



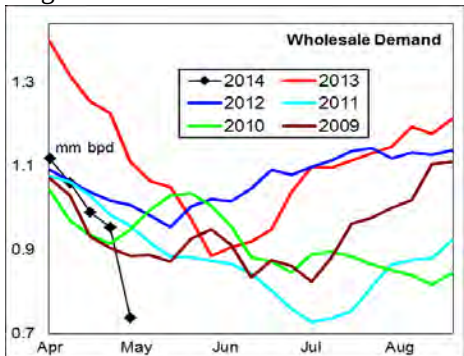
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

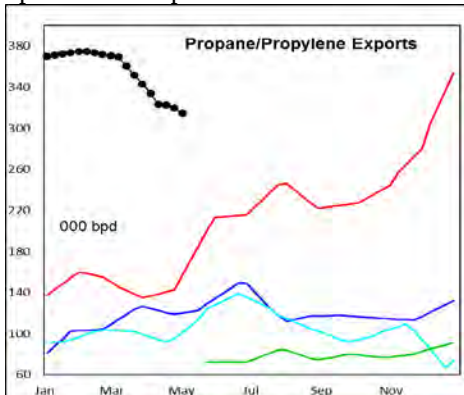
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

Summary¹: ?

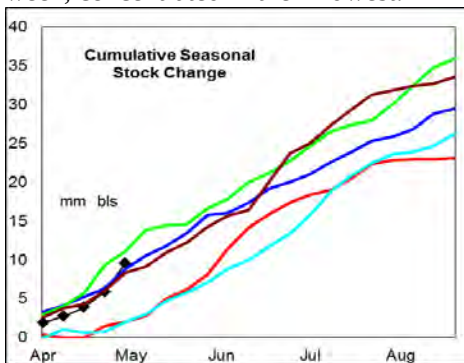
Wholesale demand fell -245,000 bpd last week, to a level well below the historic range.



Production declined -18,000 bpd for the week. Production was lower in all regions, except PADDs 4&5. Exports for the most recent week were -11,000 bpd below the prior month.



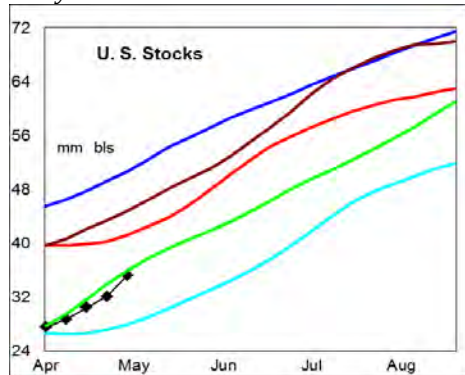
Imports increased +16,000 bpd on the week, concentrated in the Midwest.



Combined production and imports during the latest 4-wk period were +157,000 bpd above a year ago. Production was +182,000 bpd above last

year (+14%), while imports were -25,000 bpd lower. The latest 4-wk average demand was -260,000 bpd below last year.

Stocks increased +3.7 million barrels last week, and remain -14% below a year ago. The cumulative seasonal stock build of +9.6 million barrels, was +7.6 million barrels above last year.



Price and Spreads Mt Belvieu spot price decreased -4cpg for the week ending 07May14, while Conway decreased -4.5 cpg. An end to heating demand, increased supply and a near record rate of stock building contributed to the price weakness.



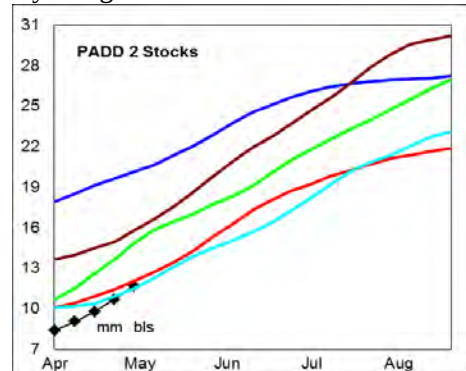
The Conway – Mt Belvieu price spread traded sideways last week, at a level above the 5-yr range, in favor of Conway.

The propane to natural gas price spread trended lower on the week, ending at a level below a year ago.

