

WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

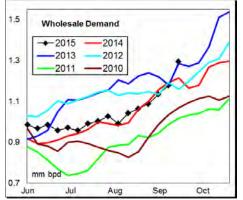
A Fundamental Petroleum Trends Weekly Report

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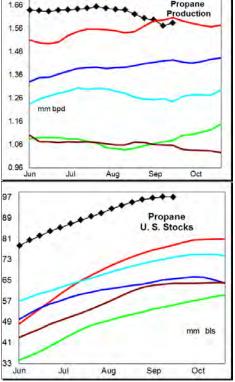
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Summary¹:

Wholesale demand increased +269,000 bpd last week, to a level that matched historic highs for the period.



Production increased +24,000 bpd last week, concentrated in the West region.

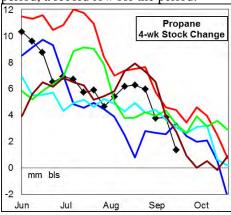


Exports for the week ending 21Aug15 were +110,000 bpd above last year

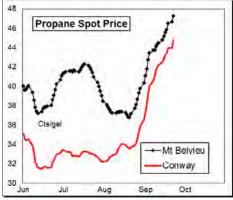
Stocks decreased -0.6 million barrels on the week, with draws concentrated in he Gulf and Midwest. The cumulative seasonal stock build of +40 million barrels compares to a year ago build of

+53 million barrels.

The rate of stock build was +1.4 million barrels during the latest 4-wk period, a record low for the period.



Price and Spreads Mt Belvieu spot price increased +3 cpg last week ending 22Sep15, with Conway slightly less.



The Conway – Mt Belvieu price spread traded sideways on the week, ending at a level near the average of the last 2-yrs.

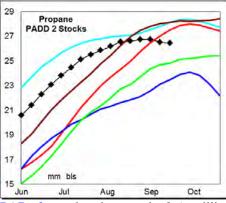
The propane to natural gas price spread trended higher last week, ending at a level well below the historic range.

The propane / crude oil price spread trended higher last week, ending at a level equal to the 3-yr mid range.

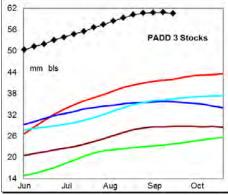
PADD 1 stocks increased +0.1 million barrels on the week to a level near the 3-yr mid range. Production increased +1,000 bpd on the week; with supply for the latest 4-wk period +13,000 bpd above last year.

PADD 2 supply decreased -12,000 bpd last week, on lower imports. Production levels were at the lowest rate of the last quarter, with the latest 4-wk average +25,000 bpd above last year. Stocks decreased -0.3 million barrels on the

week, to a level below the 3-yr mid range for this time of year.



PAD 3 stocks decreased -0.6 million barrels on the week. Stock levels ended the week +43% above the prior 5-yr high. Supplies for the latest 4-wk period were +4,000 bpd above last year.



PADDs 4 & 5 stocks increased +0.2 million barrels on the week, to a level +1.2 million barrels above last year, and a new record high.

Emerging Trends The stock draw of -0.6 million barrels last week led to a record low rate of build for the latest 4-wk period. Increased wholesale demand and exports underlies the recent low rate of stock builds. Production levels also remain slightly below last year.

Stock levels in the Midwest have slipped below the 3-yr mid range – driven by higher wholesale demand and a decrease in production.

Propane prices continued to trend higher last week, reaching the highest level of the summer. Look for the uptrend in wholesale propane prices to continue.

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¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary



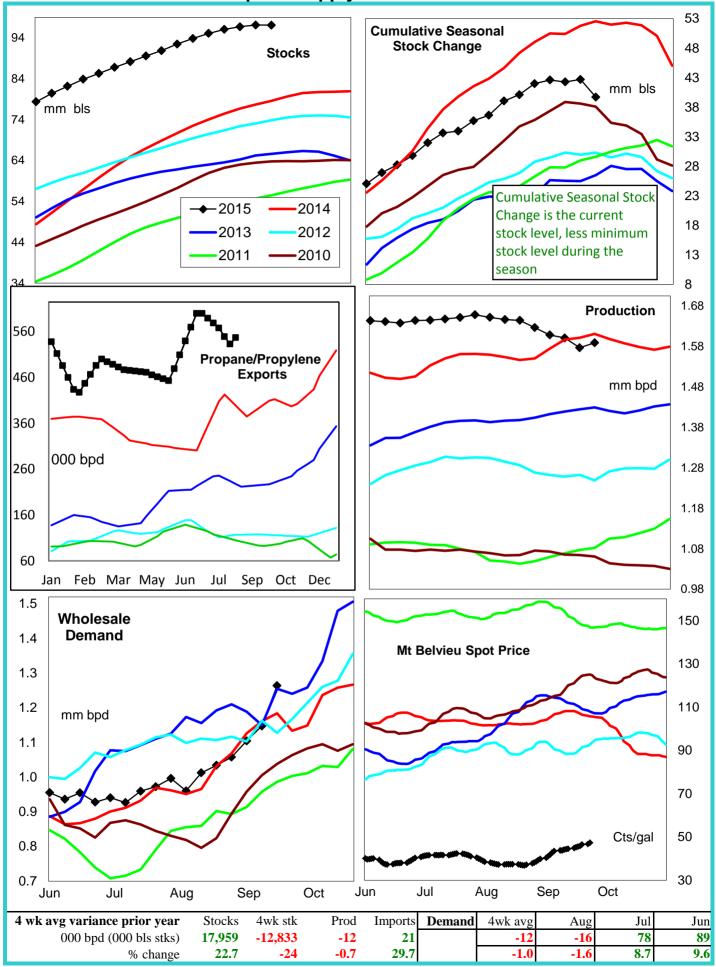
September 23, 2015

Fundamental Trends for the Week Ending: Friday, September 18, 20										8, 2015
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S.	. PADD				U.S.	PADD			
	Total	1	2	3	4&5	Total	1	2	3	4&5
Stocks	97,076	5,647	26,435	60,535	4,459	-617	60	-273	-616	212
Propylene Stocks	4,524					95				
Production	1,584	174	328	902	180	24	1	-2	7	18
Imports	77	26	35	0	16	-5	4	-10	0	1
Whsle Demand	1,244					269				

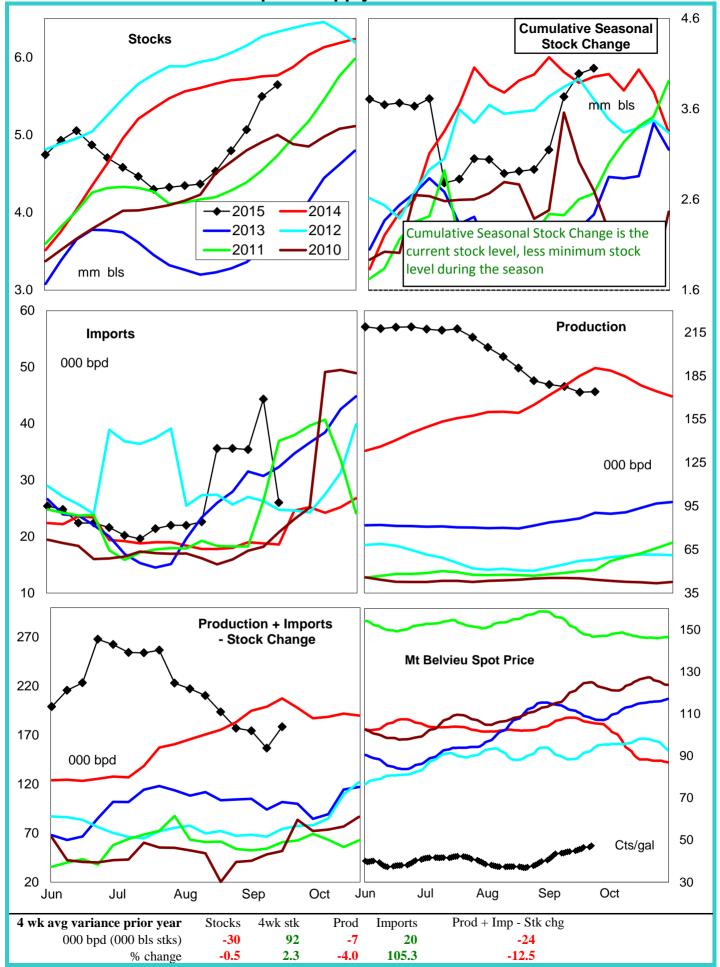
Price Trends for the Week Ending: Tuesday, September 22, 2015 Average for week ending: Change from: % change from: Cents/gal 9/22/15 9/15/15 8/25/15 9/24/14 9/15/15 8/25/15 9/24/14 9/15/15 8/25/15 9/24/14 Mont Belvieu Spot 106.3 46.5 44.2 36.7 2.35 7.44 -69.58 5.3 20.3 -65.5 **Conway Spot** 44.0 42.3 33.3 104.8 -68.2 1.73 8.93 -71.49 4.1 26.8

Key Price Spreads and Differentials 10 Conway - Mt Belvieu 150 5 **Spread** Mt Belvieu Spot Price 130 0 -5 110 -10 90 -15 Cts/gal 70 Cts/gal -20 -2015 2014 50 2013 2012 -25 2010 2011 -30 30 430 75 Mt Belvieu Propane % of **Nearby Natural Gas Futures** Mt Belvieu Propane % of **Nearby Crude Oil Futures** 65 355 55 280 45 Percent 205 **Percent** 35 130 25 Jul Oct Jun Aug Sep Jul Jun Aug Sep Oct

