



WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

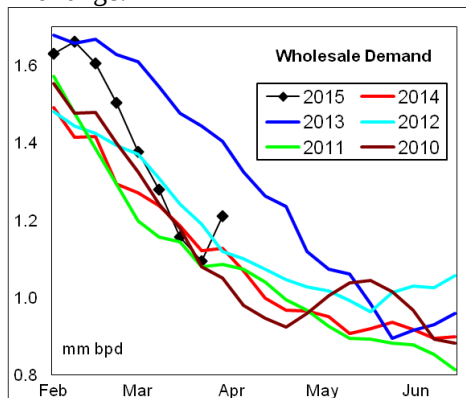
A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

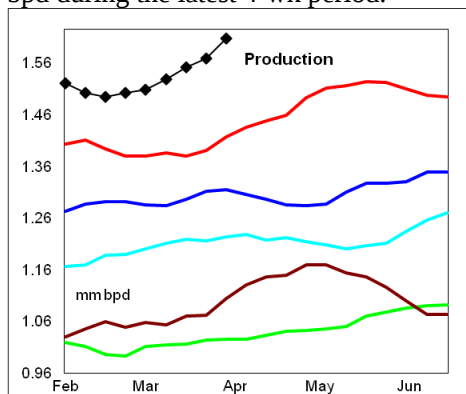


Summary¹:

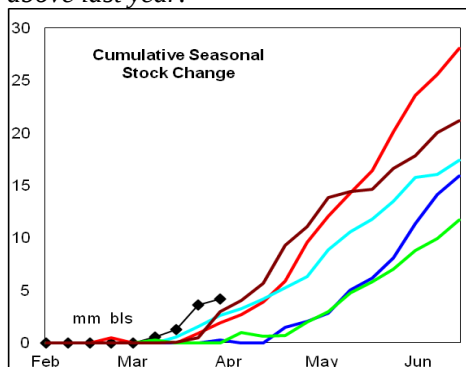
Wholesale demand climbed +268,000 bpd last week, to a level above the 3-yr mid range.



Production increased +32,000 bpd last week, to a new all time high. Production increases are widespread with the East Region up +58,000 bpd, Midwest +84,000 bpd and the West up +23,000 bpd during the latest 4-wk period.



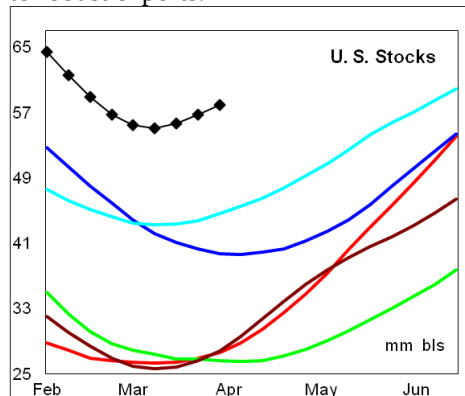
Exports for the week ending 20Mar15 were +477,000 bpd, +123,000 bpd above last year.



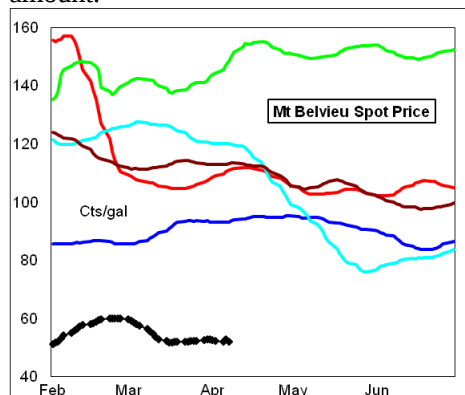
The increase in wholesale demand

limited the current cumulative seasonal stock build to +4.2 million barrels, still a 5-yr high for this time of year.

Stocks increased +0.6 million barrels last week, including a +1 million barrel build in the Midwest, where stock levels are rapidly approaching record levels for the period. Stocks decreased -0.4 million barrels in the Gulf - pointing to robust exports.



Price and Spreads Mt Belvieu spot price decreased -1 cpg last week ending 08Apr15, with Conway down a similar amount.



The Conway - Mt Belvieu price spread trended was unchanged on the week, with Conway below Mt Belvieu.

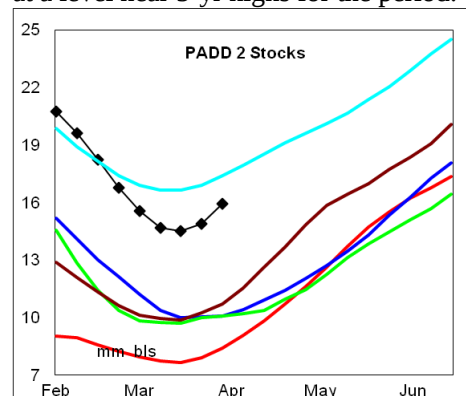
The propane to natural gas price spread traded sideways last week, ending at a level below the 5-yr range.

