WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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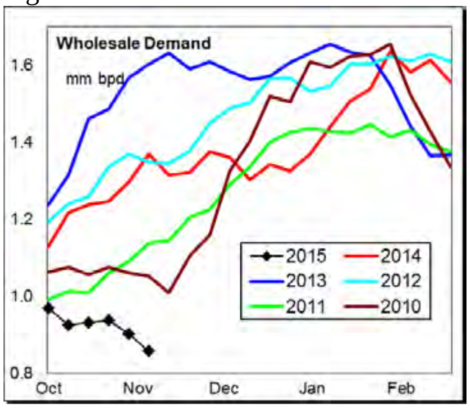
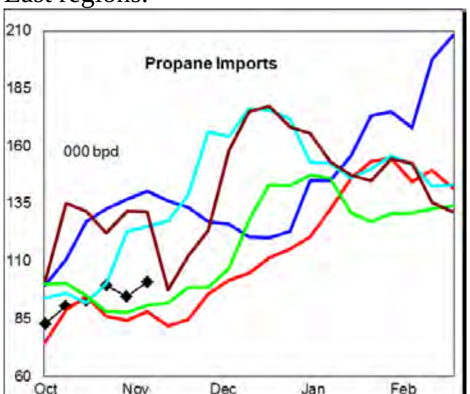
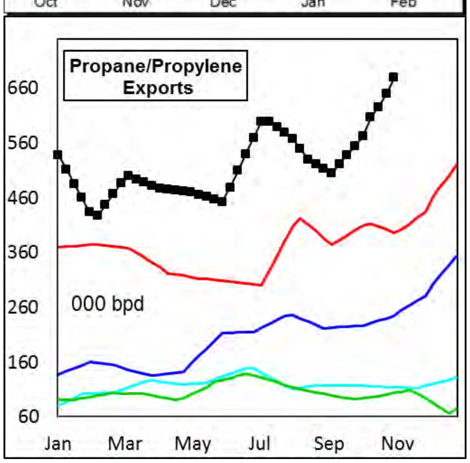
Summary[1]:
Wholesale demand increased +30,000 bpd last week, a level sharply below the 5-yr range. Above normal temperatures and lack of rain in grain harvesting regions has reduced seasonal demand.



Imports increased +33,000 bpd last week, concentrated in the Midwest and East regions.

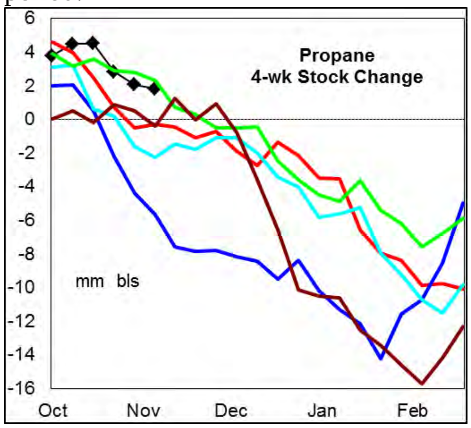




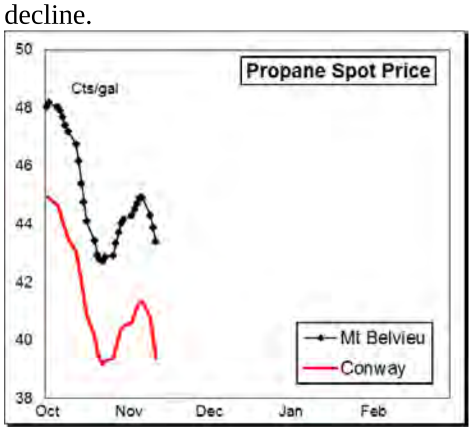
Exports for the week ending 30Oct15 were +288,000 bpd above last year.

Stocks increased +1.6 million barrels last week, with the build concentrated in the Midwest and Gulf regions. The cumulative seasonal stock *draw* of -0.1 million barrels (stocks are -0.1 million barrels below the season high) matches the historic record.

The rate of stock build was +2.3 million barrels during the latest 4-wk period, equal to the historic high for the period.



Price and Spreads Mt Belvieu spot price decreased -3 cpg last week ending 11Nov15, while Conway saw a similar decline.



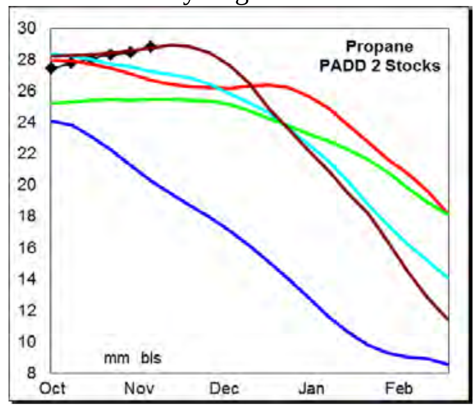
The Conway – Mt Belvieu price spread declined late last week, ending at a level below the 3-yr mid range.

The propane to natural gas price spread traded sideways last week, ending at a level equal to a year ago.

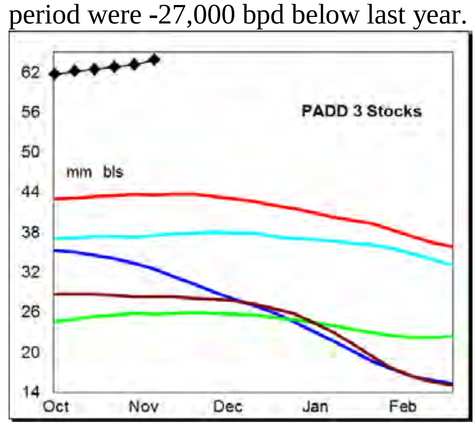
The propane / crude oil price spread trended higher last week, ending at a level that matched historic lows.

PADD 1 stocks increased +0.2 million barrels on the week to a level +11% above the prior 5-yr high for the period. Supply decreased -7,000 bpd last week.

PADD 2 supply climbed +74,000 bpd last week, on higher production and imports. Production reached a new record high. Stocks increased +0.4 million barrels on the week, to a level that matched 5-yr highs.



PAD 3 stocks increased +0.9 million barrels on the week. Stock levels ended the week +45% above the prior 5-yr high. Supplies for the latest 4-wk period were -27,000 bpd below last year.



PADDs 4 & 5 stocks were unchanged on the week, at a level +0.3 million barrels above last year.

Emerging Trends Wholesale demand remains extremely weak, resulting in continued stock builds. The latest 4-wk stock build matched the record for this time of year. Stock levels in every region are equal to or above the prior 5-yr high.

A strengthening $dollar and global over supply of crude oil has led to a pull back in global oil prices. Weak wholesale demand and very high stock levels risk continued price weakness during the quarter.

