



WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

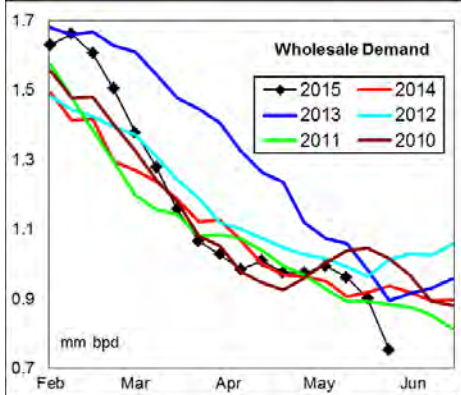
A Fundamental Petroleum Trends Weekly Report

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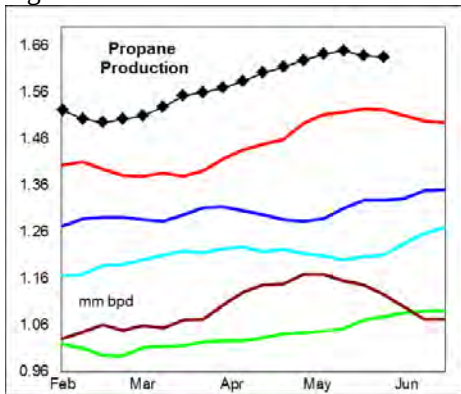


Summary¹:

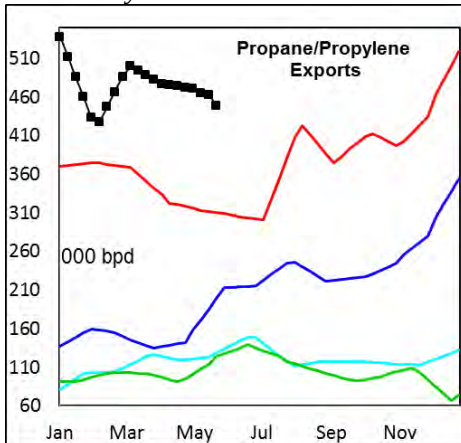
Wholesale demand fell -282,000 bpd last week, on floods in the Gulf that limited export loadings.



Production decreased -17,000 bpd last week, concentrated in the Midwest region.



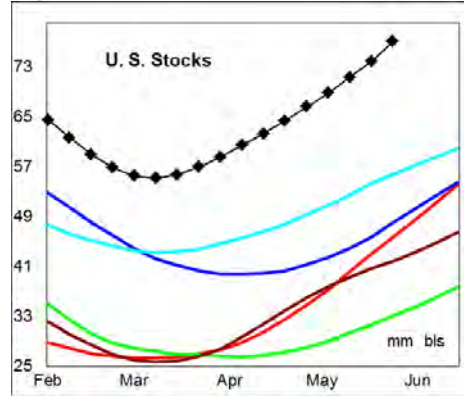
Exports for the week ending 22May15 were +449,000 bpd, +139,000 bpd above last year.



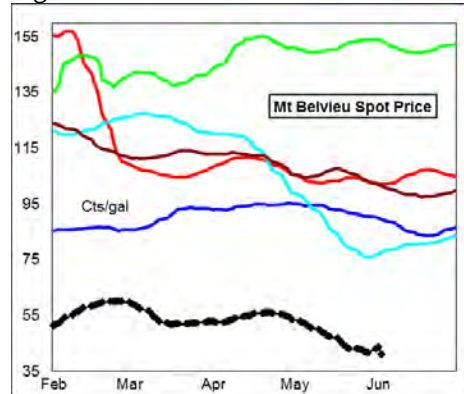
Stocks increased +3.8 million barrels on the week, lifting the cumulative seasonal

stock build to +23 million barrels, a record high for this time of year.

Significant builds were reported in all regional markets east of the Rockies. Stock levels are now very high in every regional market.



Price and Spreads Mt Belvieu spot price increased +3.25 cpg last week ending 03Jun15, while Conway was +1 cpg higher.



The Conway – Mt Belvieu price spread trended lower on the week, ending at a level equal to the 3-yr mid range.

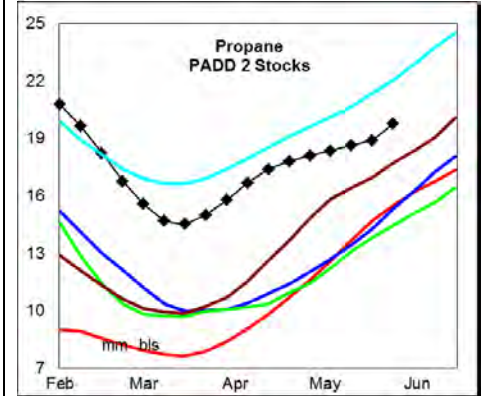
The propane to natural gas price spread trended higher last week, ending at a level below the historic range.

