WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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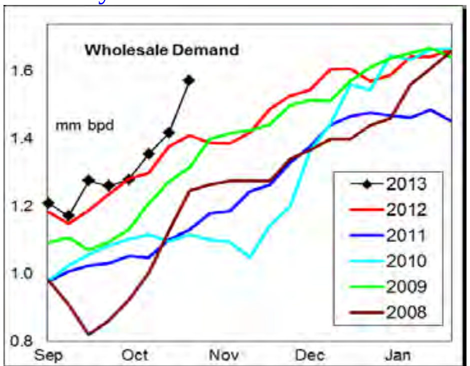
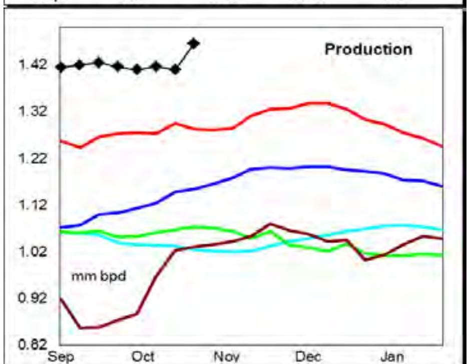
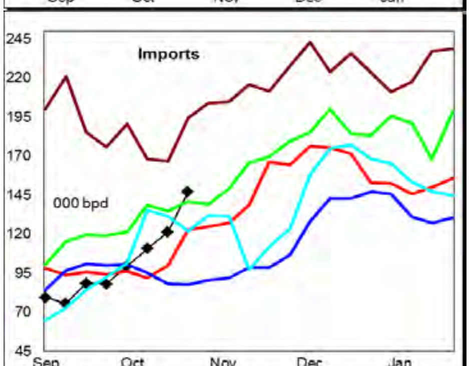
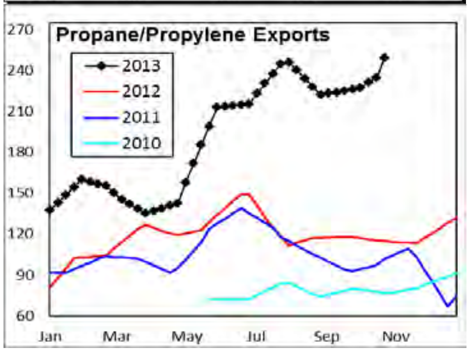




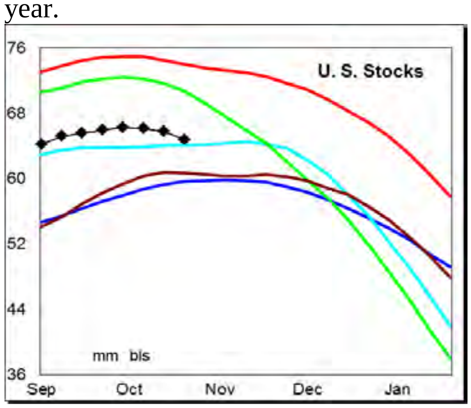




Wholesale demand increased +191,000 bpd last week to a new record for the period. Production increased +91,000 bpd on the week while imports were +30,000 bpd higher.

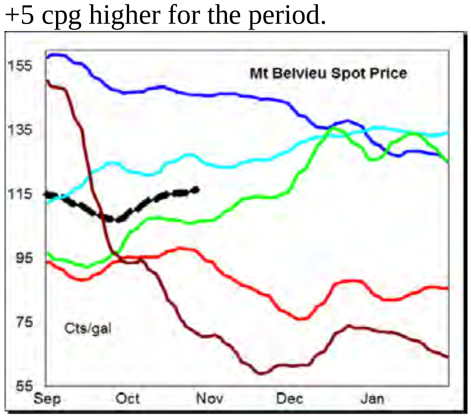
Combined production and imports during the latest 4-wk period were +154,000 bpd above a year ago. Production was +127,000 bpd above last year (+10%), while imports were +30,000 bpd higher.

The latest 4-wk average demand was +58,000 bpd above last year. Exports increased +134,000 bpd for the most recent 4-wk period compared to last year.



Stocks fell -1.2 million barrels on the week, with draws in the Midwest and Gulf, partially offset by a build on the East coast. The latest 4-wk stock draw of -1.5 million barrels, matched the largest stock draw of the last 3-yrs.

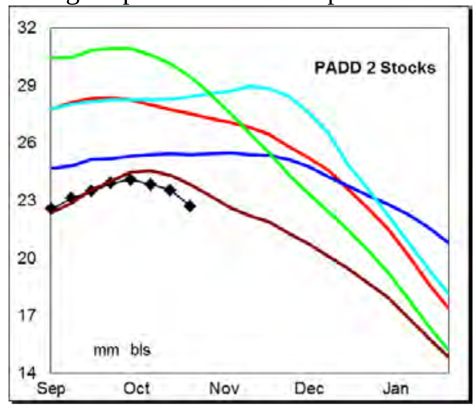
Price and Spreads Mt Belvieu spot price increased +1.5 cpg for the week ending 29Oct13 while Conway spot price was +5 cpg higher for the period.



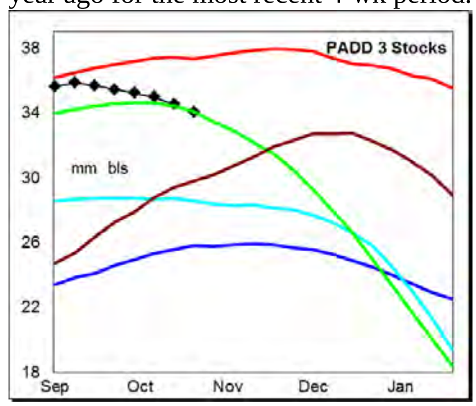
The Conway – Mt Belvieu price spread ended the week even, on tightening of supplies in the Midwest.

