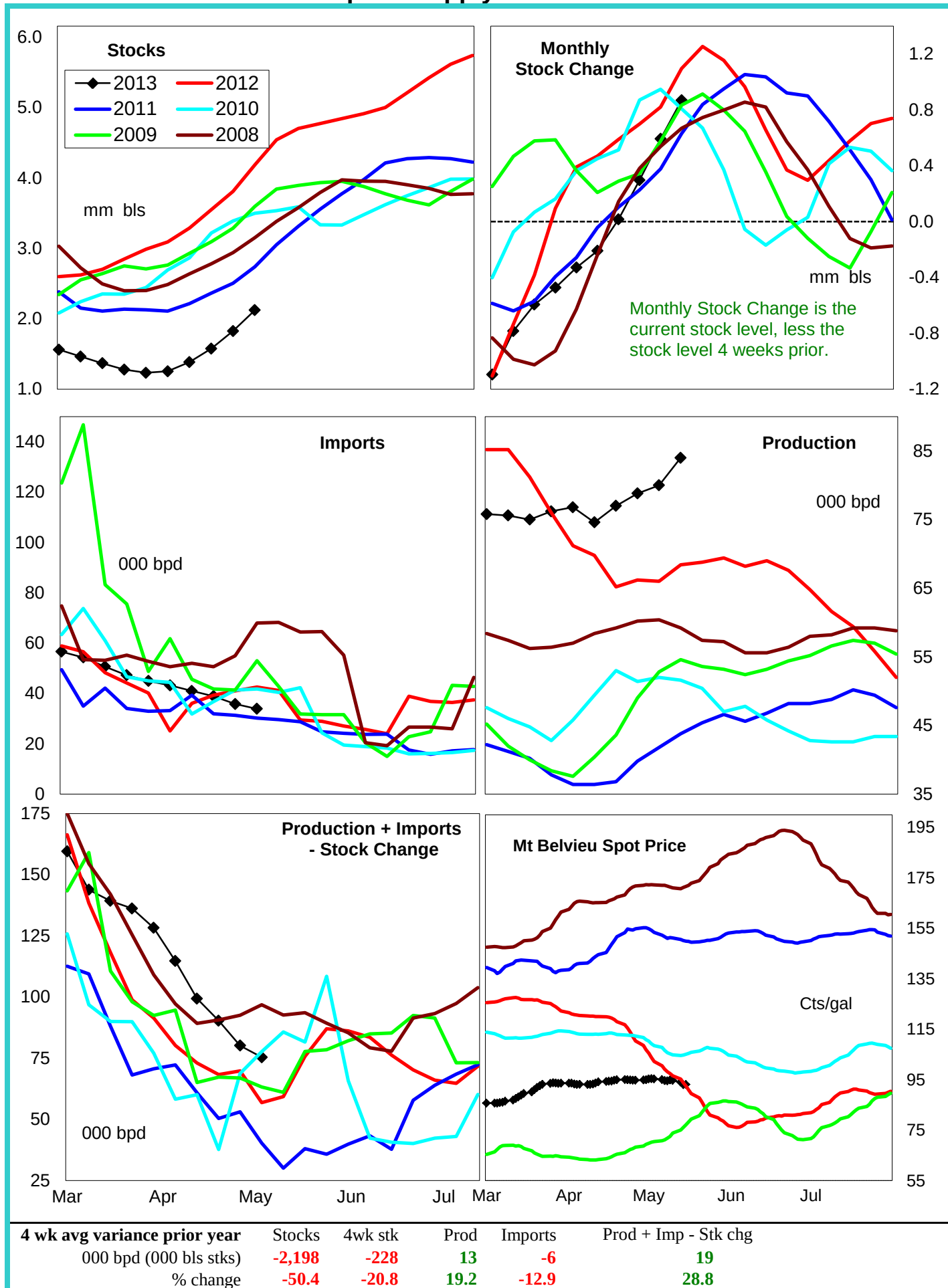
Key Price Spreads and Differentials