The propane / crude oil price spread trended lower on the week, ending at a new record low.

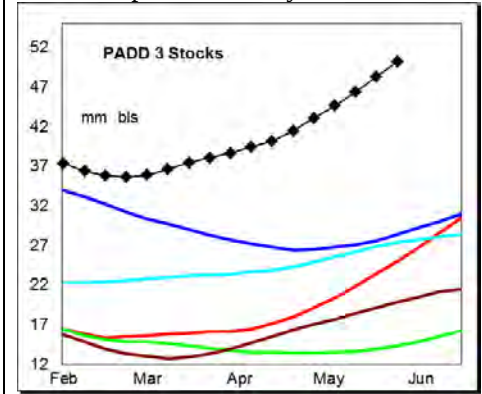
PADD 1 stocks increased +0.4 million barrels last week, driven by over supply in the Utica Shale region. Stocks ended the week at a level near 5-yr highs. Supply for the latest 4-wk period was +88,000 bpd above last year on a +60% increase in production.

PADD 2 supply decreased -46,000 bpd on the week, on lower production and

imports. Production for the latest 4-wk period was +58,000 bpd above last year (+20%). Stocks increased +1.1 million barrels on the week. Stock levels ended the week just below 5-yr highs for the period.



PAD 3 stocks increased +2.3 million barrels on the week, due in part to floods that limited export loadings. Stock levels ended the week double the prior 5-yr high as exporters fill storage. Supplies for the latest 4-wk period were +26,000 bpd above last year.



PADDs 4 & 5 stocks were unchanged on the week, at a level +0.8 million barrels above last year, and a record high.

Emerging Trends Flooding in the Gulf region limited exports last week, contributing to the above average stock build of +3.8 million barrels. Production in the Midwest and East regions continues to drive rapid stock builds, lifting stock levels to extremely high levels. Look for an extended period of depressed prices.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary



June 3, 2015

Fundamental Trends for the Week Ending:

Friday, May 29, 2015

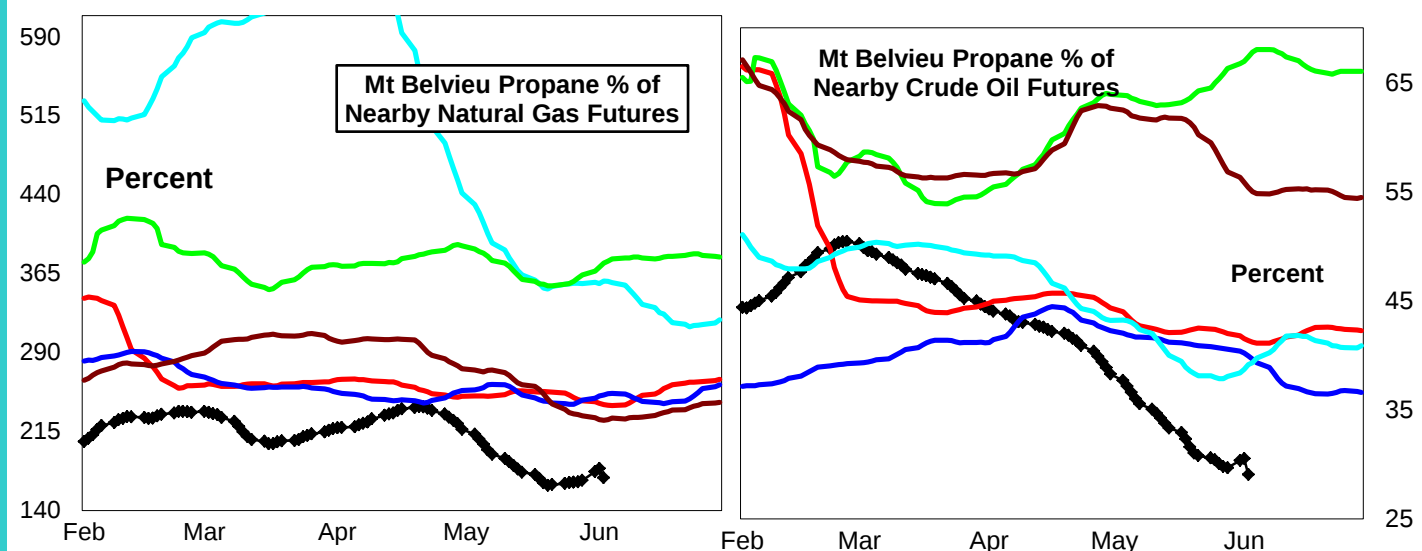
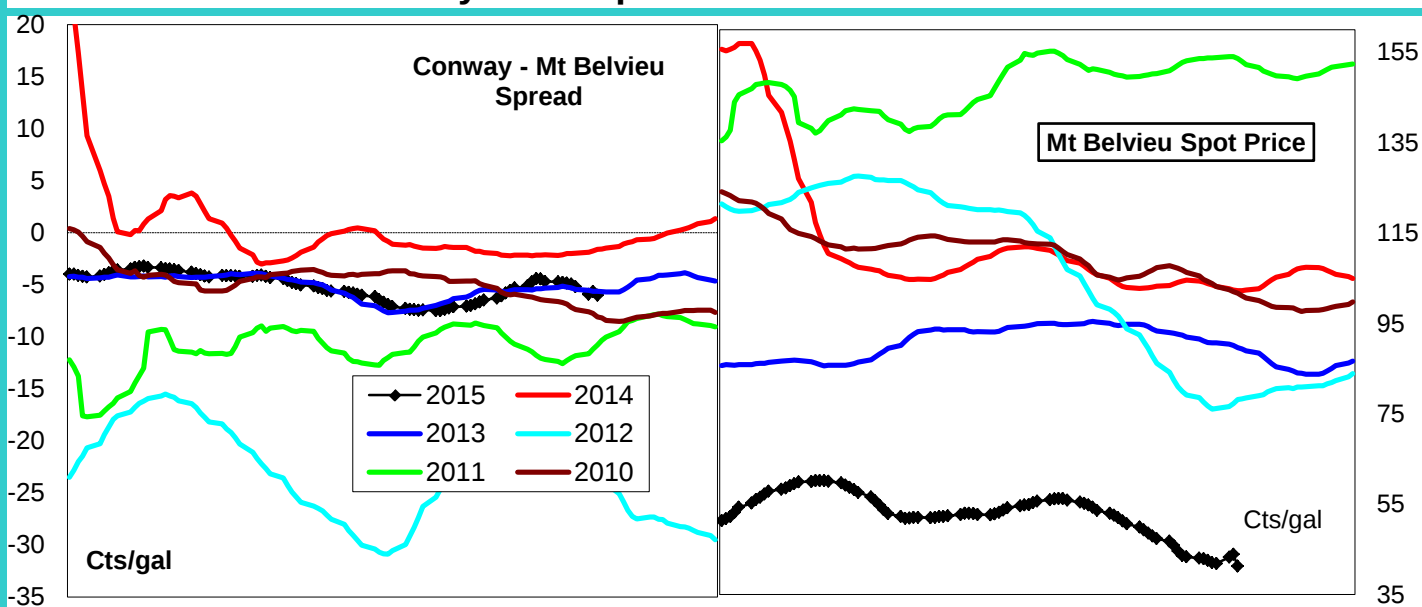
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	77,046	4,476	19,762	50,195	2,613	3,828	400	1,104	2,338	-14
Propylene Stocks	5,243					-72				
Production	1,635	210	337	900	188	-17	-9	-22	6	8
Imports	63	25	32	0	6	-29	-1	-26	0	-2
Whsle Demand	702					-282				

Price Trends for the Week Ending:

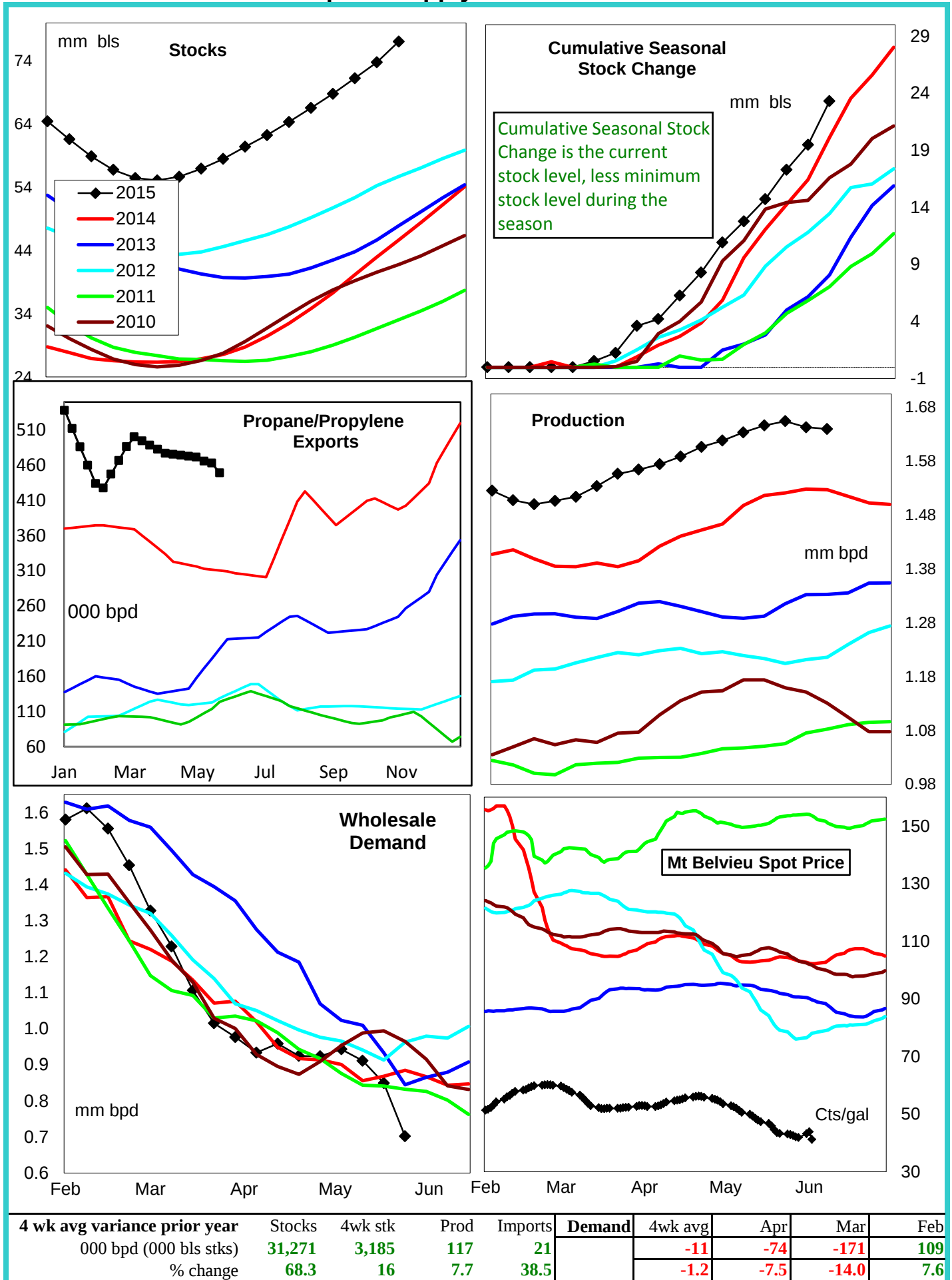
Thursday, May 28, 2015

Cents/gal	Average for week ending:				Change from:			% change from:		
	5/28/15	5/21/15	4/30/15	5/30/14	5/21/15	4/30/15	5/30/14	5/21/15	4/30/15	5/30/14
Mont Belvieu Spot	43.2	41.3	53.3	102.0	1.90	-12.00	-48.65	4.6	-22.5	-47.7
Conway Spot	37.3	37.5	46.1	100.1	-0.20	-8.63	-54.01	-0.5	-18.7	-53.9