The propane / crude oil price spread fell sharply on the week, ending at a level equal to 5-yr lows for the period.

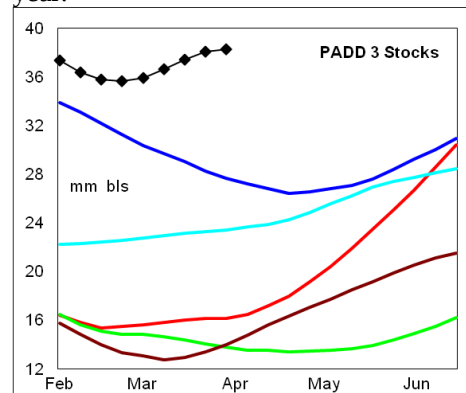
PADD 1 stocks increased +0.1 million barrels last week. Stocks ended the week at a level near historic lows for the season. Supply for the latest 4-wk period was +77,000 bpd above last year

on a +44% increase in production.

PADD 2 supply decreased -11,000 bpd on the week, driven by lower imports. Production for the latest 4-wk period was +84,000 bpd above last year (+33%). Stocks increased +1 million barrels on the week. Stock levels ended the week at a level near 5-yr highs for the period.



PADD 3 stocks decreased -0.4 million barrels on the week, driven by robust exports. In the absence of very high exports, stock levels are so high that the region risk storage constraints during the next 2-quarters. Supplies for the latest 4-wk period were +5,000 bpd above last year.



PADDs 4 & 5 stocks decreased -0.1 million barrels on the week, with the level +1.1 million barrels above last year, and a record high.

Emerging Trends Record production is driving stock levels in the Midwest back to record levels. Extremely high stocks in the Gulf and West Coasts risk storage constraints. These over supplied markets risk very depressed prices going forward.

¹ Source is latest EIA Weekly Statistics



PROPANE: Graph Link and Weekly Summary

April 8, 2015

Fundamental Trends for the Week Ending:

Friday, April 03, 2015

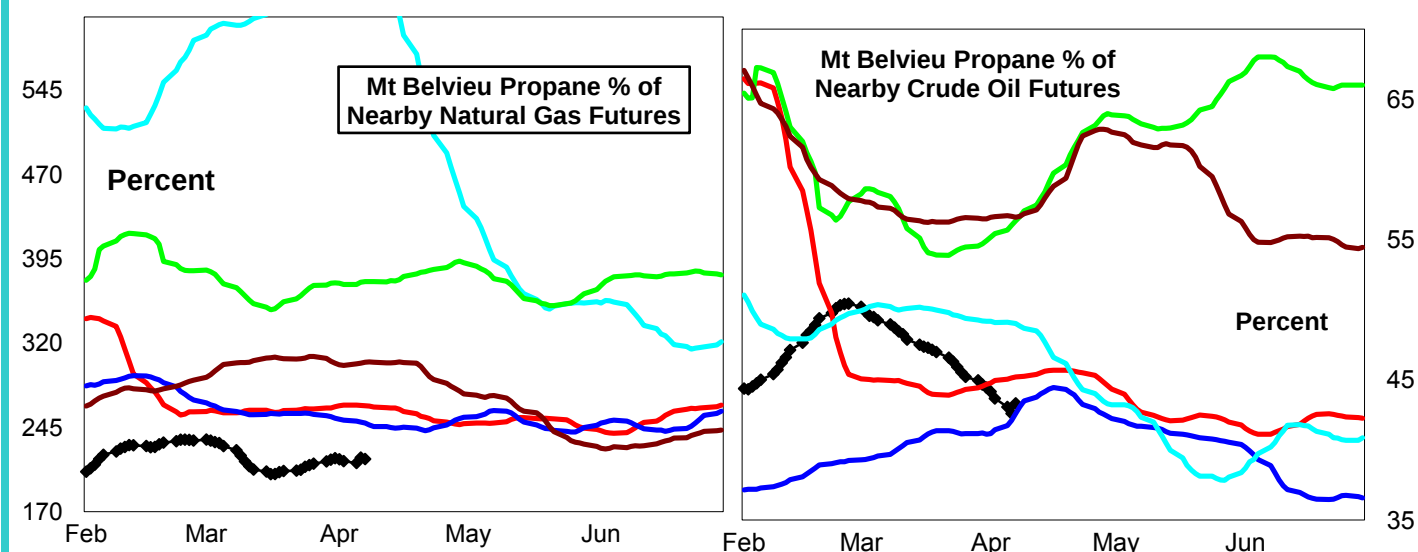
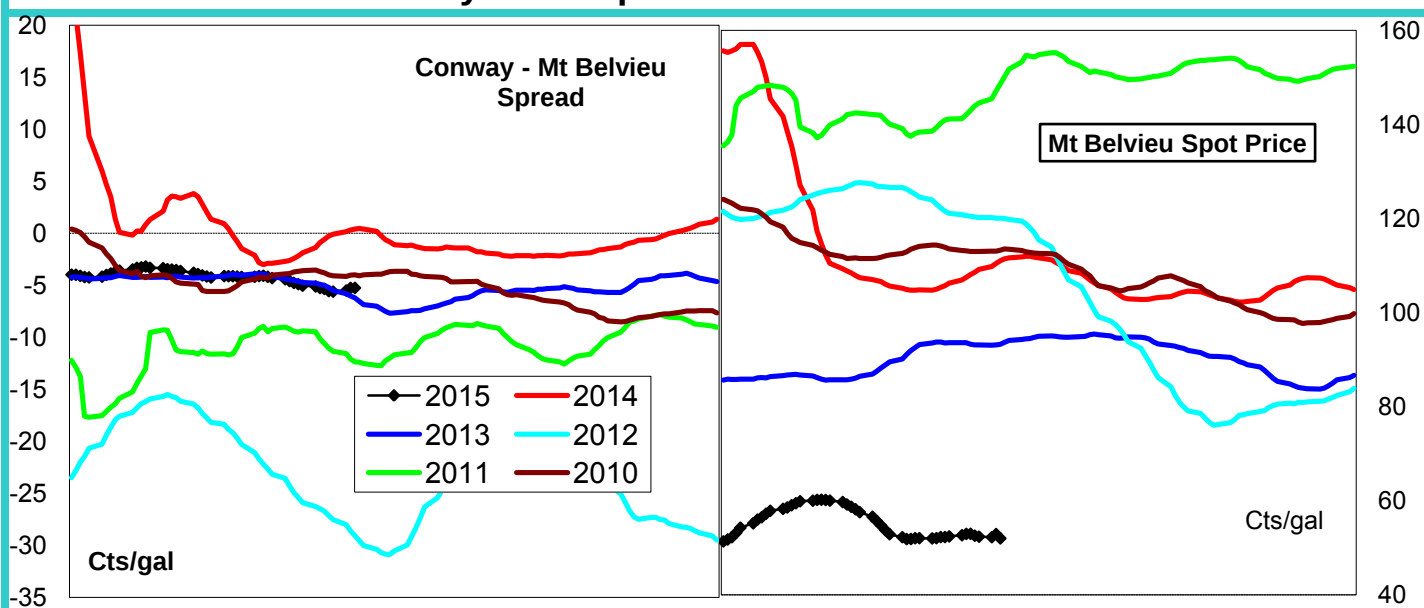
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	57,959	1,666	15,917	38,240	2,136	599	69	1,032	-446	-56
Propylene Stocks	4,553					-168				
Production	1,608	193	357	860	198	32	2	20	13	-3
Imports	116	46	54	0	16	-15	-13	-9	0	7
Whsle Demand	1,161					268				

Price Trends for the Week Ending:

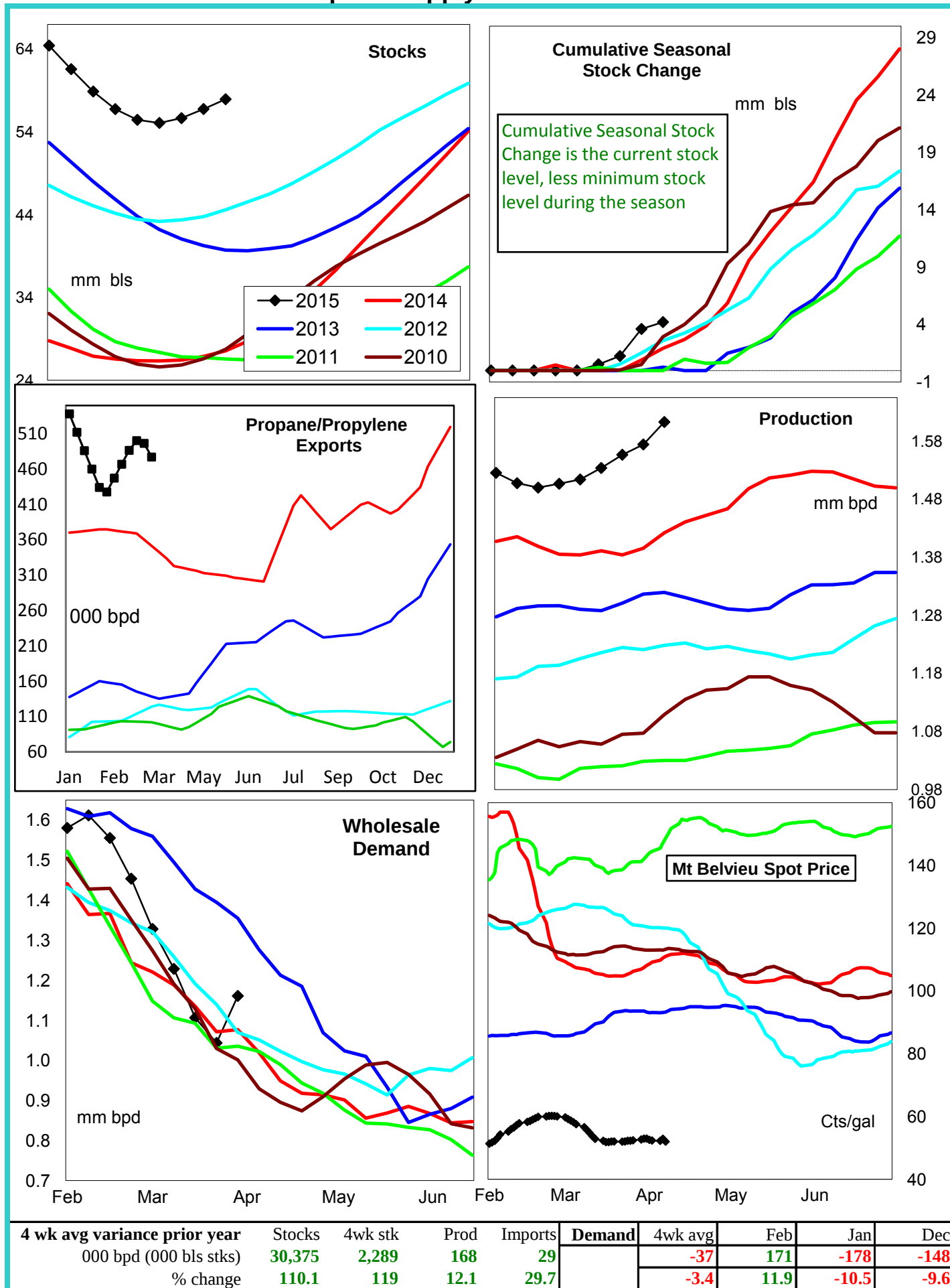
Friday, April 03, 2015

Cents/gal	Average for week ending:				Change from:			% change from:		
	4/3/15	3/27/15	3/6/15	4/8/14	3/27/15	3/6/15	4/8/14	3/27/15	3/6/15	4/8/14
Mont Belvieu Spot	52.3	53.6	56.2	110.1	-1.33	-2.65	-53.84	-2.5	-4.7	-48.9
Conway Spot	46.8	48.1	52.1	110.9	-1.33	-3.97	-58.86	-2.8	-7.6	-53.1

