FUNDAMENTAL PETROLEUM TRENDS

WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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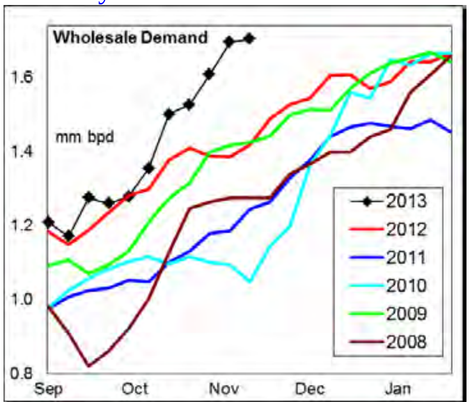
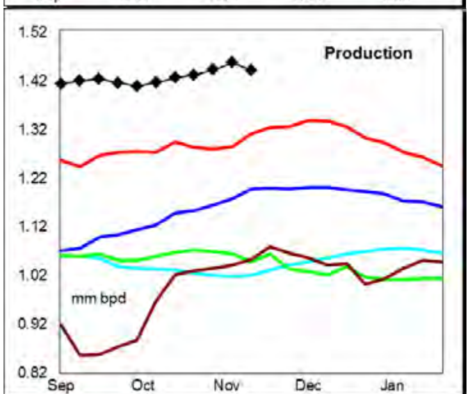
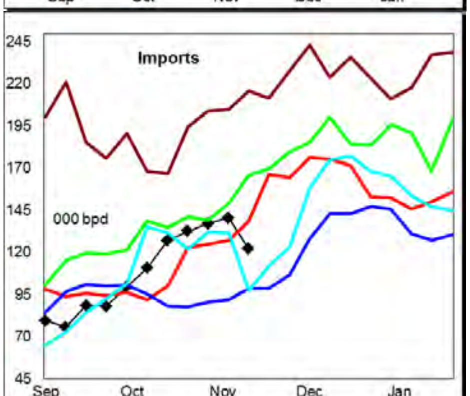
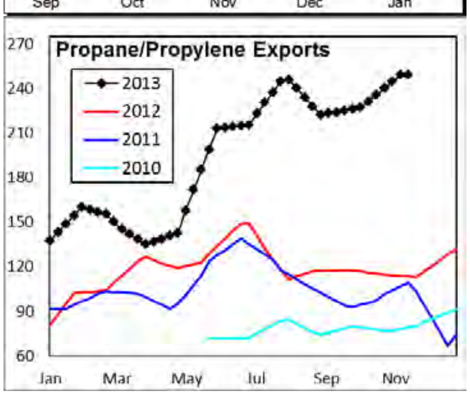






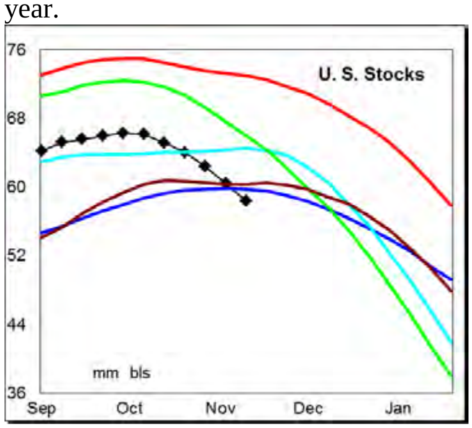


[1] Source is latest EIA Weekly Statistics

Wholesale demand increased +138,000 bpd last week, at a record high level for this time of year. Production declined -2,000 bpd on the week while imports increased -30,000 bpd.

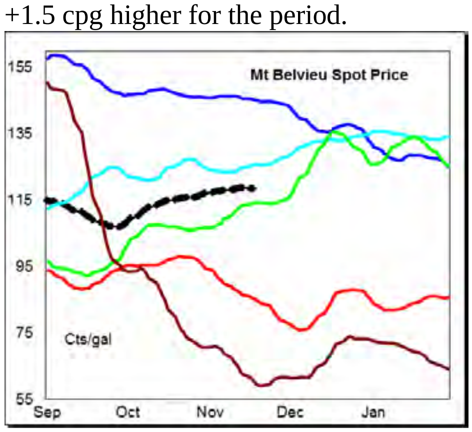
Combined production and imports during the latest 4-wk period were +188,000 bpd above a year ago. Production was +177,000 bpd above last year (+14%), while imports were +11,000 bpd higher.

The latest 4-wk average demand was +259,000 bpd above last year. Exports increased +135,000 bpd for the most recent 4-wk period compared to last year.



Stocks fell -2.4 million barrels on the week, with the latest 4-wk draw of -6.8 million barrels a record for this time of year. U.S. stocks are now below the 5-yr range.

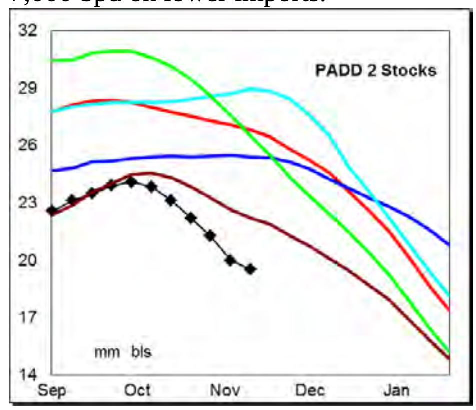
Price and Spreads Mt Belvieu spot price was unchanged for the week ending 20Nov13 while Conway spot price was +1.5 cpg higher for the period.