[1] Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

November 12, 2015

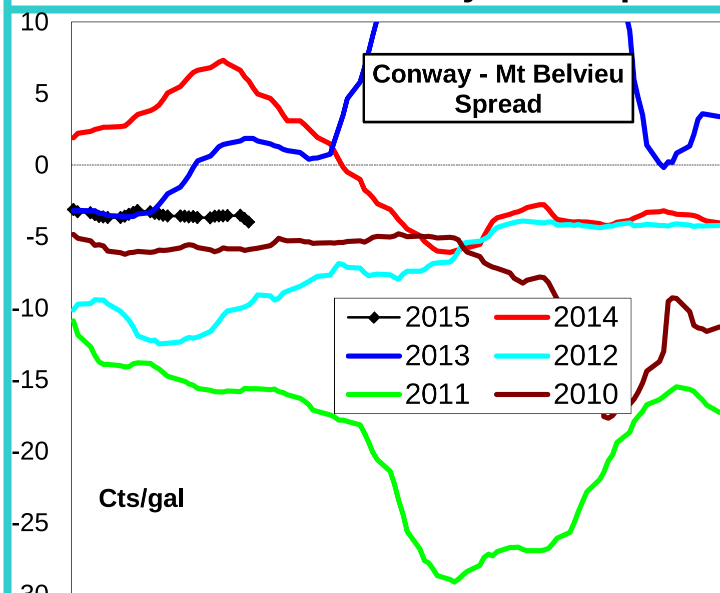
Fundamental Trends for the Week Ending: Friday, November 06, 2015

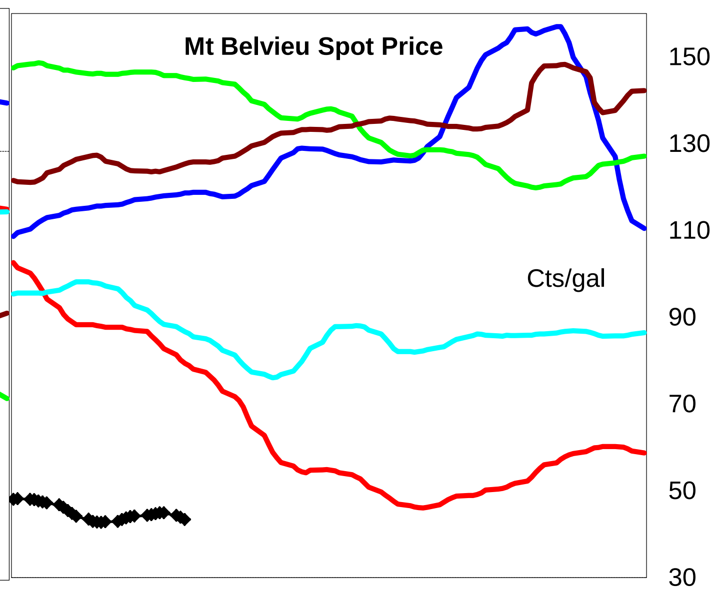
000 bpd / Stocks 000 bls	Weekly Supply-Demand: U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	Change from prior week: U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	103,974	6,924	28,797	63,868	4,385	1,563	155	448	923	37
Propylene Stocks	3,687					-44				
Production	1,659	162	381	930	186	99	-20	55	70	-6
Imports	101	42	44	0	15	33	13	19	0	1
Whsle Demand	857					30				

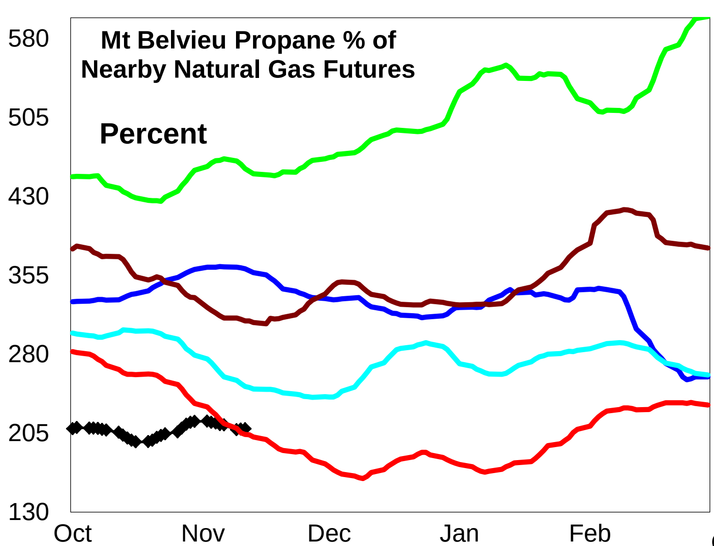
Price Trends for the Week Ending: Wednesday, November 11, 2015

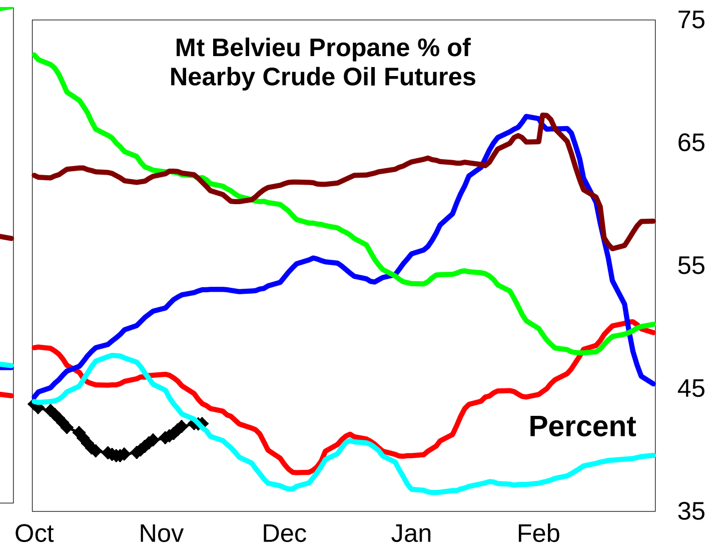
Cents/gal	Average for week ending: 11/11/15	11/4/15	10/14/15	11/13/14	Change from: 11/4/15	10/14/15	11/13/14	% change from: 11/4/15	10/14/15	11/13/14
Mont Belvieu Spot	44.3	45.3	47.2	82.8	-1.00	-1.88	-35.61	-2.2	-4.0	-43.0
Conway Spot	40.8	41.7	43.7	90.4	-0.88	-2.08	-46.68	-2.1	-4.7	-51.6