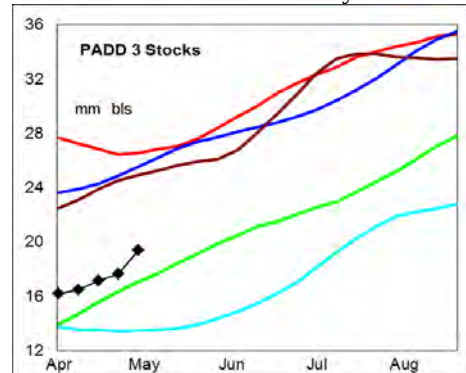
The propane / crude oil price spread trended lower last week ending at a level comparable to the last 2-yrs.

PADD 1 stocks increased +0.2 million barrels on the week, ending the week +0.9 million barrels above last year.

Supply for the latest 4-wk period was +40,000 bpd above last year; after a -21,000 bpd drop in production last week. PADD 2 stocks increased +1.1 million barrels on the week. The latest 4-wk supply was -7,000 bpd below a year ago. Stock levels ended the week -2% below a year ago.



PAD 3 stocks increased +2.2 million barrels on the week. Supplies for the latest 4-wk period were +71,000 bpd above a year ago. Stock levels ended the week above two of the last 5-yrs.



PADDs 4 & 5 stocks increased +0.2 million barrels last week, with the stock level above the 5-yr range.

Emerging Trends Wholesale prices extended the recent downtrend last week, on a near record rate of stock building. The rate of stock builds in the key Midwest and Gulf regions were each above the last 3-yrs. Political tension in Eastern Europe risk higher global energy prices. Otherwise, look for an above average stock build on startup of new gas processing plants in the shale fields during 2014 to restrain wholesale propane prices.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary



May 8, 2014

Fundamental Trends for the Week Ending:

Friday, May 02, 2014

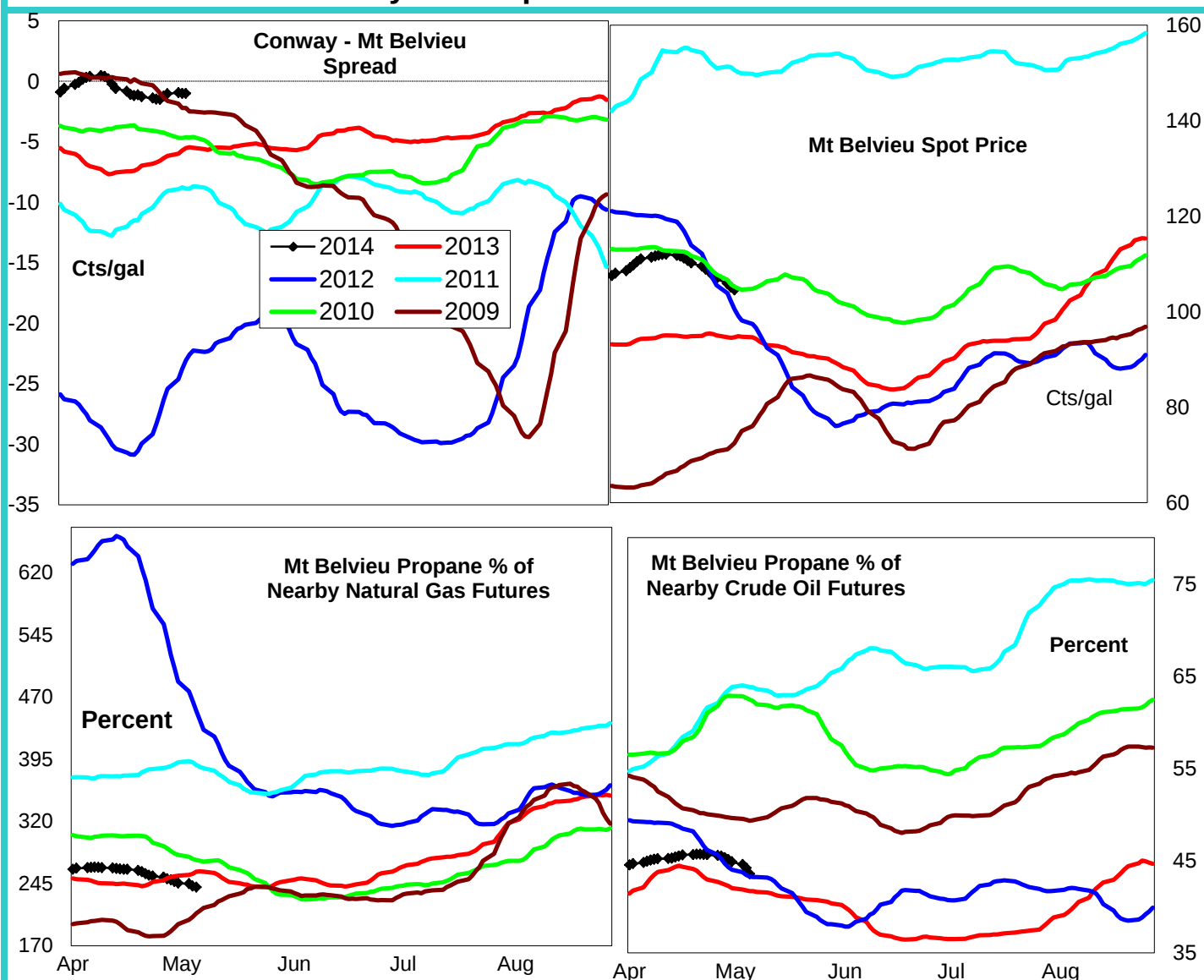
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	35,249	2,823	11,689	19,370	1,367	3,712	221	1,115	2,217	159
Propylene Stocks	3,480					299				
Production	1,470	99	280	867	224	-18	-21	-12	-6	21
Imports	72	21	37	0	14	16	-4	13	0	7
Whsle Demand	698					-245				