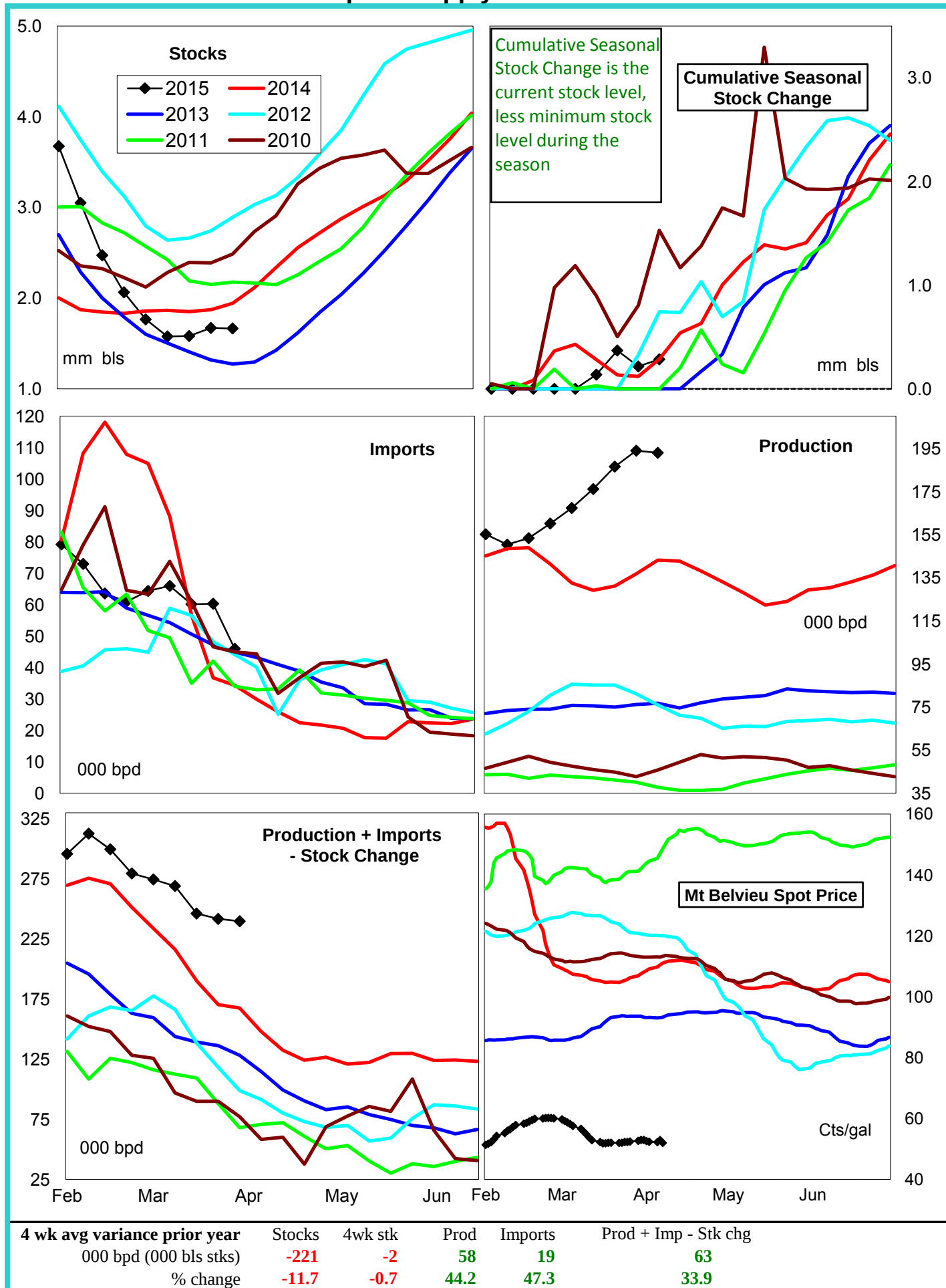
Key Price Spreads and Differentials



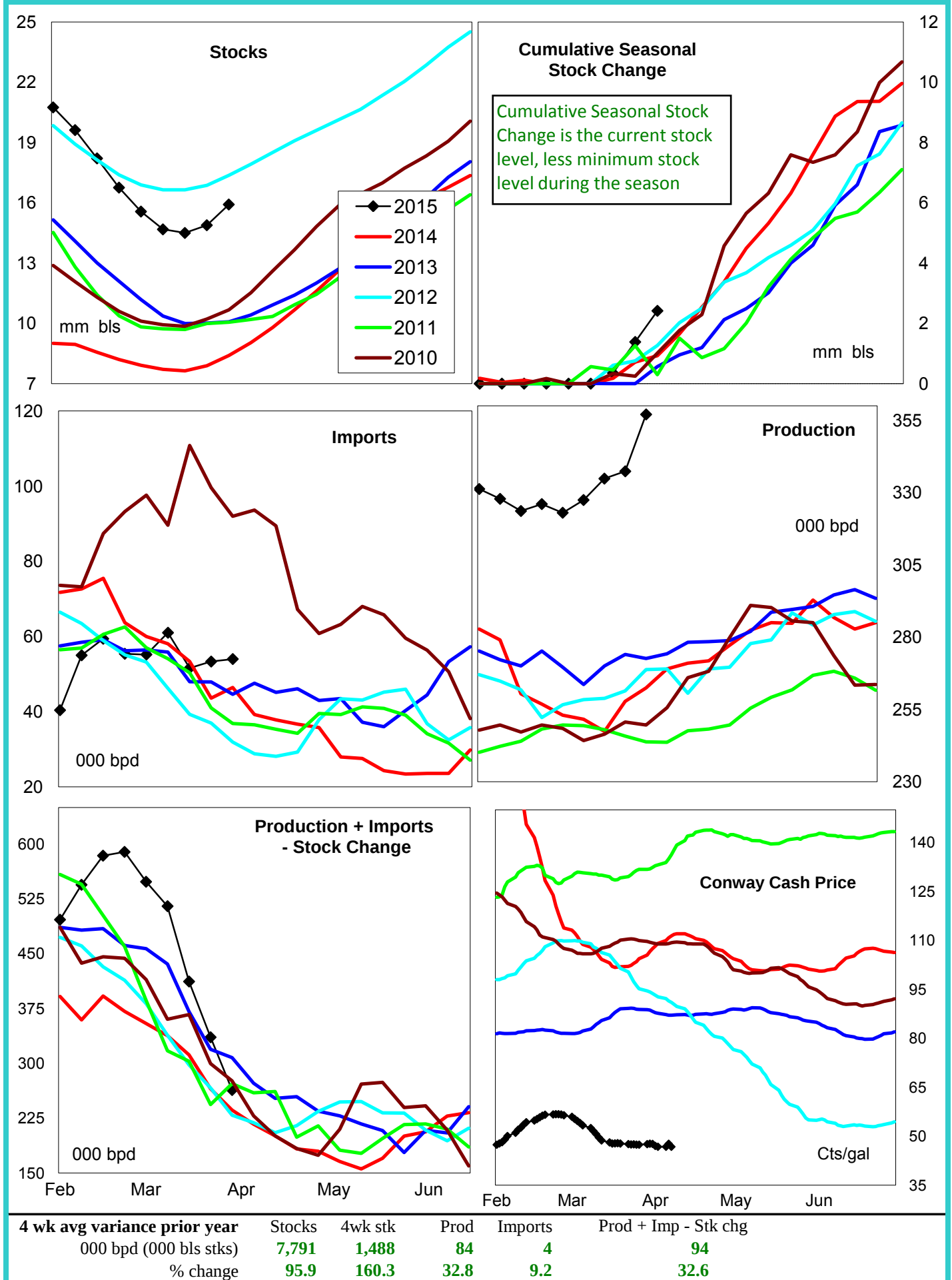