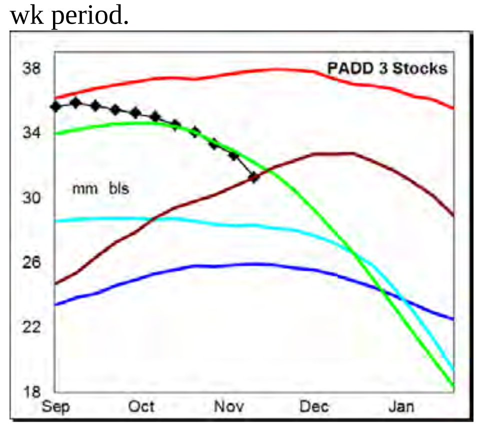
The Conway – Mt Belvieu price spread ended the week with Conway at a +2 cpg premium, a record over the last 3-yrs.

PADD 1 stocks fell -0.3 million barrels on the week. Stocks ended the week at a level below the last 3-yrs.

PADD 2 stocks declined -0.3 million barrels on the week, with the level -27% below last year. Supply decreased -7,000 bpd on lower imports.



PAD 3 stocks declined -1.8 million barrels last week, to a level -18% below a year ago. Supplies were +92,000 bpd above a year ago for the most recent 4-wk period.



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

Emerging Trends Wholesale demand averaged +19% above a year ago for the most recent 4-wk period. The increase exceeds the year-on-year growth in supply, driving stock levels to 5-yr lows for this time of year. Heating degree days are forecast to be sharply above normal for the next 10-days.

Extremely low stock levels in the Midwest risk a supply squeeze during the winter quarter and potential price spike.

PROPANE: Graph Link and Weekly Summary

November 20, 2013

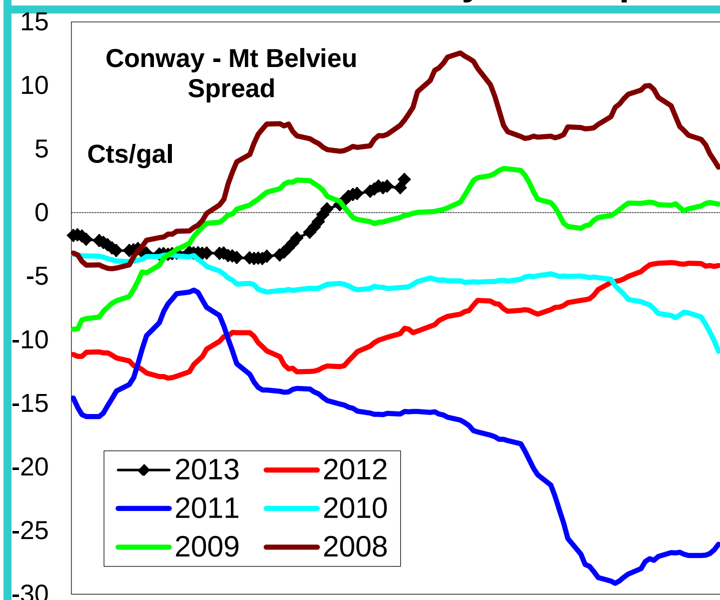
Fundamental Trends for the Week Ending: Friday, November 15, 2013

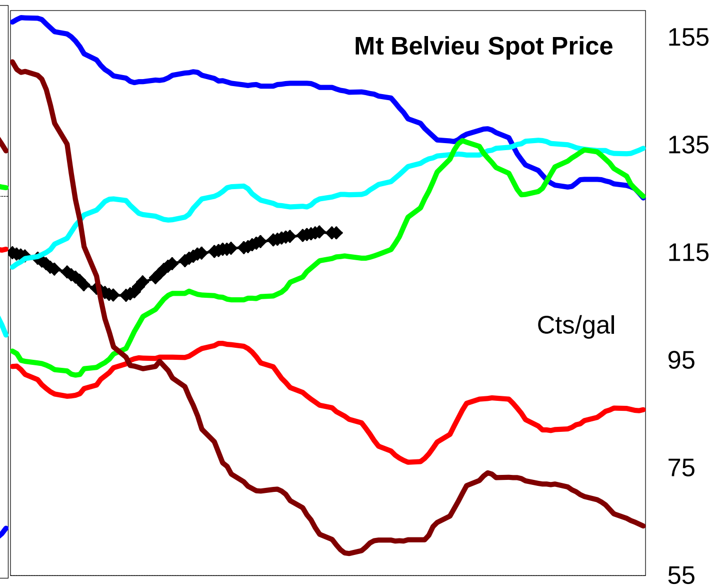
000 bpd / Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	58,372	4,543	19,523	31,264	3,042	-2,441	-346	-296	-1,818	19
Propylene Stocks	3,017					-2				
Production	1,442	104	283	884	171	-2	1	18	-20	-1
Imports	122	46	65	0	11	-30	-4	-25	0	-1
Whsle Demand	1,664					138				