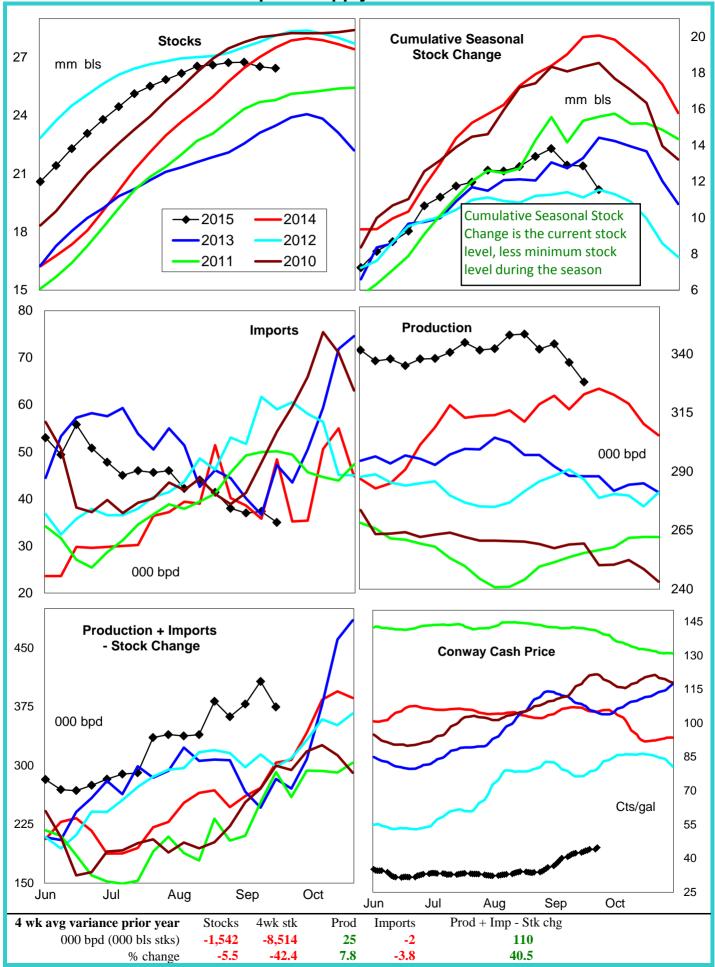
U. S. Propane Supply and Demand Balance



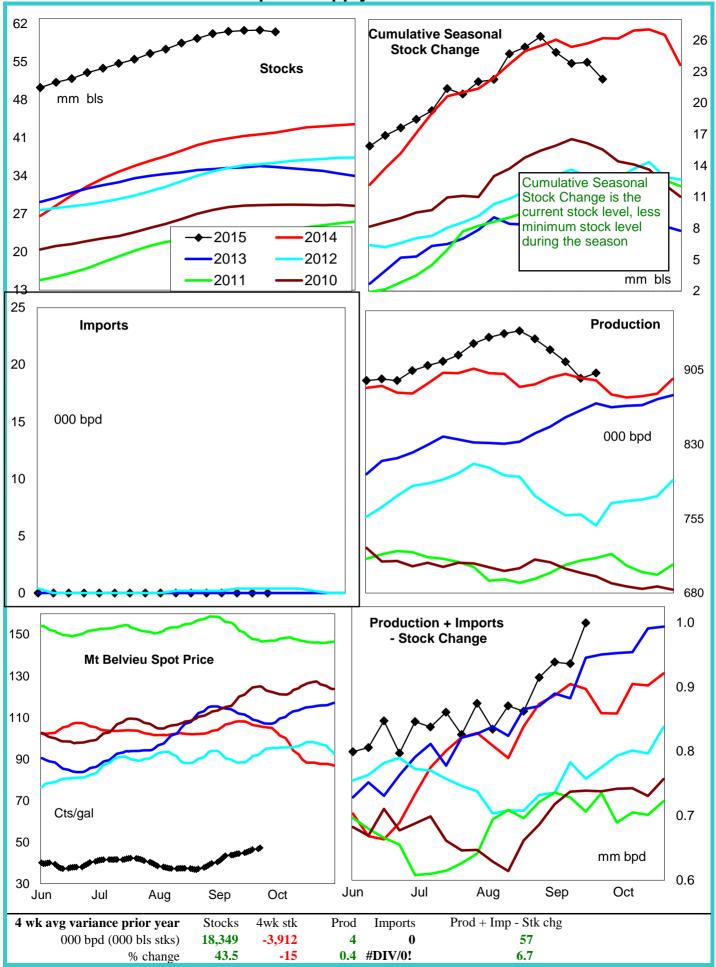
PADD 1 Propane Supply and Demand Balance



