WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report
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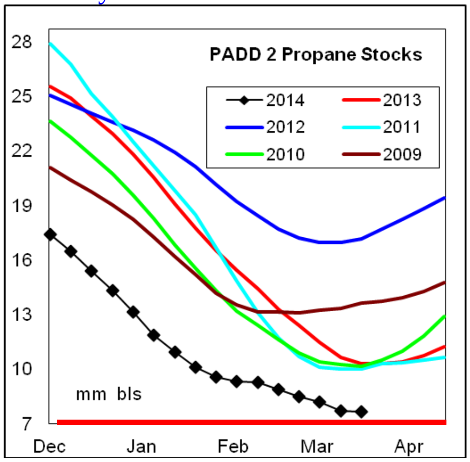
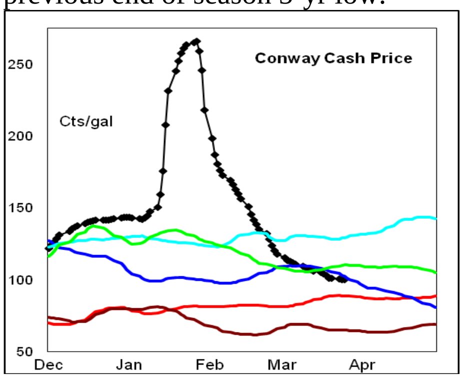


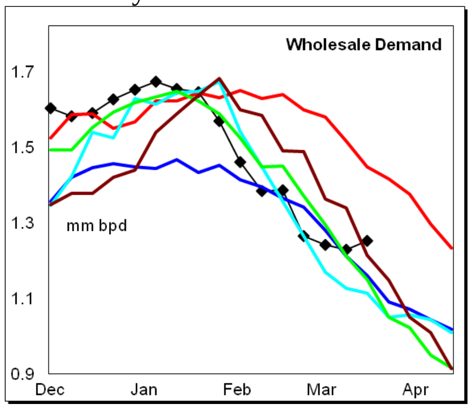
Stocks in the Midwest increased +0.2 million barrels last week, ending the week -2.5 million barrels below the previous end of season 5-yr low.



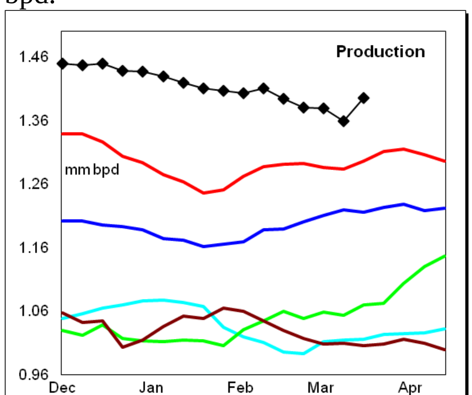
Conway spot prices extended the longer term downtrend last week, ending at a level near the 2-yr mid range, and at the lowest level since September 2013.

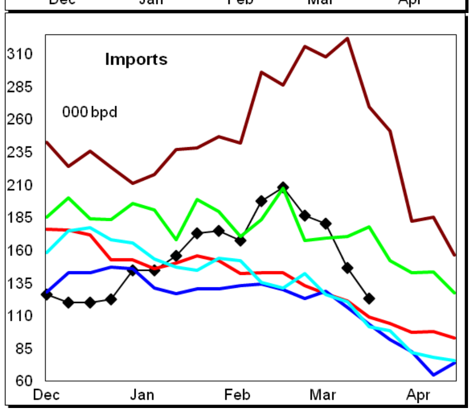
Midwest Outlook *The 10-day forecast is for below normal temperatures east of the Rockies. However even with record low carry out stocks, the focus of the market is now on stock building for the summer season. The anticipated startup of new gas liquids processing plants increases the likelihood of an above average stock building season.*

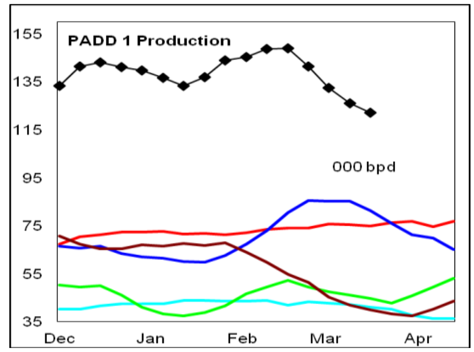
U.S. Summary Wholesale demand increased +162,000 bpd last week, with the level of demand above the 3-yr mid range. The latest 4-wk average wholesale demand was -288,000 bpd below last year.



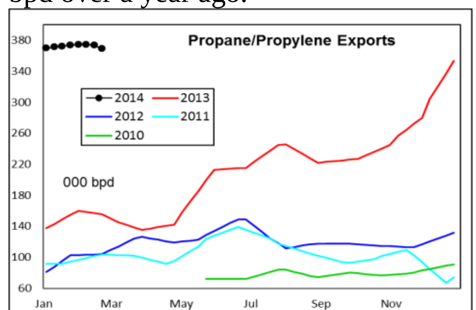
Production increased +34,000 bpd, last week, with the 4-wk average +103,000 bpd above a year ago. Imports increased +19,000 bpd on the week, for a 4-wk average increase of +49,000 bpd.