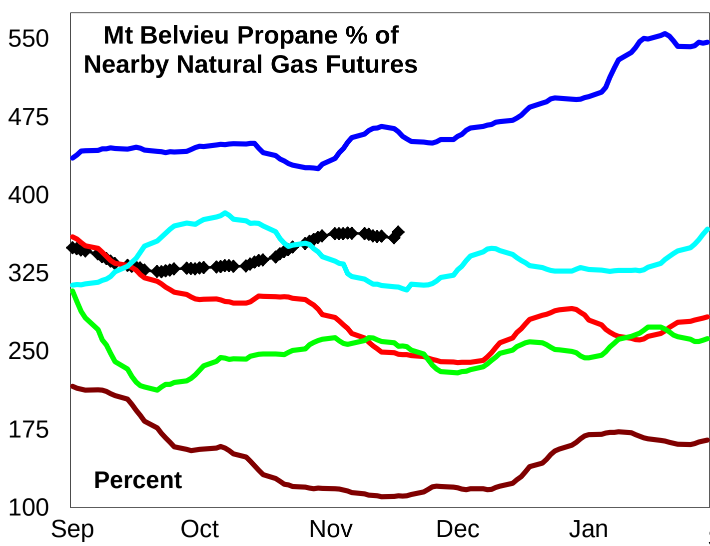
Price Trends for the Week Ending: Tuesday, November 19, 2013

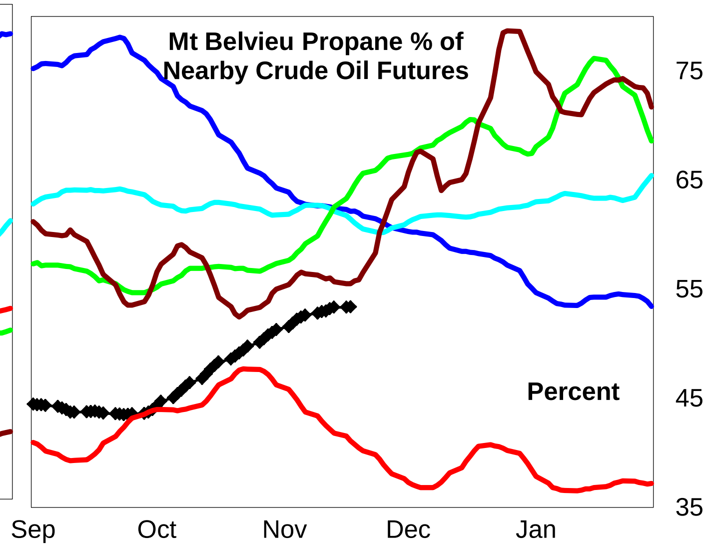
Cents/gal	Average for week ending:				Change from:			% change from:		
	11/19/13	11/12/13	10/22/13	11/22/12	11/12/13	10/22/13	11/22/12	11/12/13	10/22/13	11/22/12
Mont Belvieu Spot	118.8	118.2	115.4	86.3	0.60	2.88	29.03	0.5	2.5	33.6
Conway Spot	120.9	120.2	111.4	77.5	0.75	8.78	33.84	0.6	7.9	43.6

Key Price Spreads and Differentials









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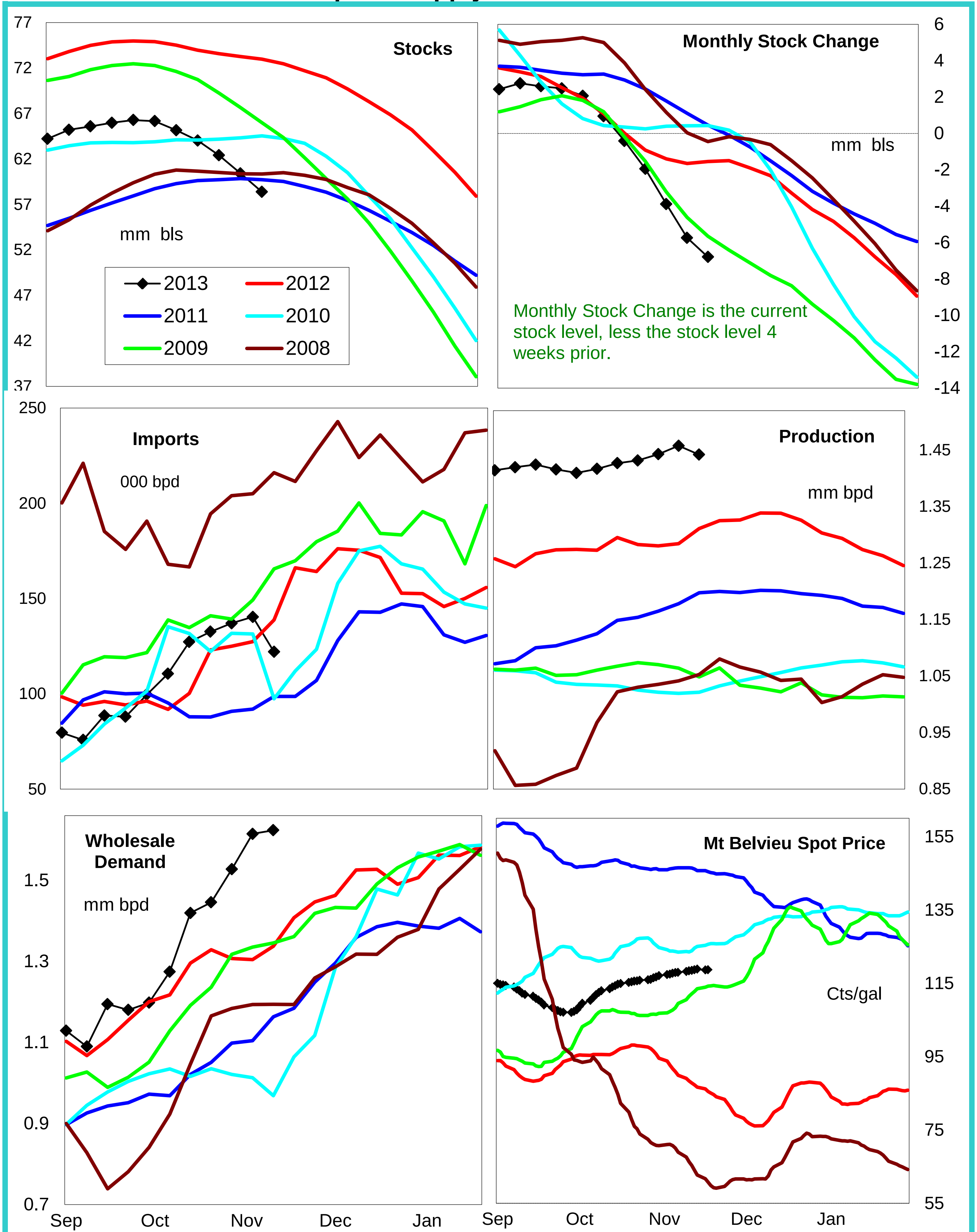
U. S. Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Oct	Sep	Aug
000 bpd (000 bls stks)	-14,294	-5,243	177	11		259	203	55	-74
% change	-19.7	339	13.8	8.0		19.0	15.9	4.8	-6.7