PADD 1 stocks increased +0.2 million barrels on the week. Stocks ended the week at a level at the 5-yr mid range.

PADD 2 stocks decreased -0.9 million barrels on the week, driving stock levels below the 5-yr range and -17% below last year. Supply increased +51,000 bpd on higher production and imports.



PAD 3 stocks fell -0.4 million barrels last week, to a level -9% below a year ago. Supplies were +86,000 bpd above a year ago for the most recent 4-wk period.



PADDs 4 & 5 stocks were unchanged last week. Stock levels were near 5-yr highs.

Emerging Trends Wholesale demand surged last week on colder than normal temperatures in key heating markets. Supplies have increased +150,000 bpd year-on-year for the latest 4-wk period; largely offset by a +134,00 bpd rise in exports. Current stock levels are -9.2 million barrels below a year ago.

Very low stock levels in the Midwest risk a supply squeeze during the winter quarter.

Warmer than normal temperatures across the eastern ½ of the country during the next 10-days risk modest weakness in wholesale prices.

[1] Source is latest EIA Weekly Statistics

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PROPANE: Graph Link and Weekly Summary

October 30, 2013

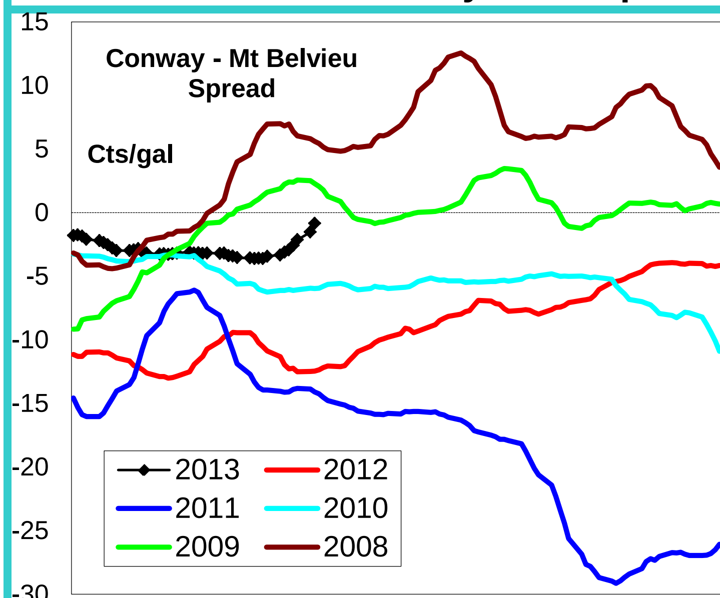
Fundamental Trends for the Week Ending: Friday, October 25, 2013

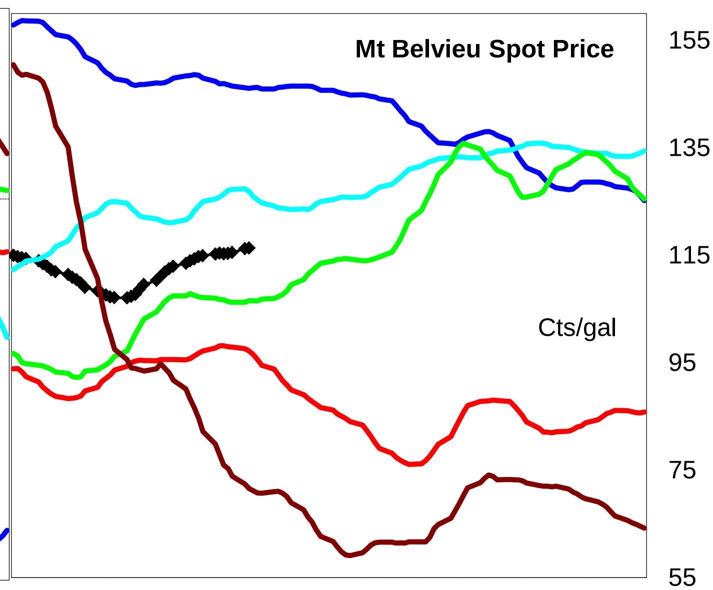
000 bpd Stocks 000 bls	Weekly Supply-Demand U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	Change from prior week: U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	64,797	5,096	22,695	34,040	2,966	-1,173	159	-900	-437	5
Propylene Stocks	3,021					68				
Production	1,466	101	297	886	182	91	5	31	25	30
Imports	147	47	83	0	17	30	11	20	0	-1
Whsle Demand	1,532					191				

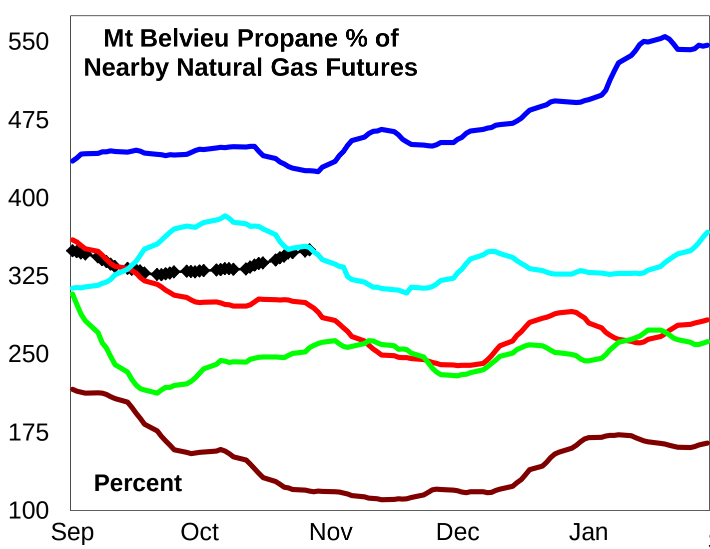
Price Trends for the Week Ending: Tuesday, October 29, 2013