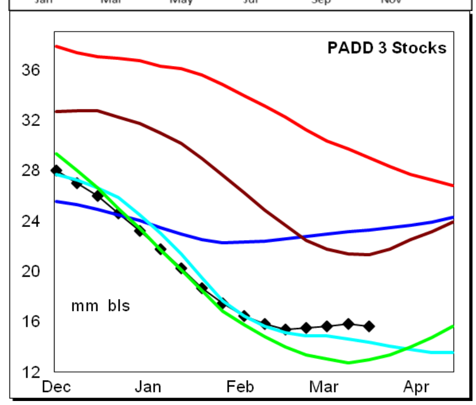






Exports for the latest week were 369,000 bpd, an increase of +214,000 bpd over a year ago.





Stocks declined -0.6 million barrels last week, concentrated in the Gulf Region. The latest 4-wk average stock draw matched the 5-yr mid range for the period. PADD 3 stocks ended the week +3 million barrels above the previous 5-yr low.

Emerging Trends Startup of new gas processing plants in major shale gas producing regions during 2014 should offset increased exports, and support meaningful stock building during the next 6-months, pointing to risk of lower spot prices.

[1] Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

March 27, 2014

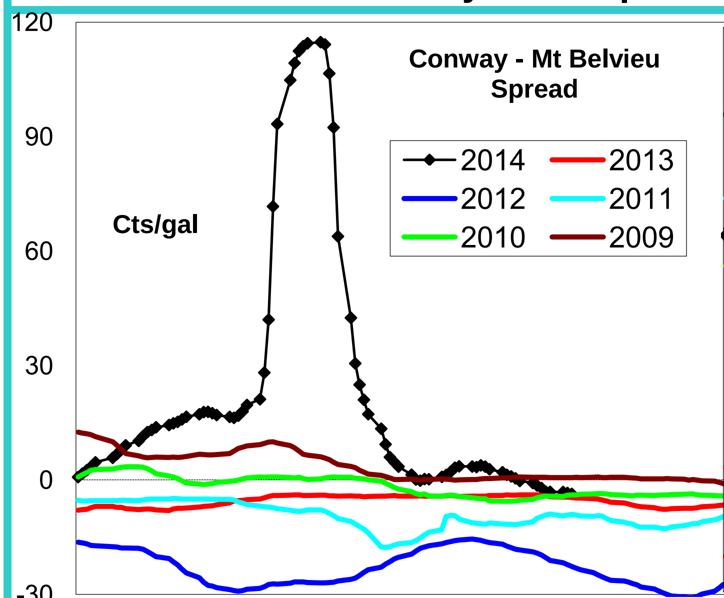
Fundamental Trends for the Week Ending: Friday, March 21, 2014

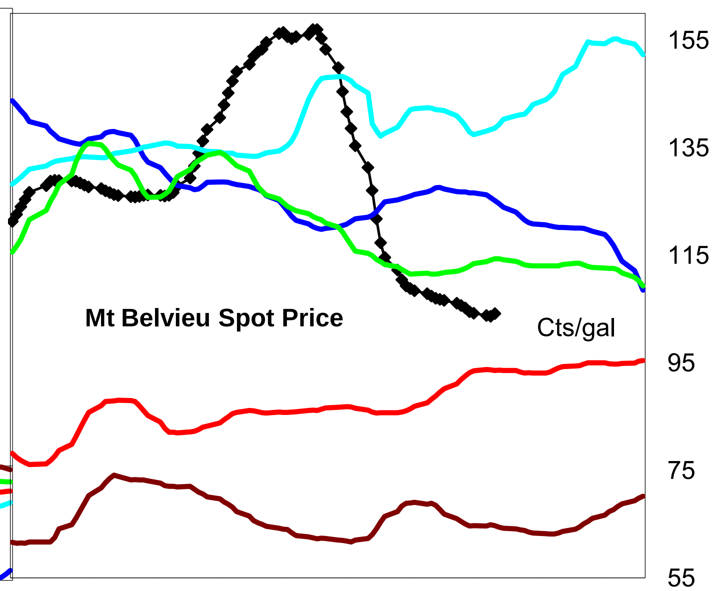
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S.	PADD				U.S.	PADD			
	Total	1	2	3	4&5	Total	1	2	3	4&5
Stocks	25,658	1,735	7,374	15,582	967	-583	-147	176	-673	61
Propylene Stocks	3,445					69				
Production	1,395	122	259	836	178	34	-5	5	15	19
Imports	123	47	60	0	16	19	10	7	0	2
Whsle Demand	1,232					162				