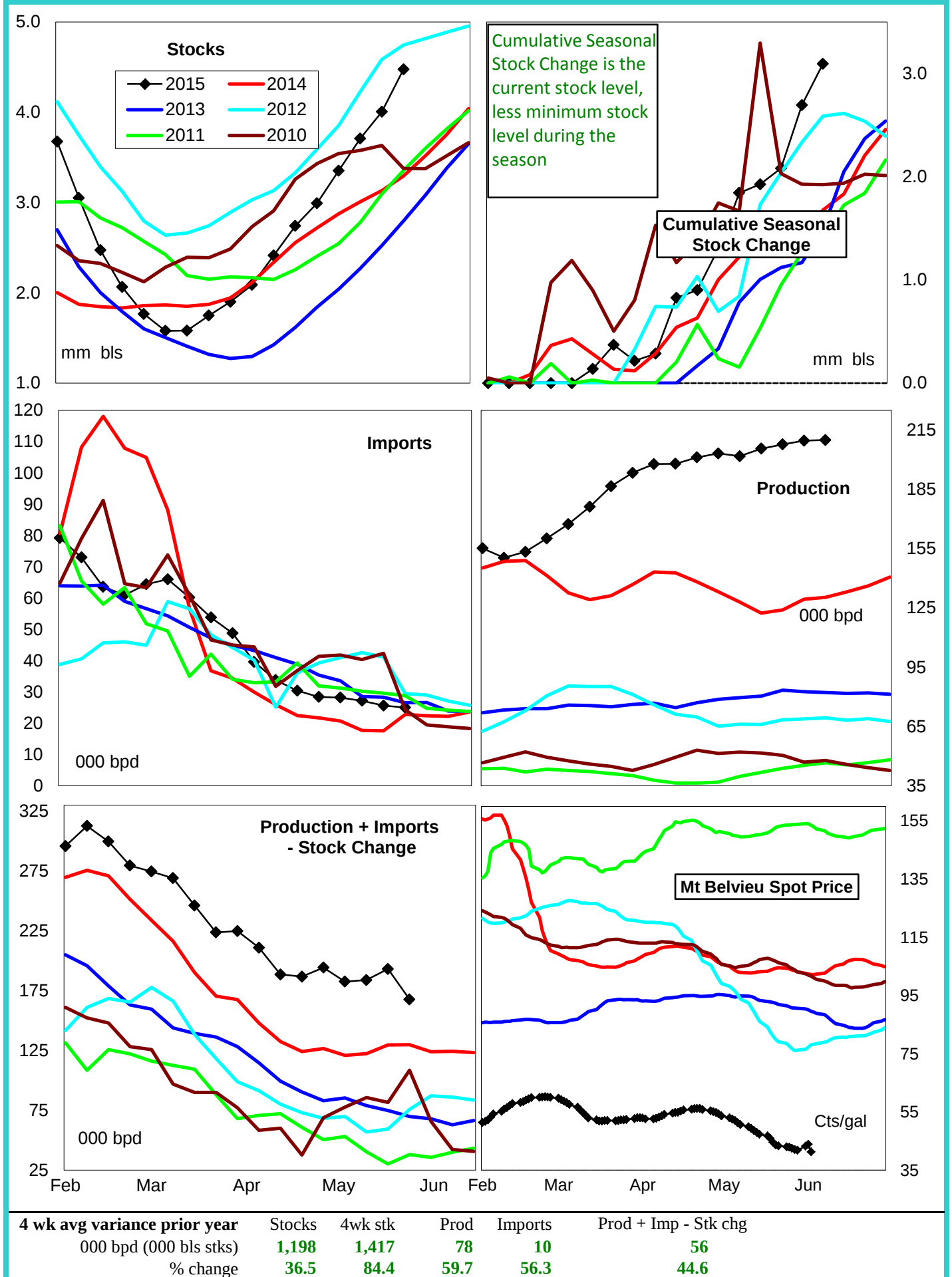
Key Price Spreads and Differentials



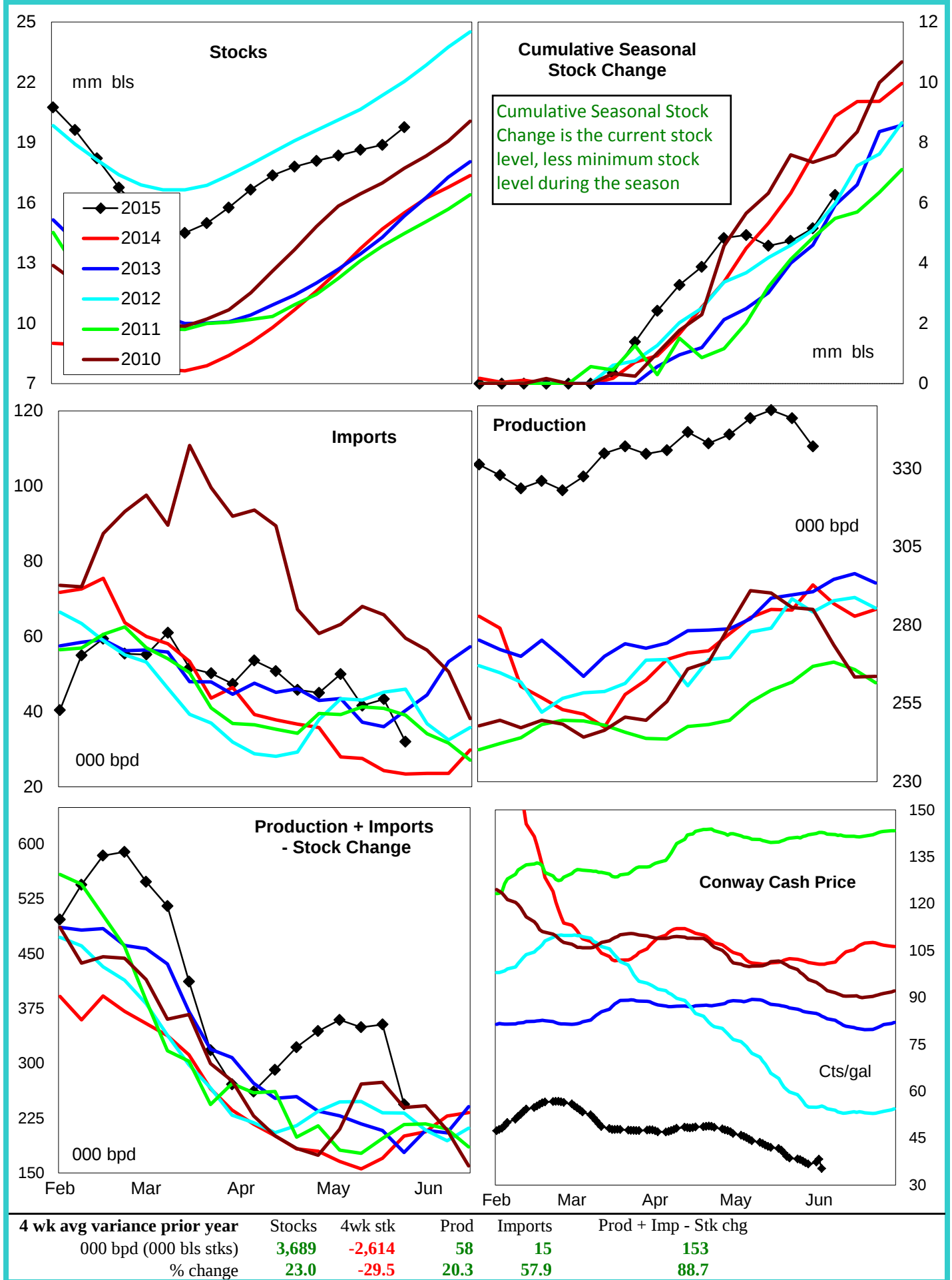