Key Price Spreads and Differentials

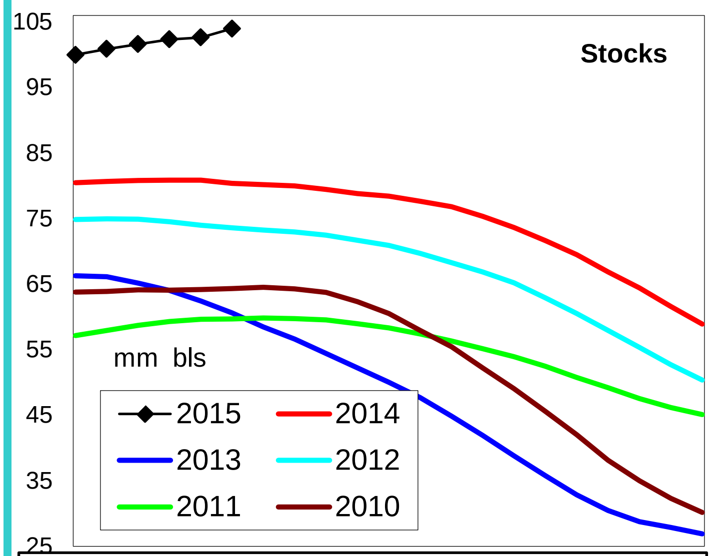


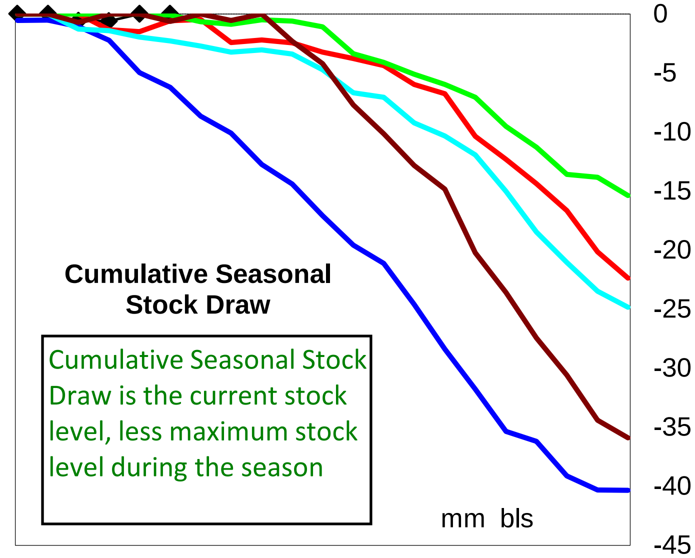


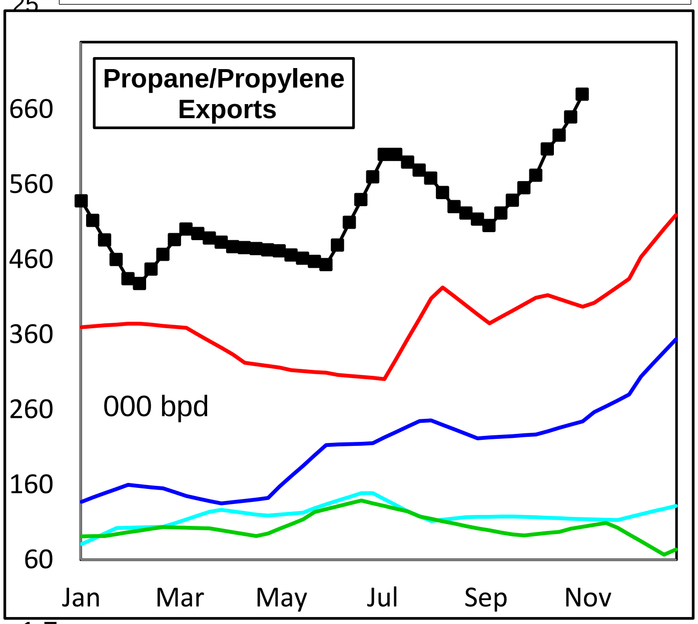


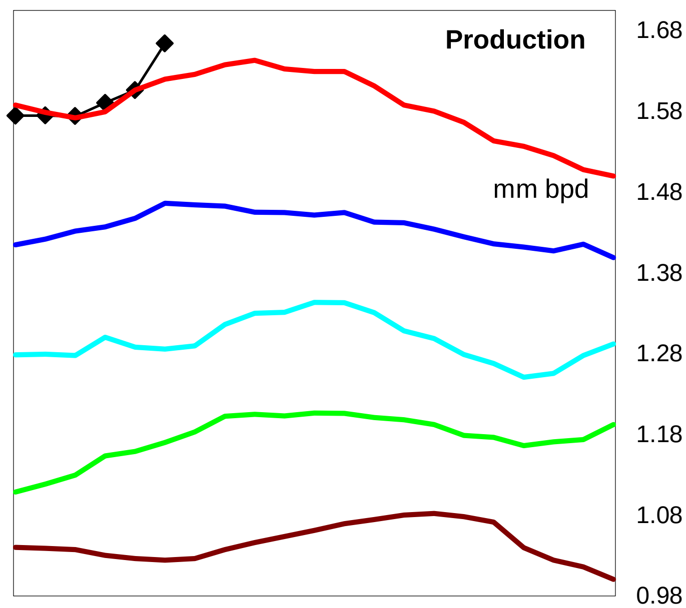


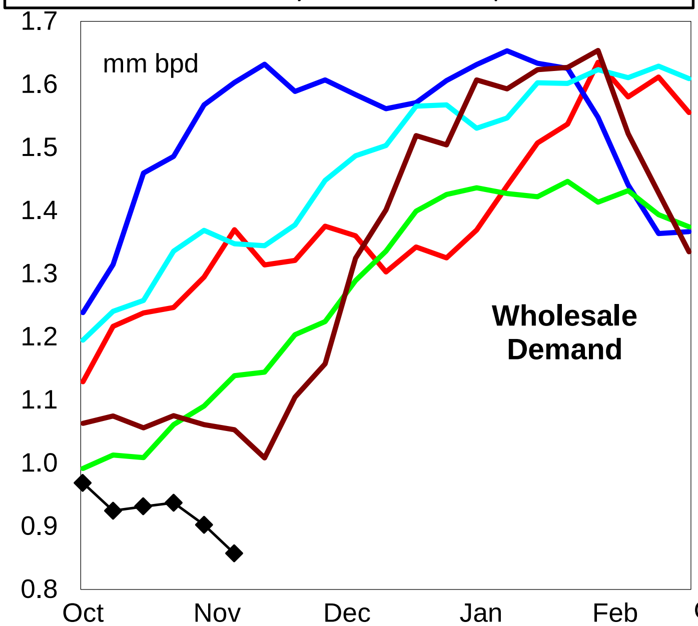
U. S. Propane Supply and Demand Balance