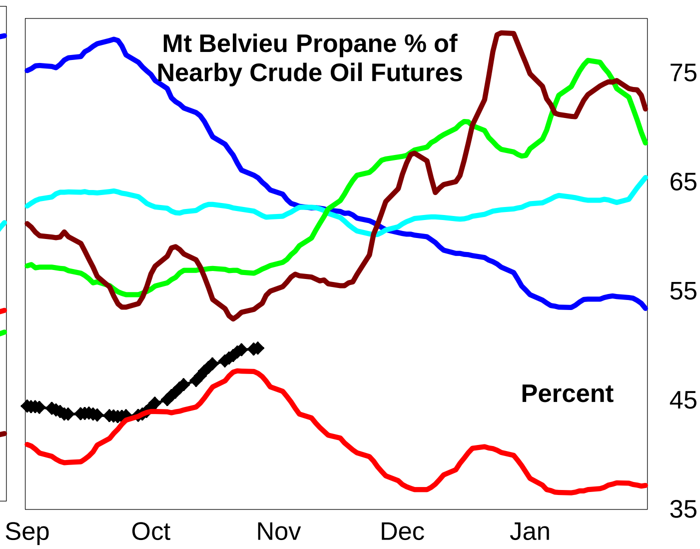
Cents/gal	Average for week ending: 10/29/13	10/22/13	10/1/13	11/1/12	Change from: 10/22/13	10/1/13	11/1/12	% change from: 10/22/13	10/1/13	11/1/12
Mont Belvieu Spot	115.5	115.4	105.5	99.9	0.14	9.85	5.56	0.1	9.3	5.6
Conway Spot	113.4	111.4	102.4	87.0	1.99	9.00	15.41	1.8	8.8	17.7

