



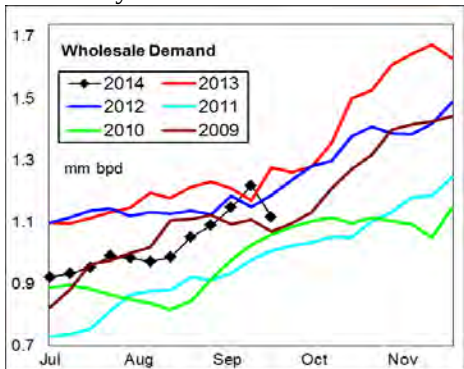
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

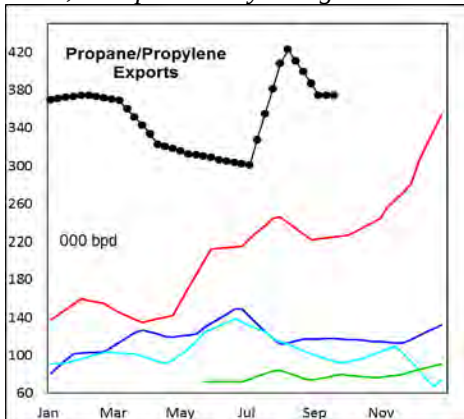
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

Summary¹: ?

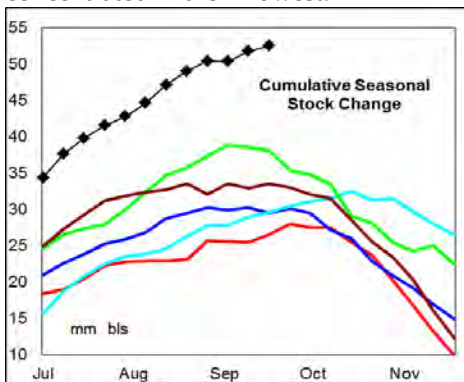
Wholesale demand decreased -28,000 bpd last week, falling to a level below the last 2-yr.



Production increased +18,000 bpd on the week, concentrated in the Rockies and West Coast. Exports for the week ending 29Aug14 were 375,000 bpd, up +153,000 bpd over a year ago.



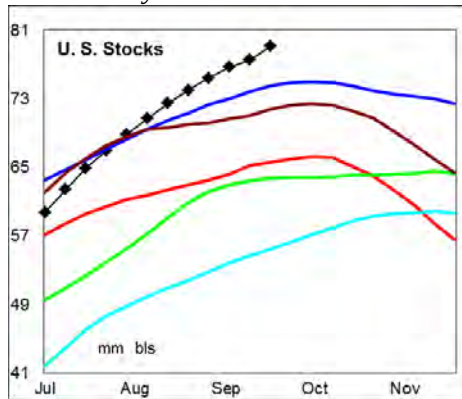
Imports decreased -5,000 bpd last week, concentrated in the Midwest.



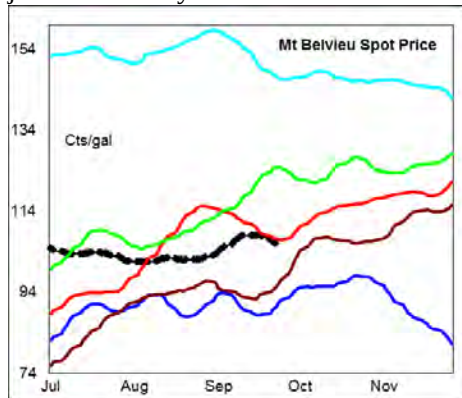
Combined production and imports during the latest 4-wk period were +175,000 bpd above a year ago.

Production was +184,000 bpd above last year (+13%), while imports were -9,000 bpd lower. The latest 4-wk average demand was -14,000 bpd below last year.

Stocks increased +1.7 million barrels last week, lifting the level to a +21% increase over last year. The cumulative seasonal stock build of +53 million barrels, was 2X the +26 million barrels last year.



Price and Spreads Mt Belvieu spot price increased +3 cpg last week ending 24Sep14, while Conway increased +2.5 cpg. Prices ended the week at a level just below last year.