U. S. Propane Supply and Demand Balance



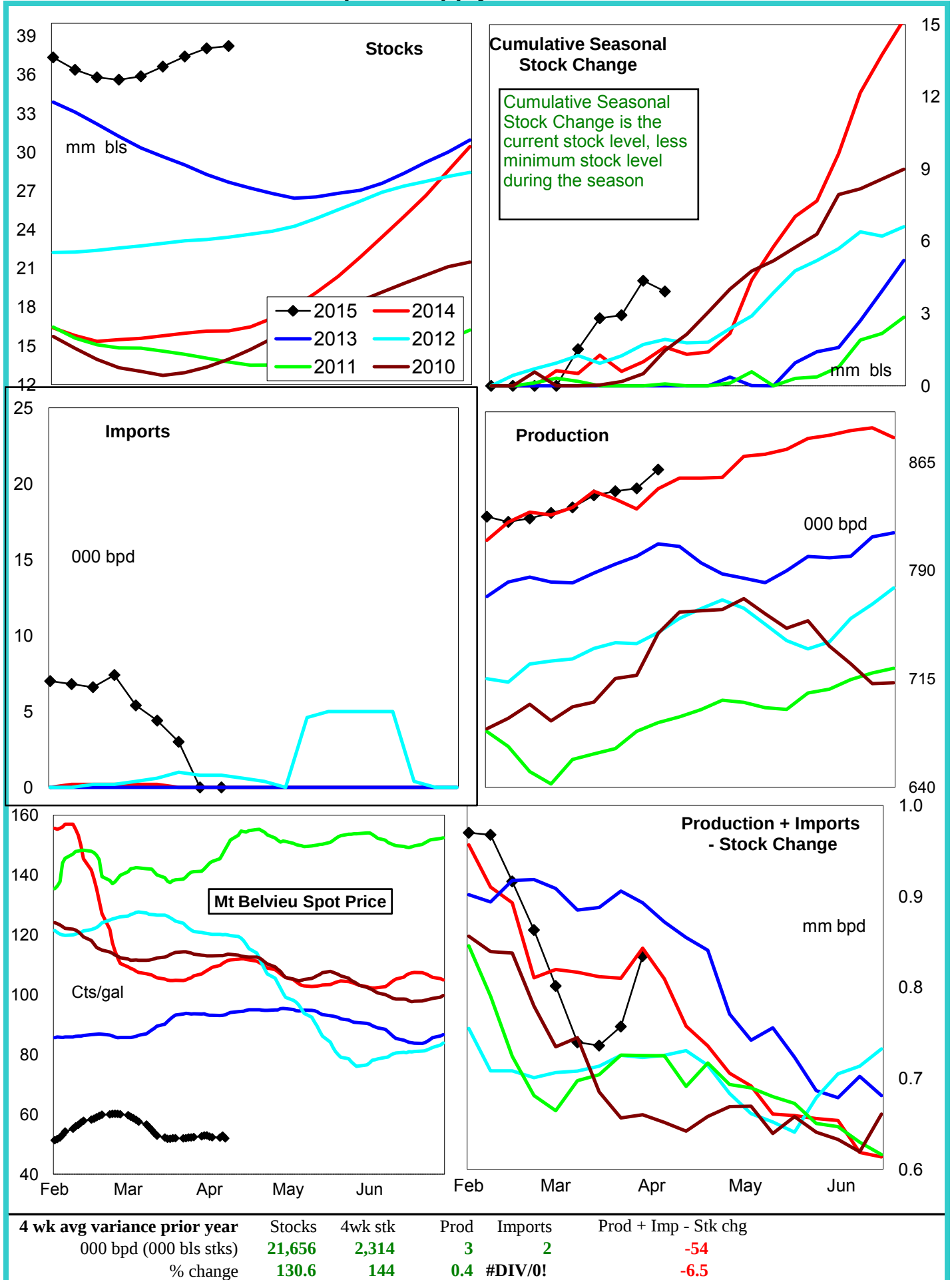
PADD 1 Propane Supply and Demand Balance



