



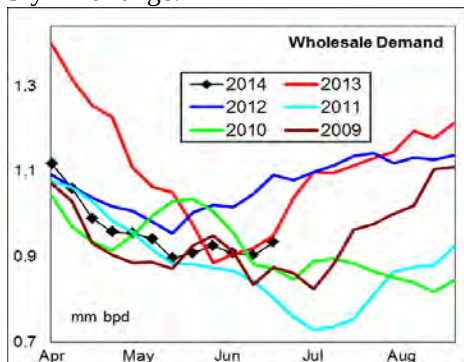
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

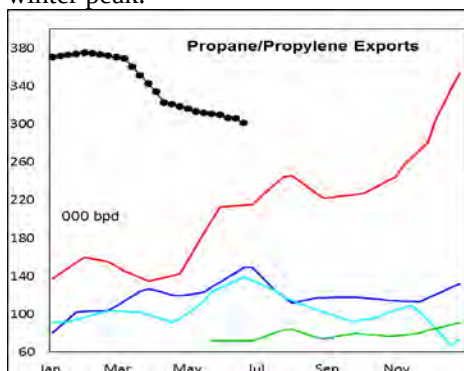
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

Summary¹: ?

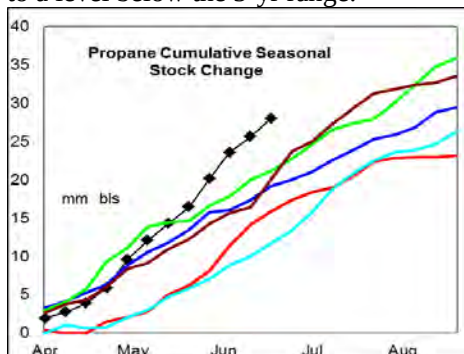
Wholesale demand decreased -40,000 bpd last week, with the level equal to the 3-yr mid range.



Production increased +33,000 bpd on the week, concentrated in the Gulf Region. Exports for the week ending 20Jun14 were 301,000 bpd, up +86,000 bpd over a year ago, but -75,000 bpd below the winter peak.



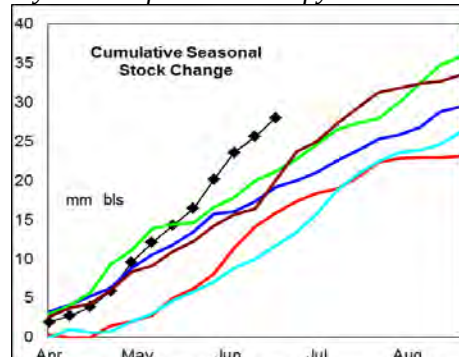
Imports declined -23,000 bpd last week, to a level below the 5-yr range.



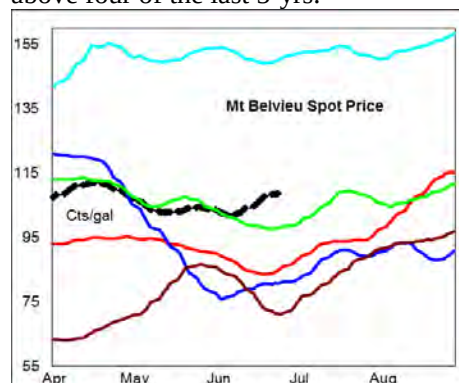
Combined production and imports during the latest 4-wk period were +126,000 bpd above a year ago. Production was +149,000 bpd above last

year (+11%), while imports were -23,000 bpd lower. The latest 4-wk average demand was -9,000 bpd below last year.

Stocks increased +2.4 million barrels last week, to a level -1.2 below a year ago. *The cumulative seasonal stock build of +28 million barrels, was a new 5-yr record for this time of year.*



Price and Spreads Mt Belvieu spot price increased +2 cpg for the week ending 25Jun14, while Conway increased +1 cpg. Prices ended the week at a level above four of the last 5-ys.



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

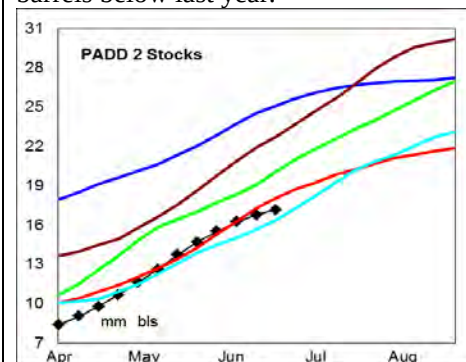
The propane to natural gas price spread trended higher on the week, driven by weakness in natural gas prices.