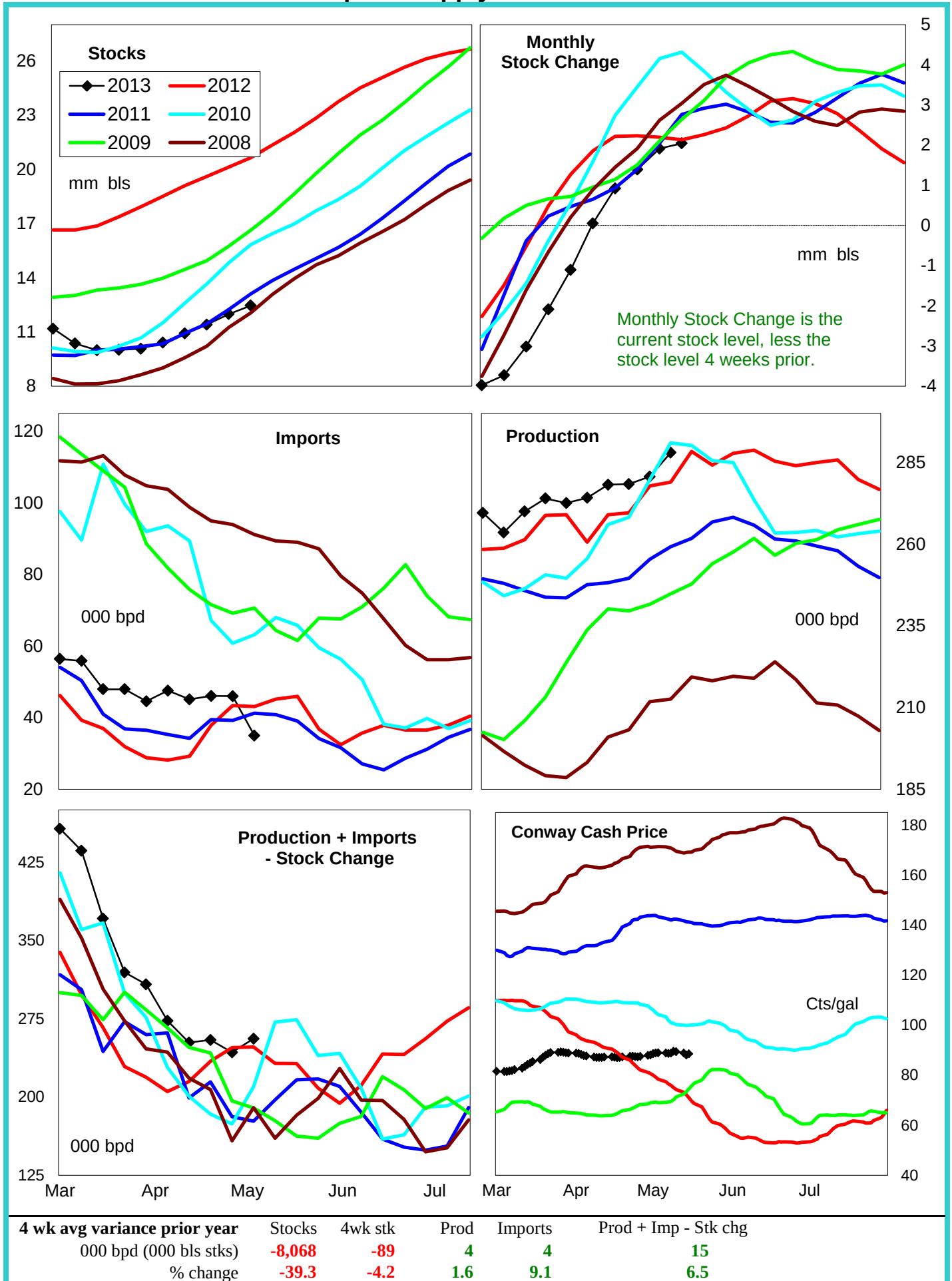
U. S. Propane Supply and Demand Balance