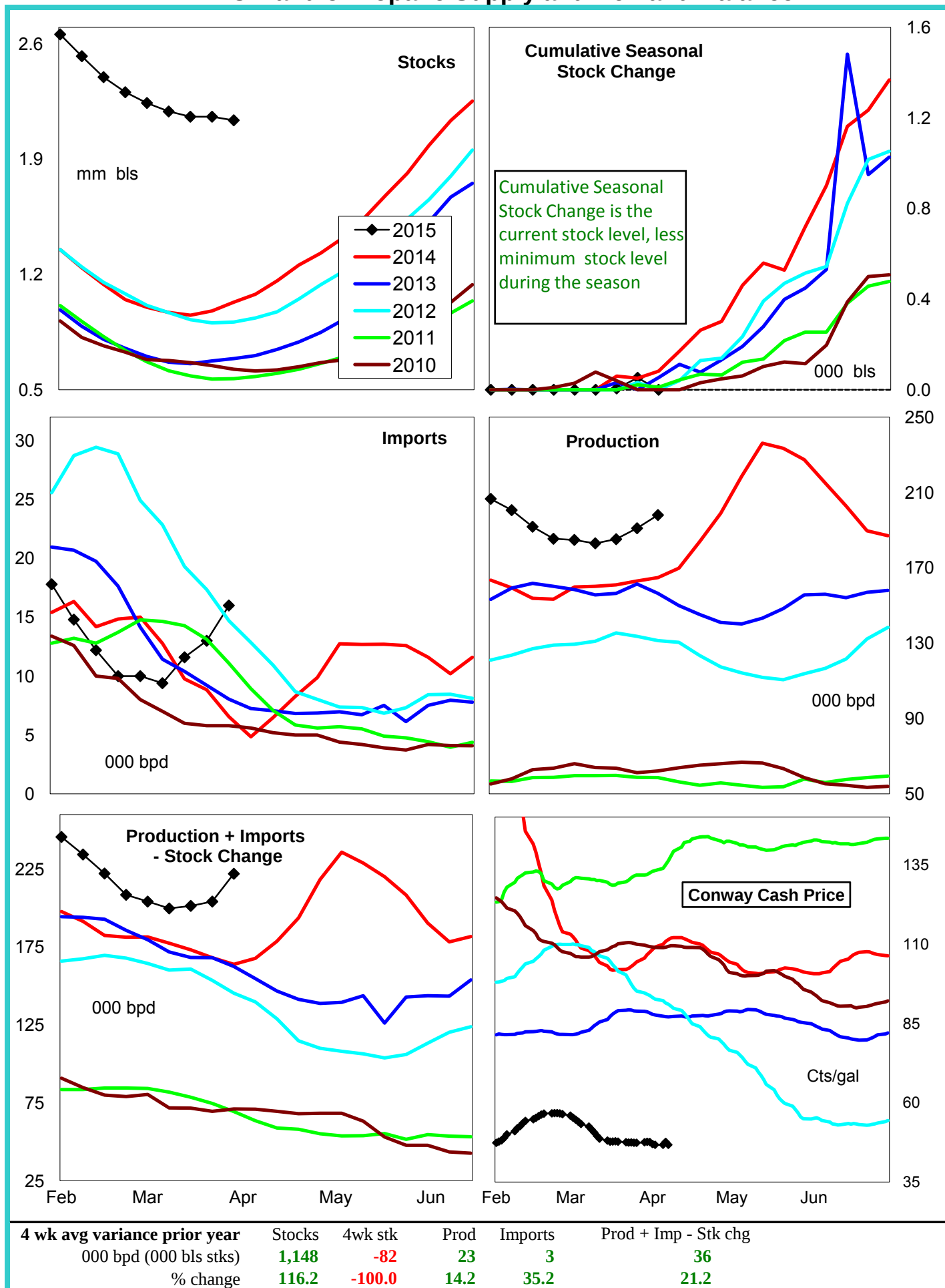
PADD 2 Propane Supply and Demand Balance