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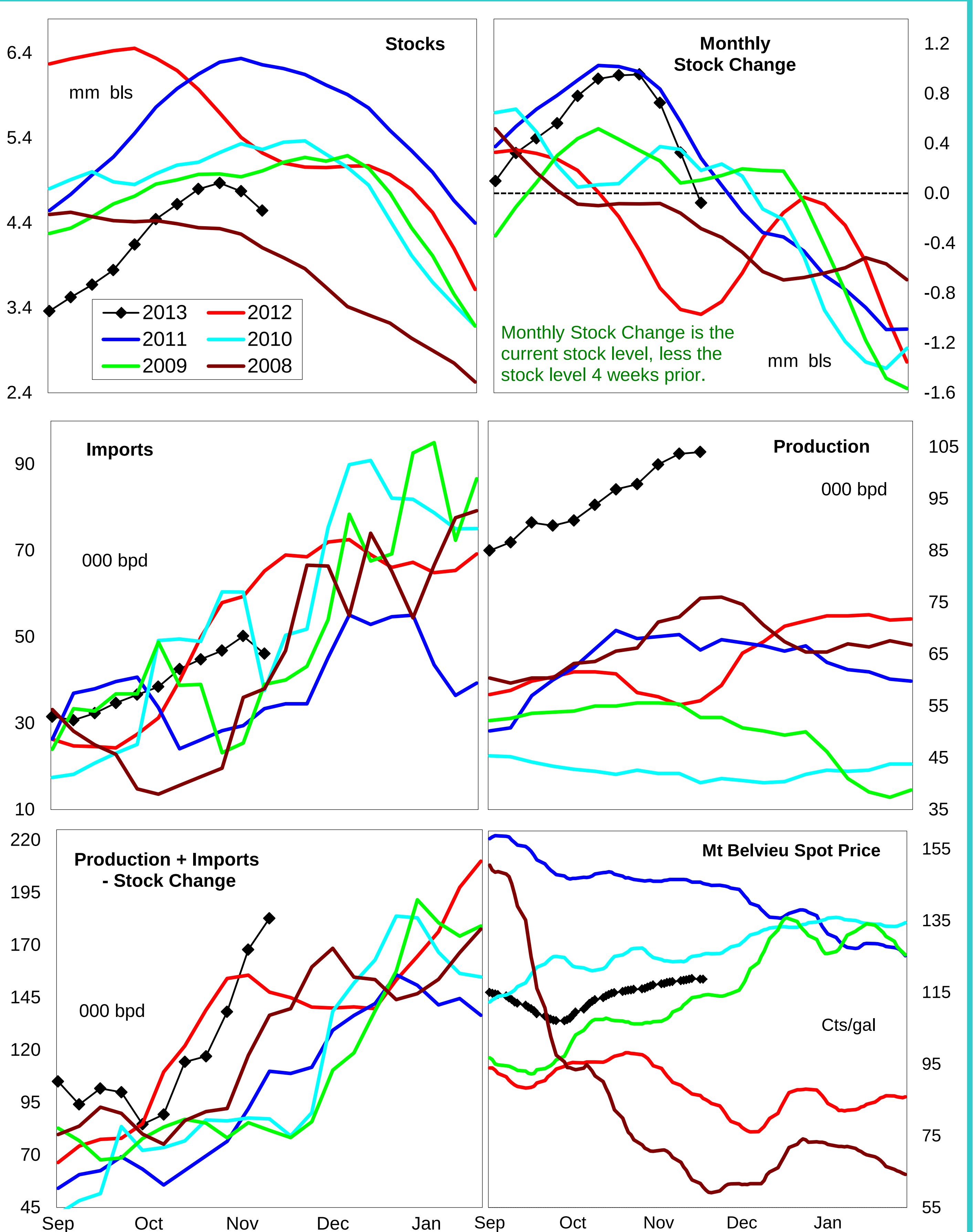
PADD 1 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-578	894	49	-11	2
% change	-11.3	-92.1	89.9	-18.3	1.6