Price Trends for the Week Ending:

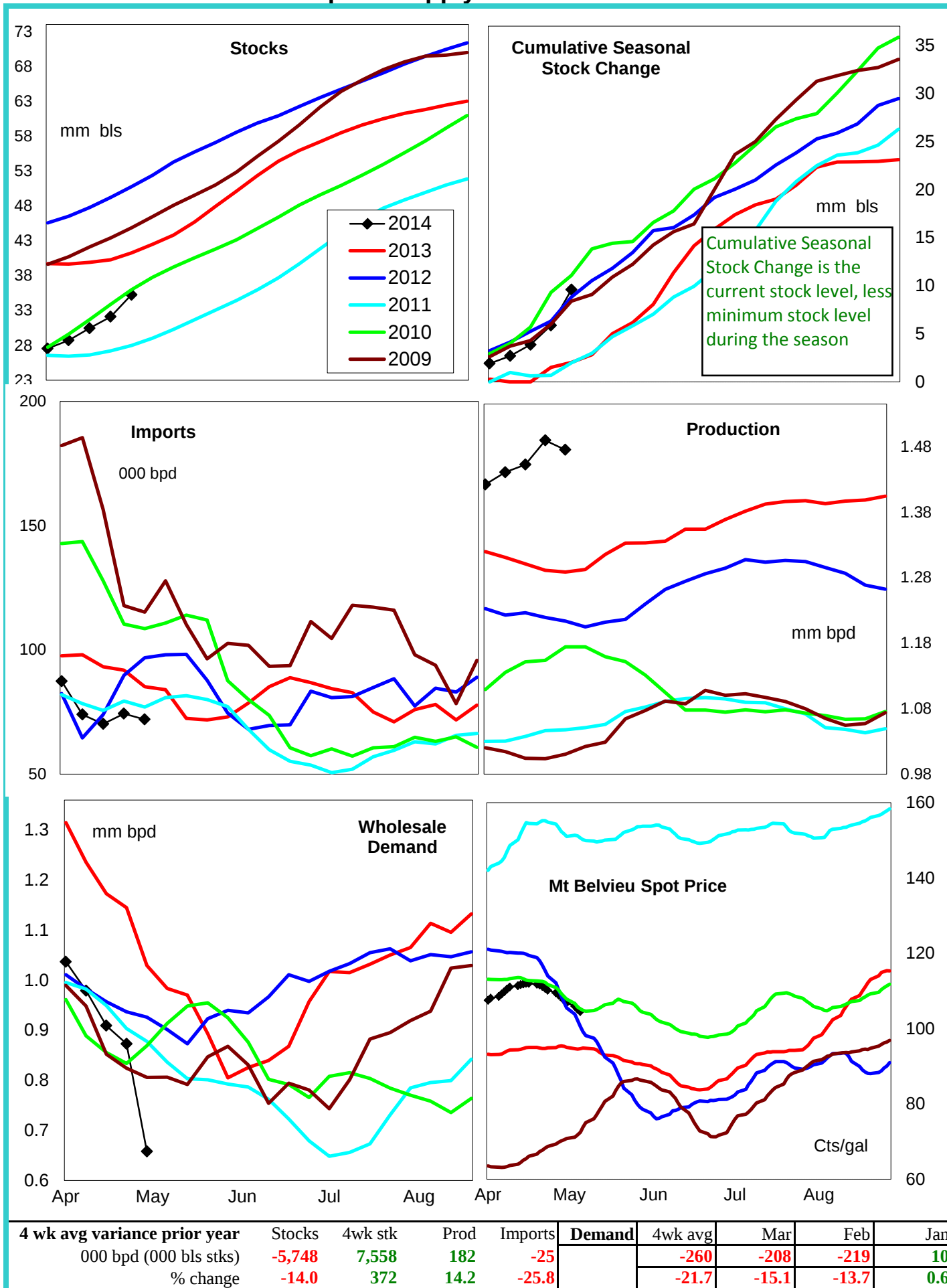
Wednesday, April 16, 2014

Cents/gal	Average for week ending:				Change from:			% change from:		
	4/16/14	4/9/14	3/19/14	4/19/13	4/9/14	3/19/14	4/19/13	4/9/14	3/19/14	4/19/13
Mont Belvieu Spot	105.9	110.1	108.6	96.0	-4.19	1.46	12.65	-3.8	1.3	13.2
Conway Spot	105.0	108.2	108.7	90.4	-3.21	-0.50	18.32	-3.0	-0.5	20.3