The propane / crude oil price spread trended higher last week ending at a level above the last 2-ys.

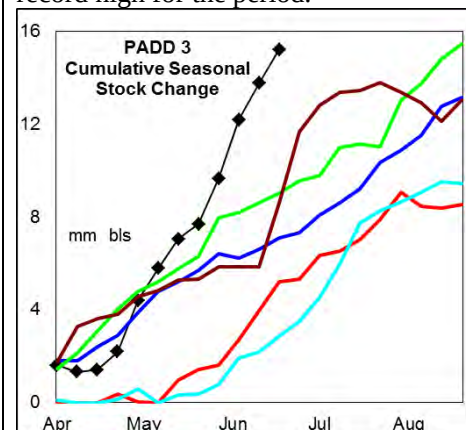
PADD 1 stocks increased +0.3 million barrels on the week, ending +0.4 million barrels above last year. Supply for the latest 4-wk period was +50,000 bpd above last year; driven by a +62% increase in production over a year ago.

PADD 2 stocks increased +0.6 million

barrels on the week. The latest 4-wk supply was -39,000 bpd below a year ago, on lower imports and production. Stock levels ended the week -0.9 million barrels below last year.



PAD 3 stocks increased +1.5 million barrels on the week. Supplies for the latest 4-wk period were +79,000 bpd above a year ago. The cumulative seasonal stock build of +15 million barrels is a summer quarter record, and has lifted the stock level to a near 5-yr record high for the period.



PADDs 4 & 5 stocks increased +0.1 million barrels on the week. Supplies were up +36,000 bpd on higher production.

Emerging Trends The rate of stock building in the Midwest has slowed on a sharp drop in production. Concurrently the Gulf continues to witness an extremely high rate of stock building. Stock levels ended the week at the 5-yr mid range. Note Conway wholesale prices have trended higher from late June through end August for four of the last 5-ys.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary



June 25, 2014

Fundamental Trends for the Week Ending:

Friday, June 20, 2014

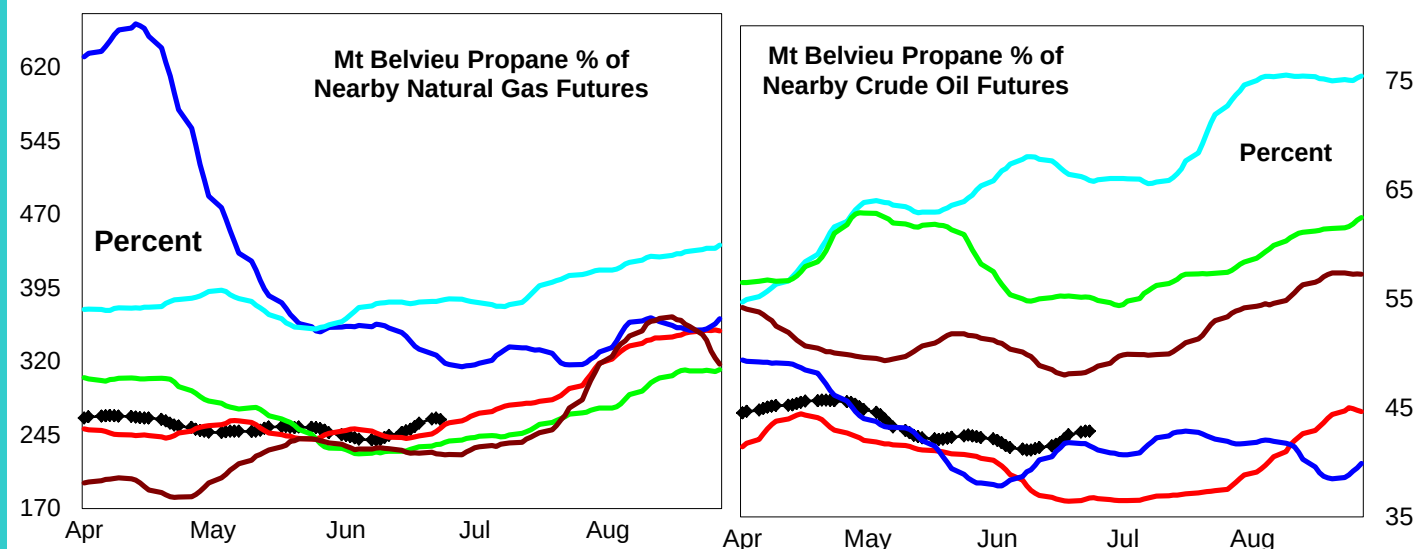
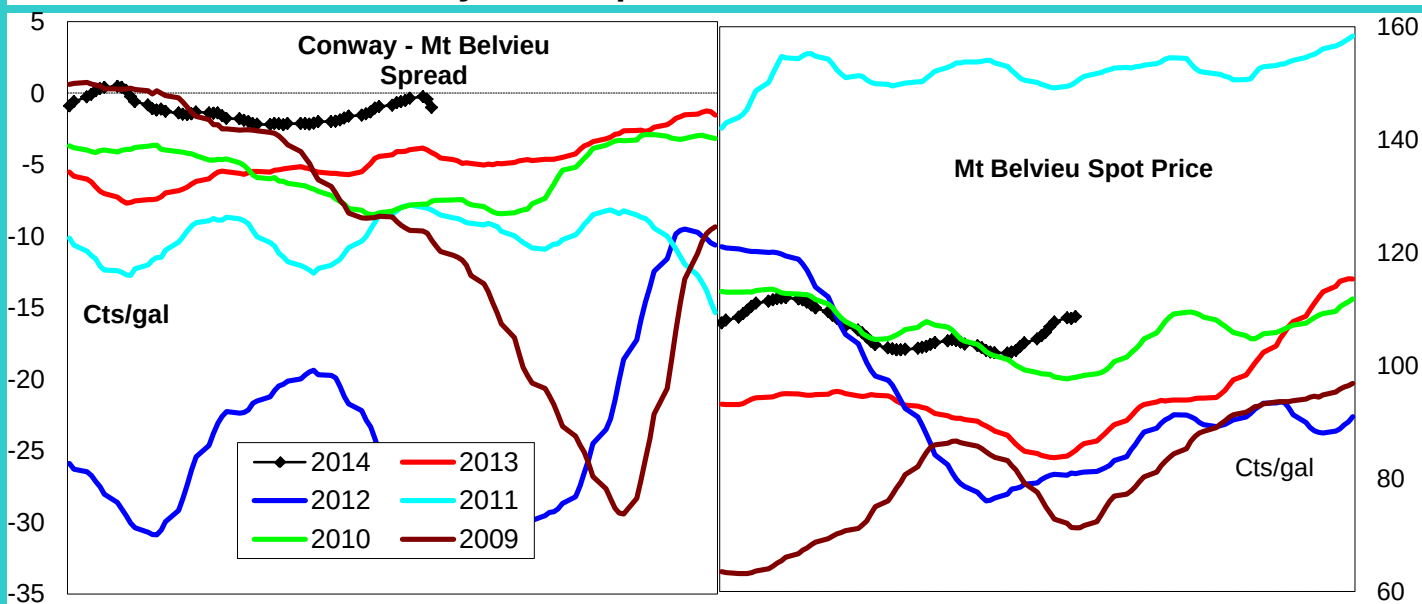
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	53,671	4,057	17,158	30,182	2,274	2,430	251	593	1,453	133
Propylene Stocks	4,015					-70				
Production	1,489	145	264	885	195	33	9	-19	28	15
Imports	53	20	25	0	8	-23	-22	3	0	-4
Whsle Demand	894					-40				

Price Trends for the Week Ending:

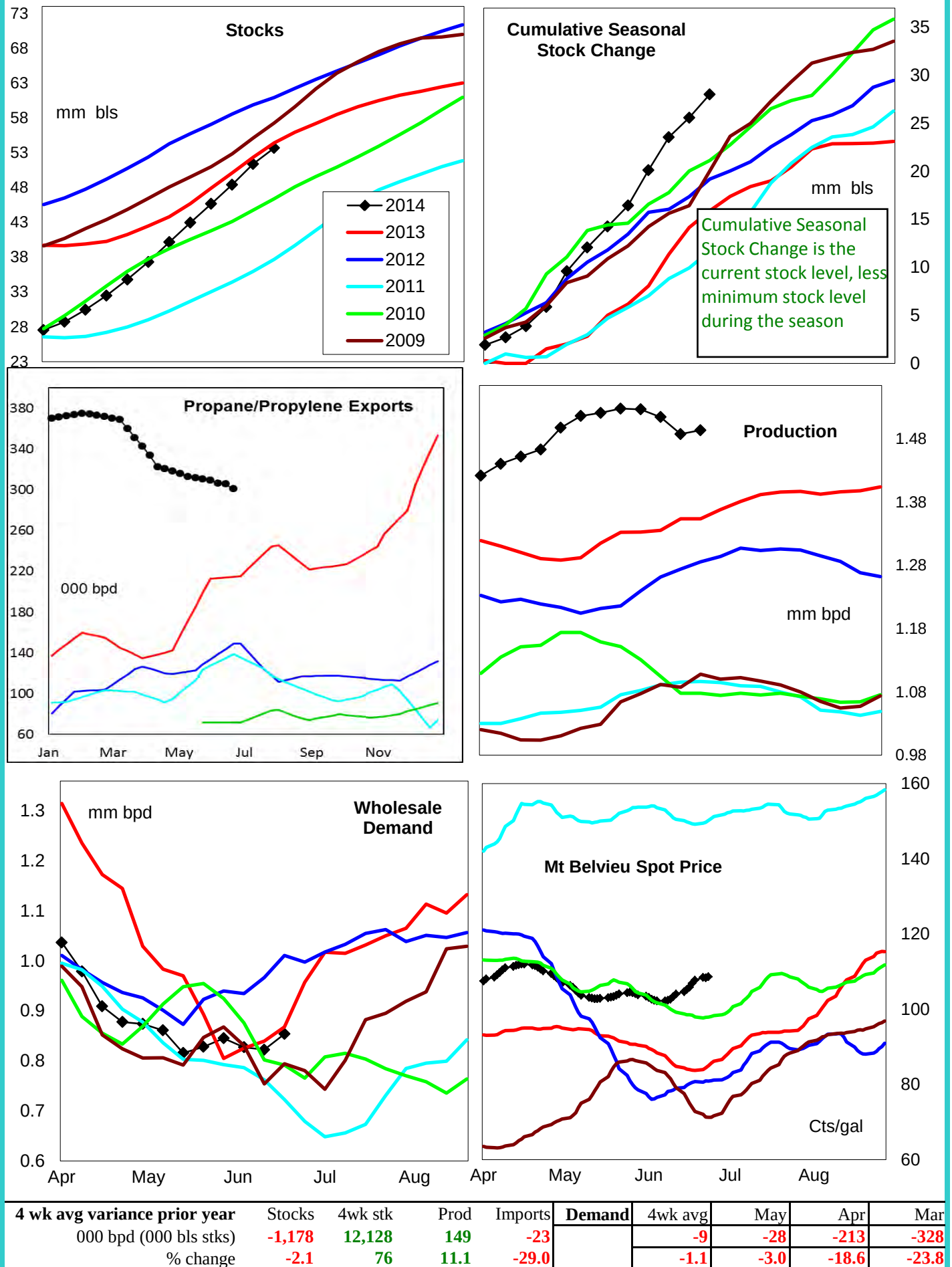
Tuesday, June 10, 2014

Cents/gal	Average for week ending:				Change from:			% change from:		
	6/10/14	6/3/14	5/13/14	6/13/13	6/3/14	5/13/14	6/13/13	6/3/14	5/13/14	6/13/13
Mont Belvieu Spot	108.4	104.4	105.4	84.3	4.05	-1.03	21.15	3.9	-1.0	25.1
Conway Spot	108.2	103.5	103.2	80.1	4.69	0.30	23.12	4.5	0.3	28.9