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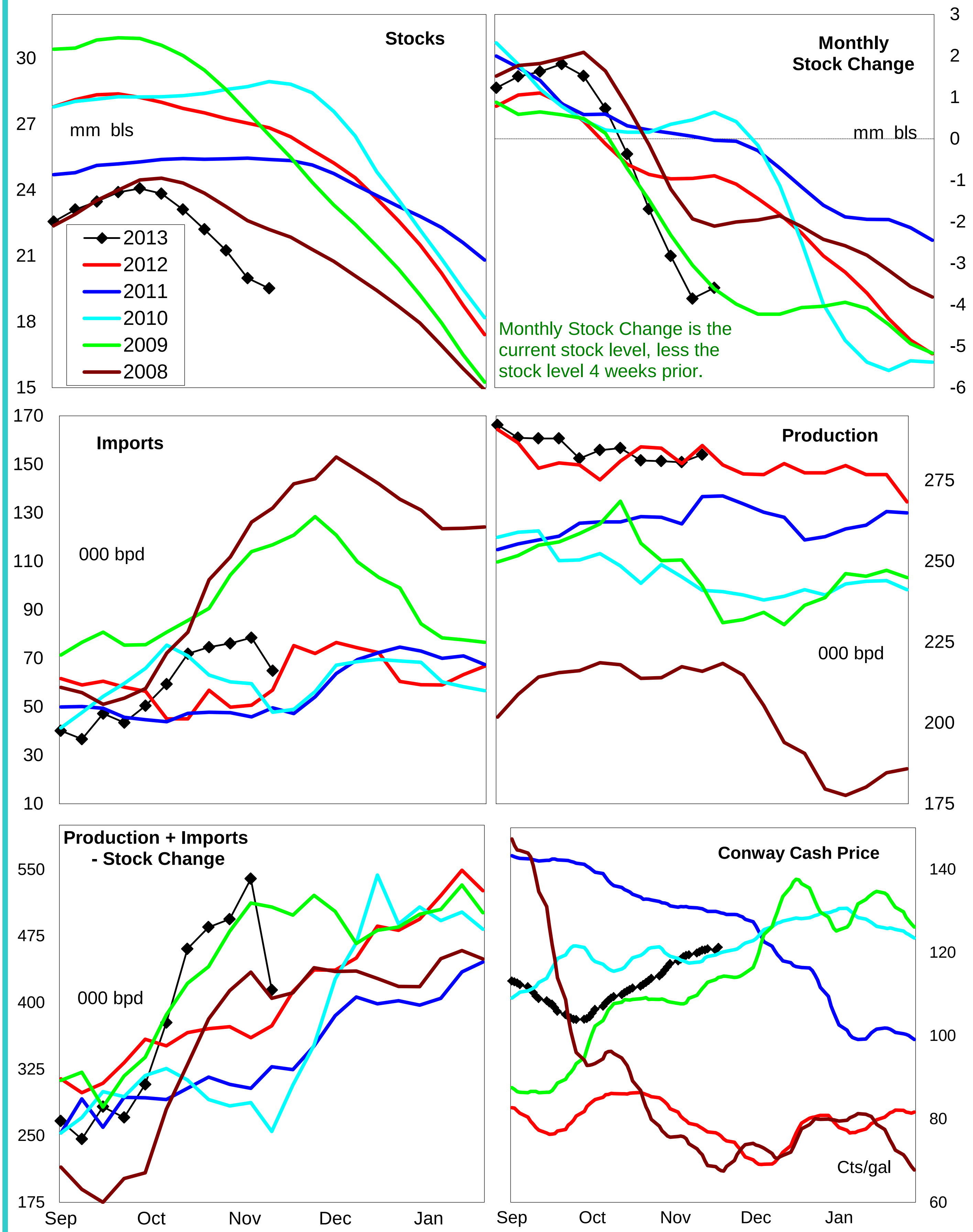
PADD 2 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-7,041	-2,700	-1	26	114
% change	-26.5	303.3	-0.2	49.5	30.8