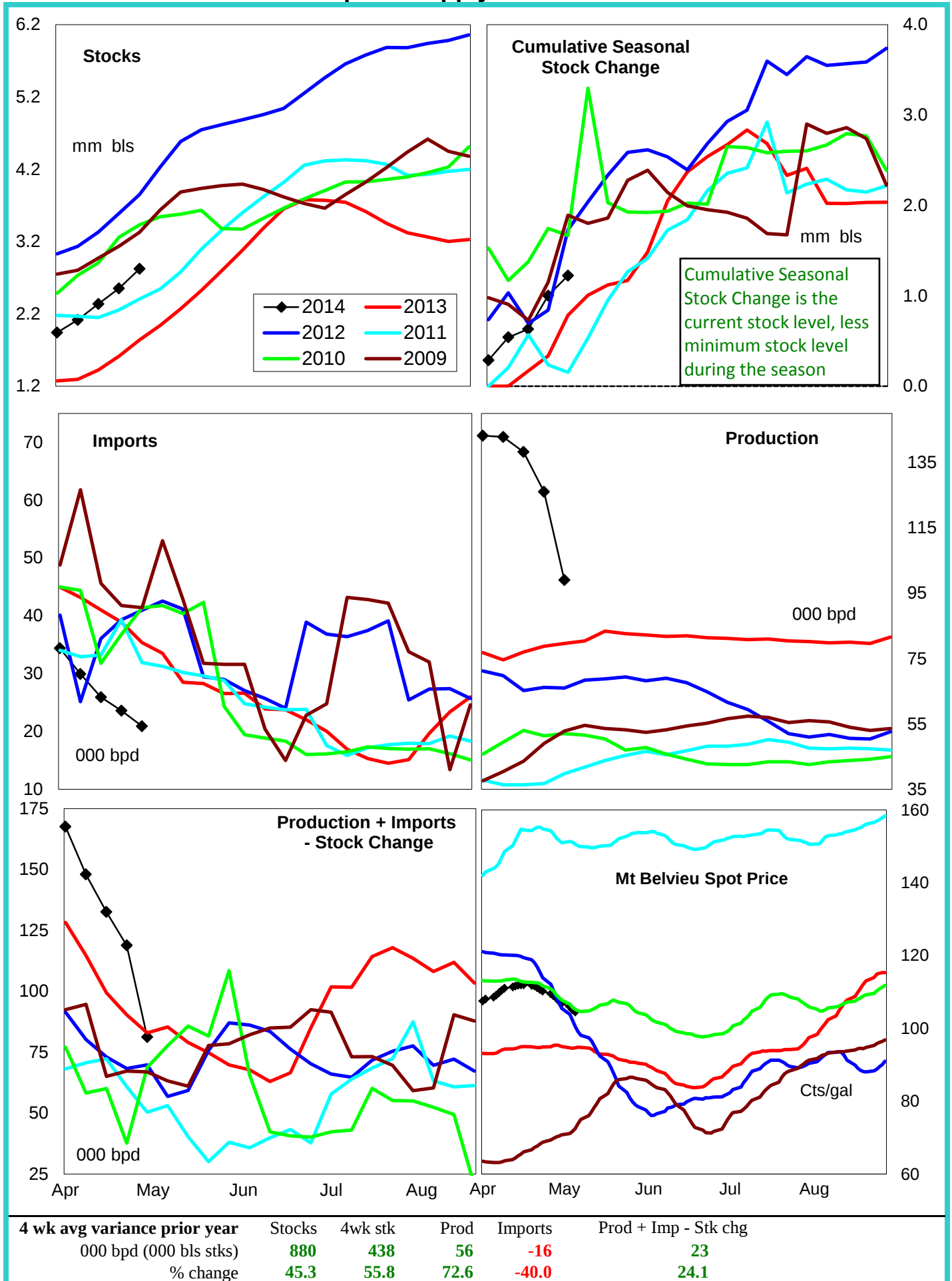
Key Price Spreads and Differentials



