

1.4

8.0

1.52

1.02

0.82

220

195

170

Oct

Imports

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 +158,000 bpd last week, to a level well above the 5-yr range. Production decreased -10,000 bpd on the week while imports decreased -8,000 bpd.

-2013

2012

2011

2010

2009

Jan

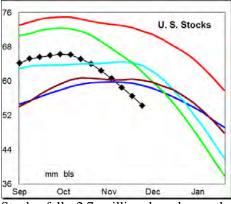
Production

Dec

Dec

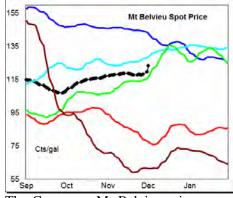
Combined production and imports during the latest 4-wk period were +138,000 bpd above a year ago. Production was +148,000 bpd above last year (+11%), while imports were -10,000 bpd lower.

The latest 4-wk average demand was +221,000 bpd above last year. Exports increased +175,000 bpd for the most recent week compared to last year.



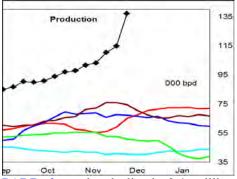
Stocks fell -2.7 million barrels on the week, with the latest 4-wk draw of -8.1 million barrels a record for this time of year. U.S. stocks ended the week below the 5-yr range.

Price and Spreads Mt Belvieu spot price increased +7 cpg for the week ending 03Dec13 while Conway spot price saw a similar increase.

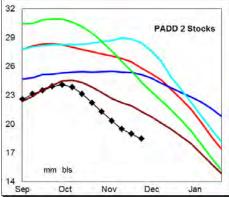


The Conway – Mt Belvieu price spread ended the week even; compared to a -5 to -15 cpg discount for Conway during the last 3-yrs.

PADD 1 has seen a doubling in production during the last month as gas liquids processing facilities were placed into service. **Stoc**ks ended the week at a level below the last 3-yrs.



PADD 2 stocks declined -0.4 million barrels on the week, to a level -30% below last year. Supply fell -48,000 bpd on lower production and imports.



PAD 3 stocks fell -2.2 million barrels last week, to a level -26% below a year ago. Supplies were unchanged on the week, and were +95,000 bpd above a year ago for the most recent 4-wk period. PADDs 4 & 5 stocks were unchanged last week, with the level equal to 5-yr highs for the period.

Emerging Trends Exceptionally high heating degree days across nearly the entire country for the next 2-wks should spike prompt wholesale demand and lead to terminal outages/allocations'. With stock levels in the Midwest at record low levels, expect a supply squeeze and price spike.

Source is latest EIA Weekly Statistics

Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and is intended for informational purposes and is not to be construed as a recommendation to sell or buy, or trade in any commodity mentioned herein. Information is obtained from sources believed reliable, but is in no way guaranteed. Opinions, market data and recommendations are subject to change at any time. Past results are not indicative of future results. Charts are developed by Fundamental Petroleum Trends from EIA, NWS, other public

¹⁴⁵ 000 bpd 120 70 Oct Nov Dec 300 Propane/Propylene Exports 270 - 2013 2012 240 2011 210 2010 180 150 120 90 60

December 4, 2013

1,676

?

Whsle Demand

PROPANE: Graph Link and Weekly Summary

Fundamental Trends for the Week Ending: Friday, November 29, 2013 Weekly Supply-Demand Change from prior week: 000 bpd PADD U.S. U.S. **PADD** Stocks 000 bls Total 2 3 4&5 **Total** 1 2 4&5 54,275 4,642 18,446 28,202 2,985 28 440 -2,215 Stocks -2,665 -38 **Propylene Stocks** 2,976 90 915 **Production** 1,457 137 259 146 -10 34 -36 1 -9 -12 **Imports** 126 62 55 0 10 0 -4

158

Price Trends for the Week Ending: Thursday, November 28, 2013 Average for week ending: Change from: % change from: Cents/gal 11/28/13 11/21/13 10/31/13 12/3/12 11/21/13 10/31/13 12/3/12 11/21/13 10/31/13 12/3/12 Mont Belvieu Spot 118.3 118.3 116.9 80.1 -0.041.41 36.76 0.0 1.2 45.9 71.3 45.90 -0.3 Conway Spot 118.6 118.9 117.2 -0.321.66 1.4 64.3