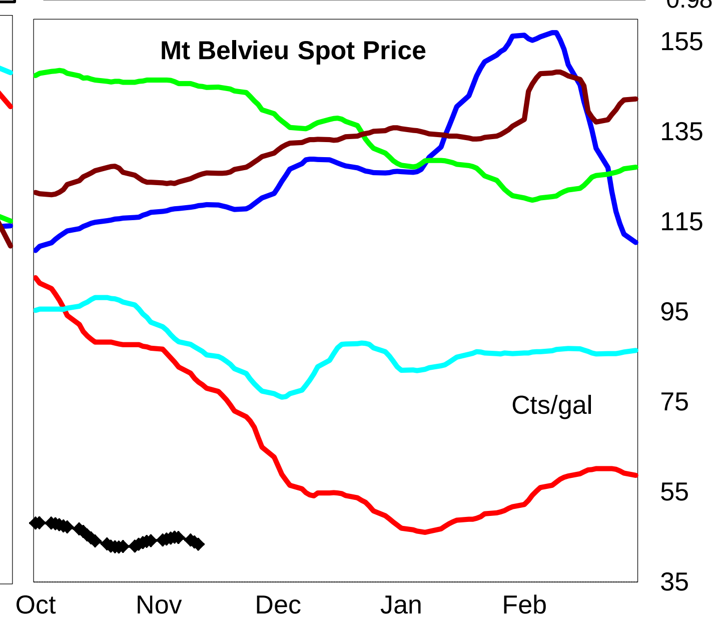






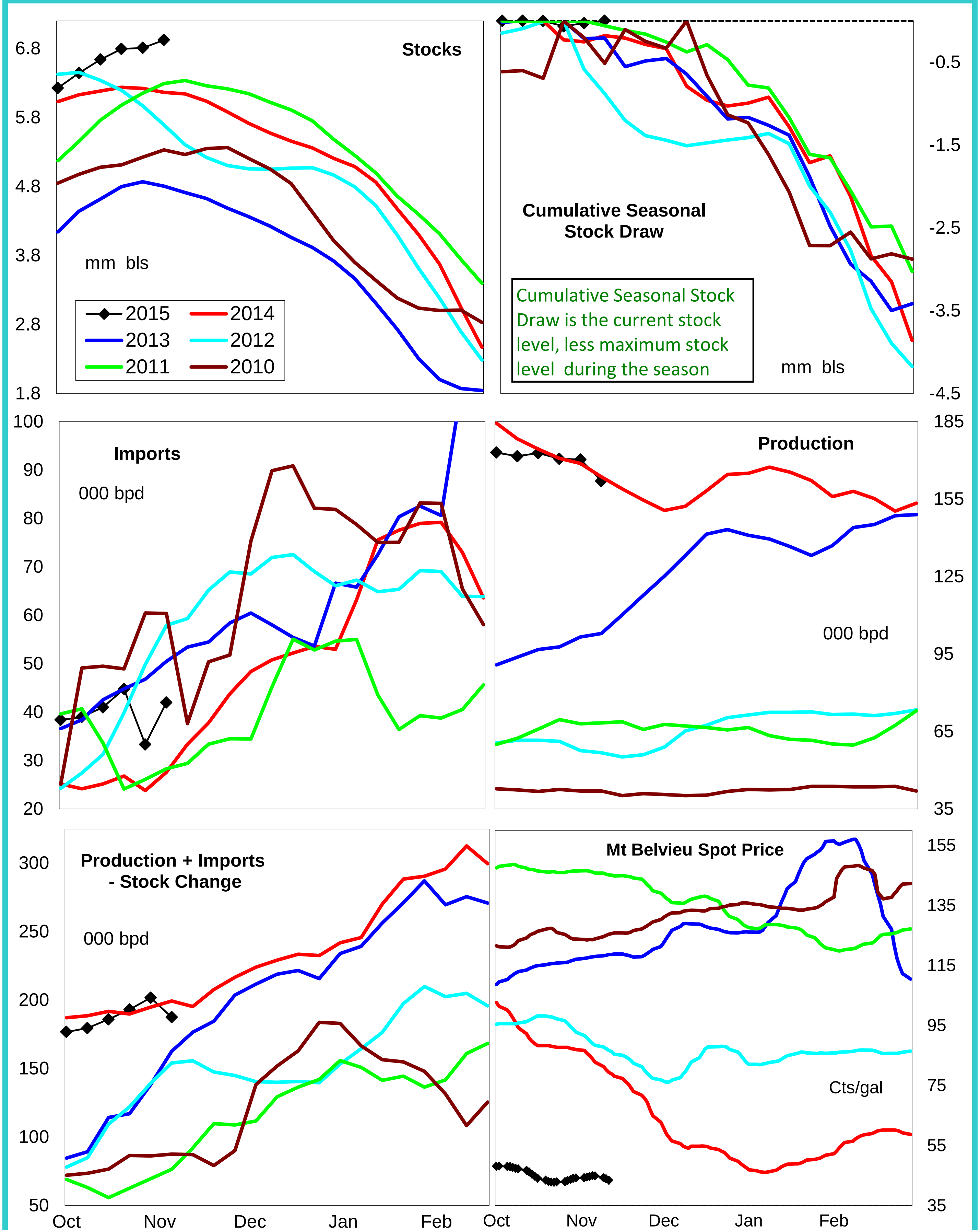






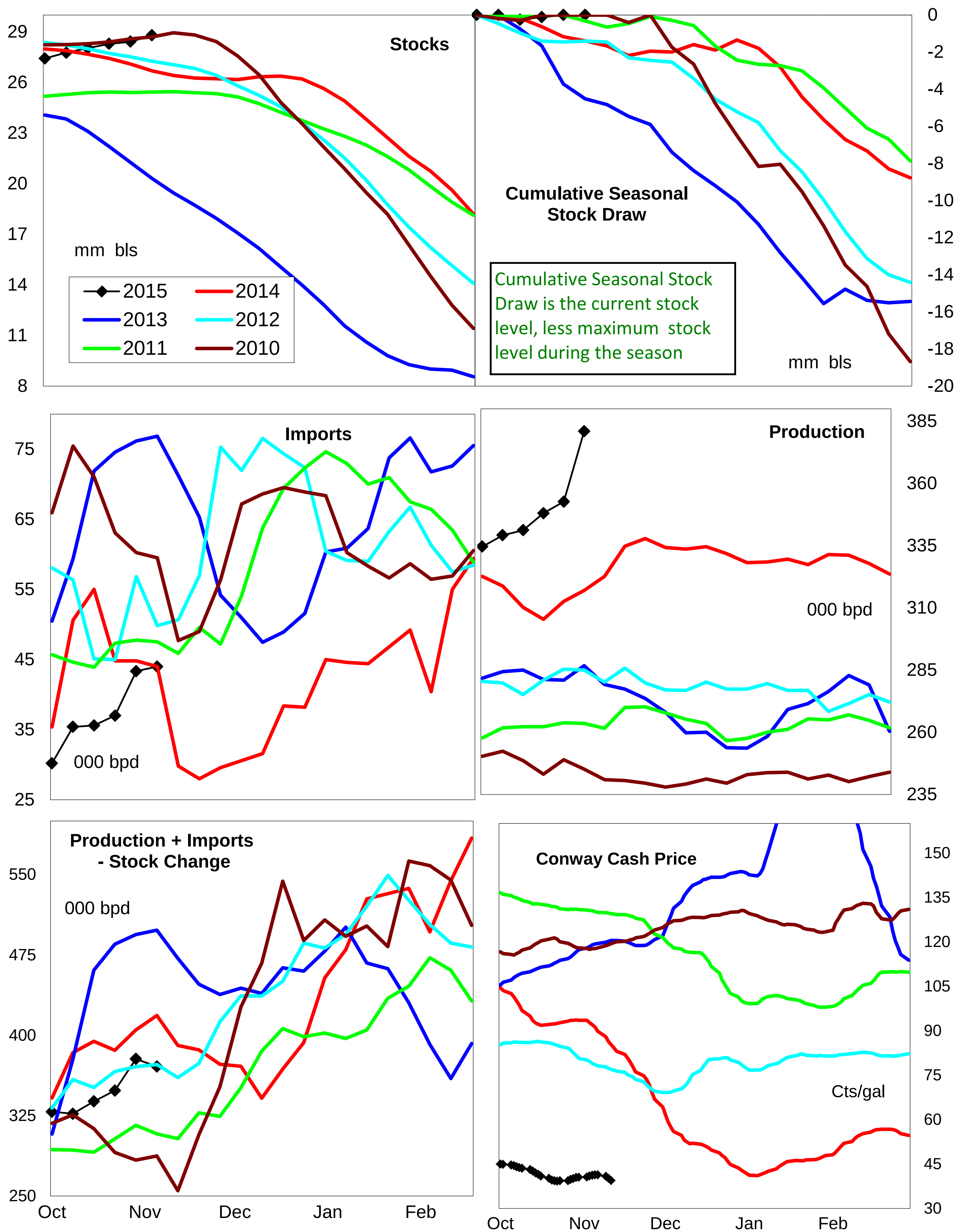
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Sep	Aug
000 bpd (000 bls stks)	22,921	559	4	3		-329	17	-16
% change	28.3	-100	0.3	2.9		-25.6	1.7	-1.6