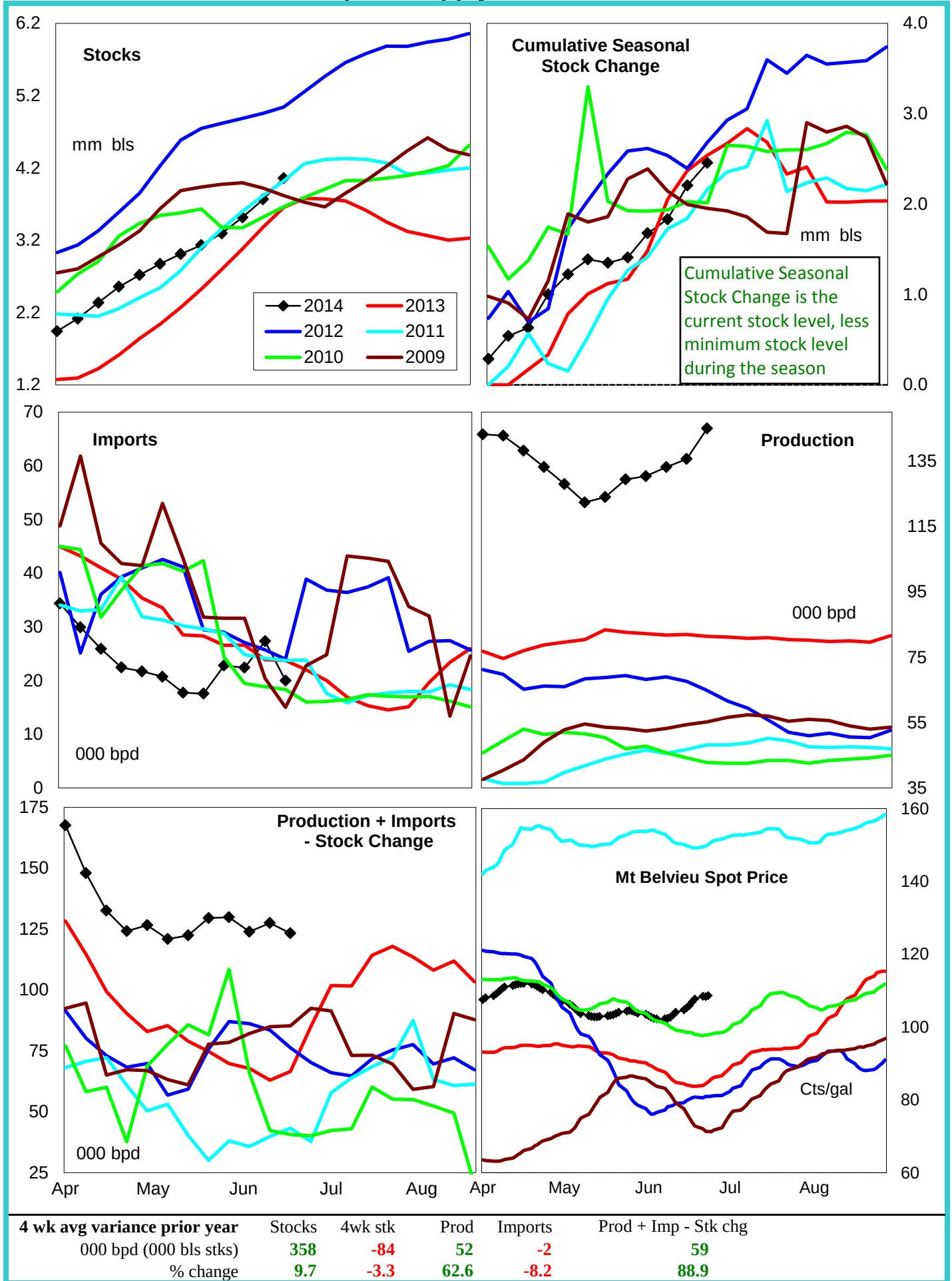
Key Price Spreads and Differentials



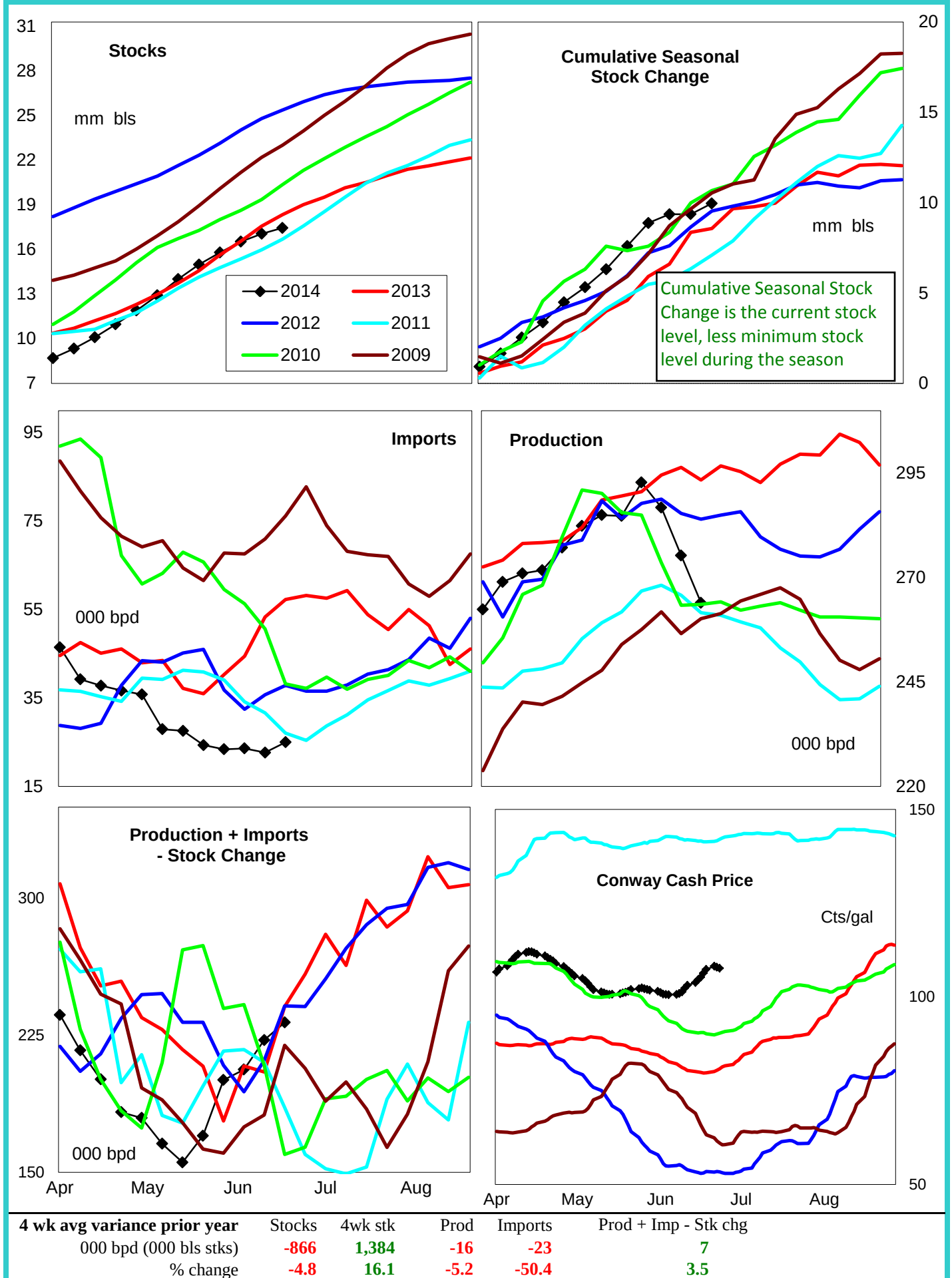