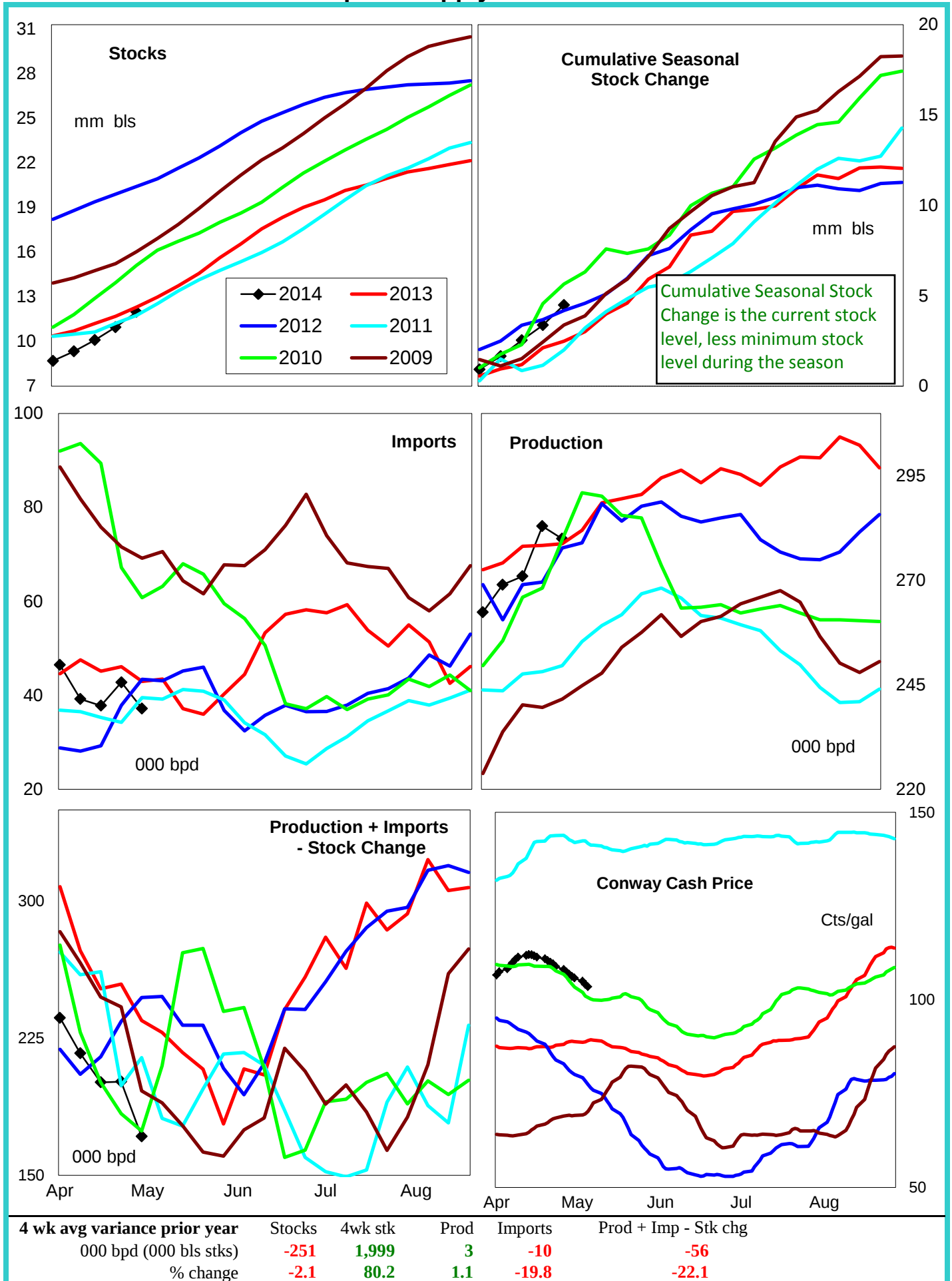
U. S. Propane Supply and Demand Balance