PADD 1 Propane Supply and Demand Balance



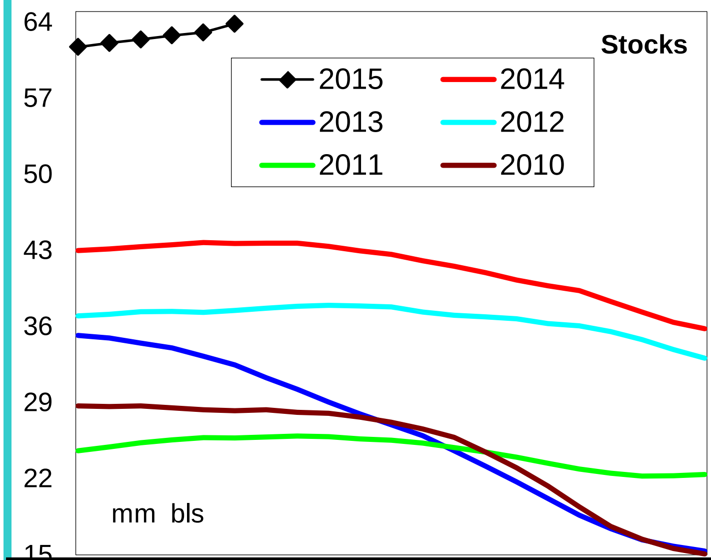
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	706	177	-1	9	-2
% change	11.4	-100.0	-0.3	41.4	-1.0

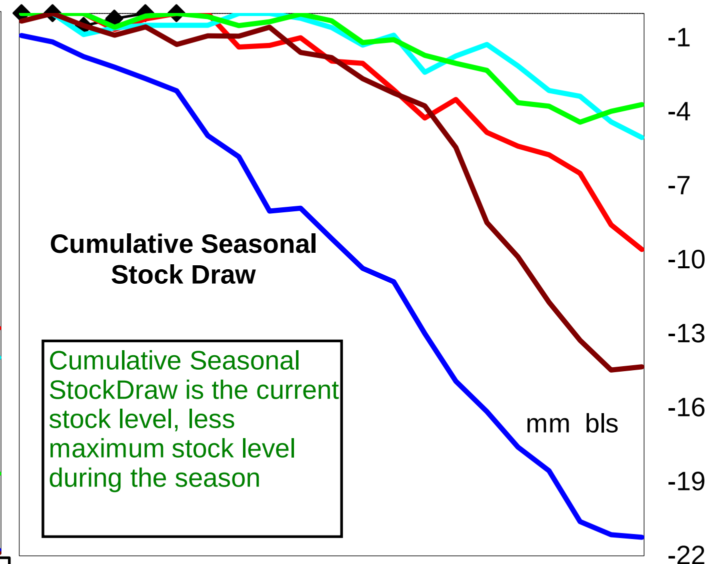
PADD 2 Propane Supply and Demand Balance

