

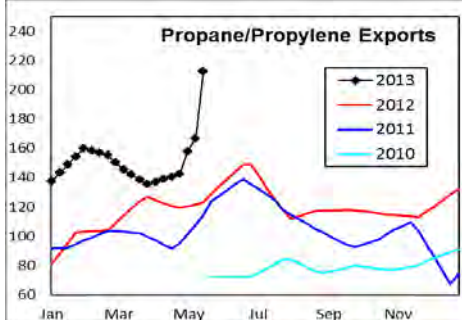
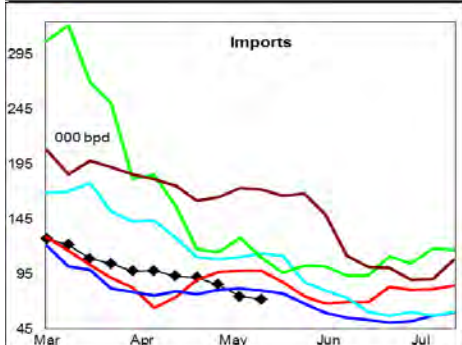
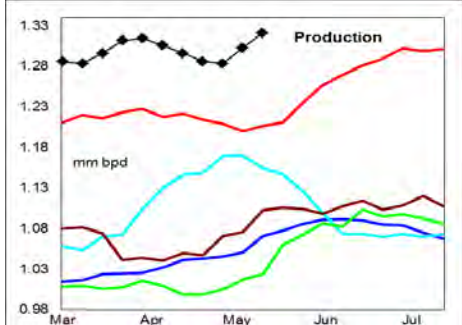
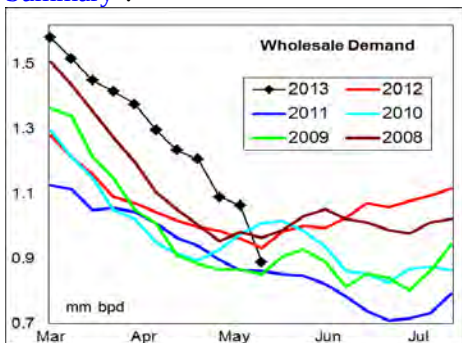


## WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

### A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com)

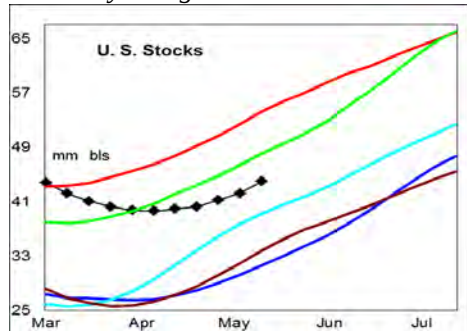
#### Summary<sup>1</sup>: ?



Wholesale demand fell -277,000 bpd on the week, a level near historic lows for the period. Production decreased -4,000 bpd on the week while imports were -7,000 bpd lower.

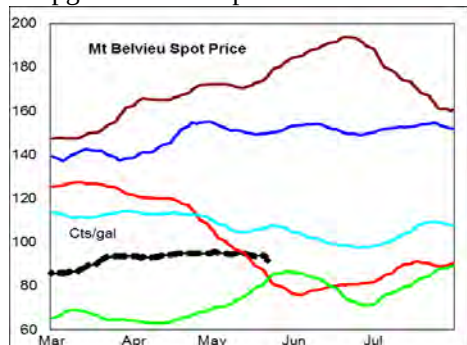
Combined production and imports during the latest 4-wk period were

+67,000 bpd above a year ago. Production was +89,000 bpd above last year (+7%), while imports were -22,000 bpd lower. The latest 4-wk average demand was +83,000 bpd above last year, +9%. Exports spiked to 213,000 bpd last week, a +90,000 bpd increase versus a year ago.



Stocks increased +2.2 million barrels on the week, ending at a level -19% below last years' record high. The 4-wk stock change was a build of +4.4 million barrels, compared to a build of +6.5 million barrels last year.

**Price and Spreads** Mt Belvieu price decreased -1.5 cpg for the week ending 22May13 while Conway prices declined -3 cpg for the same period.



The Conway - Mt Belvieu price spread trended higher last week in favor of Mt Belvieu, ending the week at -6 cpg.