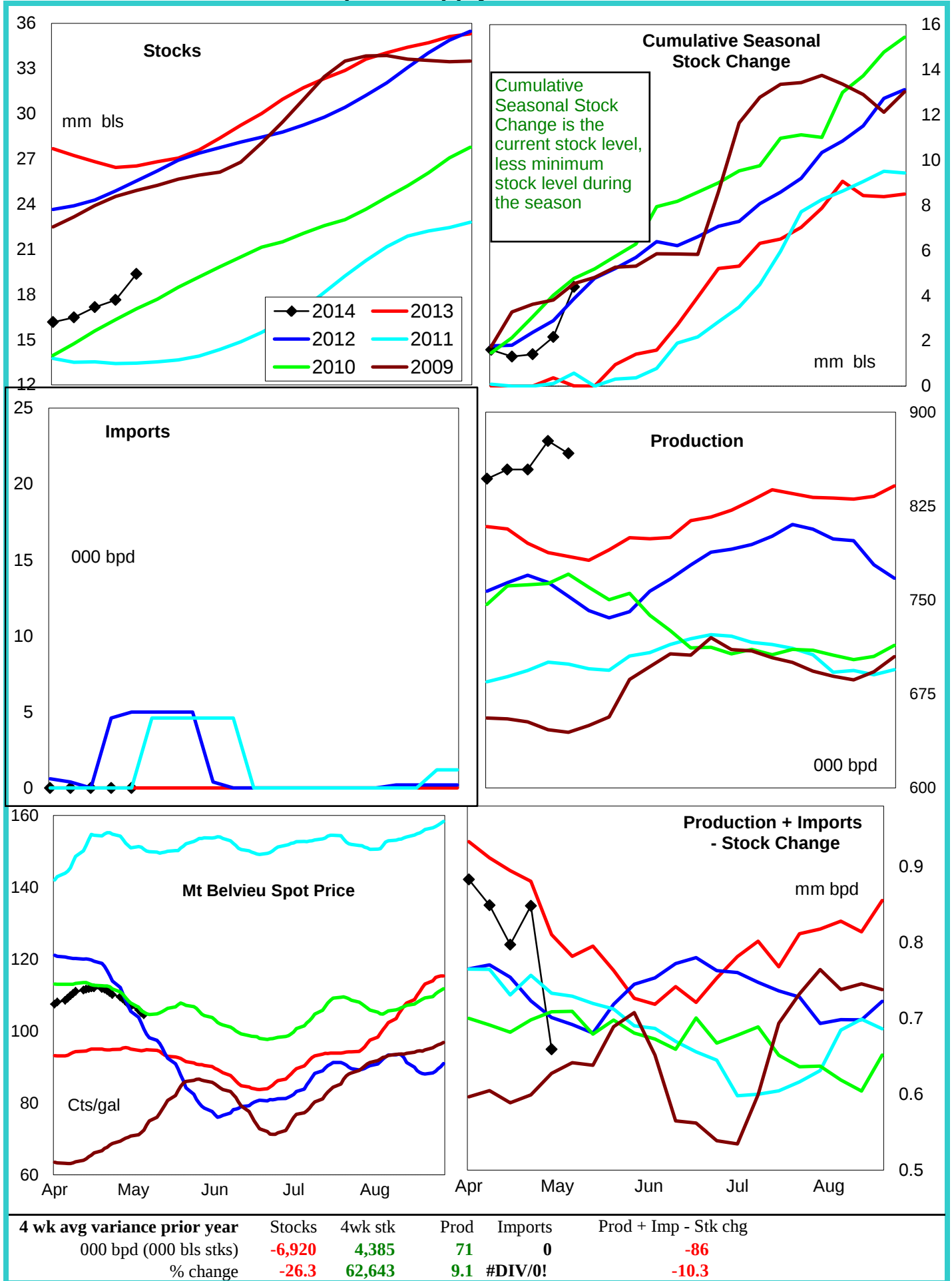
PADD 1 Propane Supply and Demand Balance