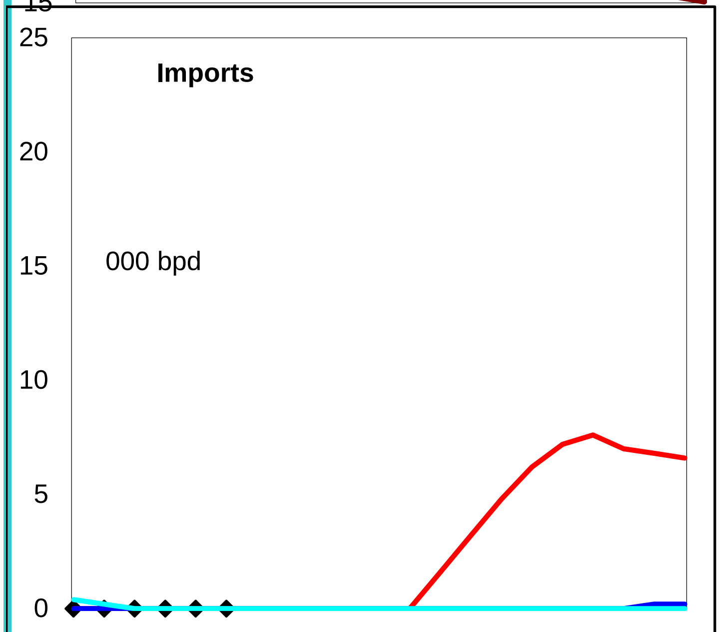


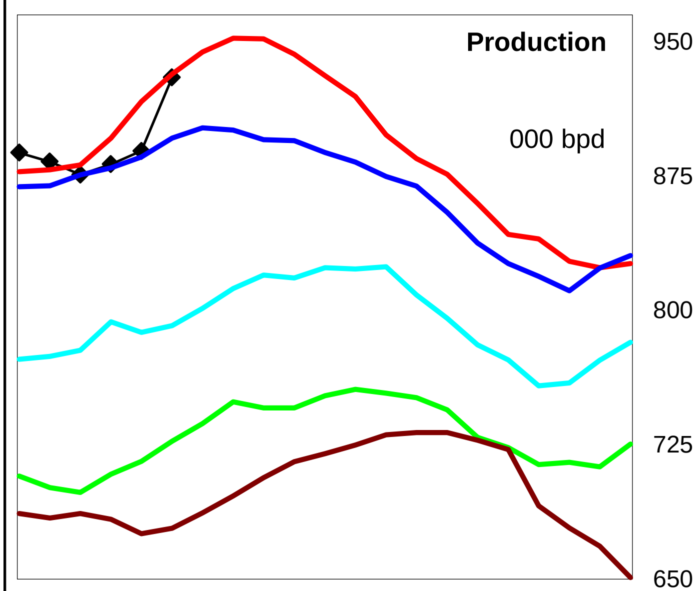
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	2,095	1,393	49	-10	-42
% change	7.8	-100.0	16.2	-19.6	-10.5

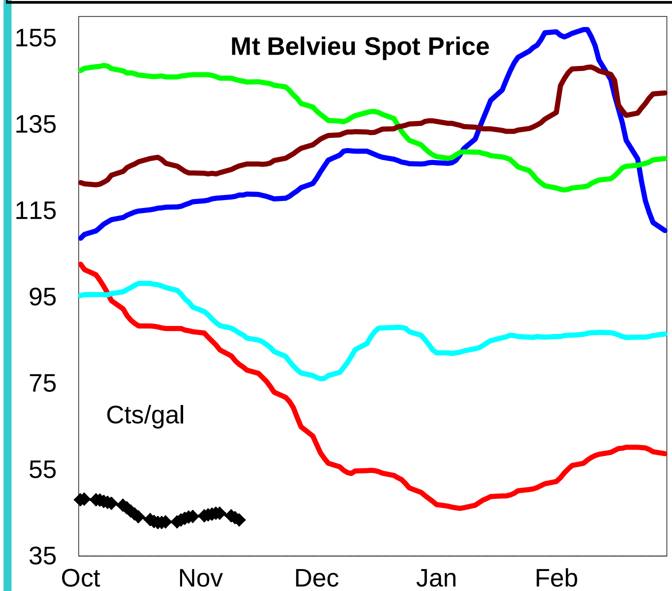
PADD 3 Propane Supply and Demand Balance

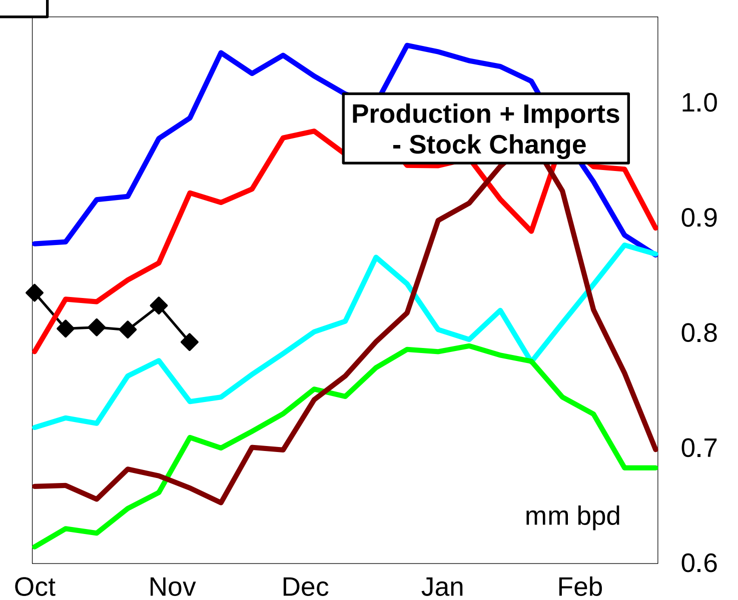












4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	19,775	0	-27	0	-58
% change	44.8	#DIV/0!	-3.0	#DIV/0!	-6.5