U. S. Propane Supply and Demand Balance



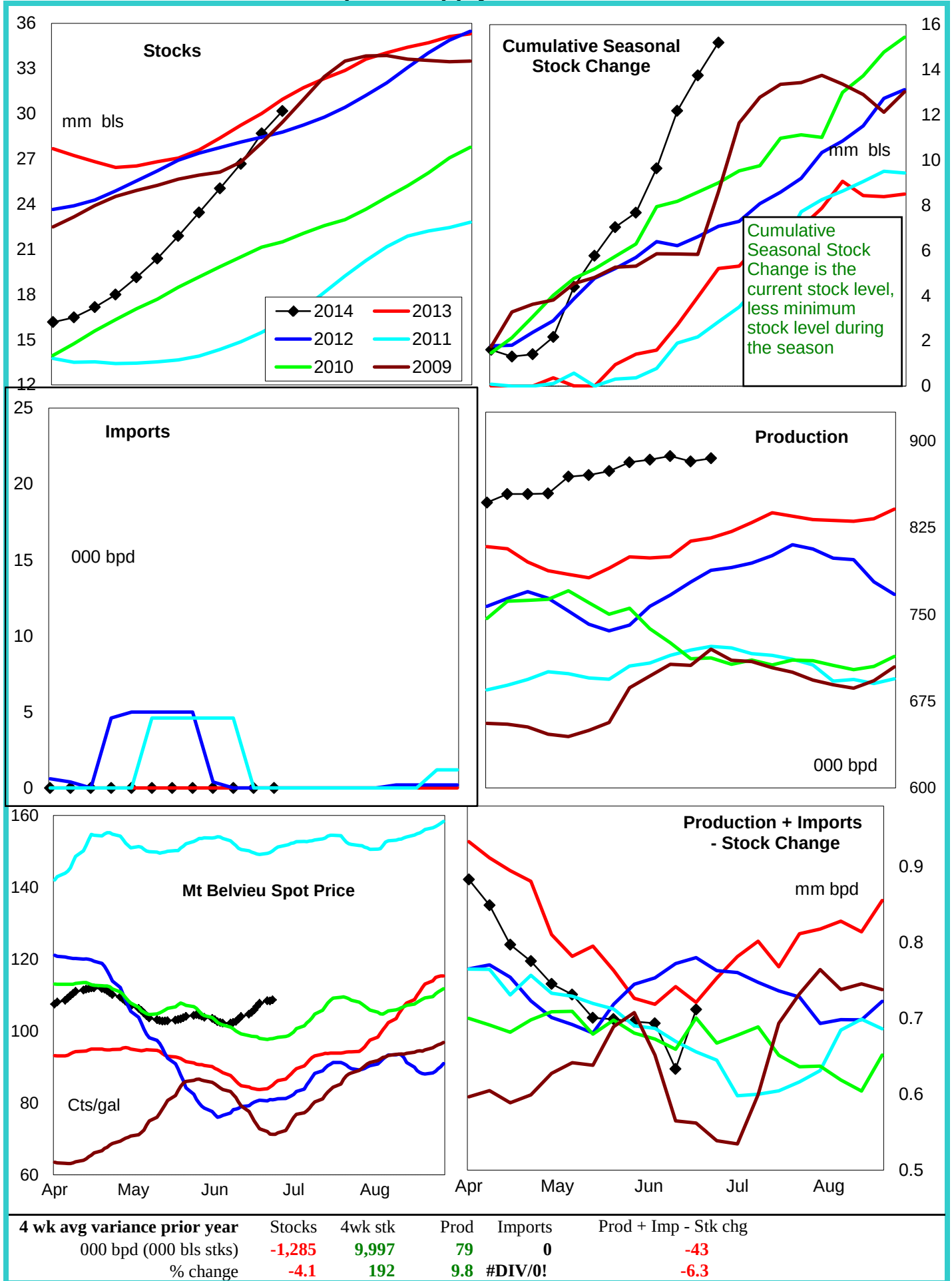
PADD 1 Propane Supply and Demand Balance