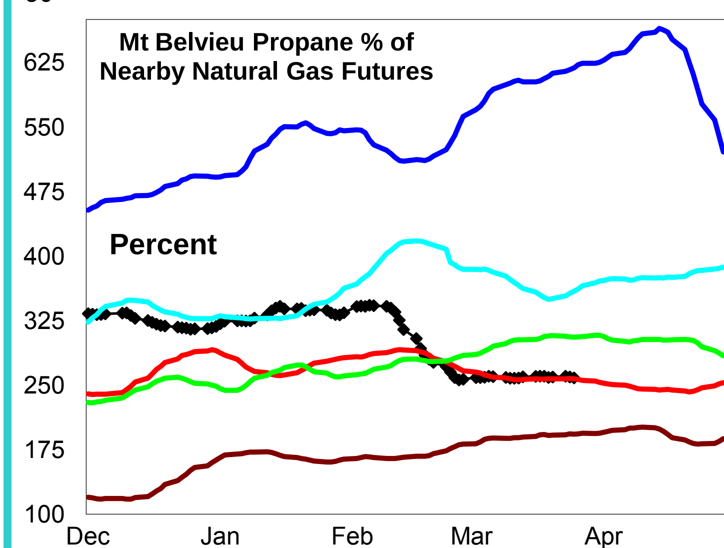
Price Trends for the Week Ending: Wednesday, March 26, 2014

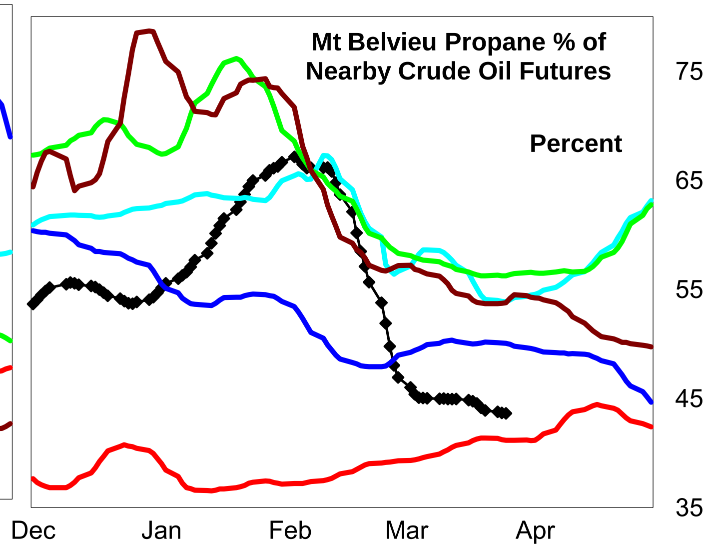
Cents/gal	Average for week ending:				Change from:			% change from:		
	3/26/14	3/19/14	2/26/14	3/29/13	3/19/14	2/26/14	3/29/13	3/19/14	2/26/14	3/29/13
Mont Belvieu Spot	103.8	105.9	127.4	95.0	-2.15	-21.42	32.37	-2.0	-16.8	34.1
Conway Spot	100.6	103.5	129.6	90.6	-2.81	-26.17	39.02	-2.7	-20.2	43.1