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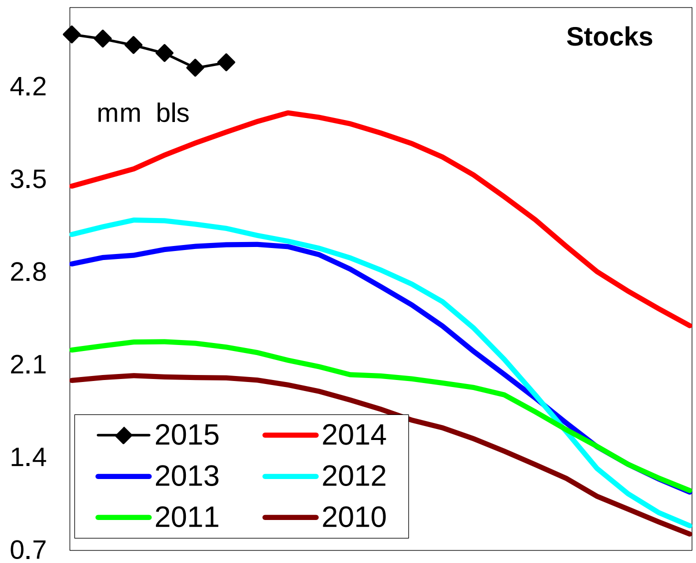
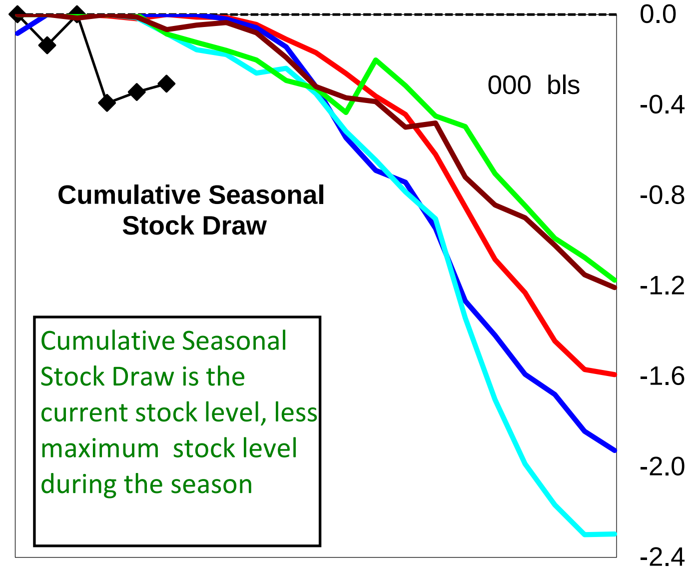
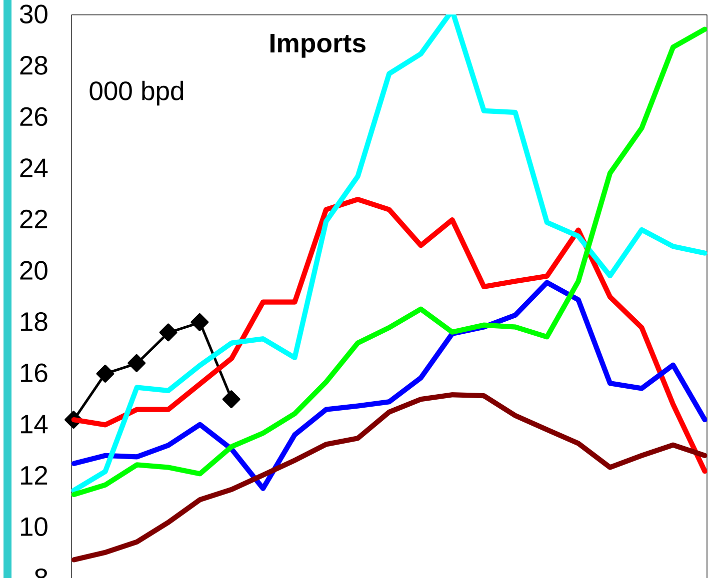
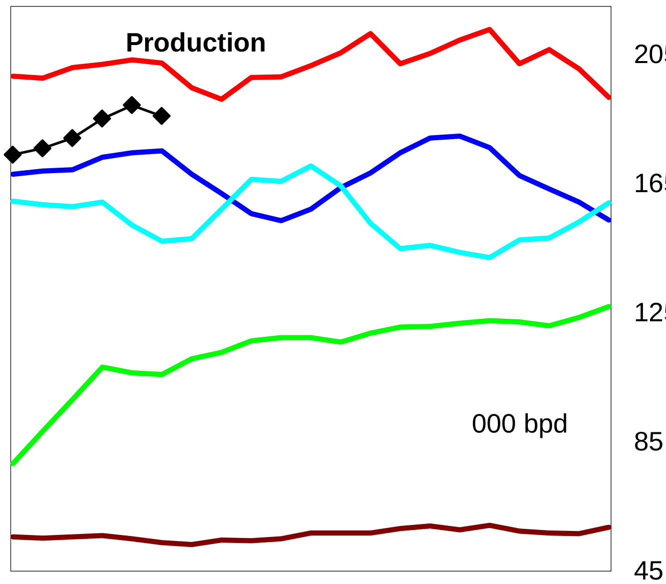
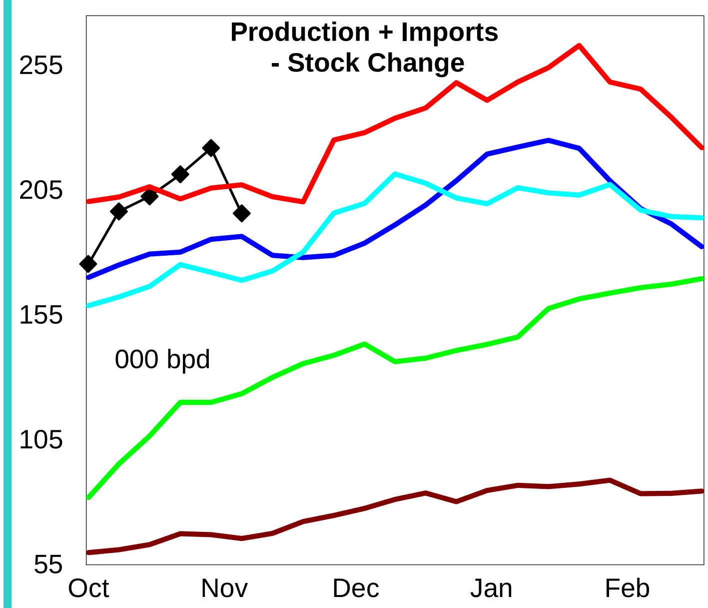
PADDs 4 and 5 Propane Supply and Demand Balance