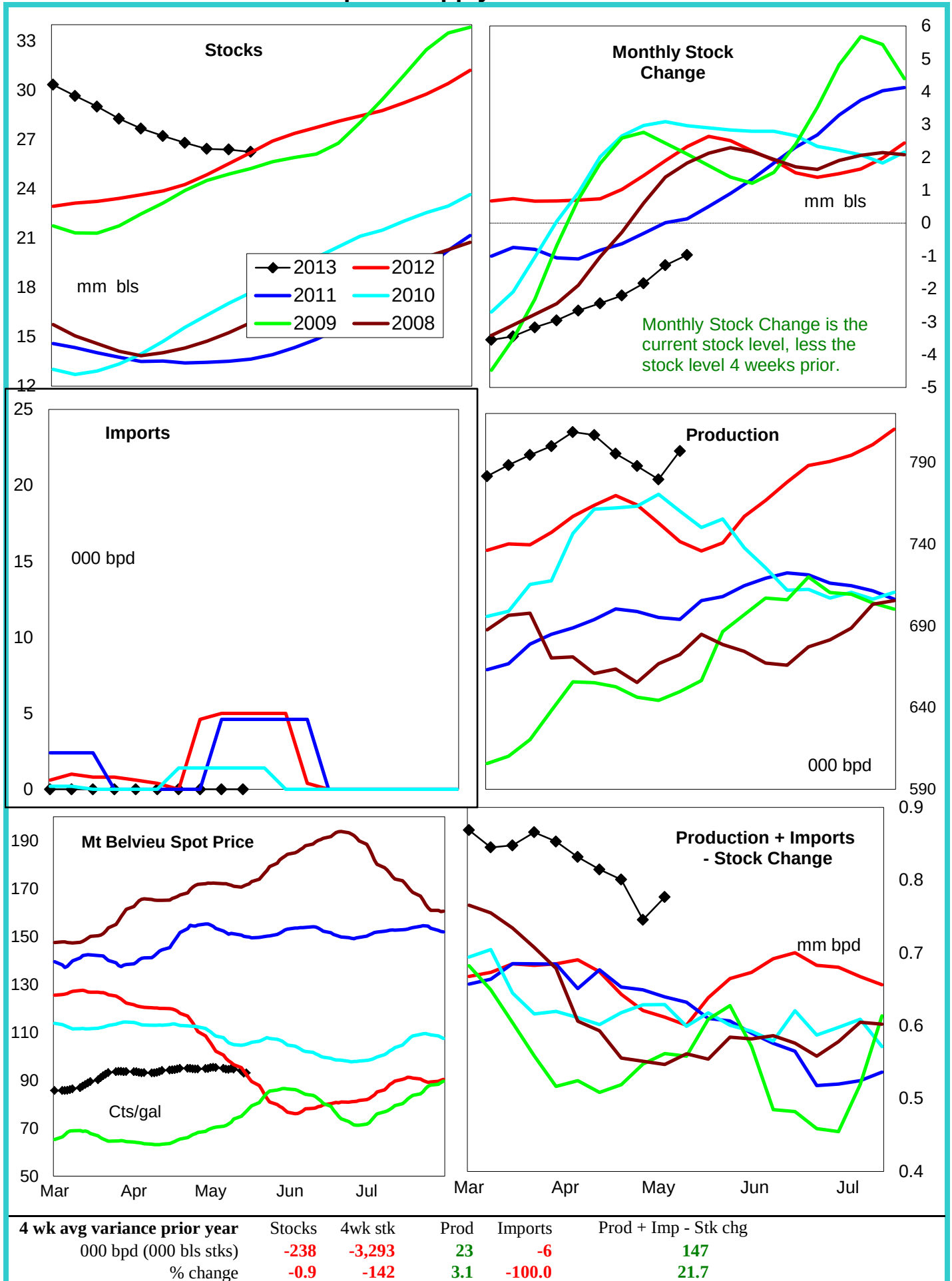
PADD 1 Propane Supply and Demand Balance