Key Price Spreads and Differentials

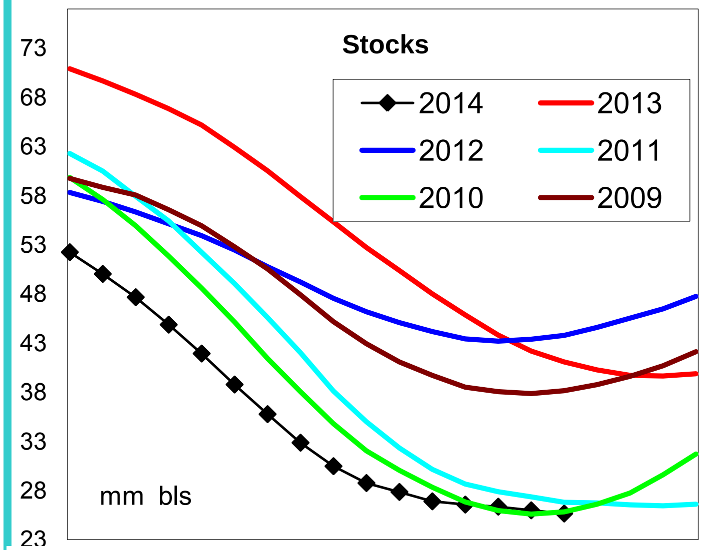


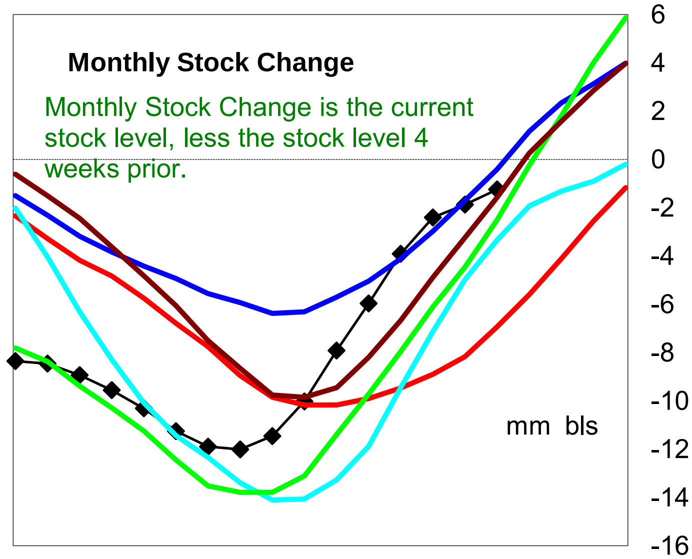


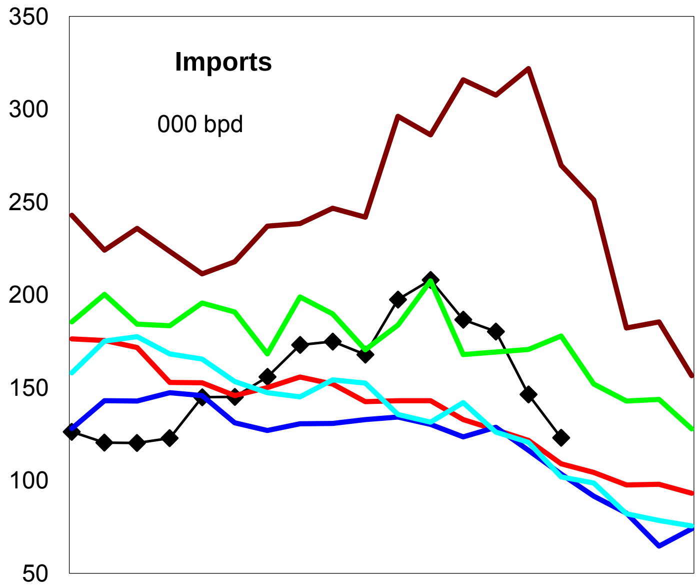


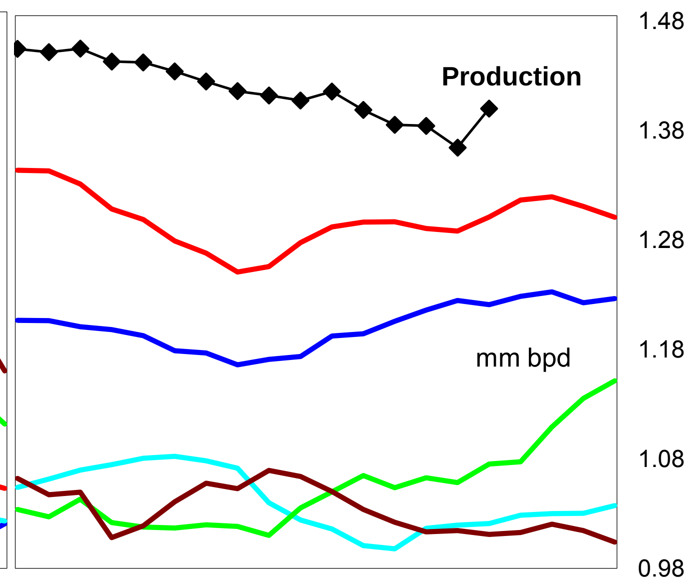