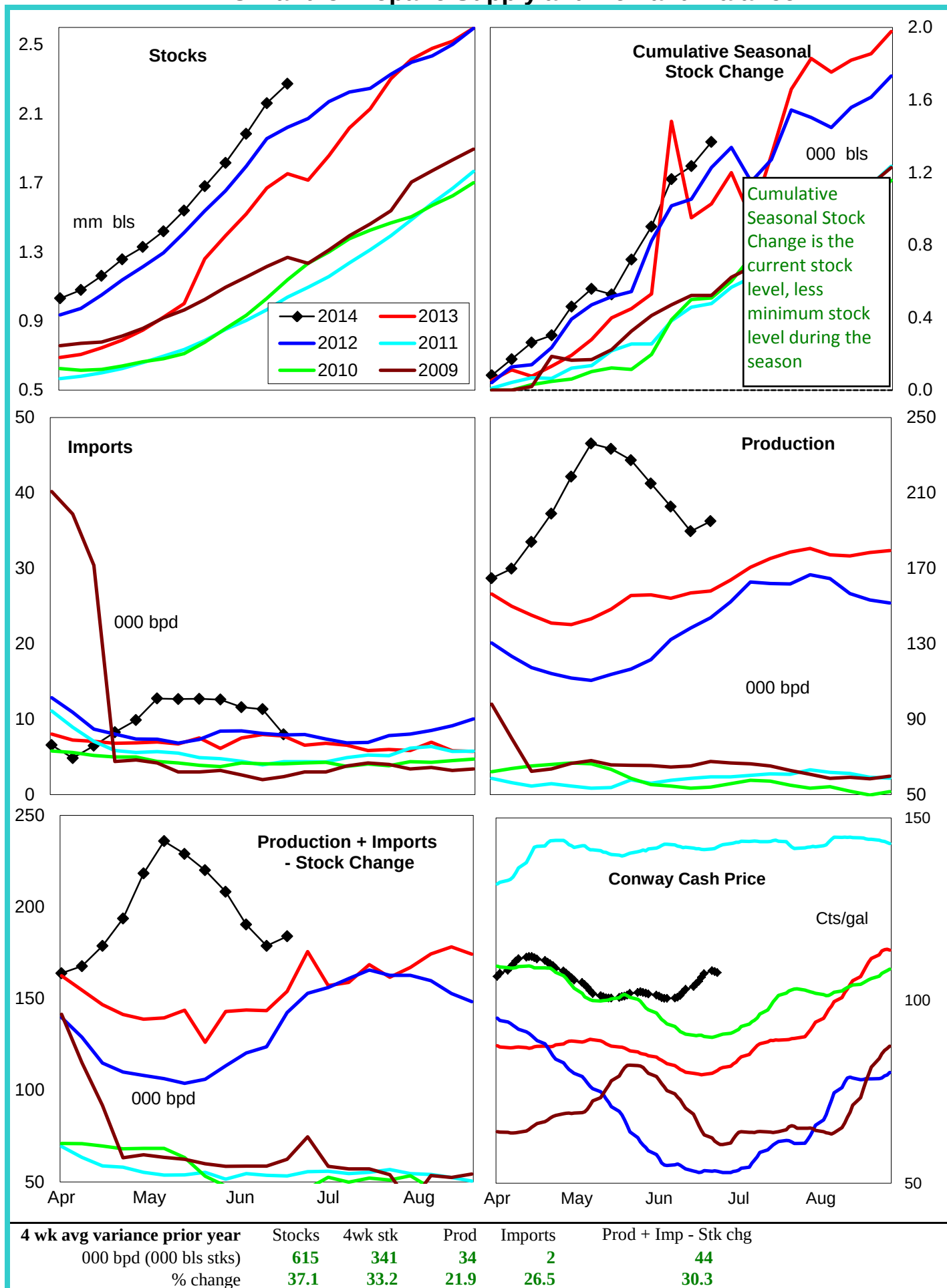
PADD 2 Propane Supply and Demand Balance