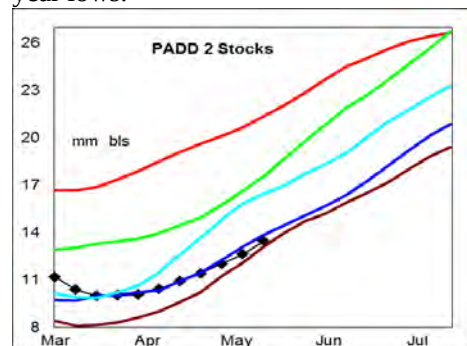
The propane to natural gas price spread trended lower last week, ending at a level below the last 3-years.

The propane / crude oil price spread extended the recent downtrend last week, ending at a level equal to last years' record low.

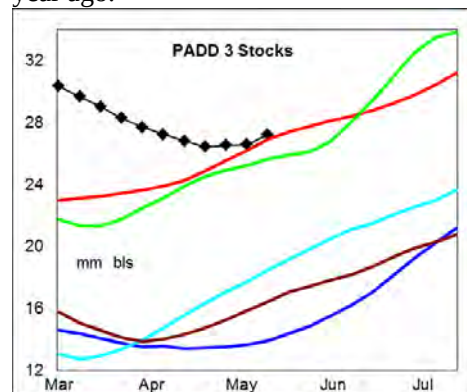
**PADD 1** stocks increased +0.1 million barrels last week, with the level -2.4 million barrels below last year. Supply decreased -9,000 bpd last week. Supply

for the latest 4-wk period was +2,000 bpd above last year.

**PADD 2** stocks increased +1 million barrels on the week. Supply increased +3,000 bpd on higher imports. The latest 4-wk supply was +3,000 bpd above a year ago. Stock levels ended the week -36% below last year and near 5-year lows.



**PAD 3** stocks increased +1 million barrels last week, to a level +1% above a year ago.



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

**Emerging Trends** Propane exports spiked to 213,000p bpd last week, up nearly 100,000 bpd from a year ago. Domestic demand fell sharply with an end to heating demand in the upper Midwest, driving an above average stock build for the week. Robust exports should partially offset the pull back in global energy prices; limiting propane price weakness in the summer quarter.