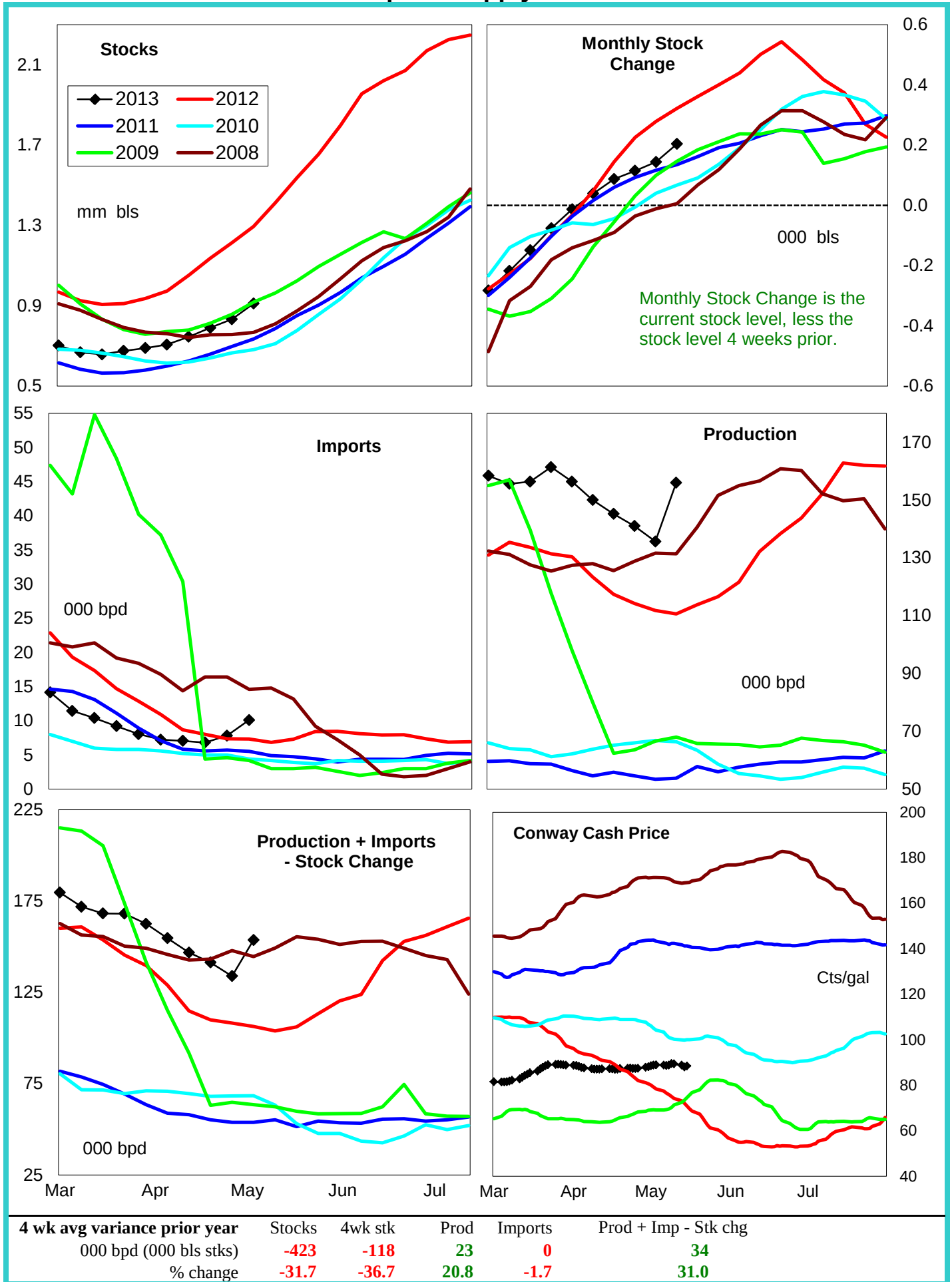
PADD 2 Propane Supply and Demand Balance