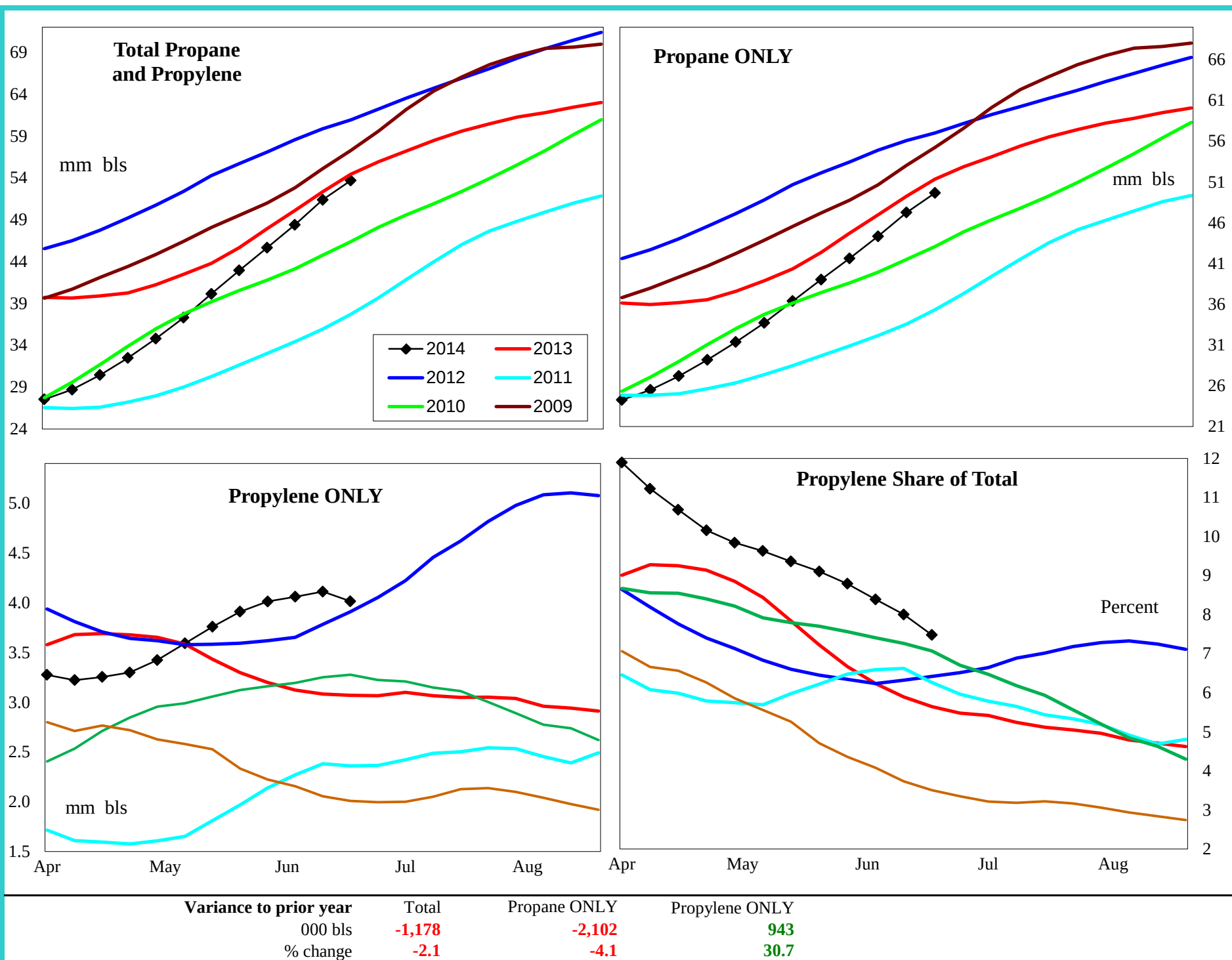
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

