

WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

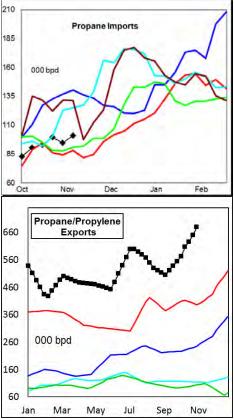
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

Summary¹:

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.



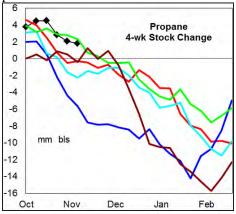
Imports increased +33,000 bpd last week, concentrated in the Midwest and East regions.



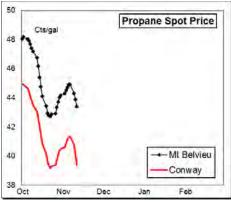
Exports for the week ending 300ct15 were +288,000 bpd above last year.

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.



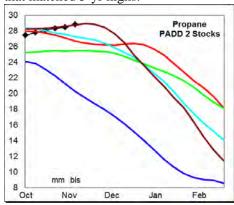
The Conway – Mt Belvieu price spread declined late last week, ending at a level below the 3-yr mid range.

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

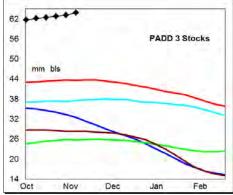
The propane / crude oil price spread trended higher last week, ending at a level that matched historic lows.

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.

Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and is intended for informational purposes and is not to be construed as a recommendation to sell or buy, or trade in any commodity mentioned herein. Information is obtained from sources believed reliable, but is in no way guaranteed. Opinions, market data and recommendations are subject to change at any time. Past results are not indicative of future results. Charts are developed by Fundamental Petroleum Trends from EIA, NWS, other public

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, 20										6, 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	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 Average for week ending: Change from: % change from: Cents/gal 11/11/15 11/4/15 10/14/15 11/13/14 11/4/15 10/14/15 11/13/14 11/4/15 10/14/15 11/13/14 Mont Belvieu Spot 44.3 45.3 47.2 82.8 -1.00 -1.88 -35.6° -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 10 Mt Belvieu Spot Price Conway - Mt Belvieu 150 5 **Spread** 130 0 -5 110 Cts/gal -10 -2015 2014 90 2013 2012 -15 2011 2010 70 -20 Cts/gal 50 -25 -30 30 75 580 Mt Belvieu Propane % of Mt Belvieu Propane % of **Nearby Natural Gas Futures Nearby Crude Oil Futures** 505 **Percent** 65 430 355 55 280 45 205 **Percent** 130 35