Key Price Spreads and Differentials 15 155 Conway - Mt Belvieu Mt Belvieu Spot Price 10 Spread 5 Cts/gal 135 115 -5 -10 Cts/gal 95 -15 -20 -2013 2012 75 2010 2011 -25 2009 2008 55 -30 Mt Belvieu Propane % of 550 Mt Belvieu Propane % of **Nearby Natural Gas Futures** Nearby Crude Oil Futures 75 475 65 400 325 55 250

Nov

Dec

Jan

175

100

Sep

Percent

Oct

Sep

Oct

Nov

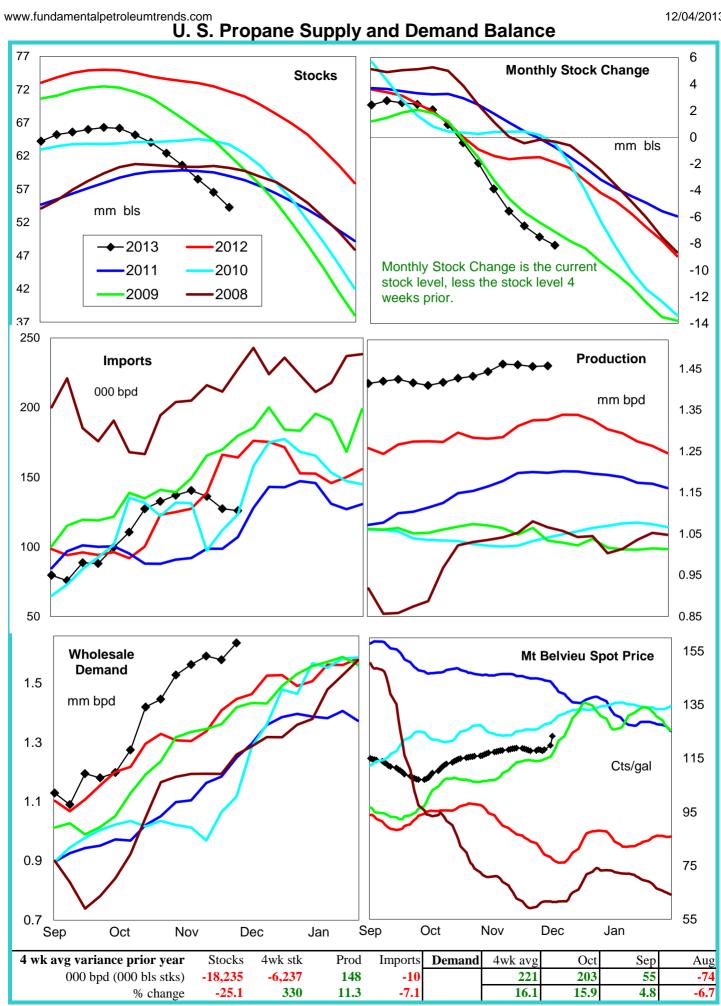
Dec

Jan

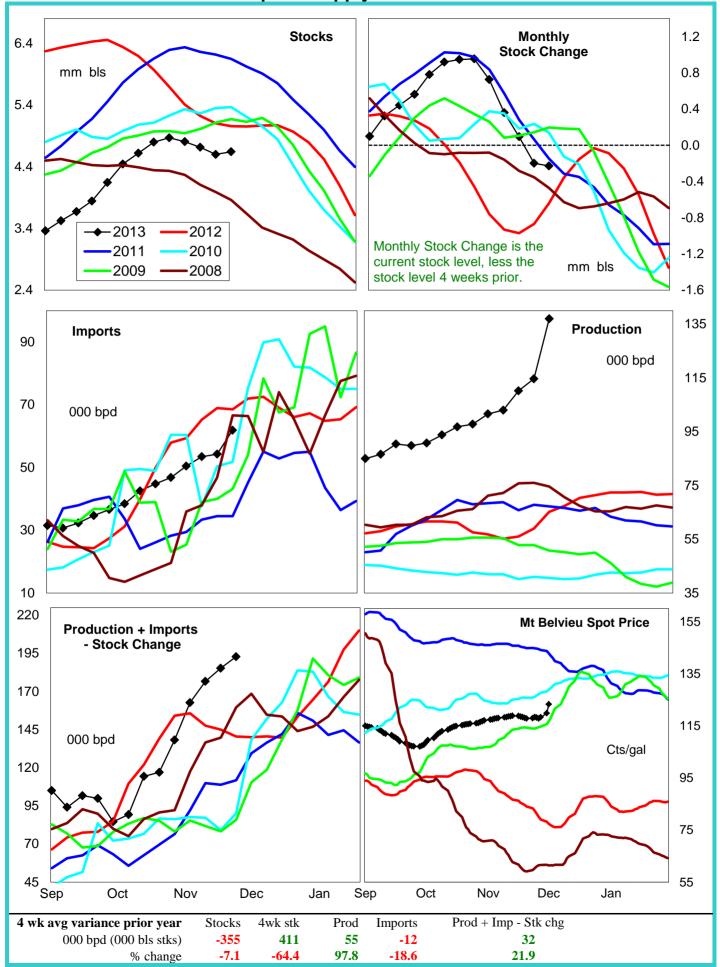
Percent

45

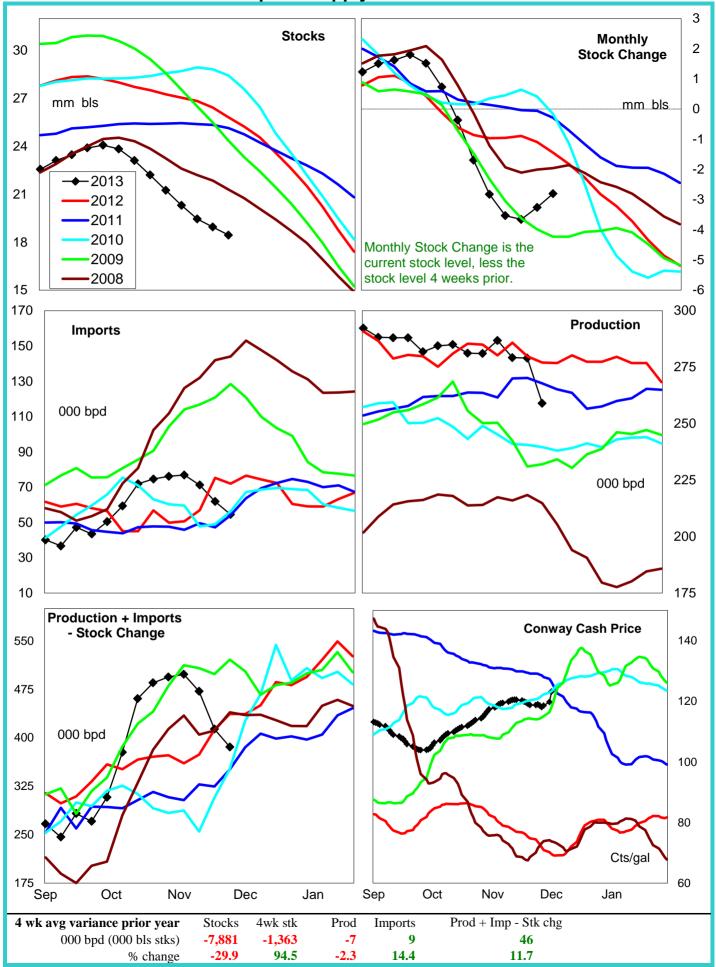
35



PADD 1 Propane Supply and Demand Balance



PADD 2 Propane Supply and Demand Balance



mm bls

Imports

000 bpd

39

36

33

30

27

24

21

25

20

15

10

5

150

130

110

90

70

50

Sep

Cts/gal

Oct

4 wk avg variance prior year

000 bpd (000 bls stks)

12/04/2013 **PADD 3 Propane Supply and Demand Balance** 4 **Stocks Monthly Stock** 3 Change 2 1 mm bls 0 -1 -2 -3 -4 **→** 2013 2012 Monthly Stock Change is the -5 2011 2010 current stock level, less the 2009 2008 -6 stock level 4 weeks prior. -7 **Production** 900 825 750 675 600 525 000 bpd 450 1.2 Mt Belvieu Spot Price 1.1 1.0 0.9 8.0 0.7 **Production + Imports** - Stock Change 0.6

Dec

Stocks

-10,005

-26.2

Jan

4wk stk

-5,497

-1,338

Nov

% change

Sep

Prod

95

11.8 #DIV/0!