U. S. Propane Supply and Demand Balance



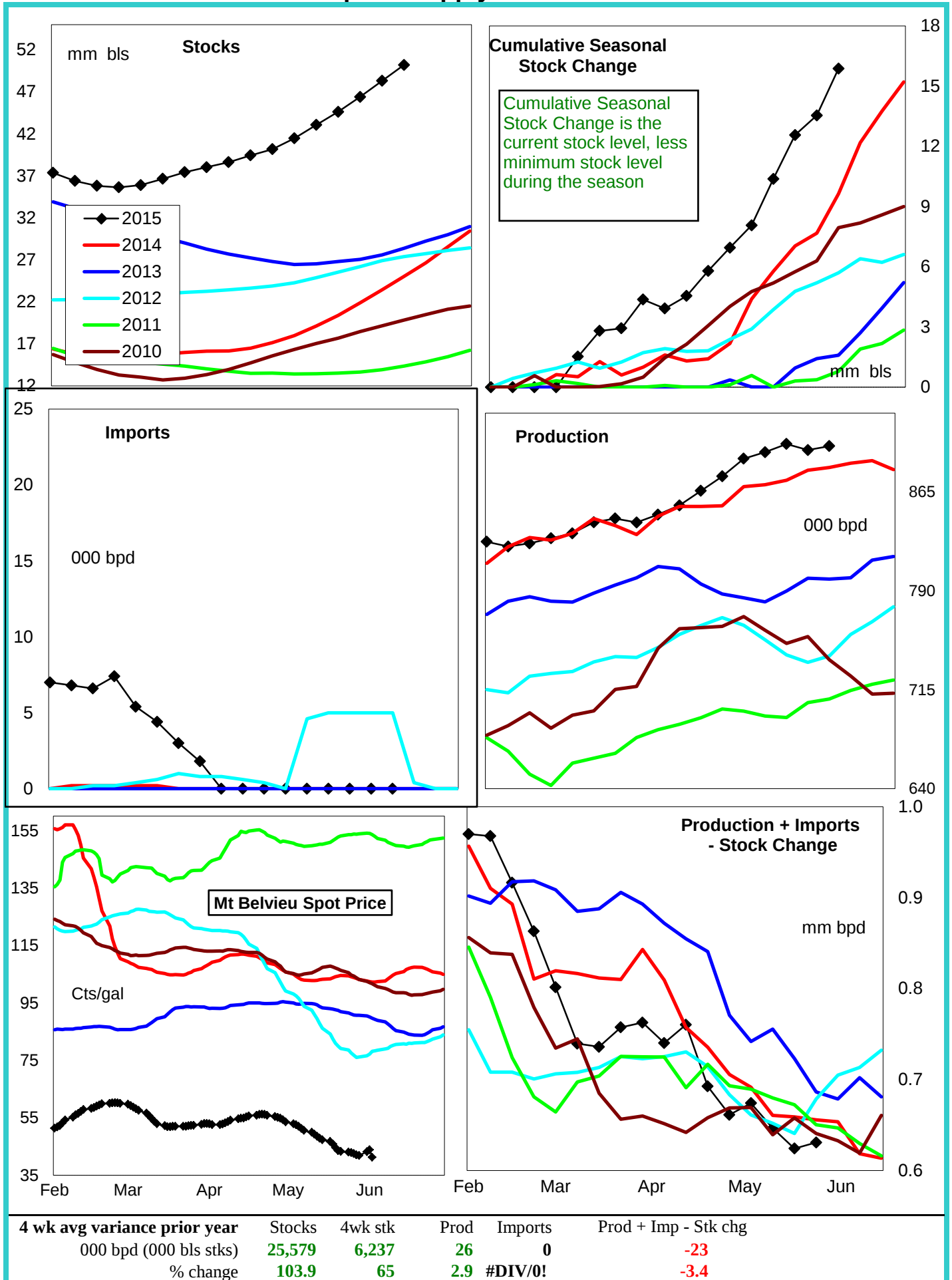
PADD 1 Propane Supply and Demand Balance