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

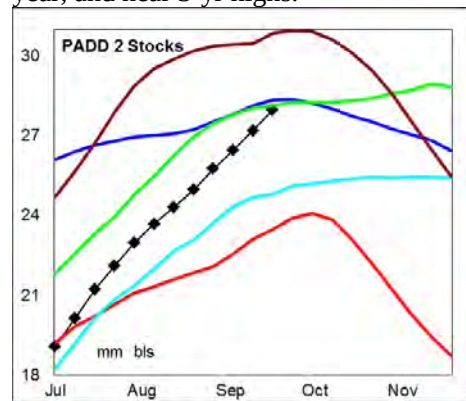
The propane to natural gas price spread trended lower late in the week, at a level below the last 2-yr.

The propane / crude oil price spread trended lower late in the week on lower propane prices.

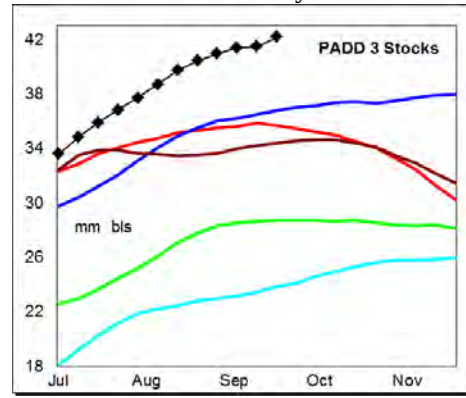
PADD 1 stocks increased +0.1 million barrels on the week, ending +2.1 million barrels above last year. Supply for the

latest 4-wk period was +86,000 bpd above last year; driven by a 2.2X increase in production over a year ago.

PADD 2 stocks increased +0.6 million barrels on the week. Imports declined -12,000 bpd last week to a level below the historic range. Stock levels ended the week +4.1 million barrels above last year, and near 3-yr highs.



PADD 3 stocks increased +0.9 million barrels on the week, +6.9 million barrels above last year. Supplies for the latest 4-wk period were +36,000 bpd above a year ago. The cumulative seasonal stock build of +26.2 million barrels compared to +9 million barrels last year.



PADDs 4 & 5 stocks increased +0.1 million barrels on the week, to a new record level for the period.

Emerging Trends Production was +214,000 bpd above last year for the week, a +15% increase. Record production, very ample stock levels and a forecast of mild weather for the next 10-days, underlies the recent price weakness.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary



September 24, 2014

Fundamental Trends for the Week Ending:

Friday, September 19, 2014

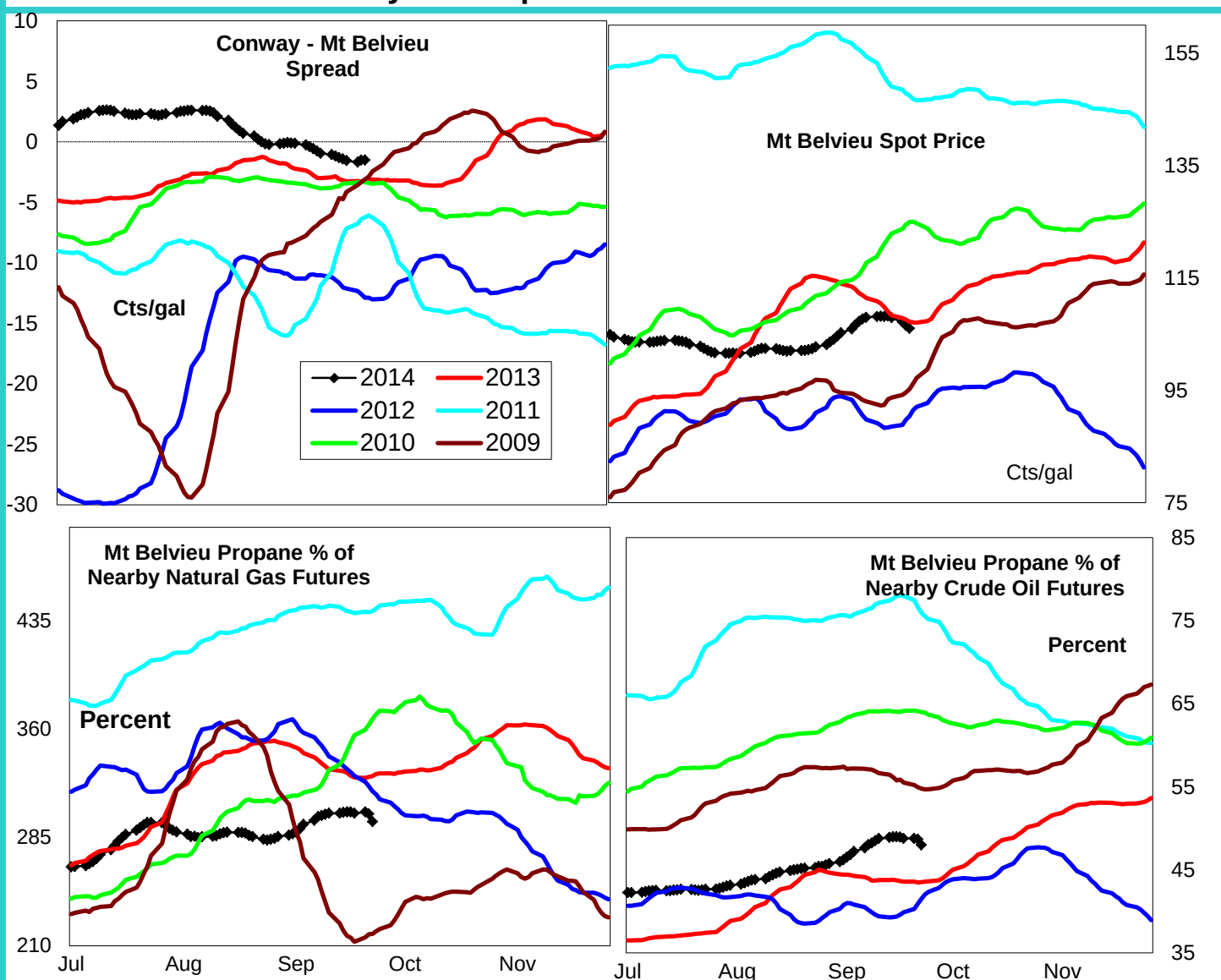
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	79,117	5,677	27,977	42,186	3,277	1,679	68	628	901	82
Propylene Stocks	3,122					-171				
Production	1,638	196	330	898	214	18	5	4	-14	23
Imports	53	24	16	0	13	-5	5	-12	0	2
Whsle Demand	1,076					-28				