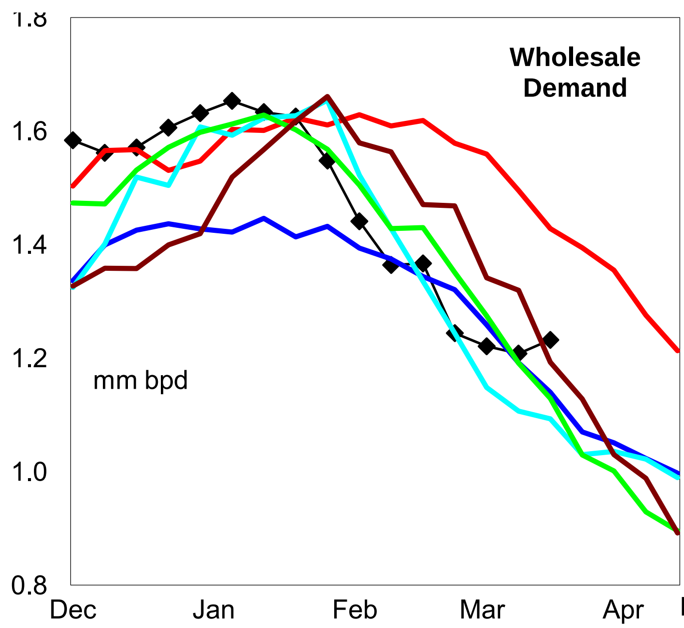
U. S. Propane Supply and Demand Balance

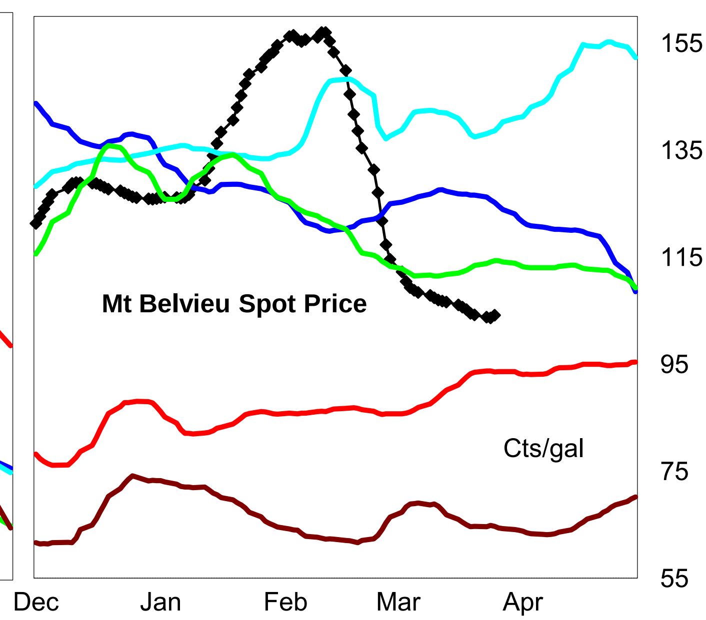






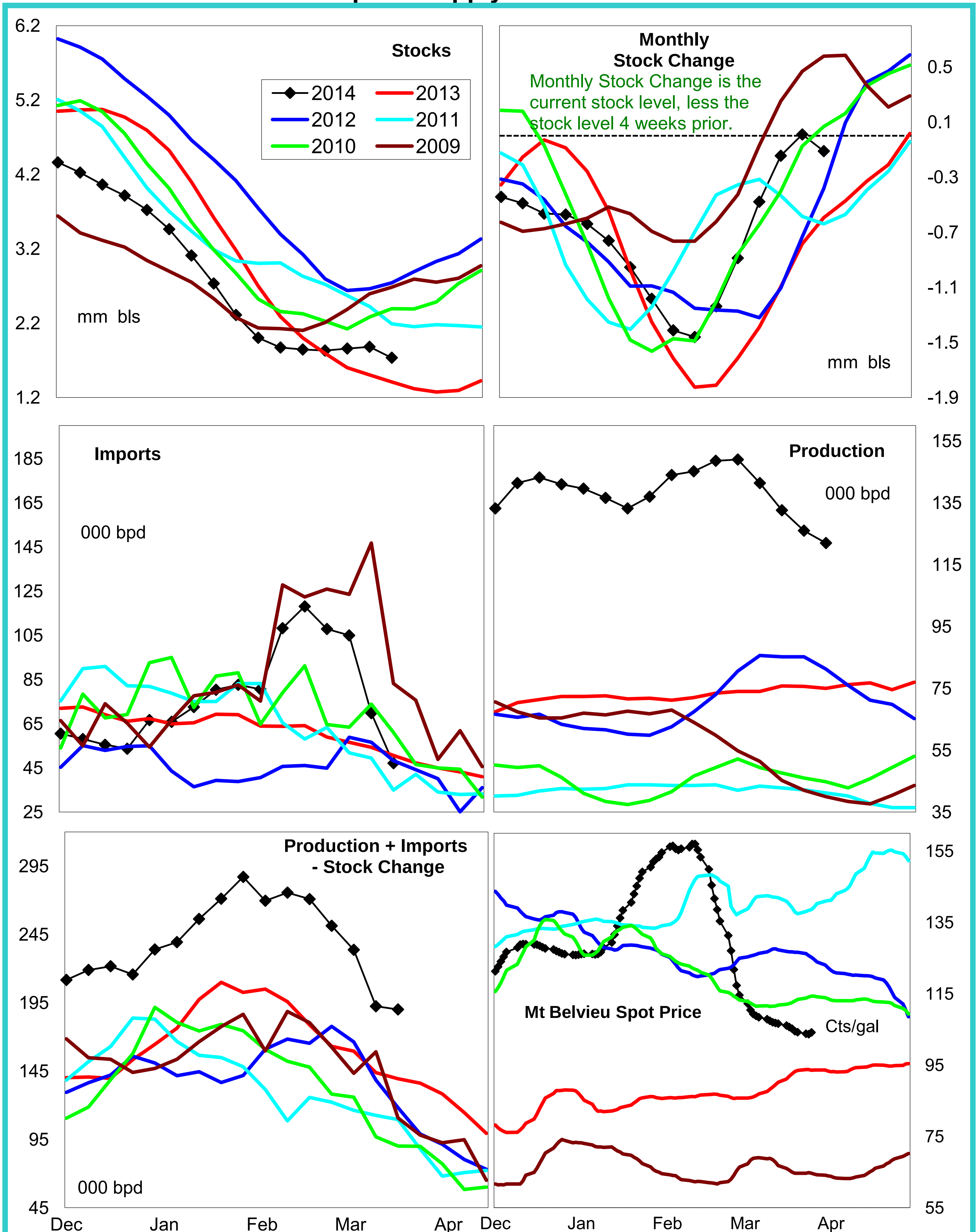






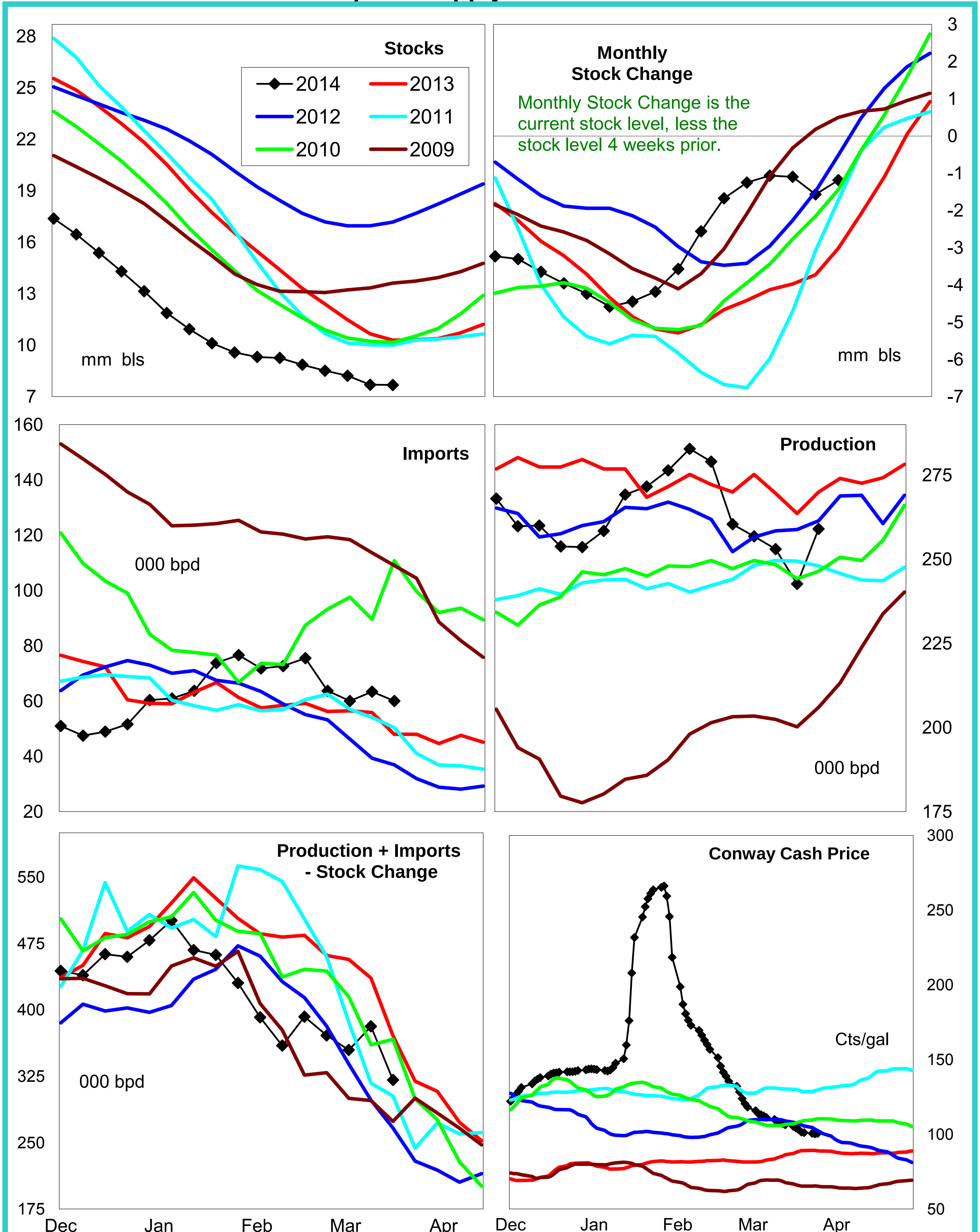
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Feb	Jan	Dec
000 bpd (000 bls stks)	-15,189	5,686	103	49		-288	-219	-1,693	83
% change	-37.2	-82	8.1	38.0		-19.0	-13.7	-100.0	5.7