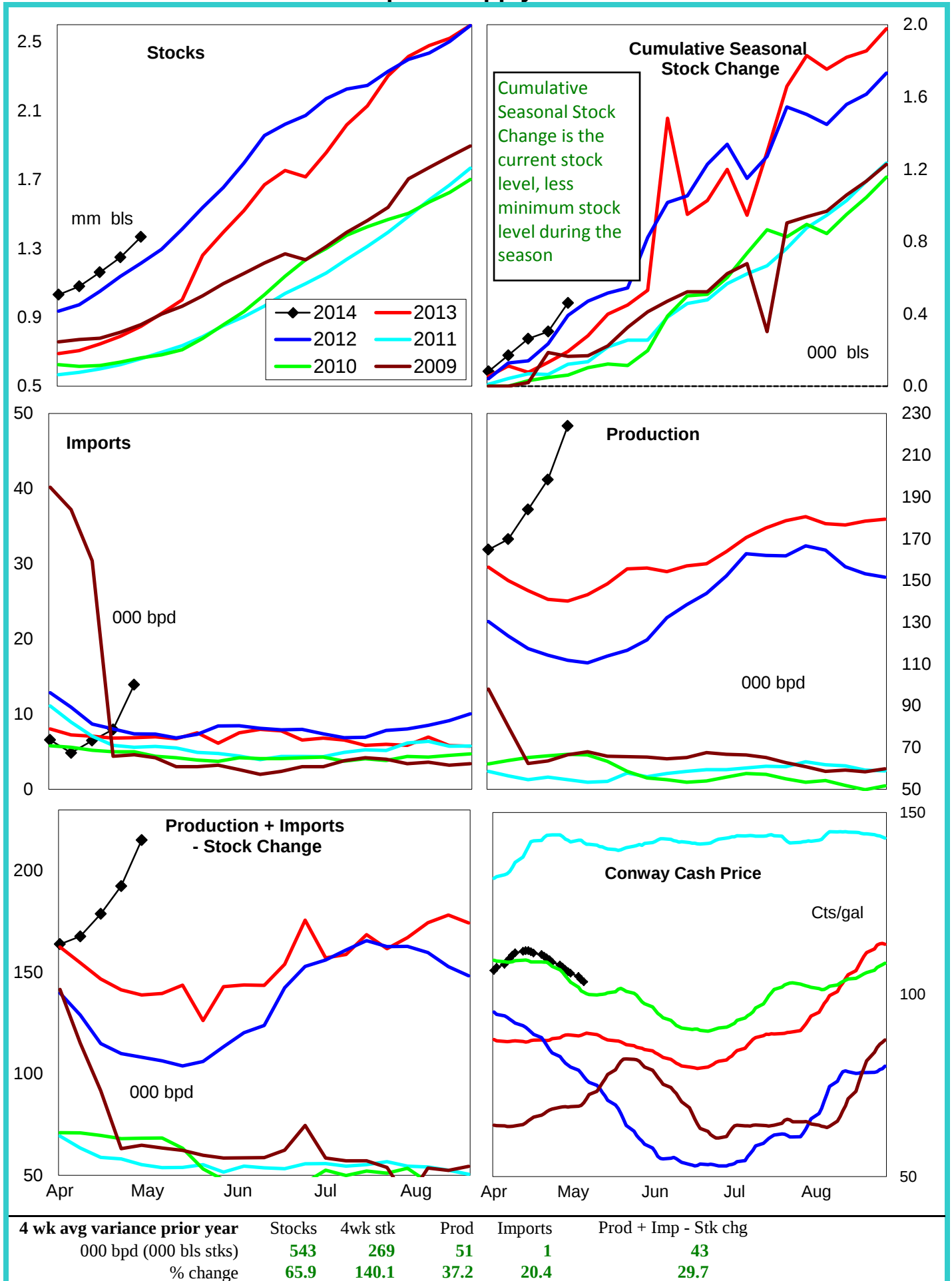
PADD 2 Propane Supply and Demand Balance