Key Price Spreads and Differentials

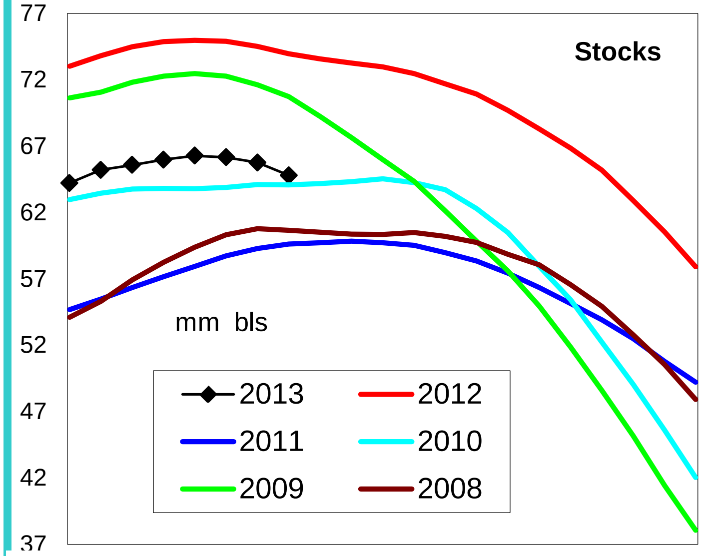


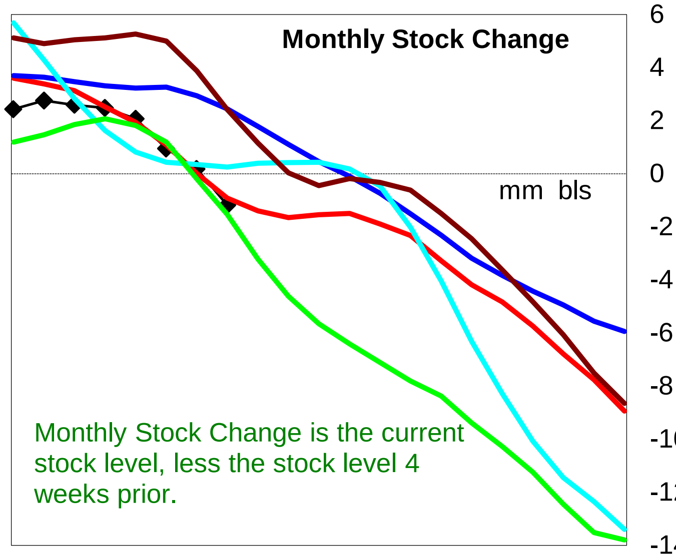


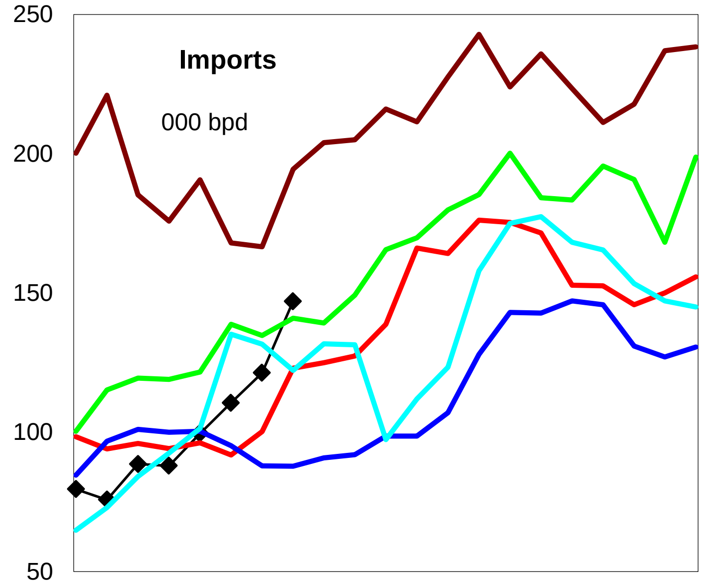


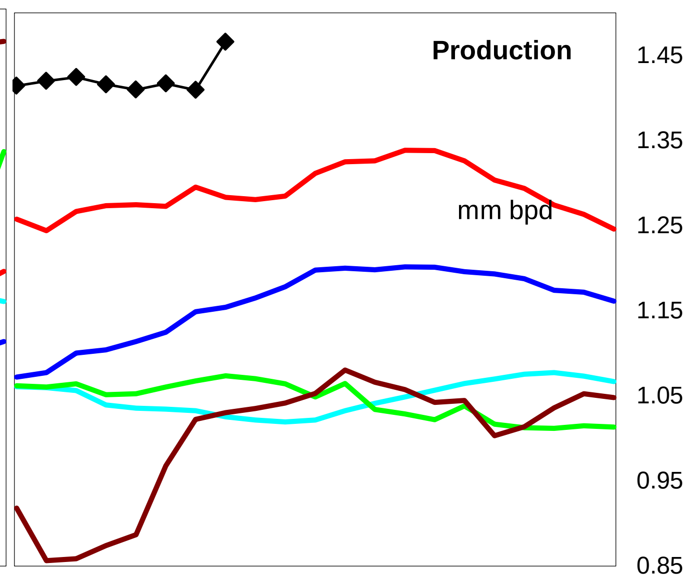


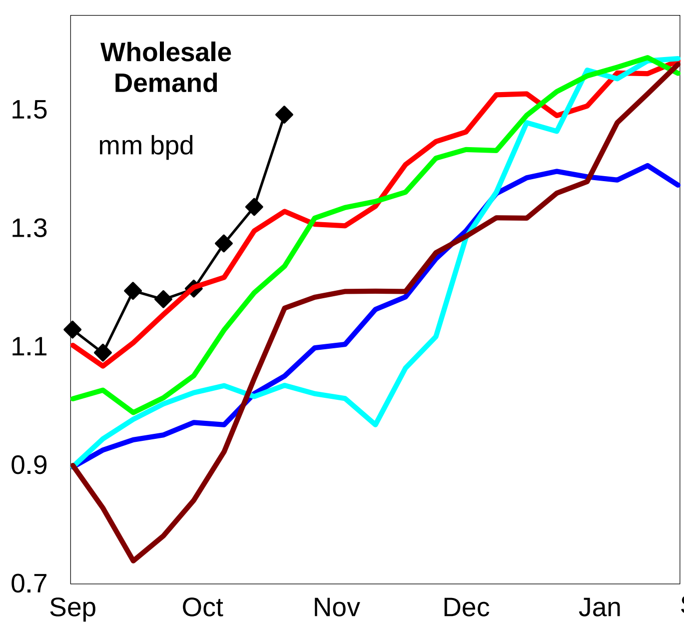
U. S. Propane Supply and Demand Balance

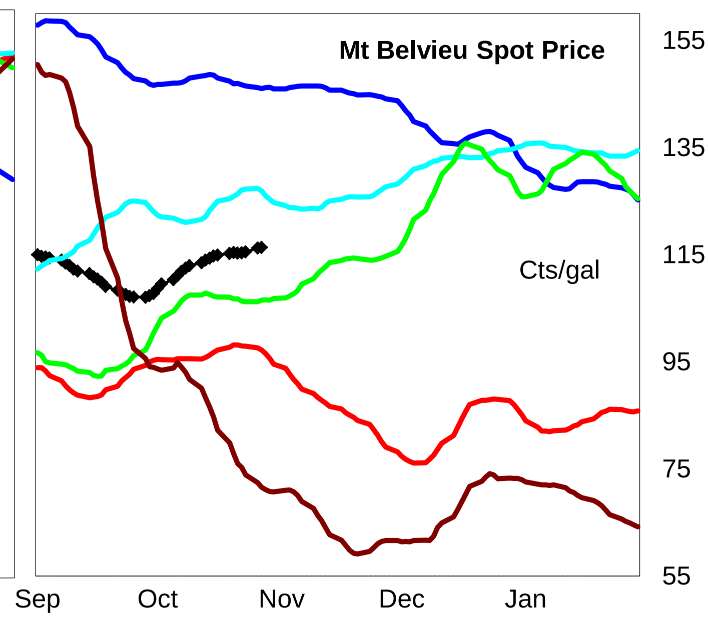












4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Sep	Aug	Jul
000 bpd (000 bls stks)	-9,150	-270	127	27		58	55	24	64
% change	-12.4	30	9.9	28.0		4.4	4.8	2.2	6.3