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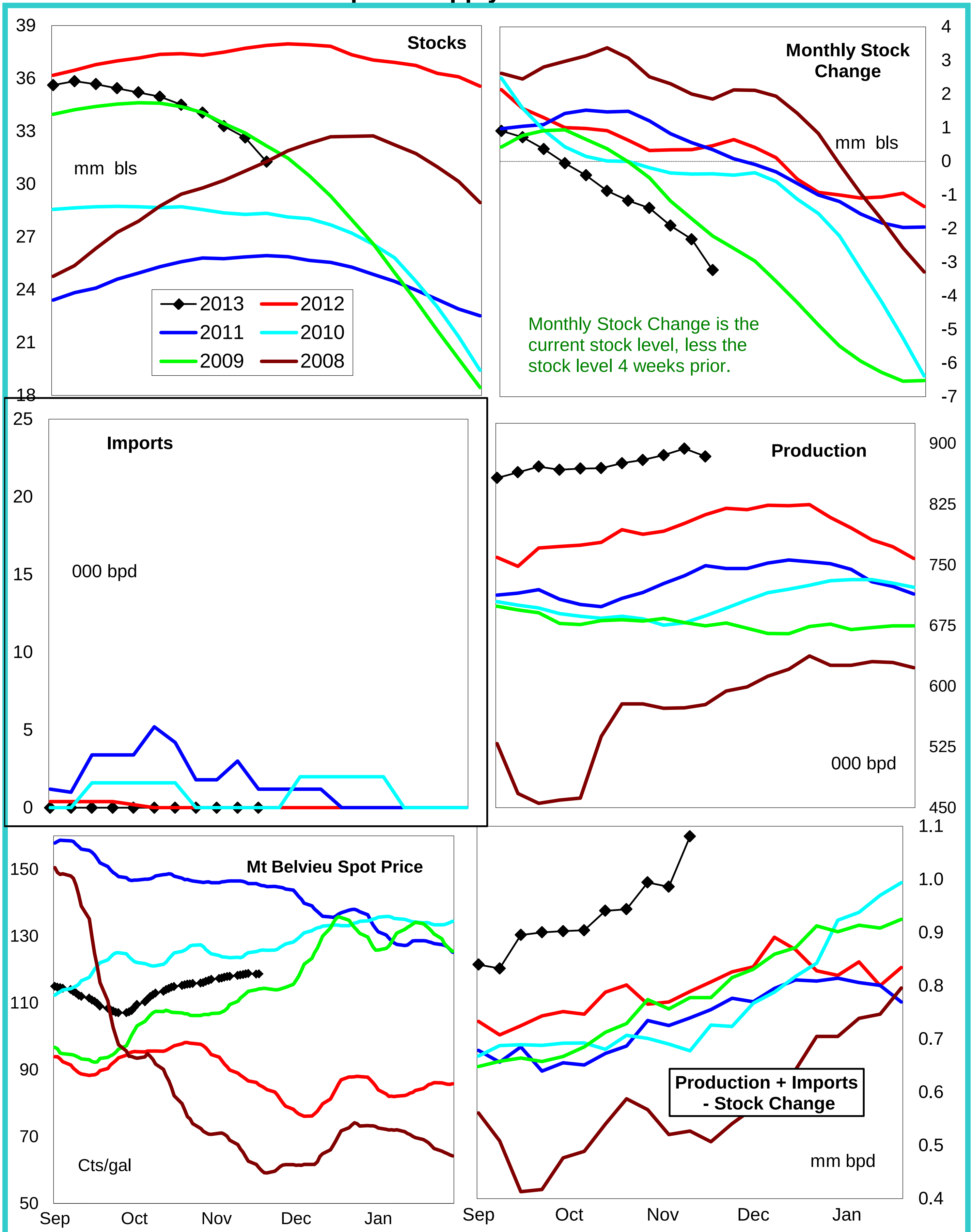
PADD 3 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-6,675	-3,703	92	0	220
% change	-17.6	-793	11.5	#DIV/0!	28.1