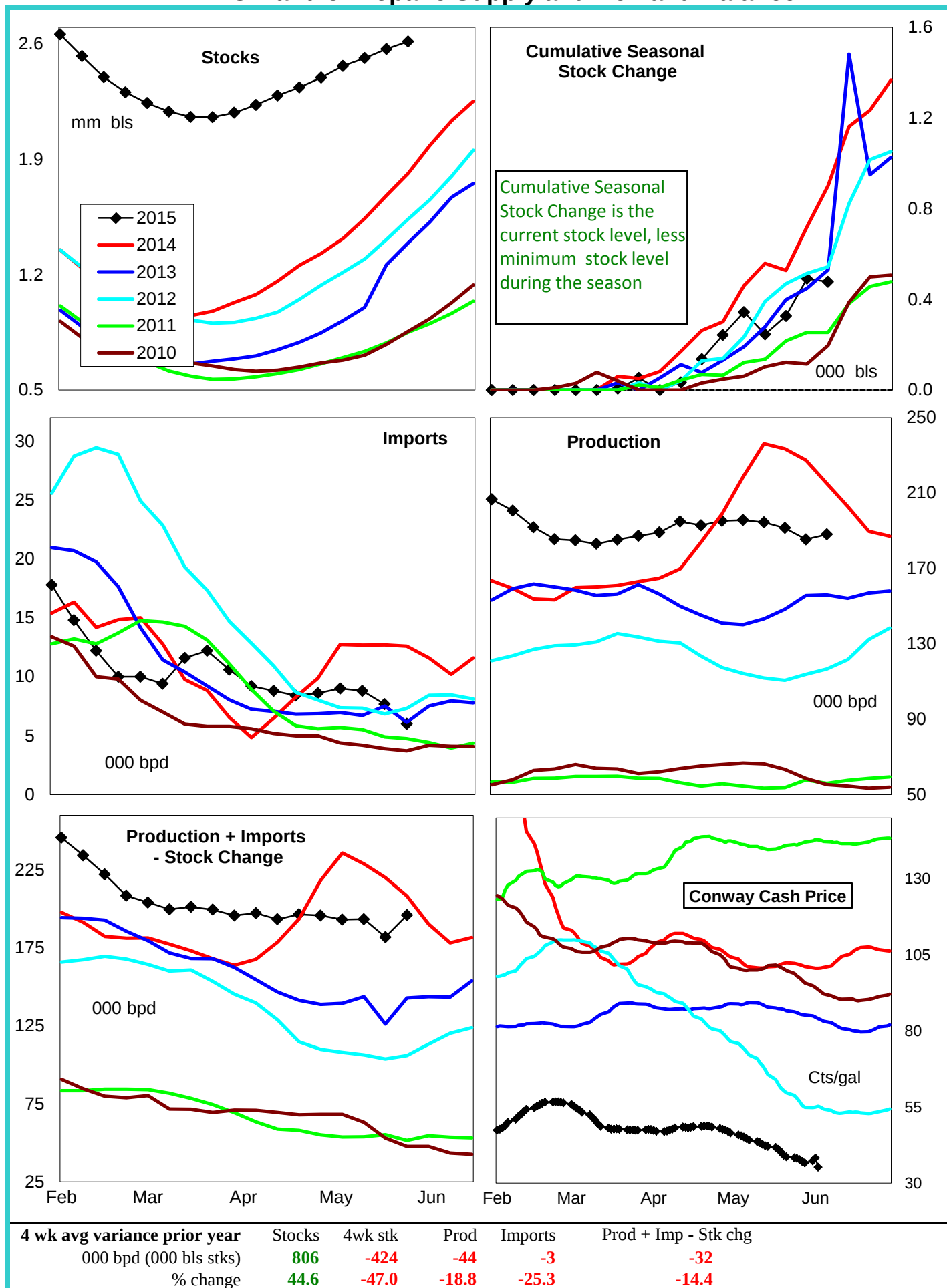
PADD 2 Propane Supply and Demand Balance