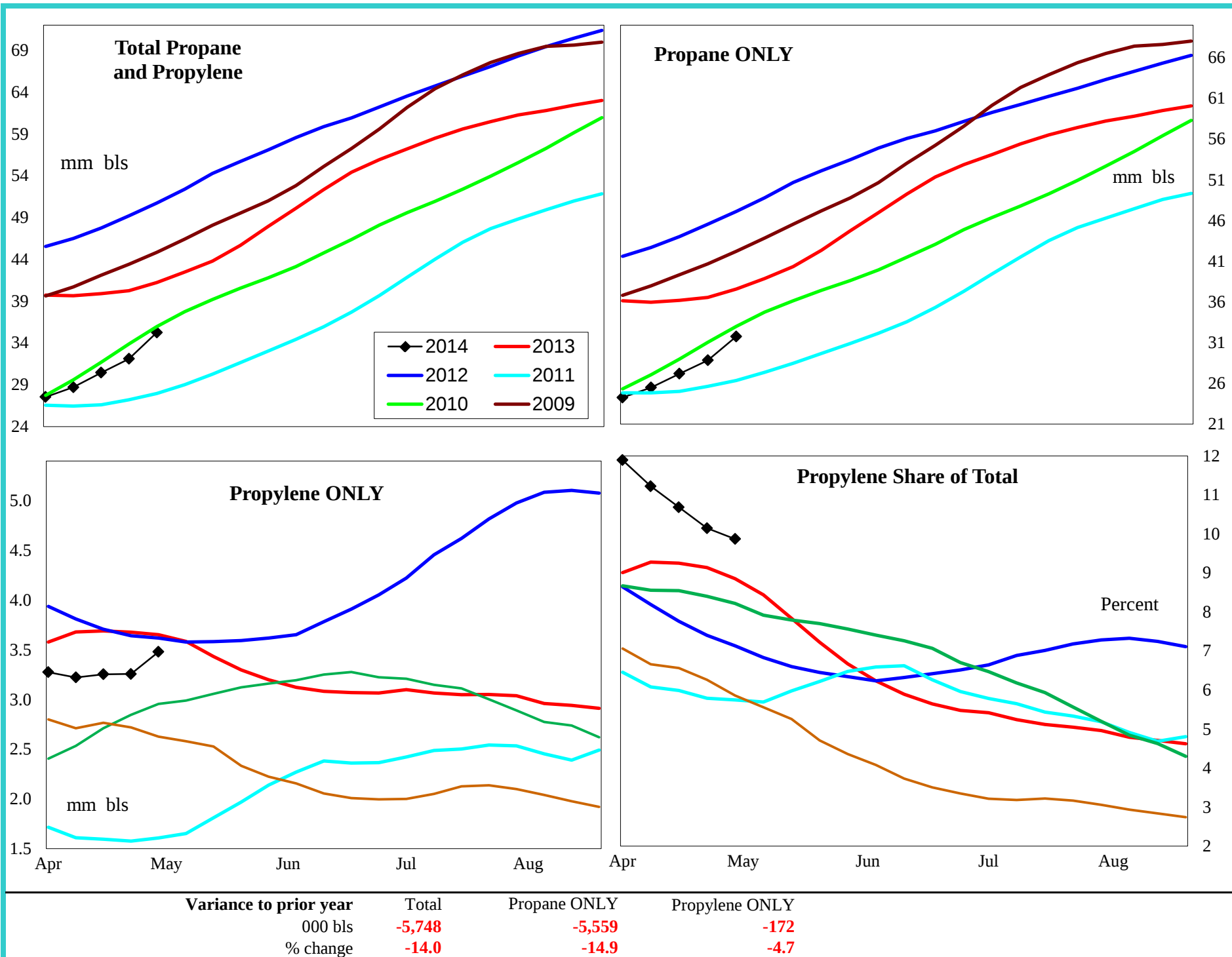
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