Oct

Imports

Nov

Prod + Imp - Stk chg

288 36.1 Dec

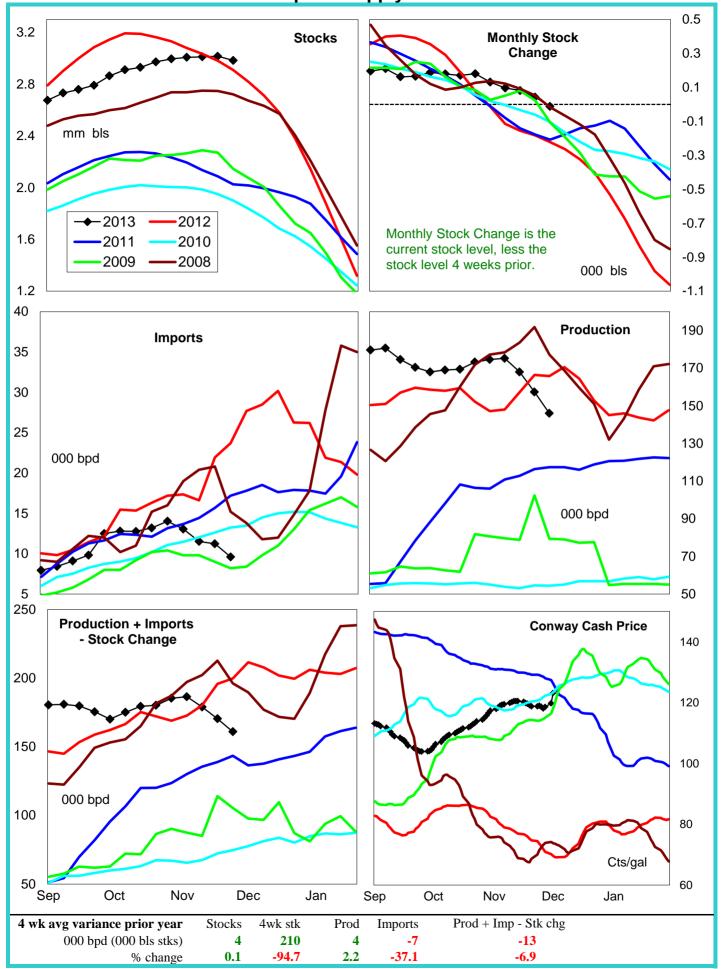
mm bpd

Jan

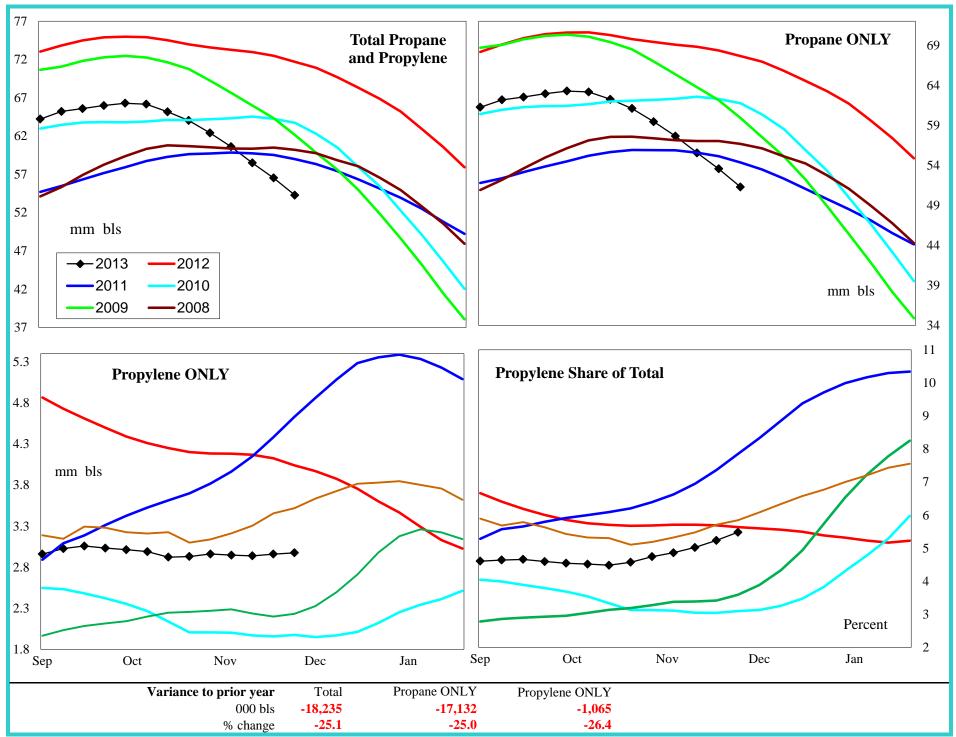
0.5

0.4

PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



www.fundamentalpetroleumtrends.com 12/04/2013