Price Trends for the Week Ending:

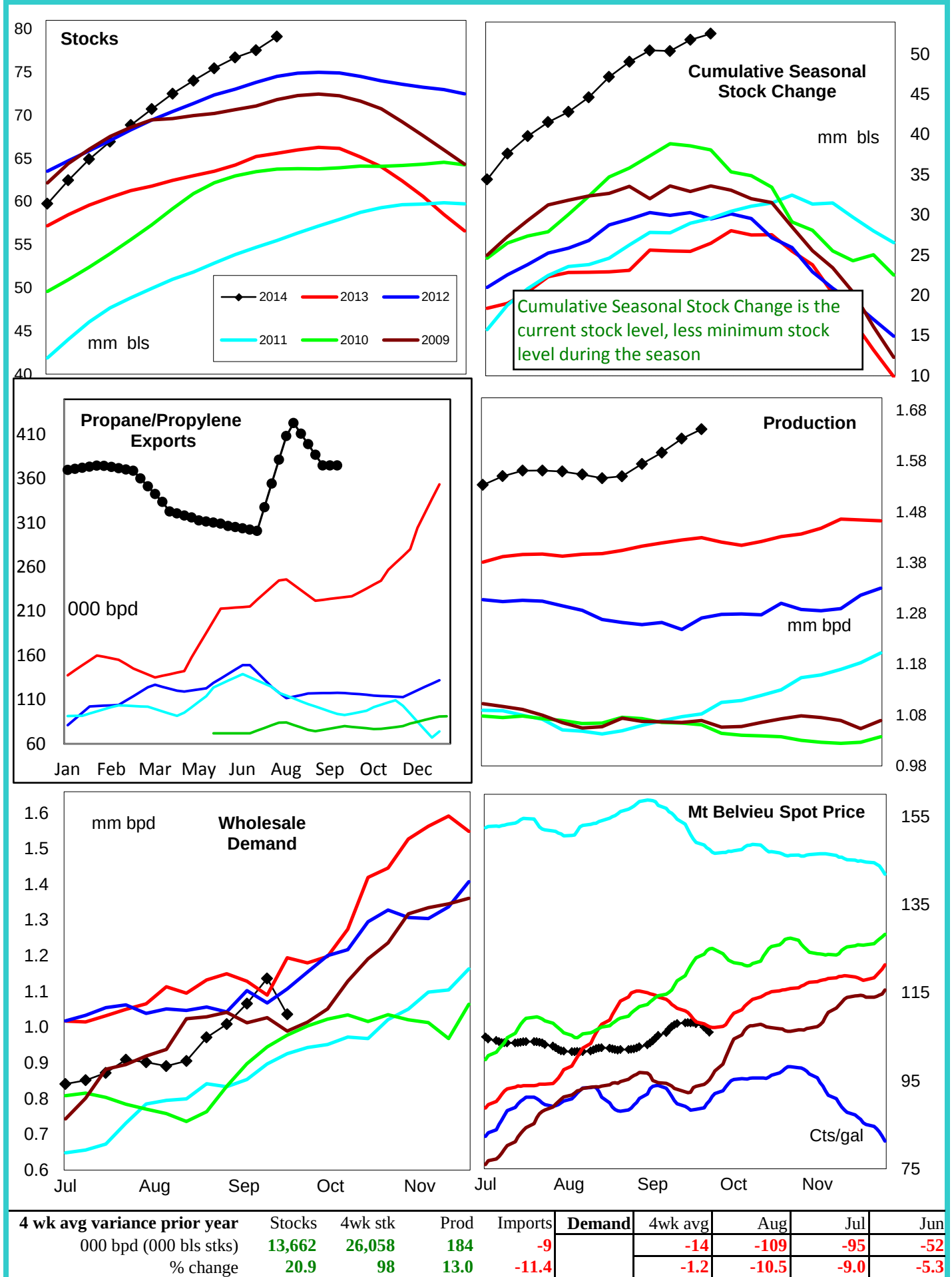
Wednesday, September 24, 2014

Cents/gal	Average for week ending:				Change from:			% change from:		
	9/24/14	9/17/14	8/27/14	9/27/13	9/17/14	8/27/14	9/27/13	9/17/14	8/27/14	9/27/13
Mont Belvieu Spot	107.2	109.3	101.8	106.0	-2.10	7.48	-4.19	-1.9	7.3	-4.0
Conway Spot	105.5	108.2	101.2	102.8	-2.73	7.03	-1.59	-2.5	6.9	-1.5