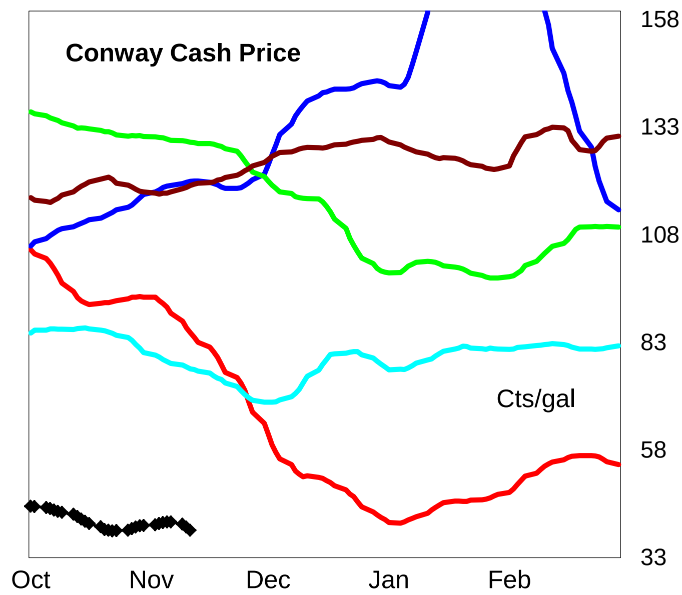






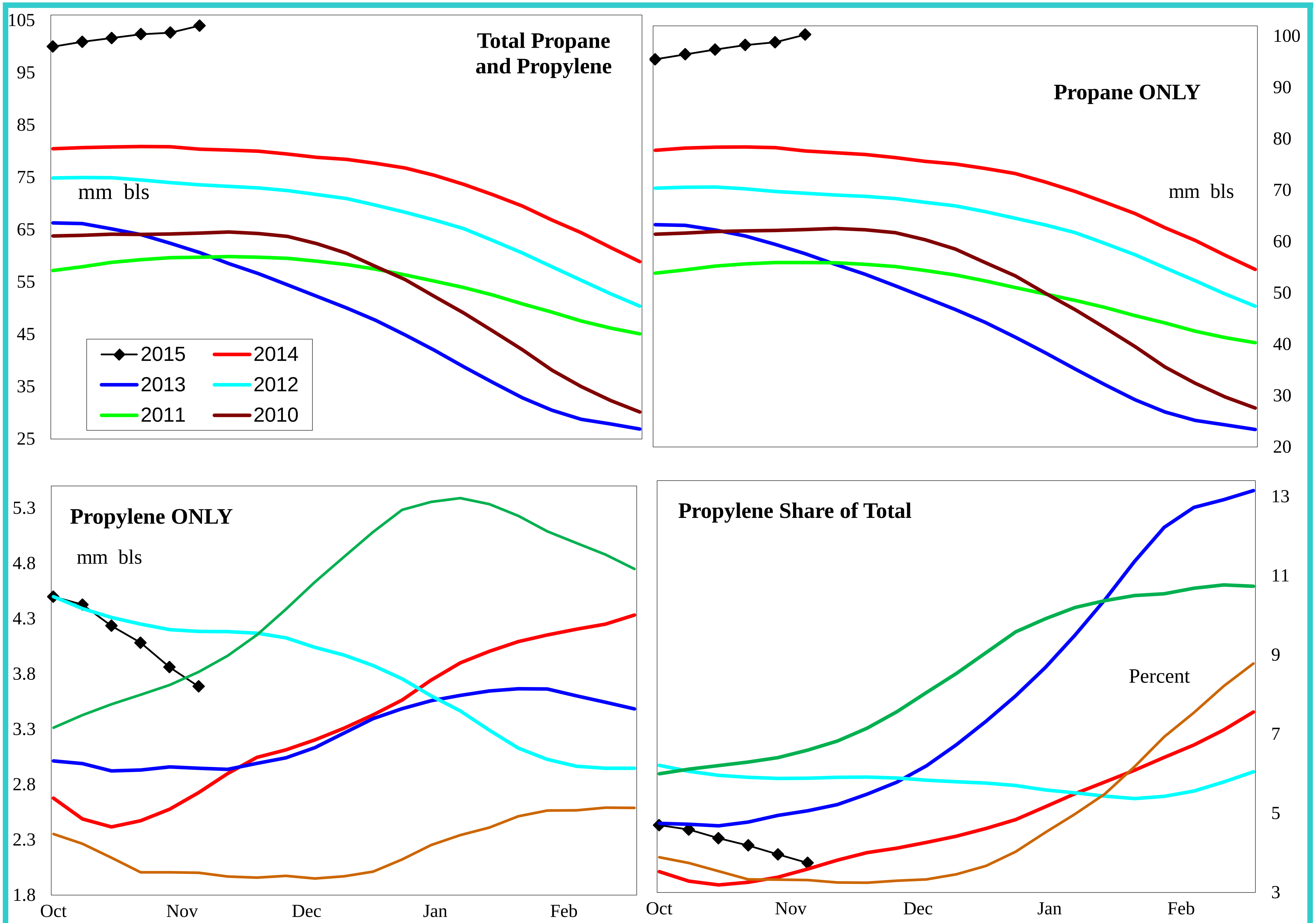






4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	344	-306	-17	3	3
% change	8.5	#DIV/0!	-8.4	21.3	1.3

U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	**22,921**	**22,166**	**959**
% change	**28.3**	**28.4**	**35.2**

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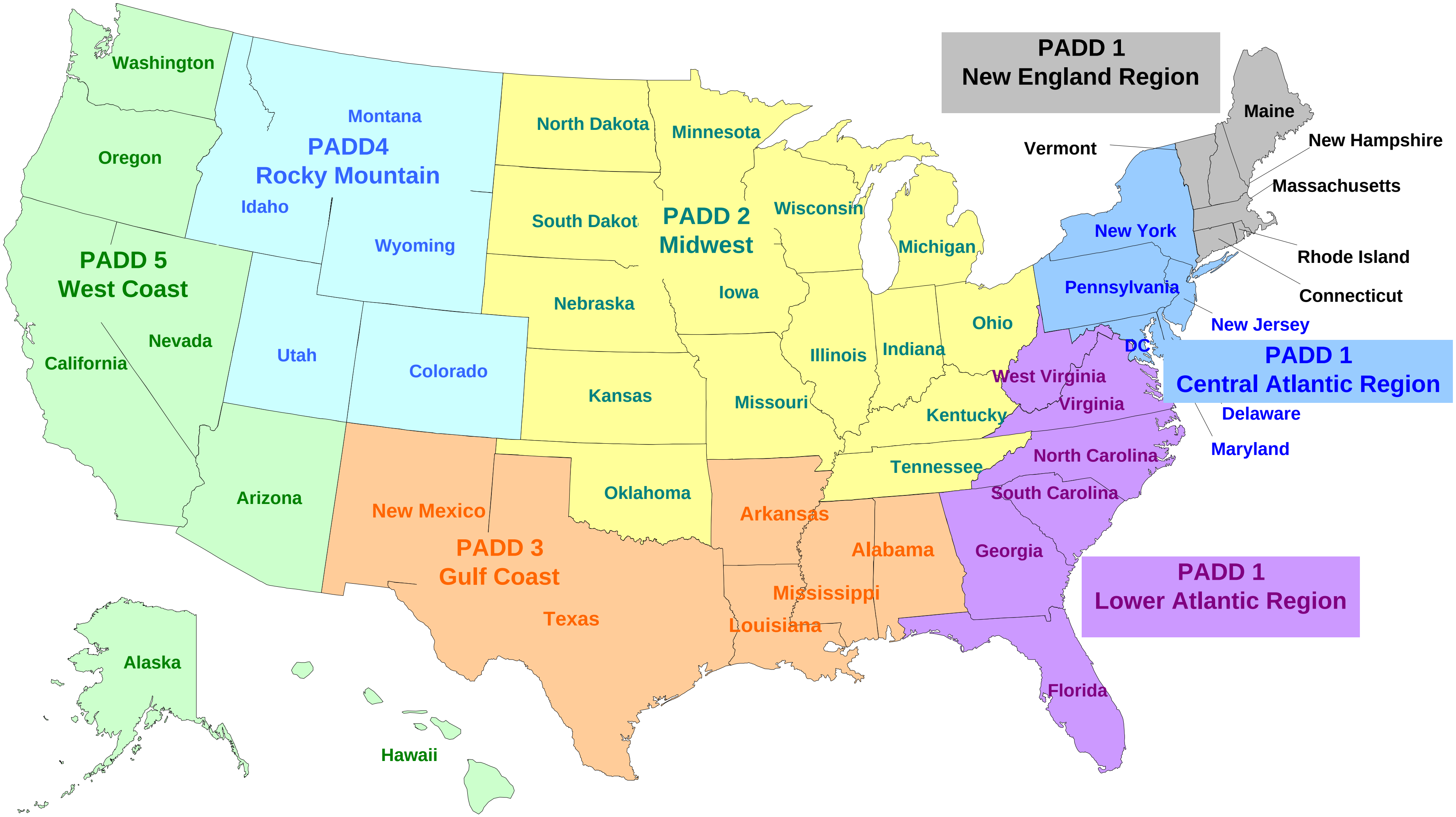
U. S. Petroleum Administrative for Defense Districts (PADDs)



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