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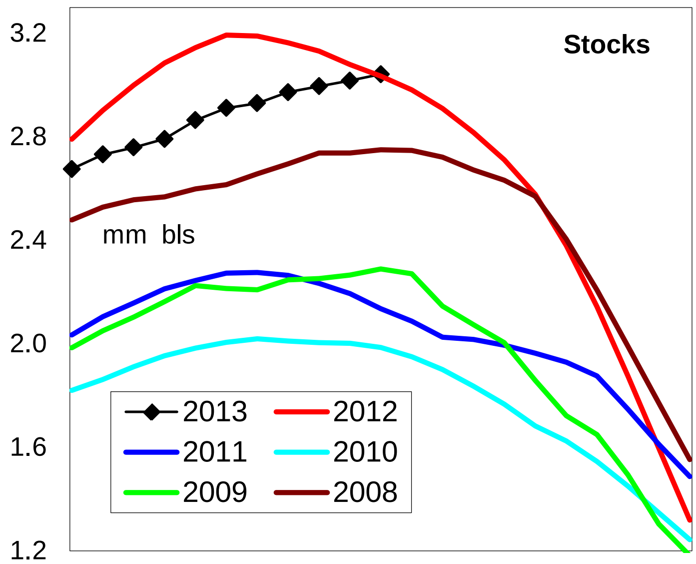
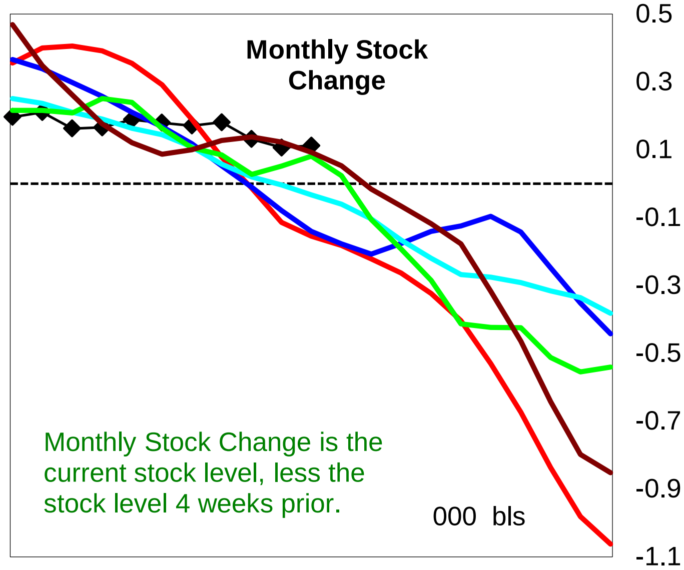
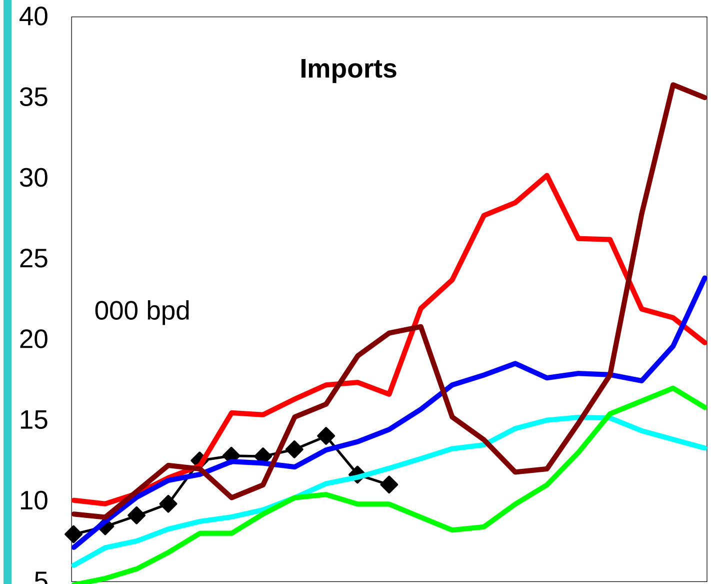
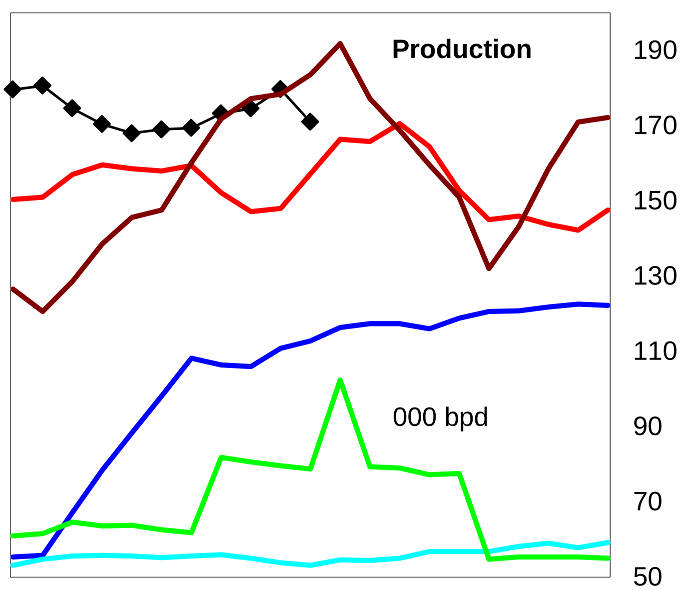
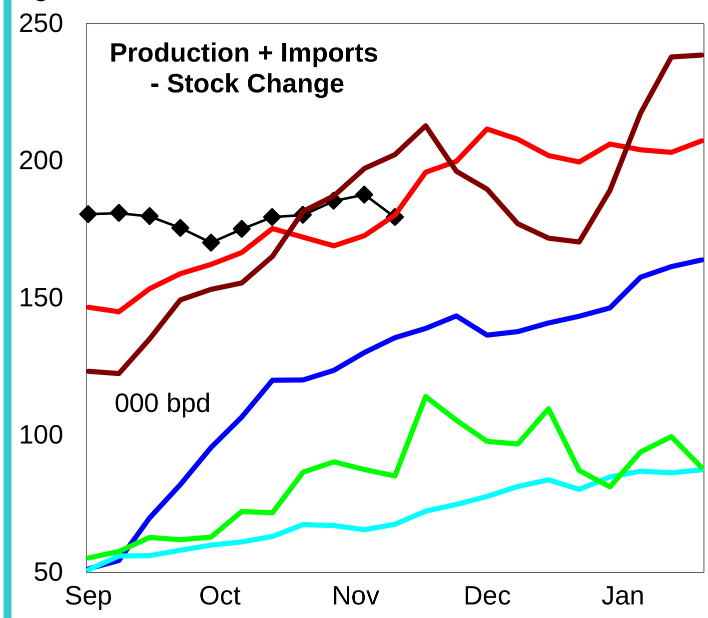
PADDs 4 and 5 Propane Supply and Demand Balance