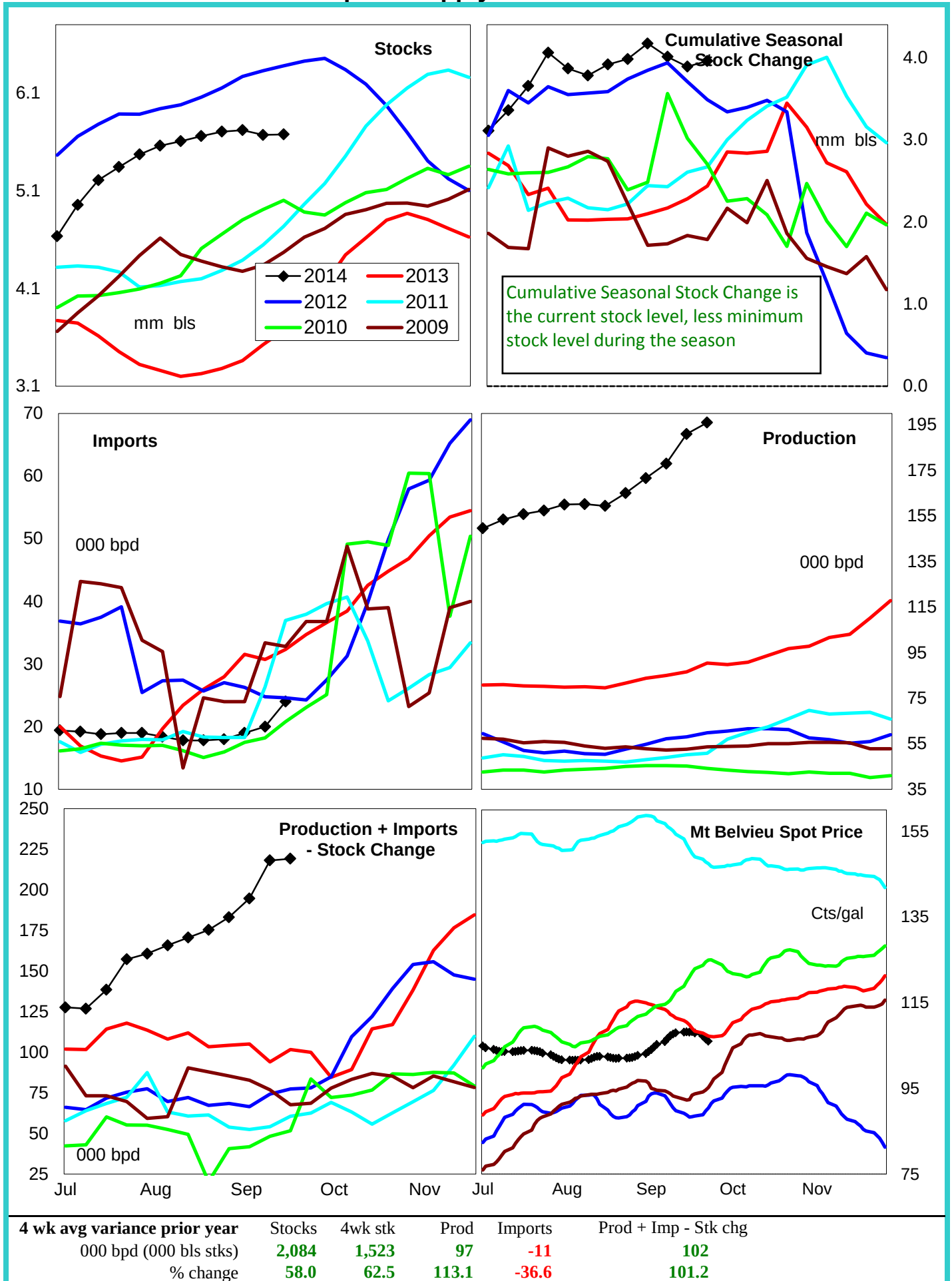
Key Price Spreads and Differentials