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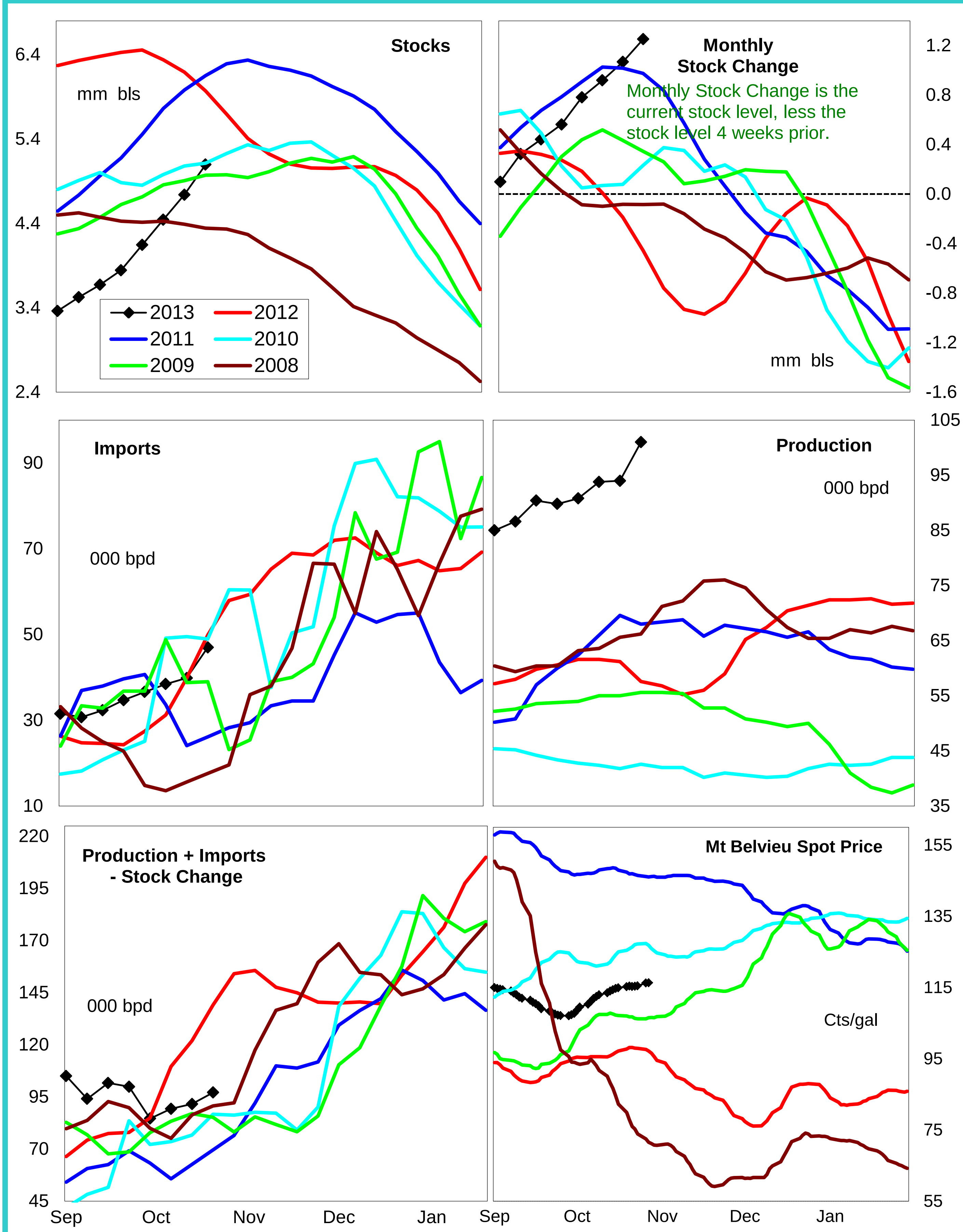
PADD 1 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-825	1,708	32	6	-23
% change	-13.9	-374.6	50.8	17.4	-20.4