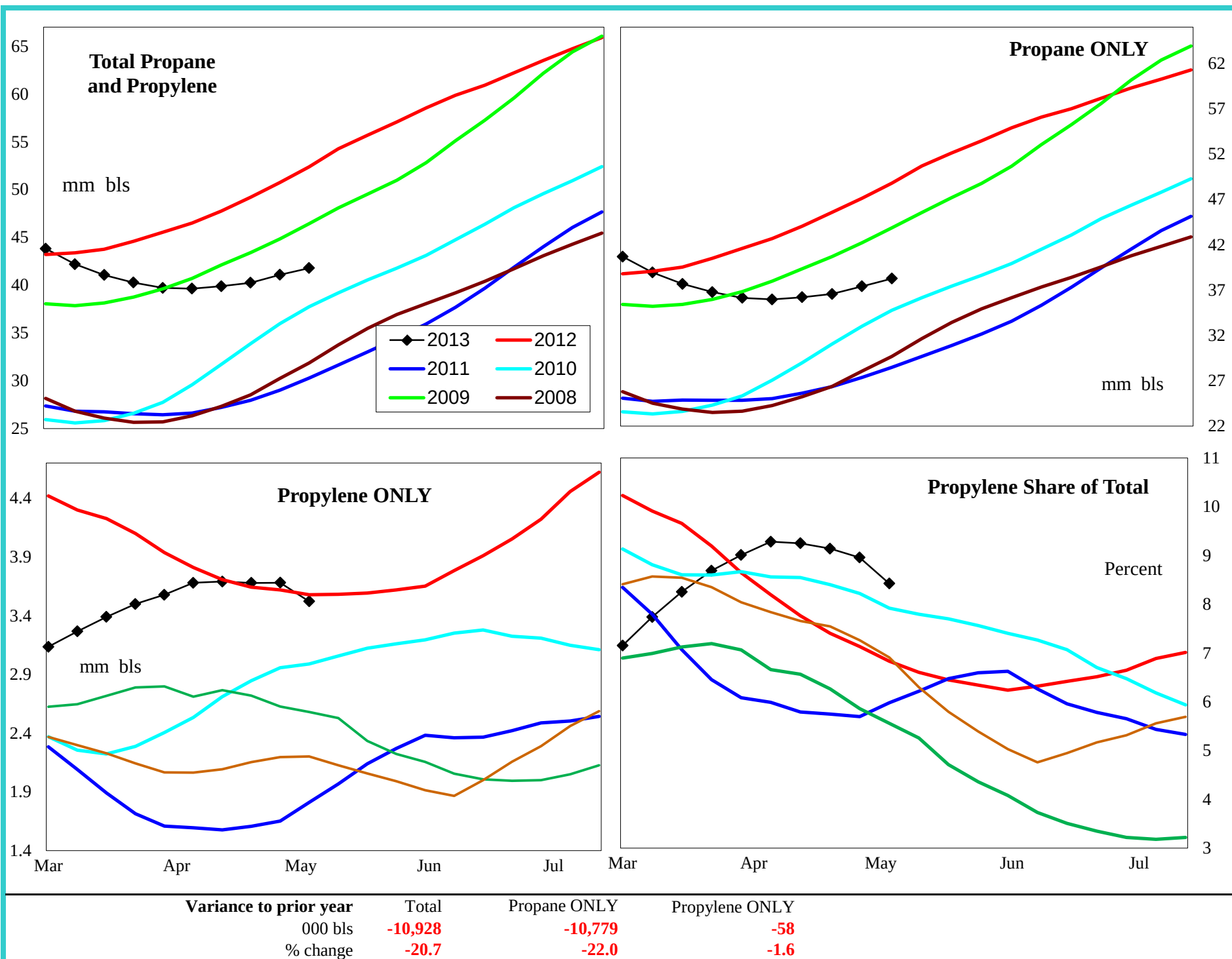
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