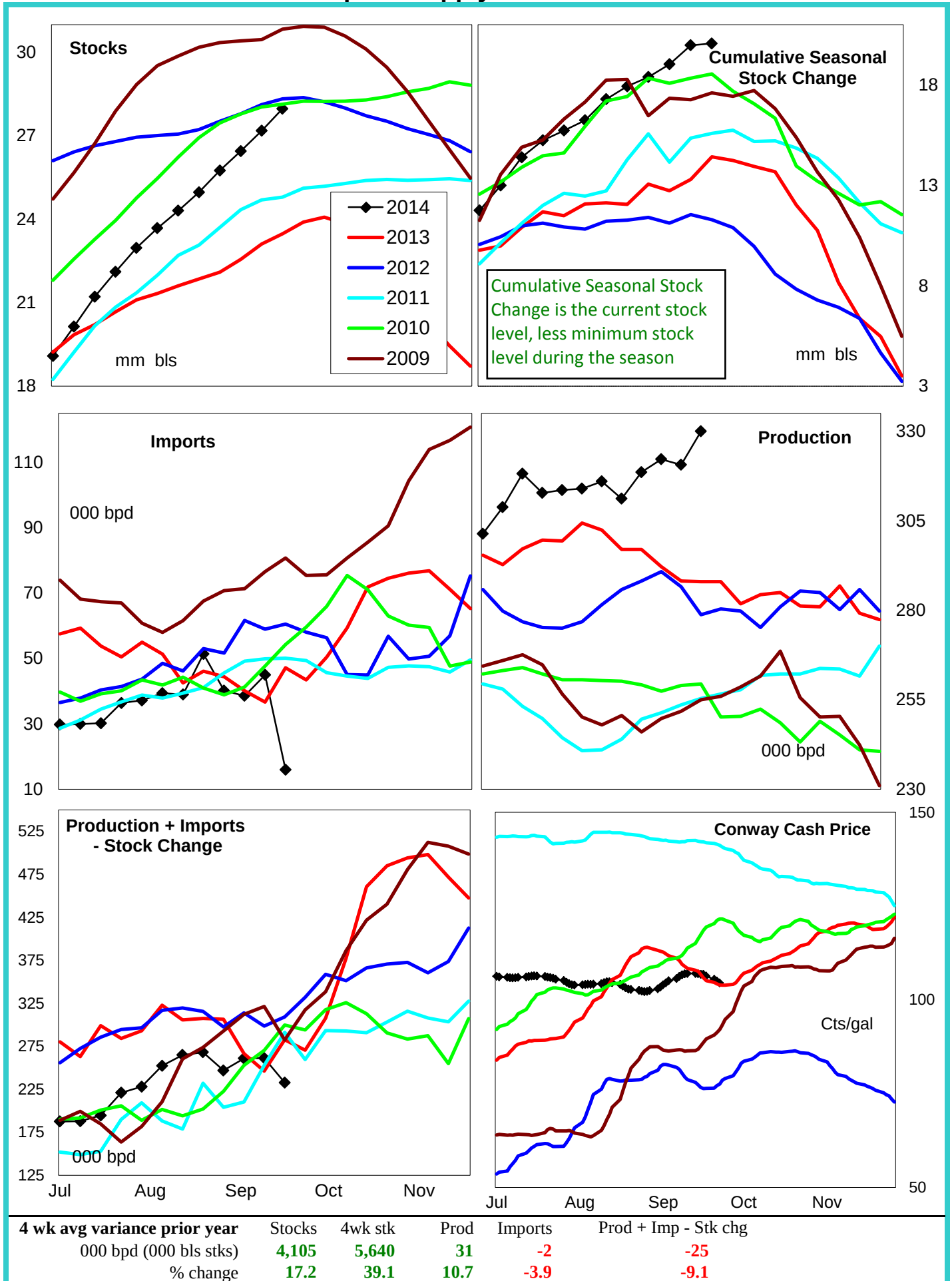
U. S. Propane Supply and Demand Balance