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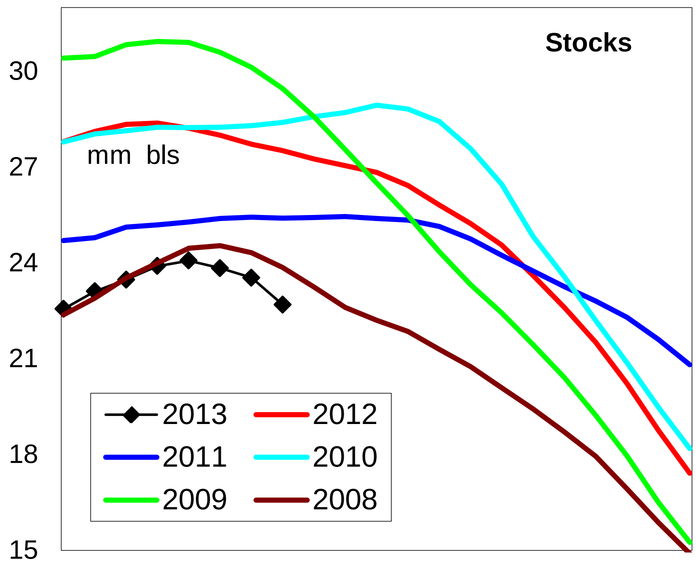
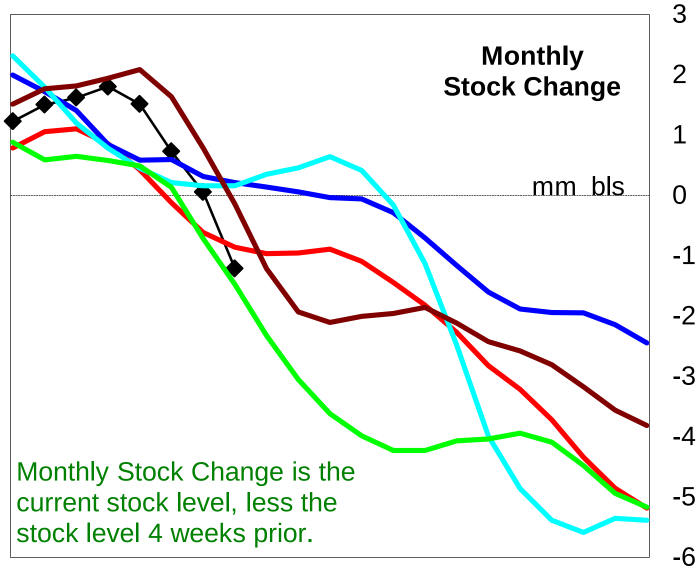
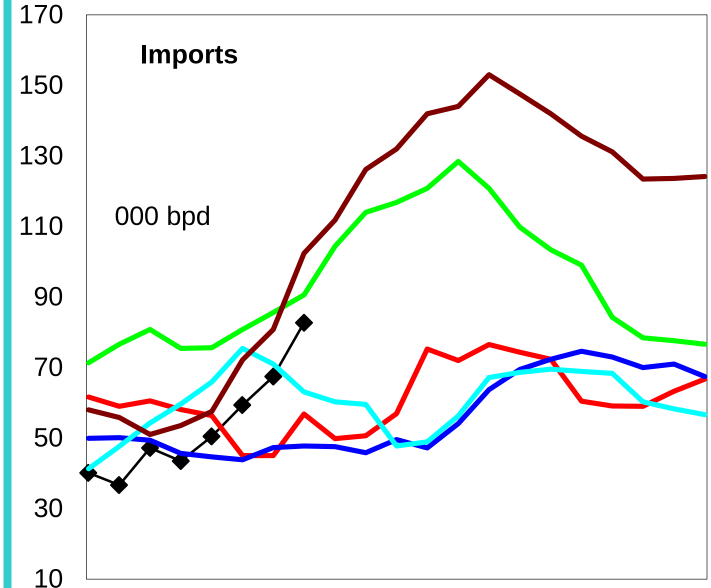
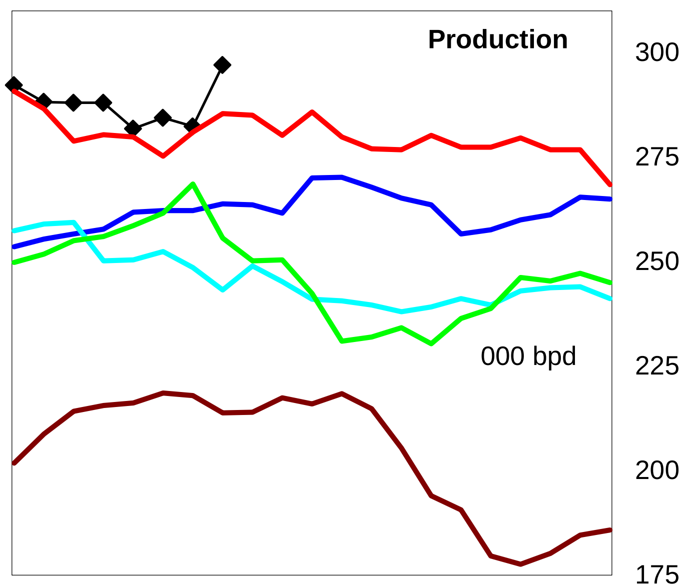
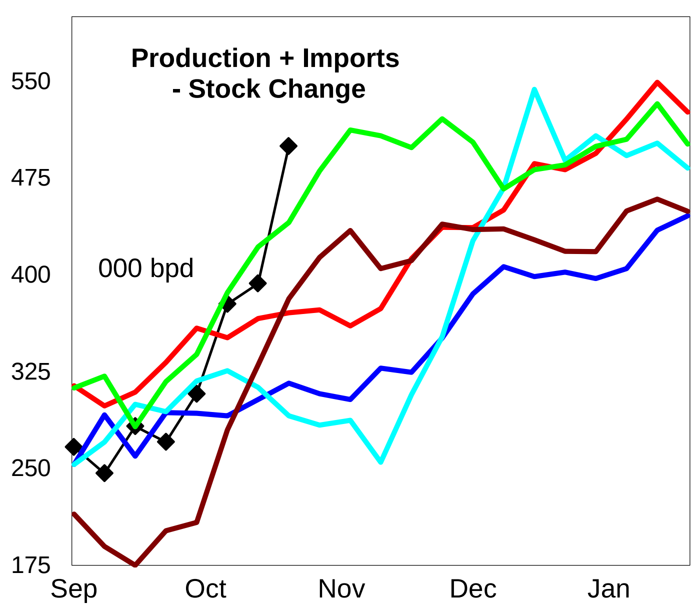
PADD 2 Propane Supply and Demand Balance

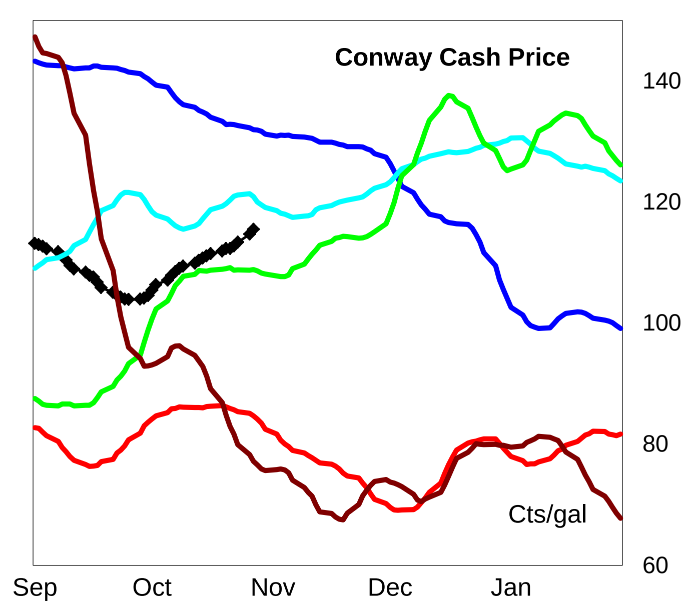












4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-4,719	-353	7	24	33
% change	-17.2	41.2	2.4	53.9	9.1