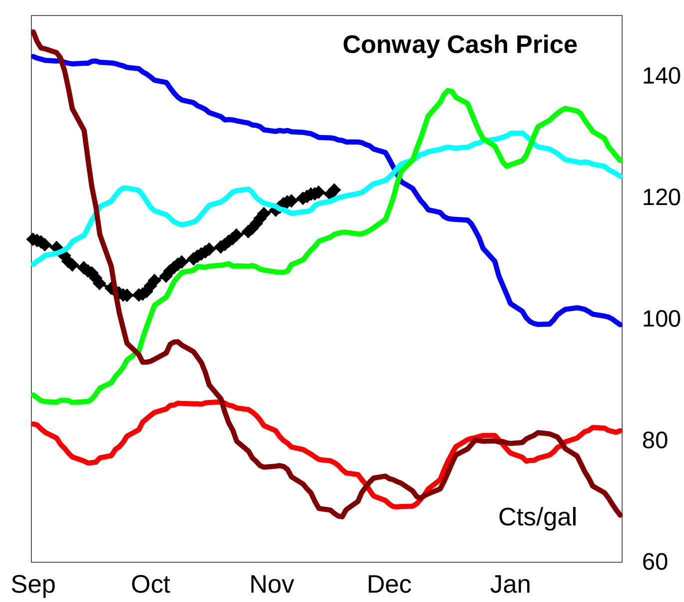






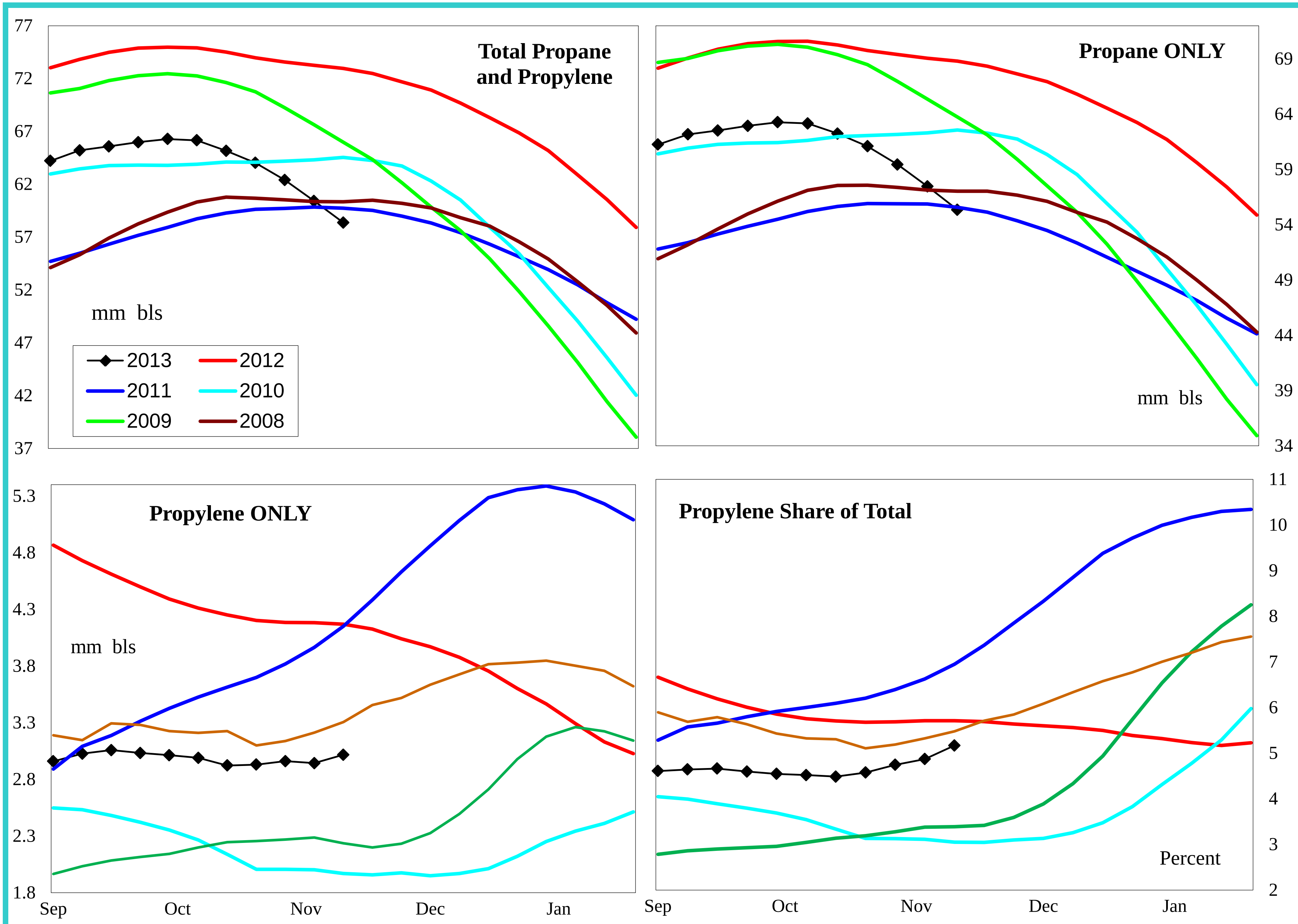






4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	1	267	37	-5	10
% change	0.0	-172.4	25.4	-26.8	5.5

U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	-14,294	-13,123	-1,152
% change	-19.7	-19.2	-27.6

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