<sup>1</sup> Source is latest EIA Weekly Statistics

# PROPANE: Graph Link and Weekly Summary



May 23, 2013

## Fundamental Trends for the Week Ending:

Friday, May 17, 2013

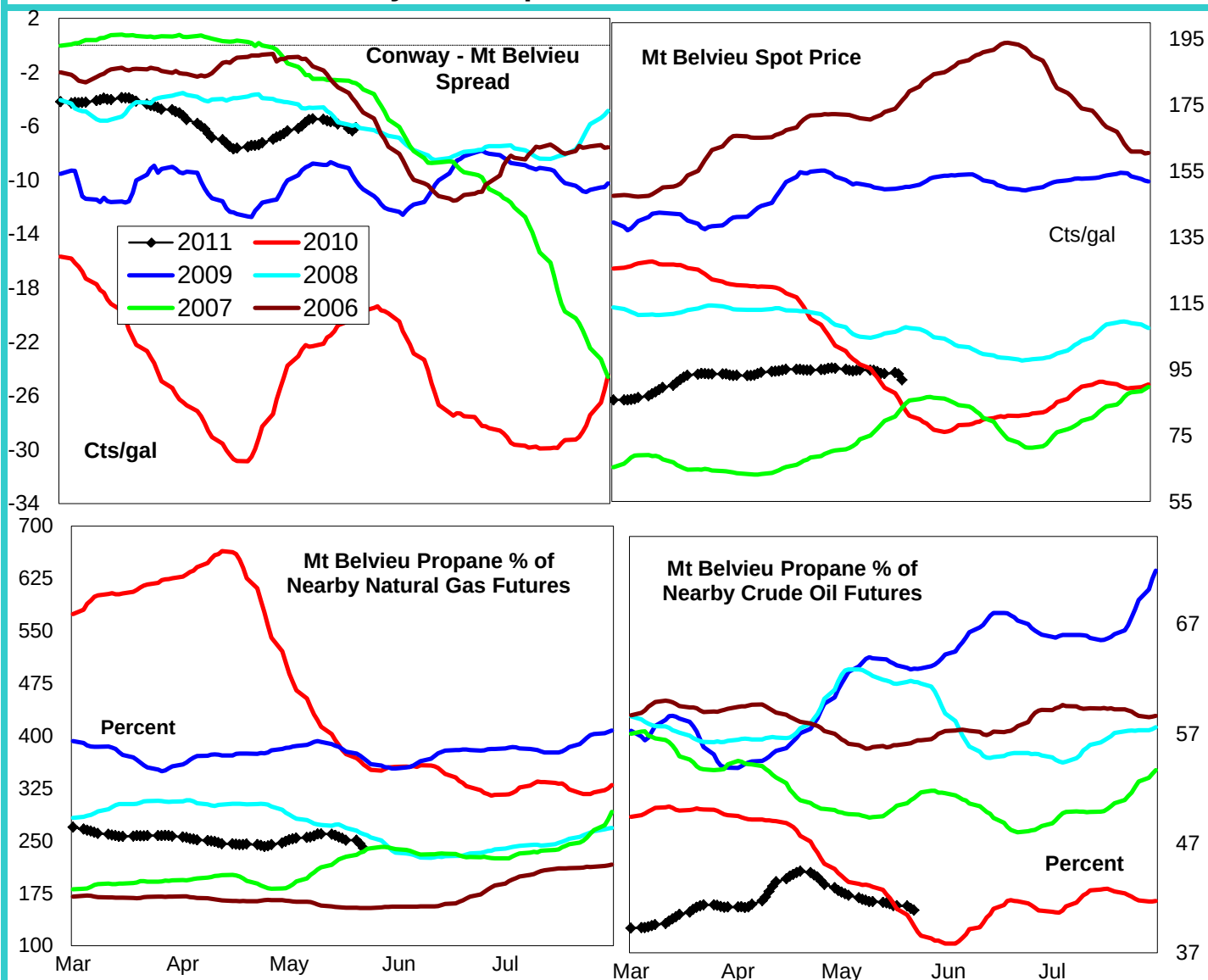
| 000 bpd<br>Stocks 000 bls | Weekly Supply-Demand |       |        |        |       | Change from prior week: |      |     |     |     |
|---------------------------|----------------------|-------|--------|--------|-------|-------------------------|------|-----|-----|-----|
|                           | U.S.<br>Total        | PADD  |        |        |       | U.S.<br>Total           | PADD |     |     |     |
|                           |                      | 1     | 2      | 3      | 4&5   |                         | 1    | 2   | 3   | 4&5 |
| Stocks                    | 43,974               | 2,278 | 13,447 | 27,218 | 1,031 | 2,177                   | 114  | 985 | 958 | 120 |
| Propylene Stocks          | 3,469                |       |        |        |       | -53                     |      |     |     |     |
| Production                | 1,321                | 82    | 288    | 791    | 160   | -4                      | -2   | 0   | -6  | 4   |
| Imports                   | 72                   | 27    | 38     | 0      | 6     | -7                      | -7   | 3   | 0   | -4  |
| Whsle Demand              | 869                  |       |        |        |       | -277                    |      |     |     |     |