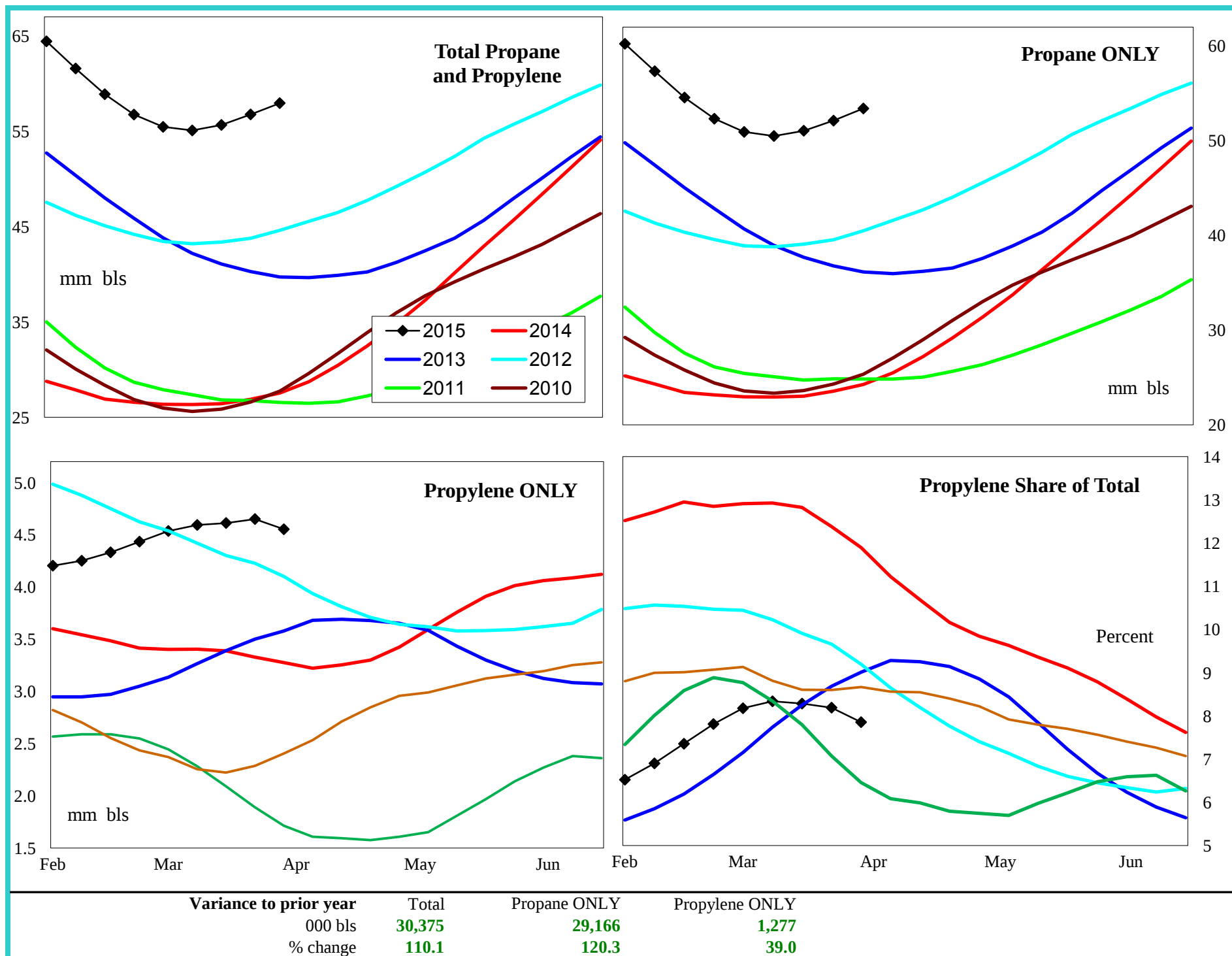
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