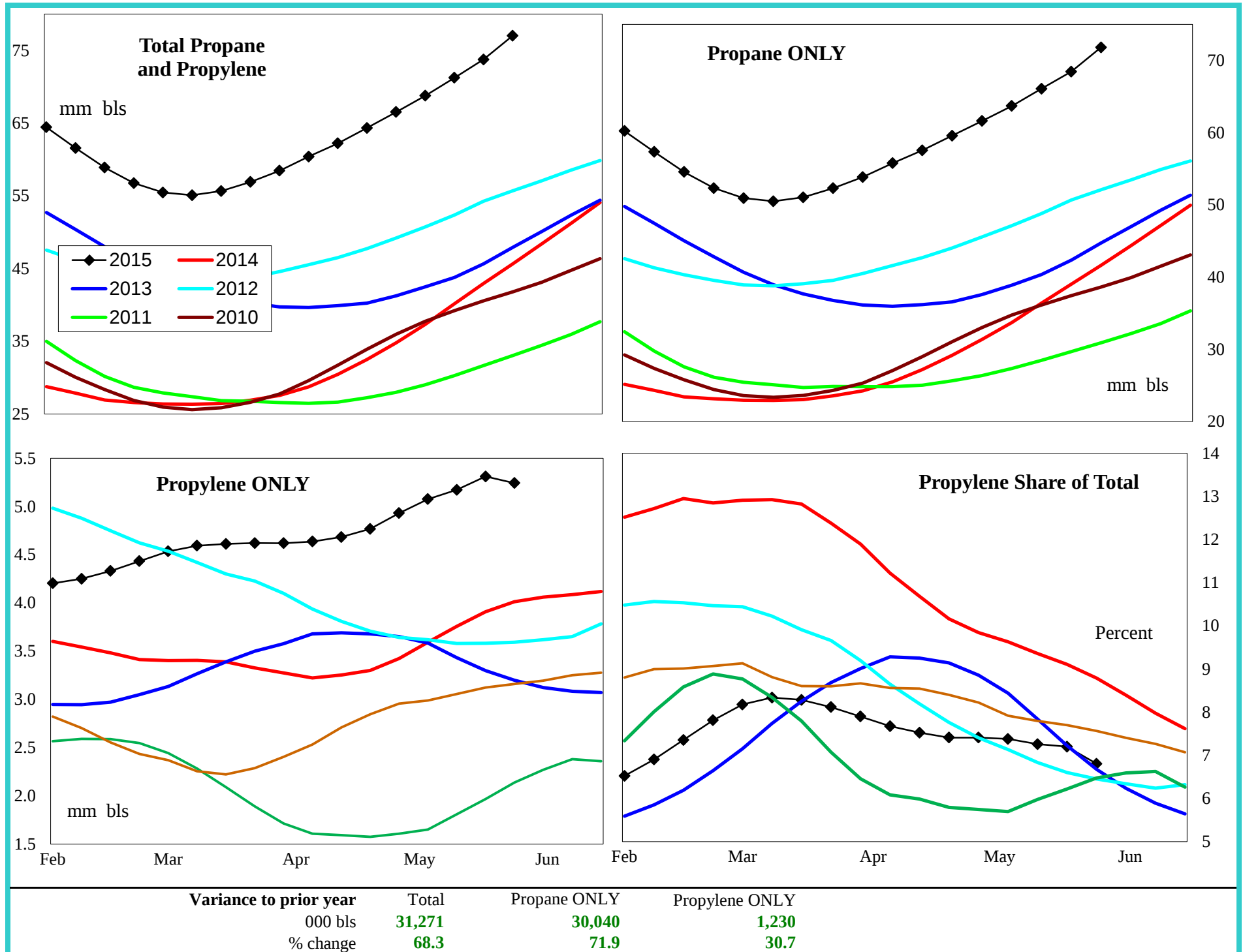
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