PADD 1 Propane Supply and Demand Balance



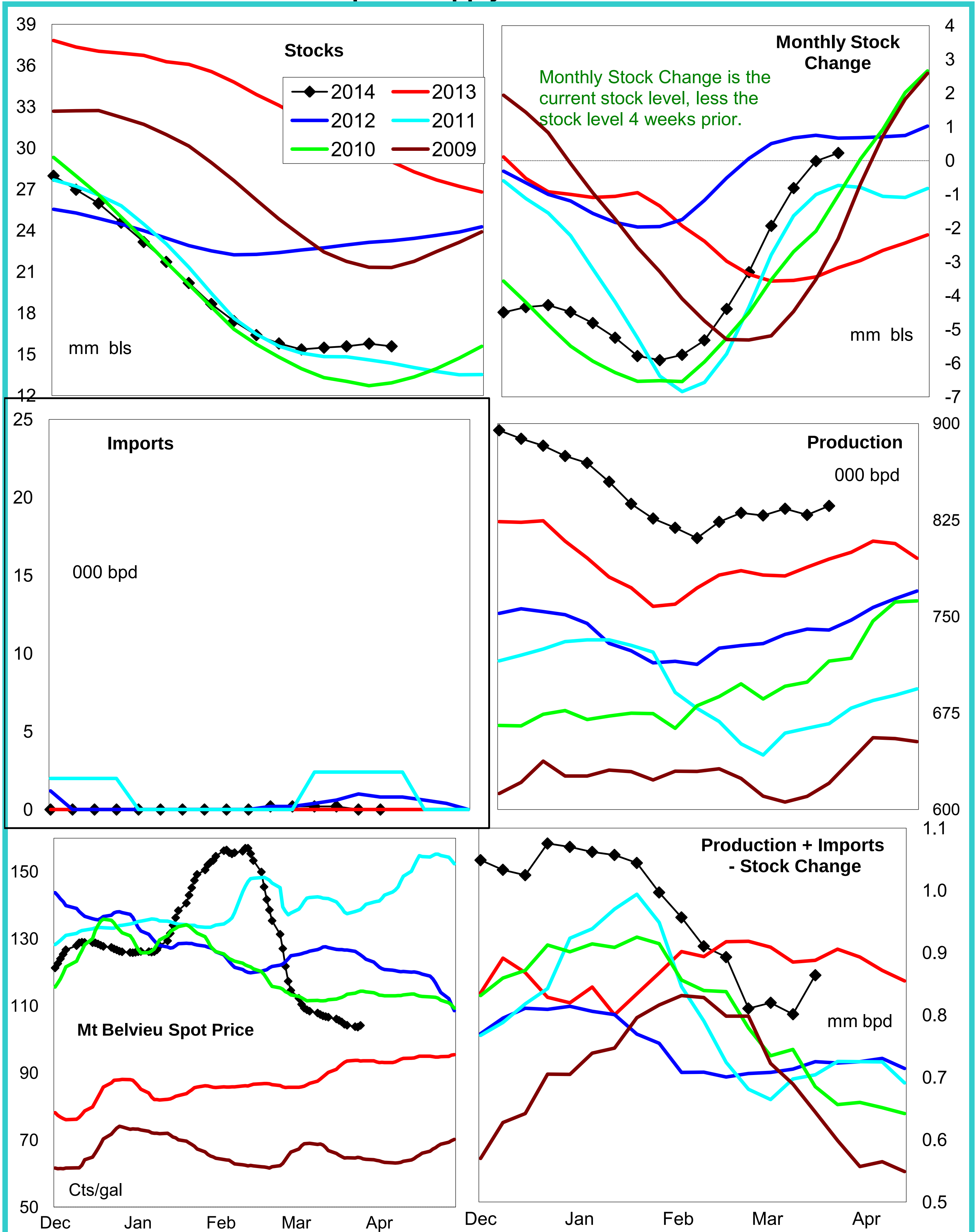
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	351	483	55	41	65
% change	25.4	-81.4	72.9	70.9	43.2

PADD 2 Propane Supply and Demand Balance



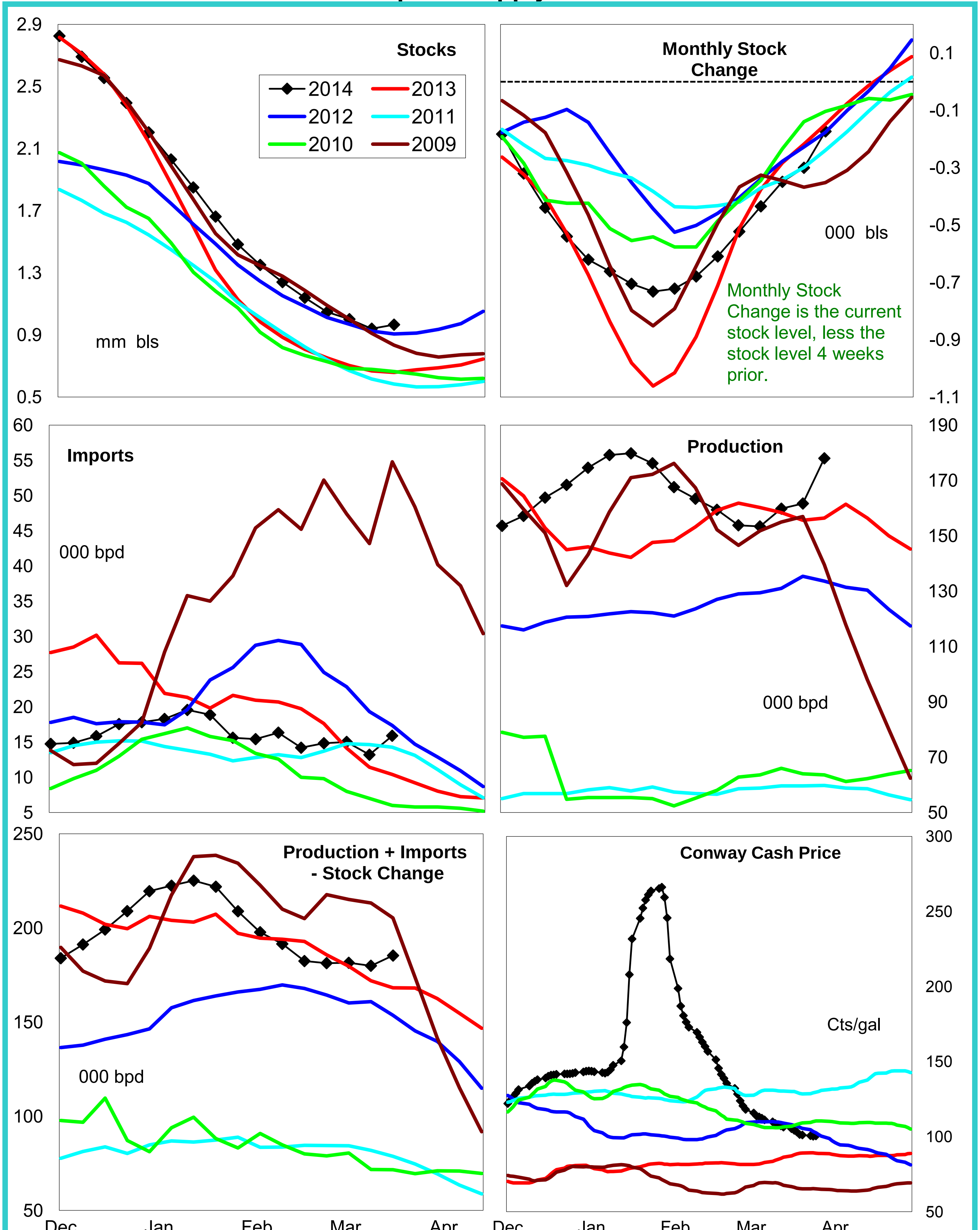
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-2,493	1,827	-16	4	-74
% change	-25.3	-60.7	-6.0	7.6	-17.2