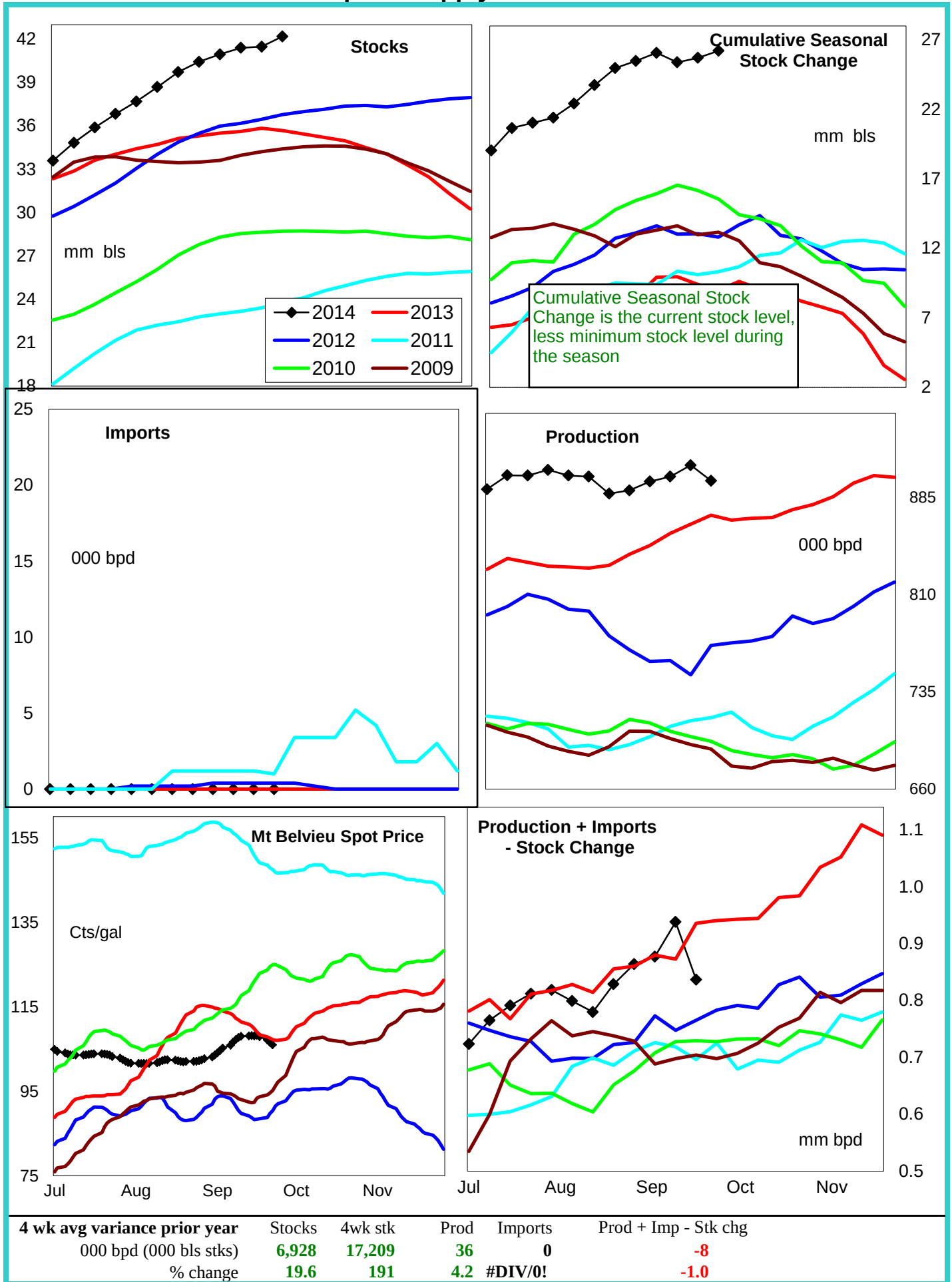
PADD 1 Propane Supply and Demand Balance