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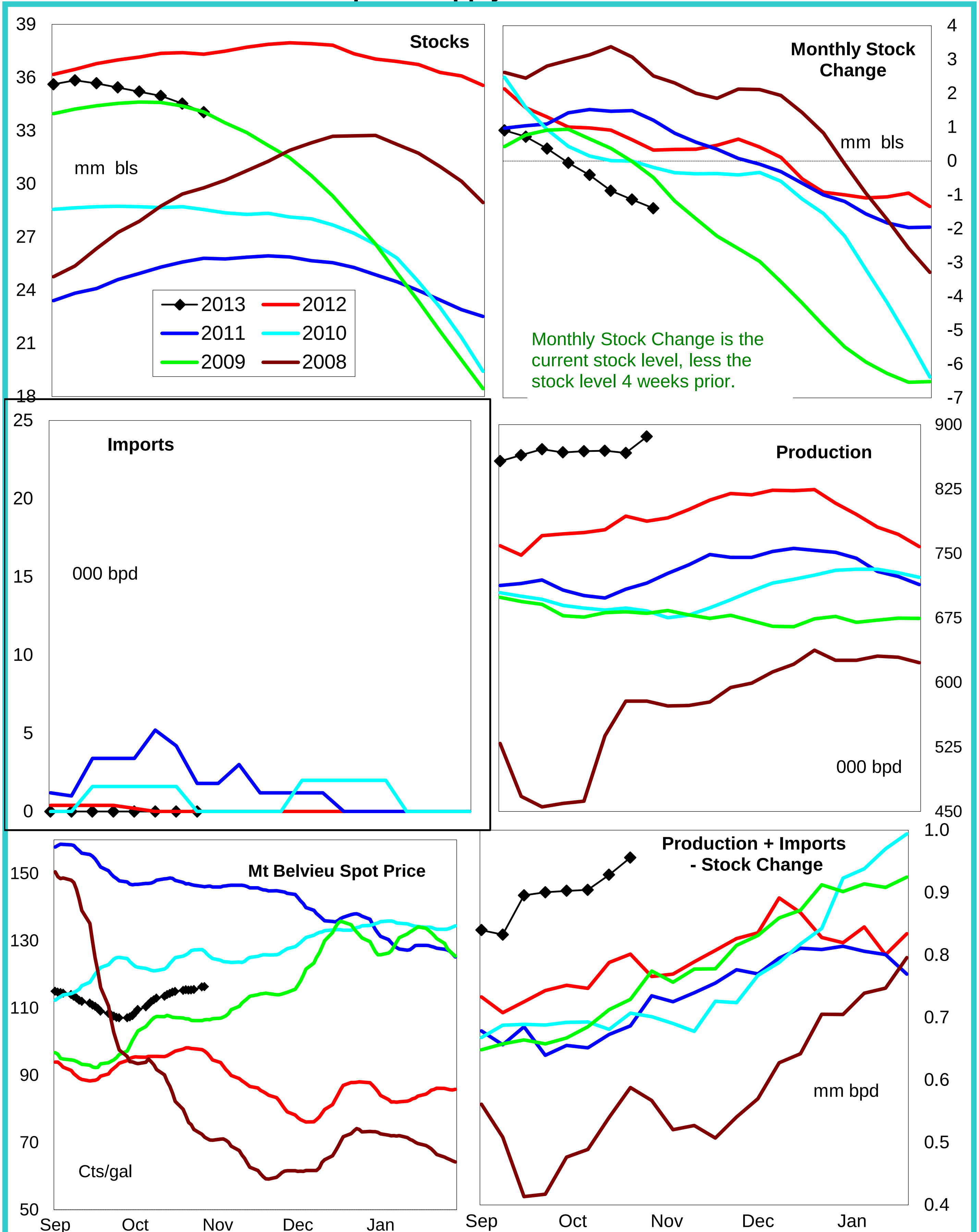
PADD 3 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-3,368	-1,720	86	0	151
% change	-9.0	-535	10.9	#DIV/0!	19.5

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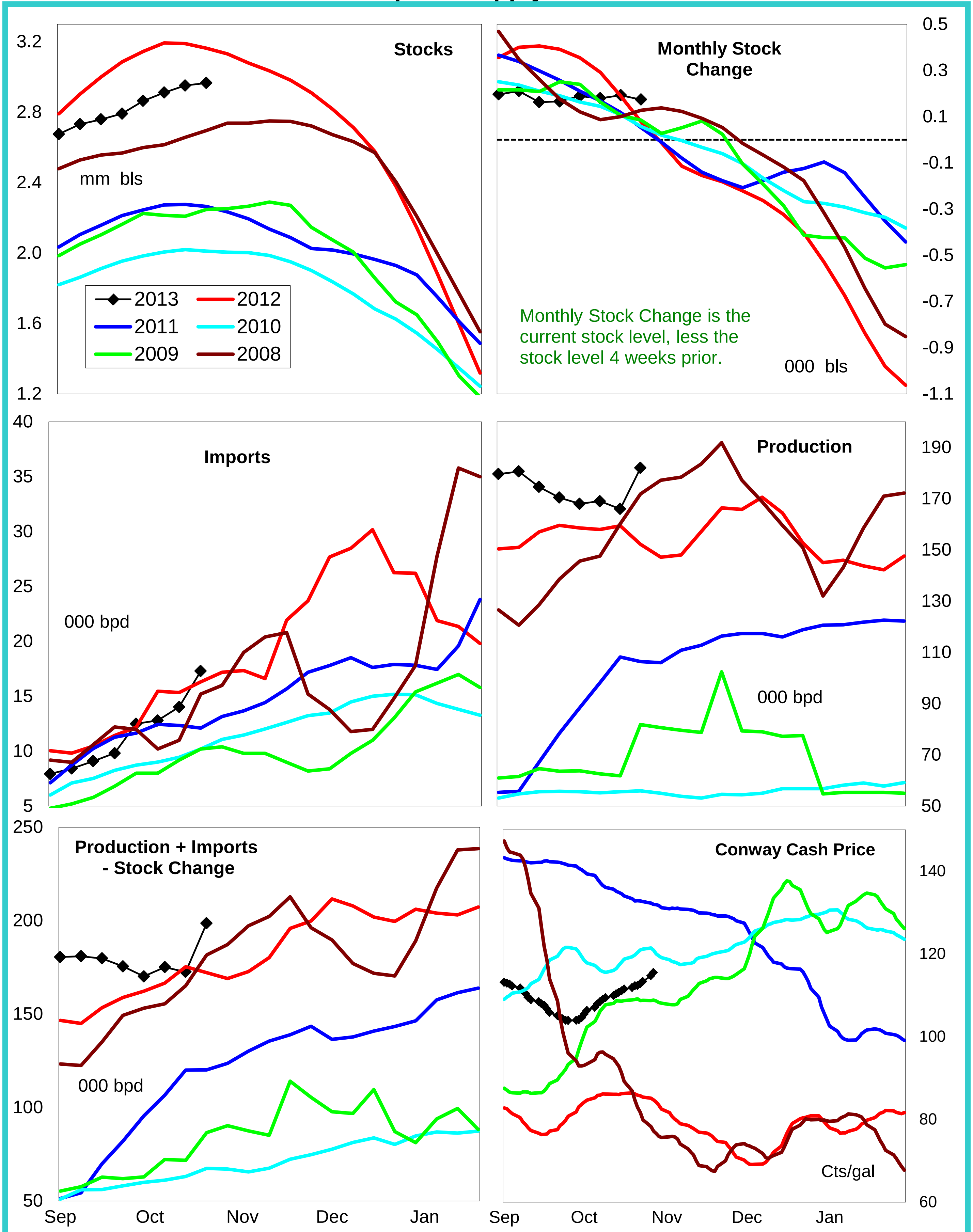
PADDs 4 and 5 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-238	96	3	-4	10
% change	-7.4	122.3	1.6	-21.6	5.9