## Price Trends for the Week Ending:

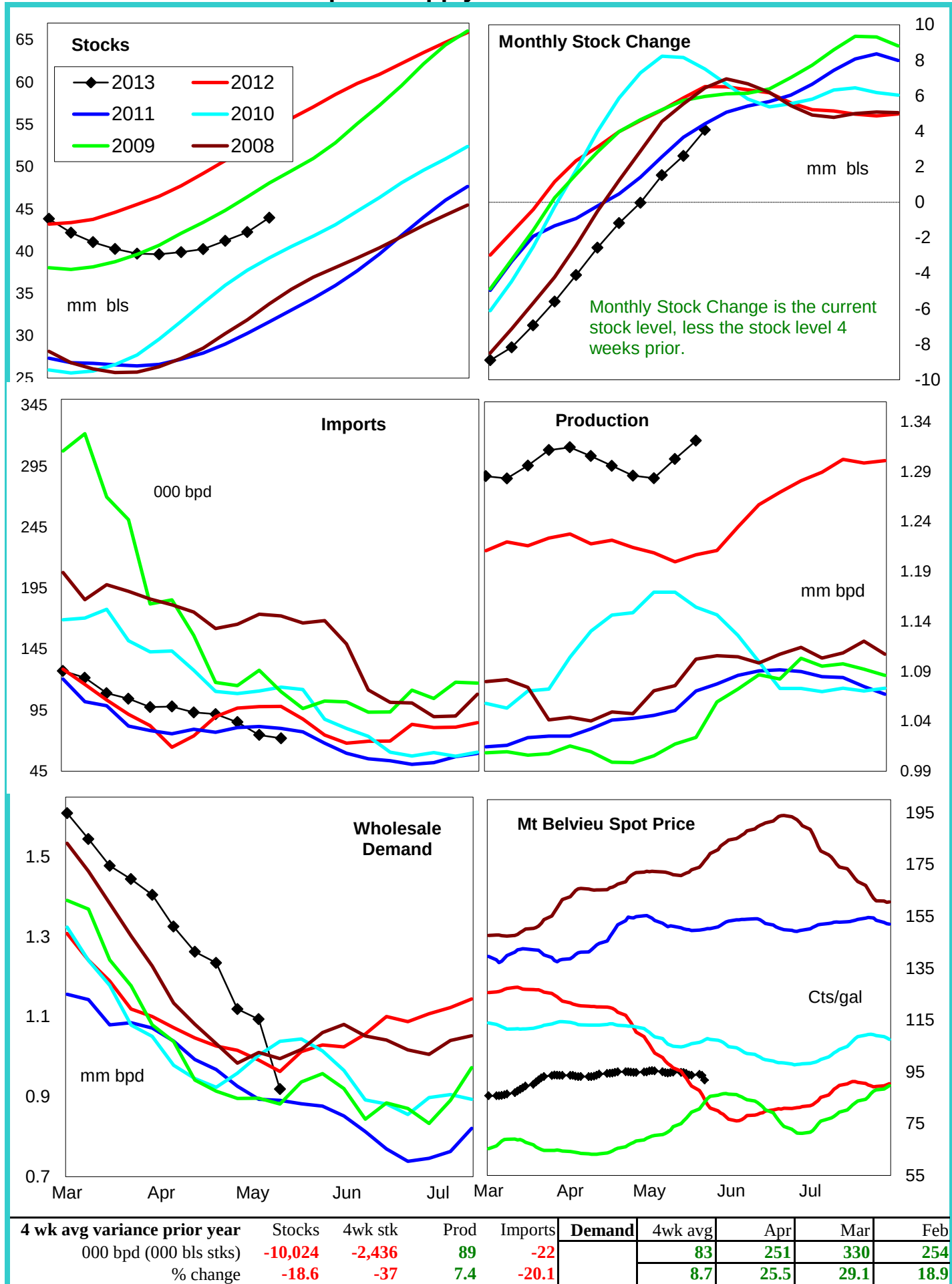
Wednesday, May 15, 2013

| 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                     | 94.0   | 94.5    | 87.7    | 0.02         | -0.53   | 6.83    | 0.0            | -0.6    | 7.8     |
| Conway Spot       | 87.8                     | 88.9   | 87.0    | 67.3    | -1.03        | 1.82    | 19.76   | -1.2           | 2.1     | 29.4    |