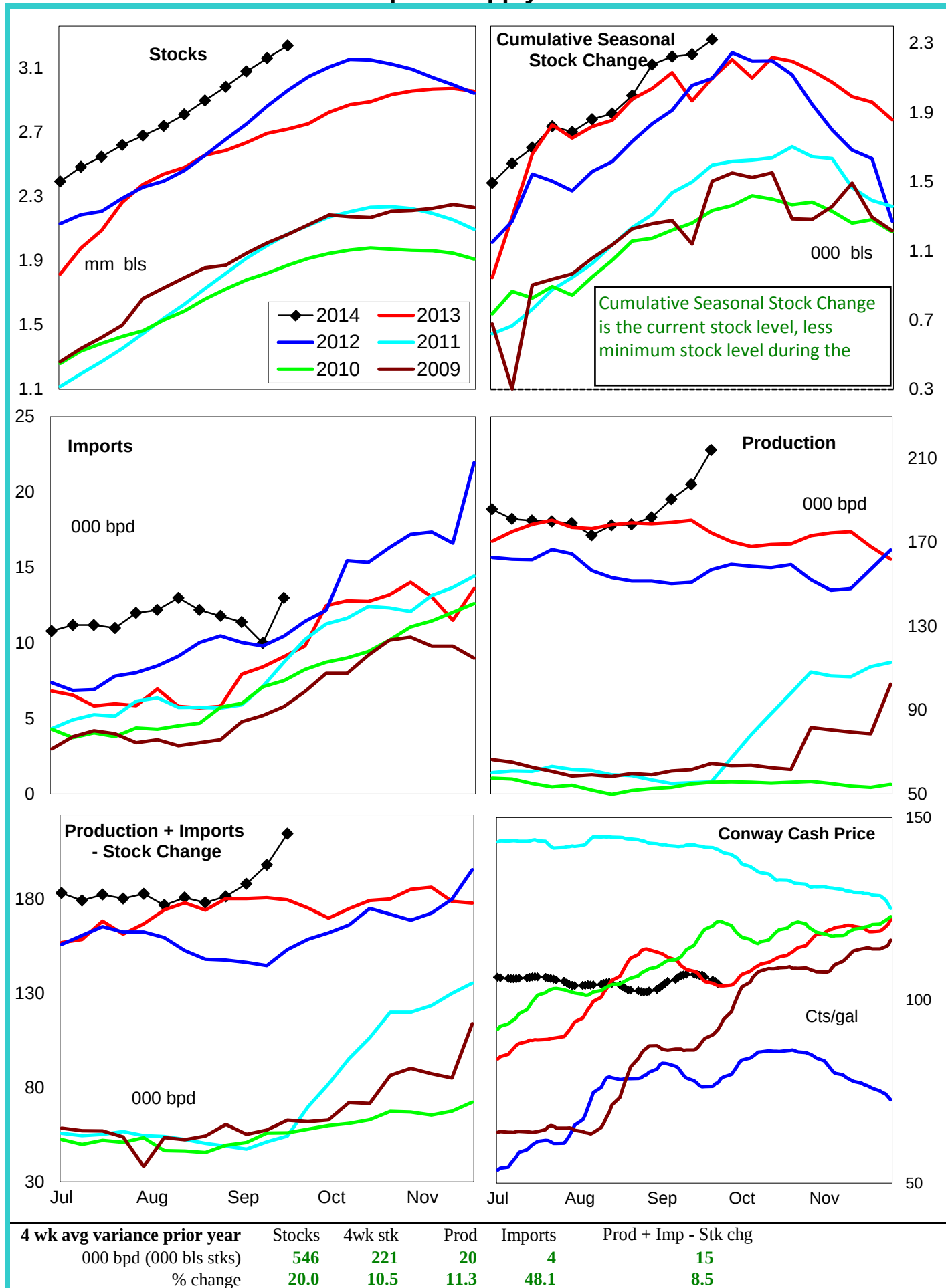
PADD 2 Propane Supply and Demand Balance