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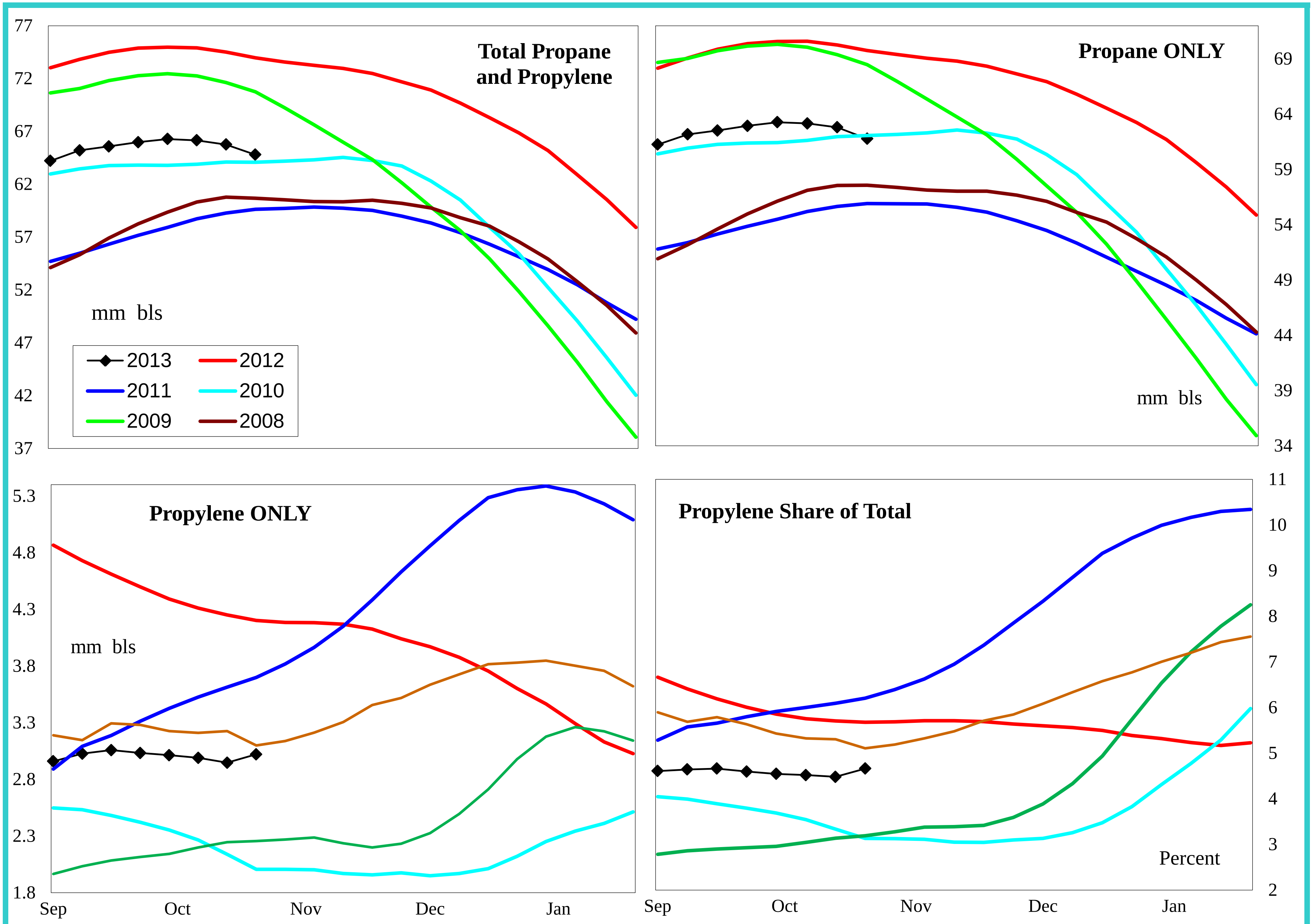
U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	-9,150	-8,019	-1,180
% change	-12.4	-11.5	-28.1

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