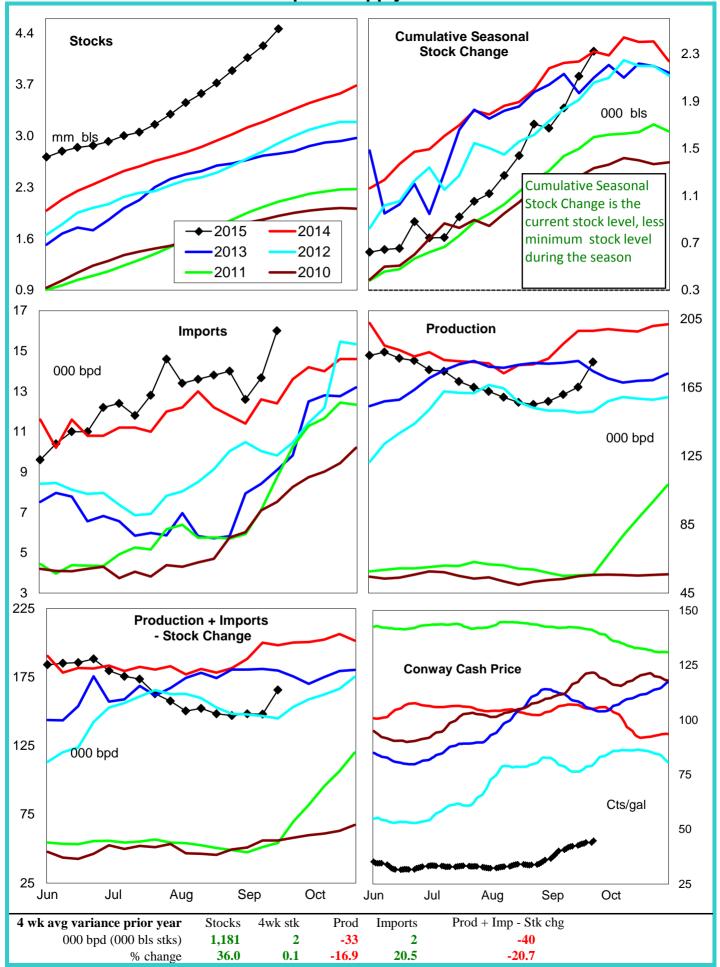
PADD 2 Propane Supply and Demand Balance



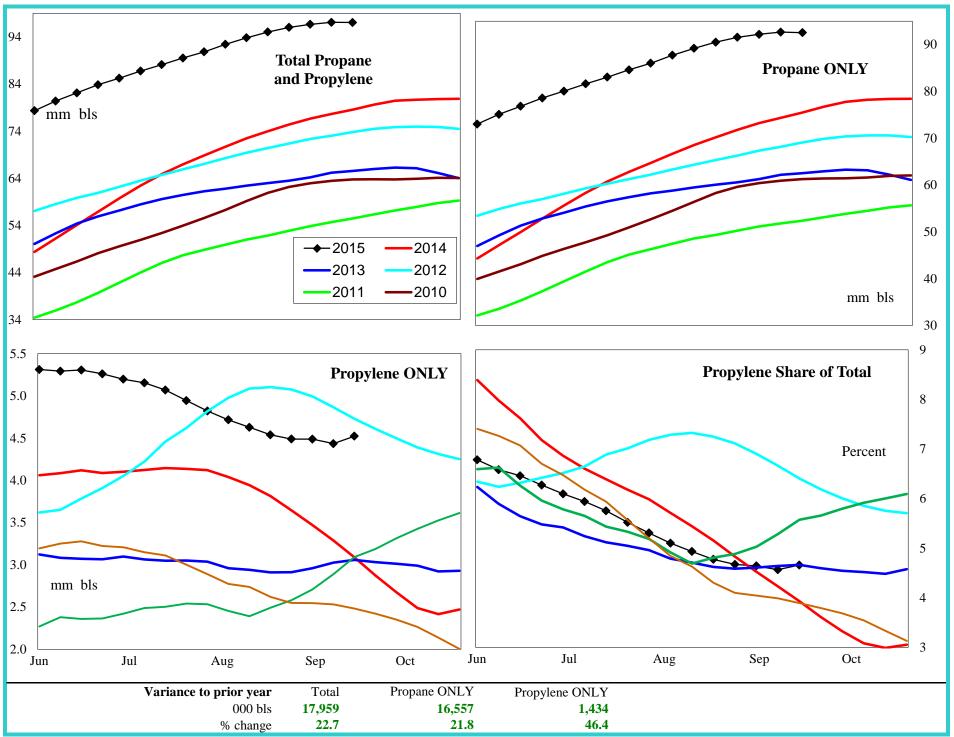
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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