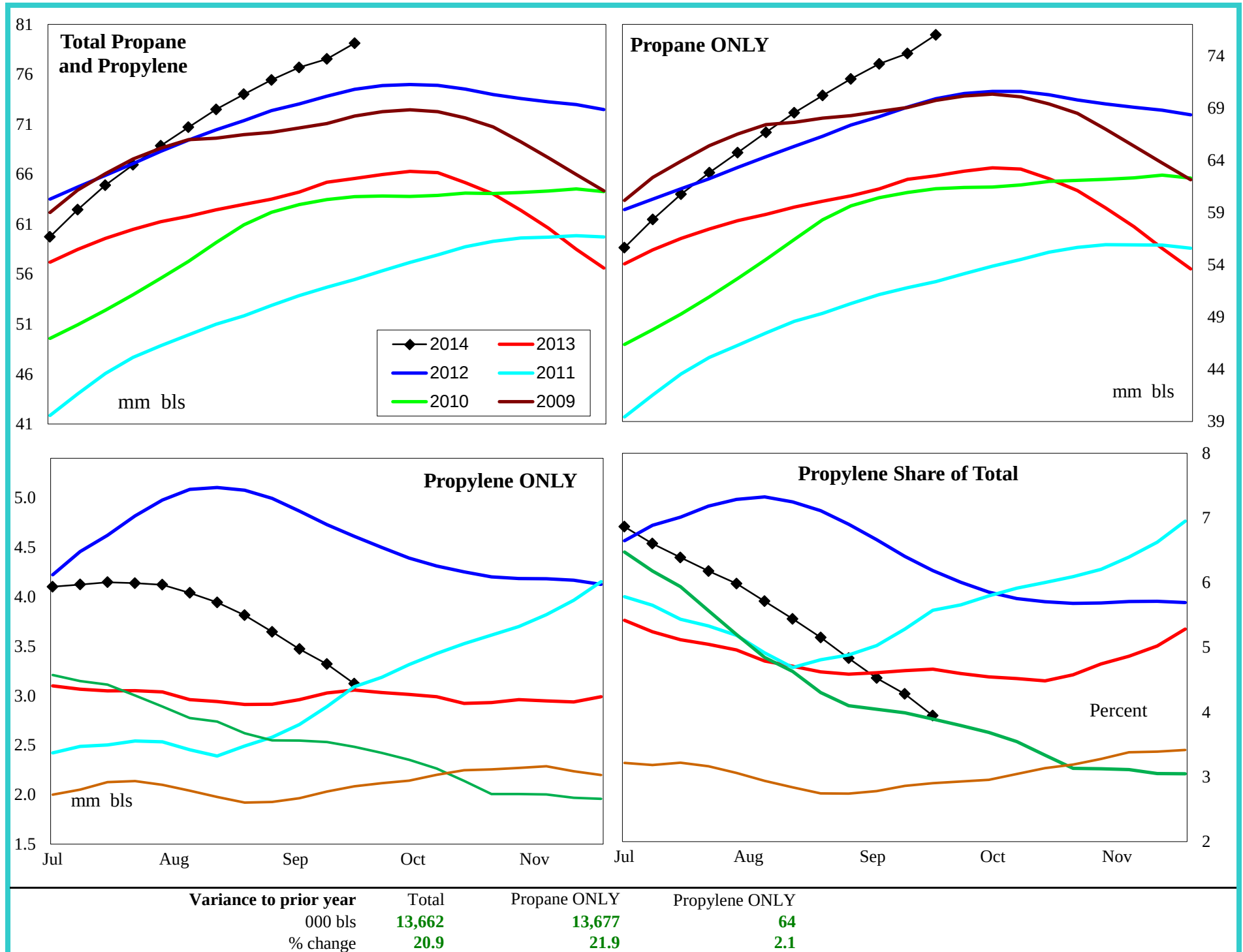
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