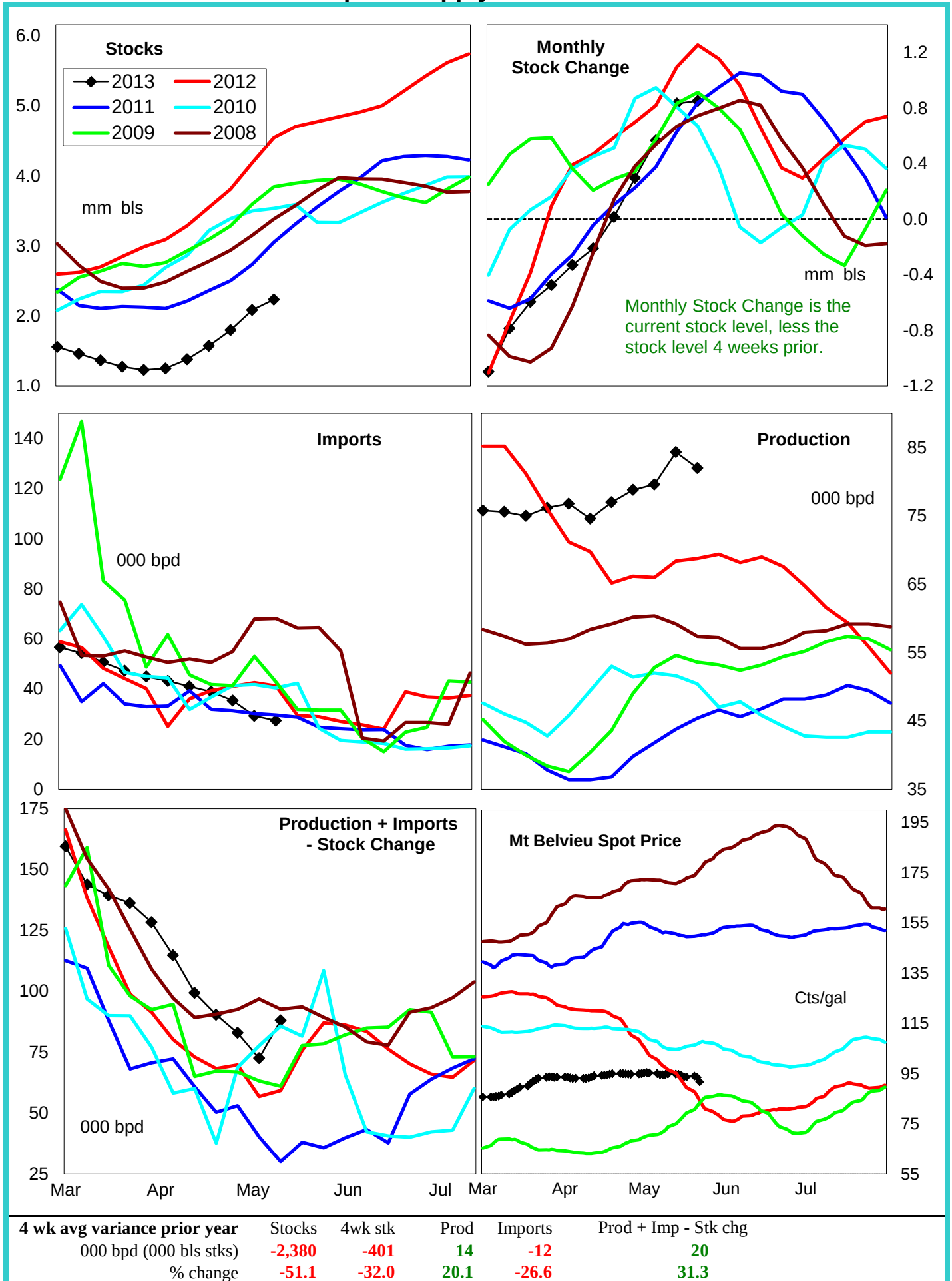
## Key Price Spreads and Differentials