PADD 3 Propane Supply and Demand Balance



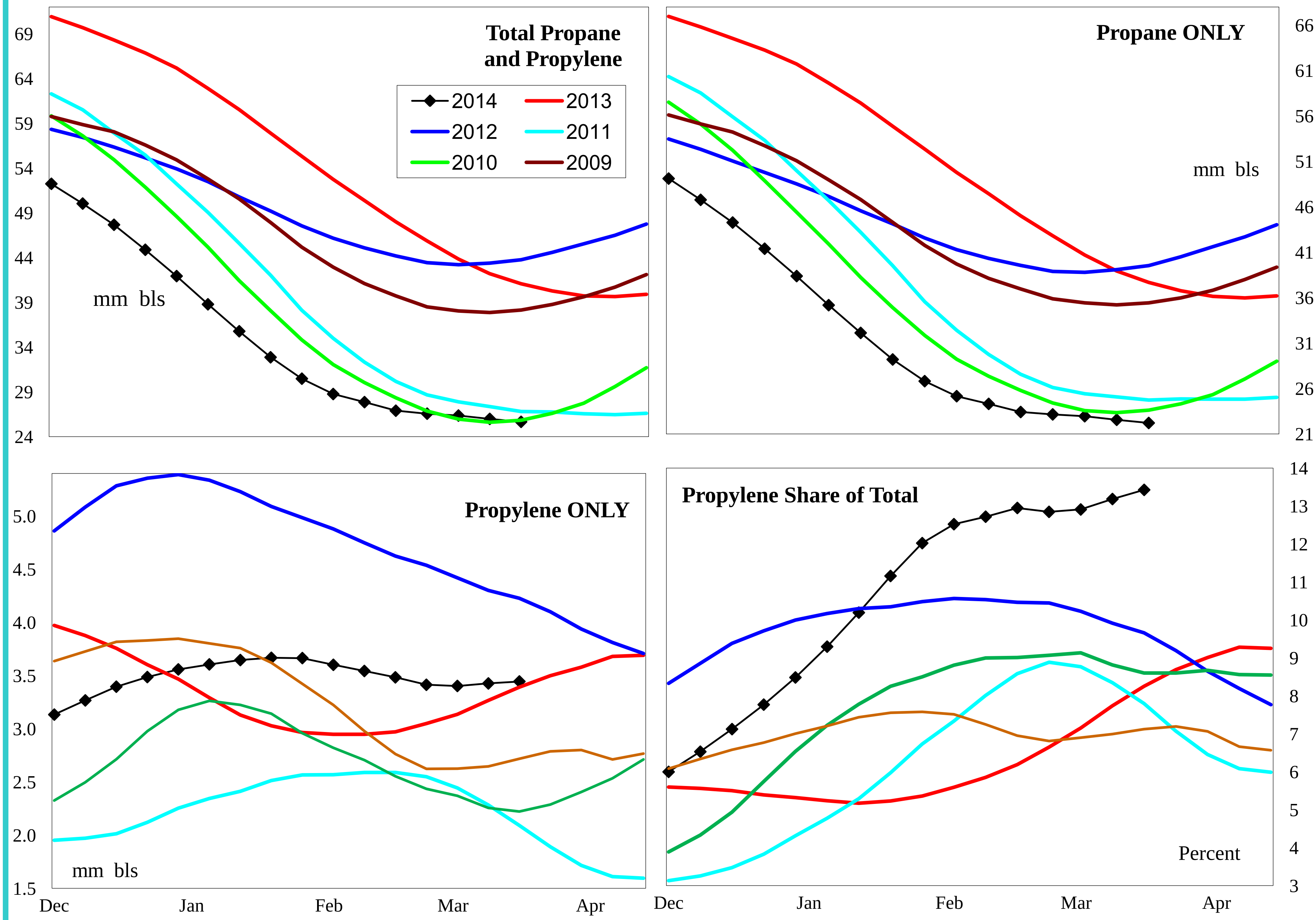
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-13,341	3,399	59	0	-76
% change	-46.1	-107	7.5	#DIV/0!	-8.5

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)	292	-25	5	2	6
% change	43.3	16.5	3.2	20.2	3.2

U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	-15,189	-15,288	55
% change	-37.2	-40.8	1.6

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