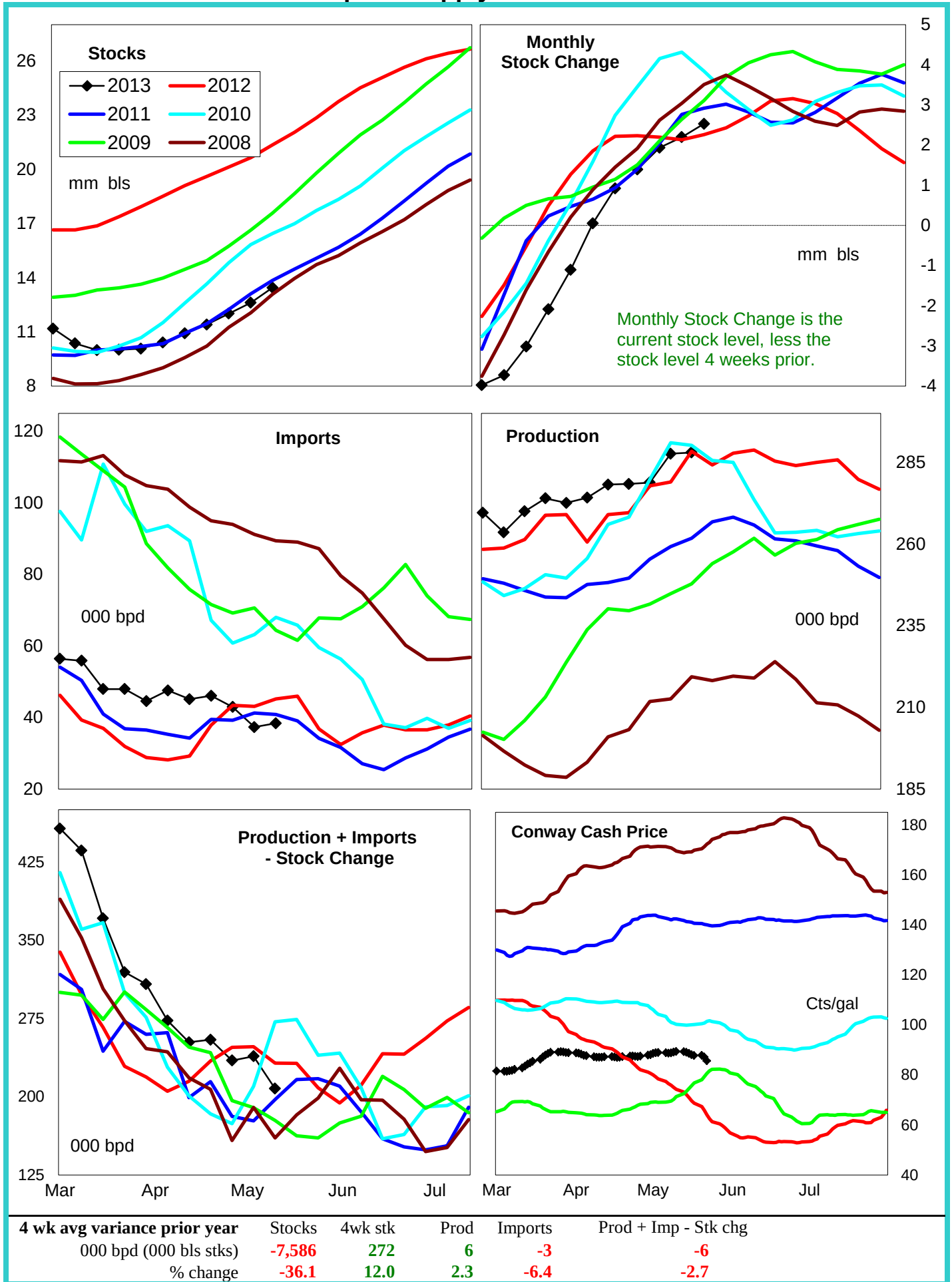
# U. S. Propane Supply and Demand Balance



# PADD 1 Propane Supply and Demand Balance

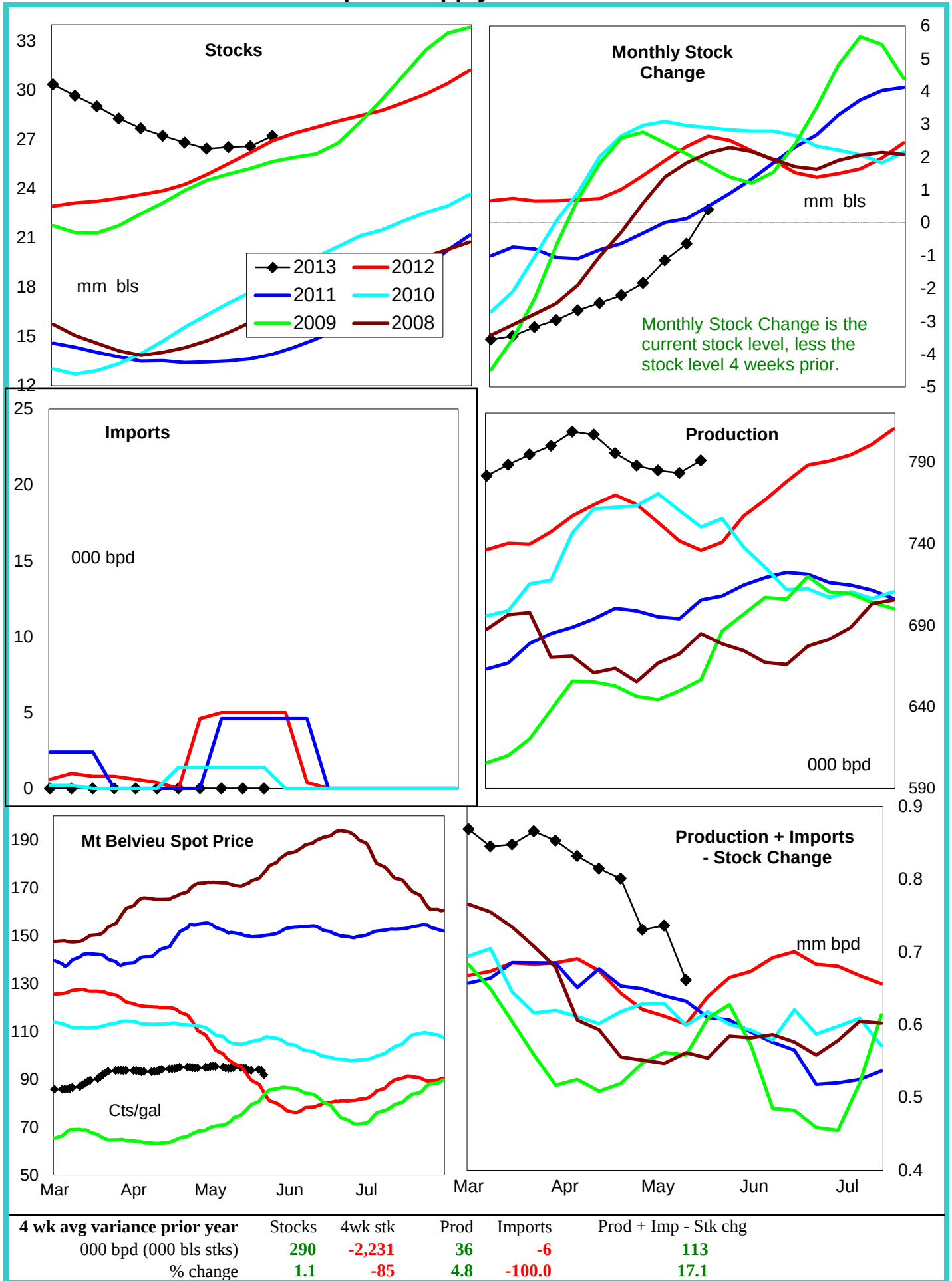


# PADD 2 Propane Supply and Demand Balance

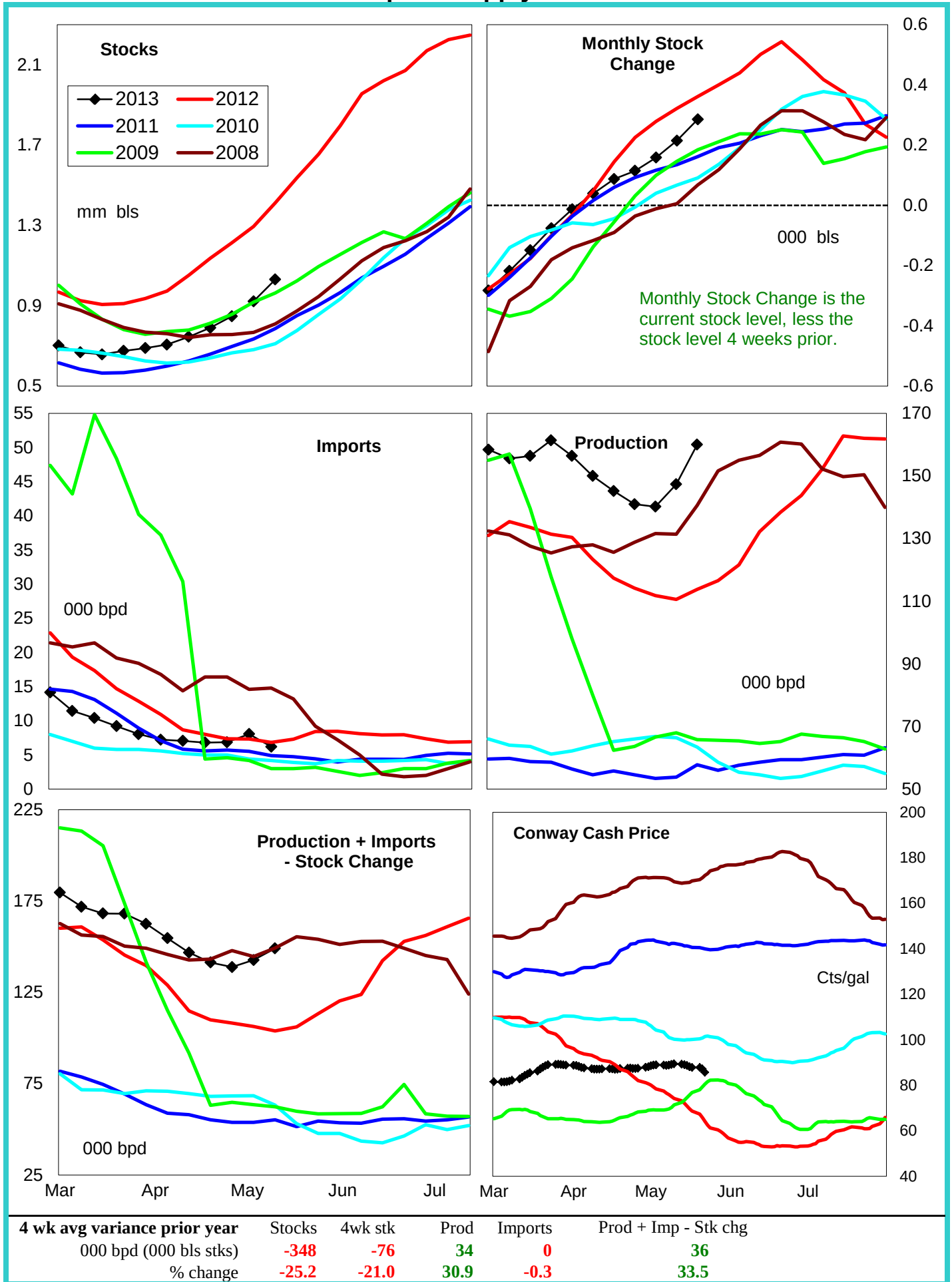




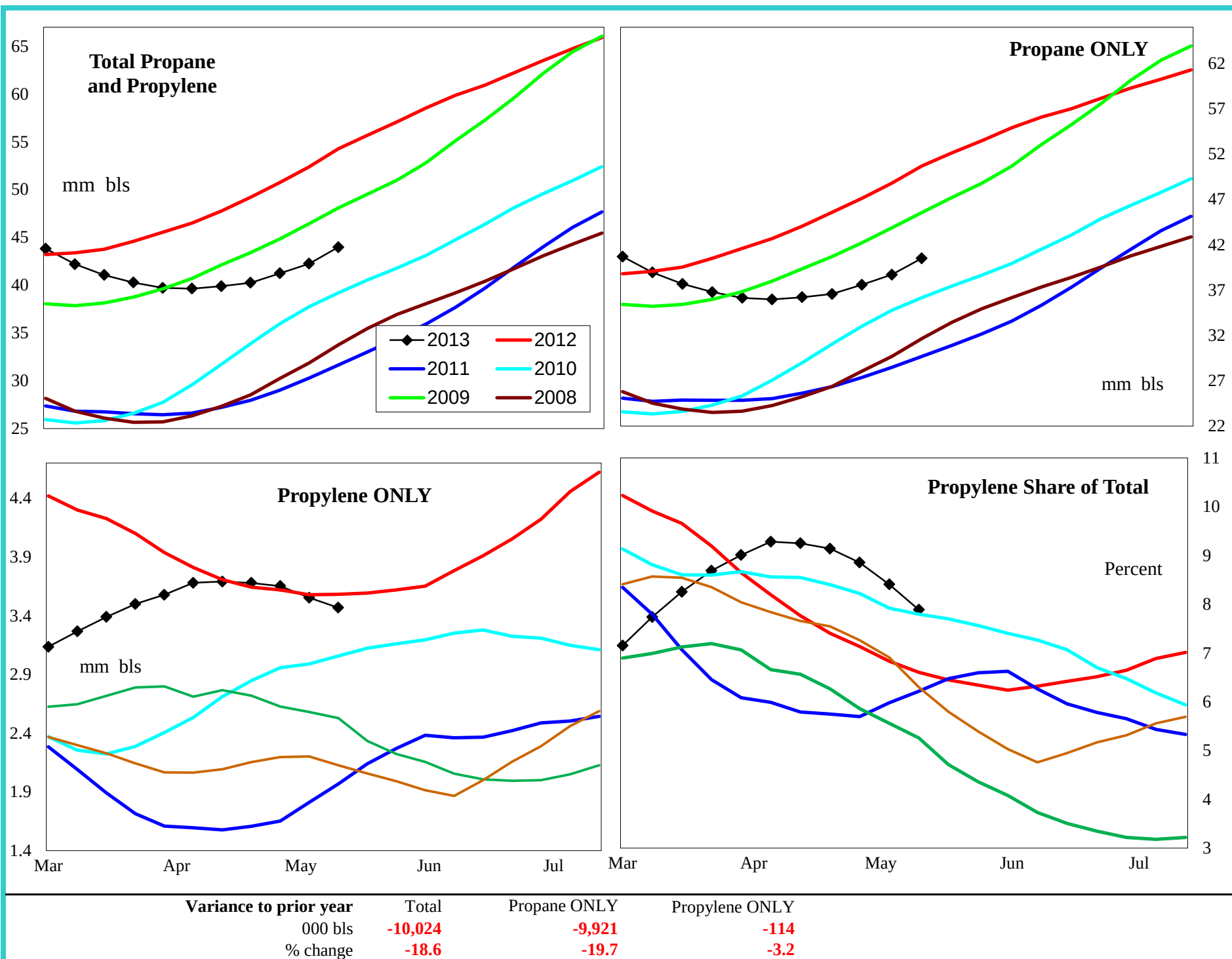
# PADD 3 Propane Supply and Demand Balance



# PADDs 4 and 5 Propane Supply and Demand Balance



# U. S. Propane and Propylene Stocks





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