Dec

Jan

Feb

Nov

Oct

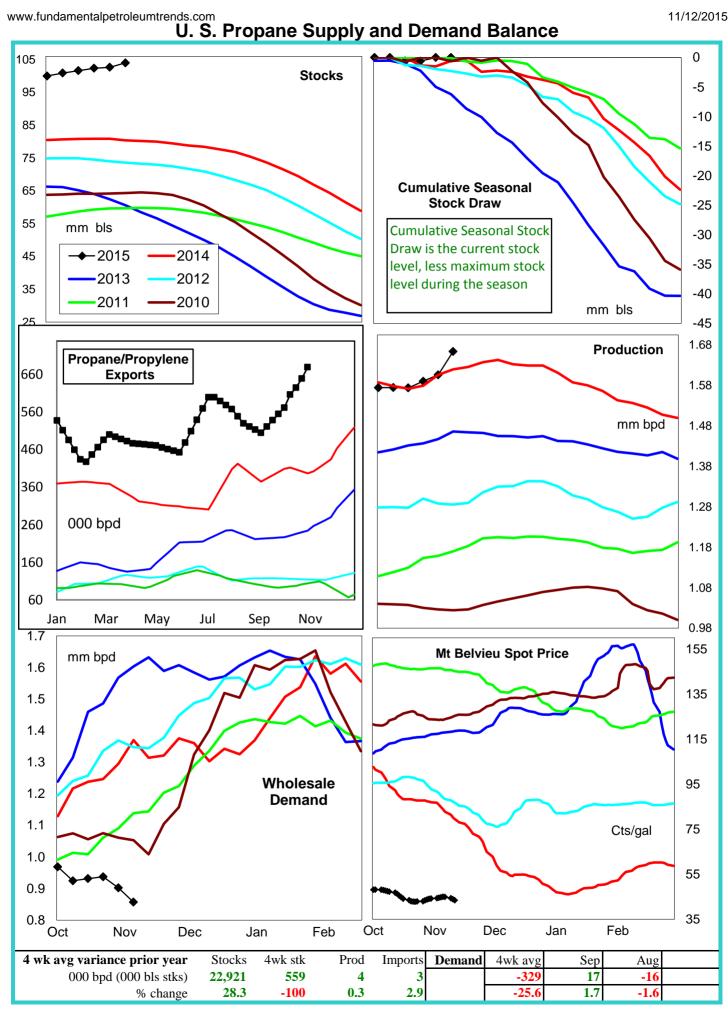
Oct

Nov

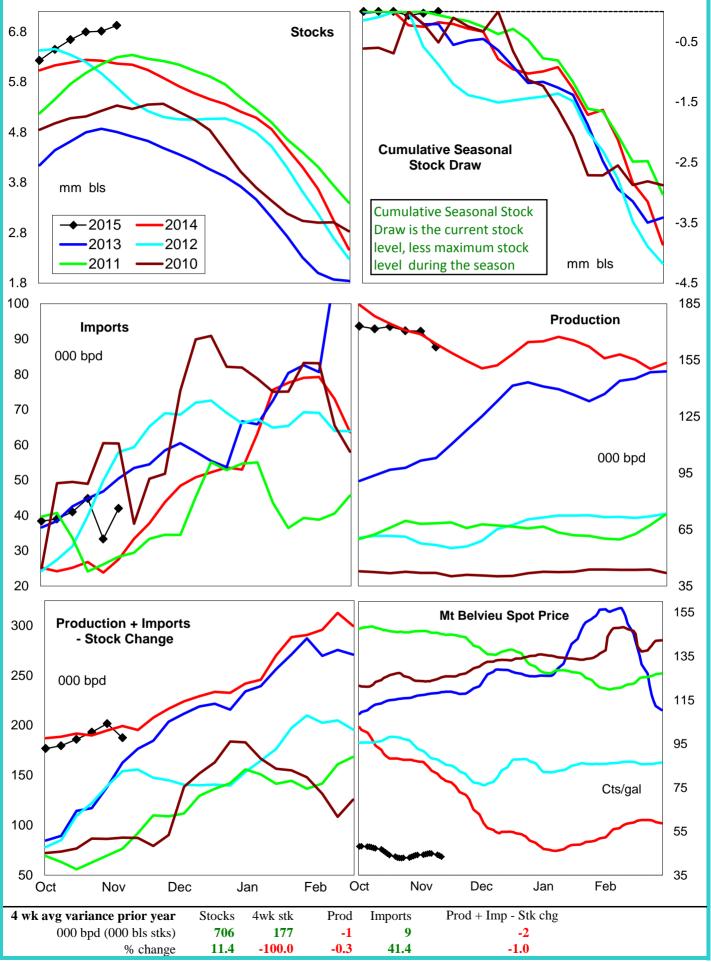
Dec

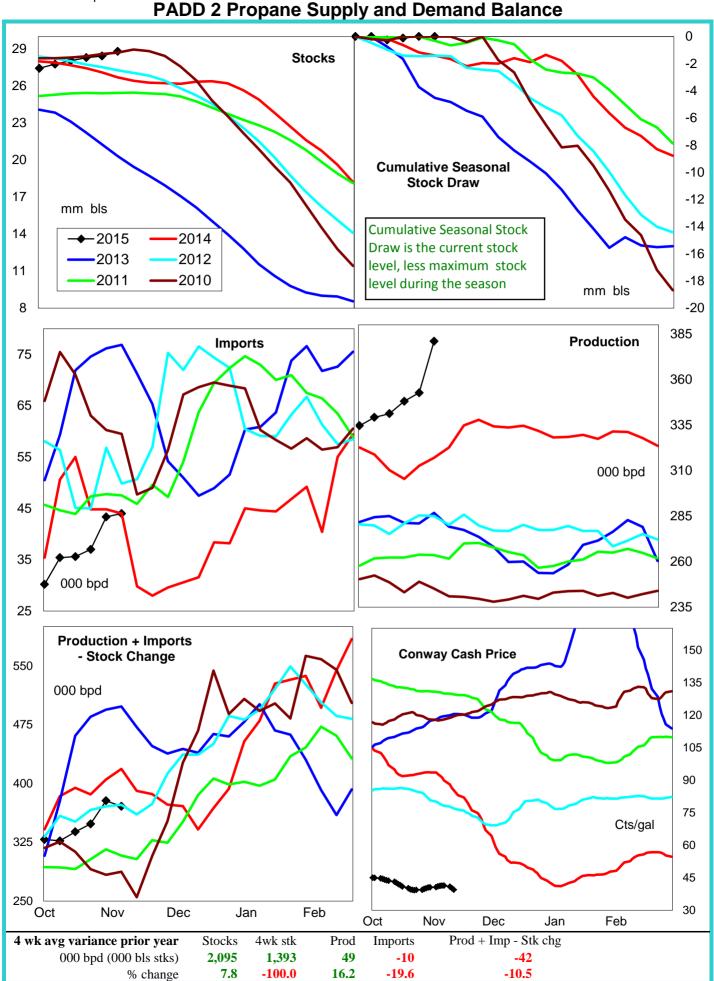
Jan

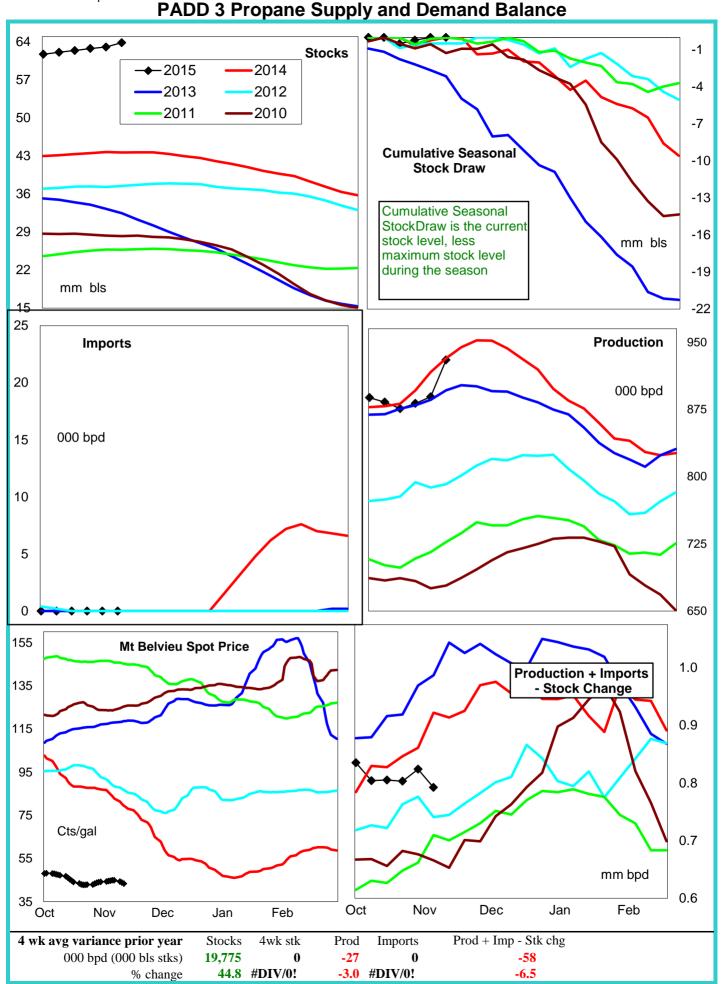
Feb



PADD 1 Propane Supply and Demand Balance Stocks







www.fundamentalpetroleumtrends.com 11/12/2015 PADDs 4 and 5 Propane Supply and Demand Balance 0.0 **Stocks** 000 bls 4.2 -0.4 mm bls 3.5 **Cumulative Seasonal** -0.8 **Stock Draw** 2.8 -1.2 **Cumulative Seasonal** 2.1 Stock Draw is the -1.6 current stock level, less 2014 -2015 maximum stock level 1.4 -2.0 2013 2012 during the season 2011 2010 0.7 -2.4 30 **Imports Production** 205 28 000 bpd 26 24 165 22 20 125 18 16 14 000 bpd 85 12 10 8 45 158 **Production + Imports Conway Cash Price** - Stock Change 255 133 205 108 155 83 000 bpd Cts/gal 105 58 55 33 Oct Nov Feb Dec Jan Oct Nov Dec Jan Feb 4 wk avg variance prior year Prod + Imp - Stk chg

% change

000 bpd (000 bls stks)

Imports

3

21.3

Prod

-17

-8.4

4wk stk

8.5 #DIV/0!

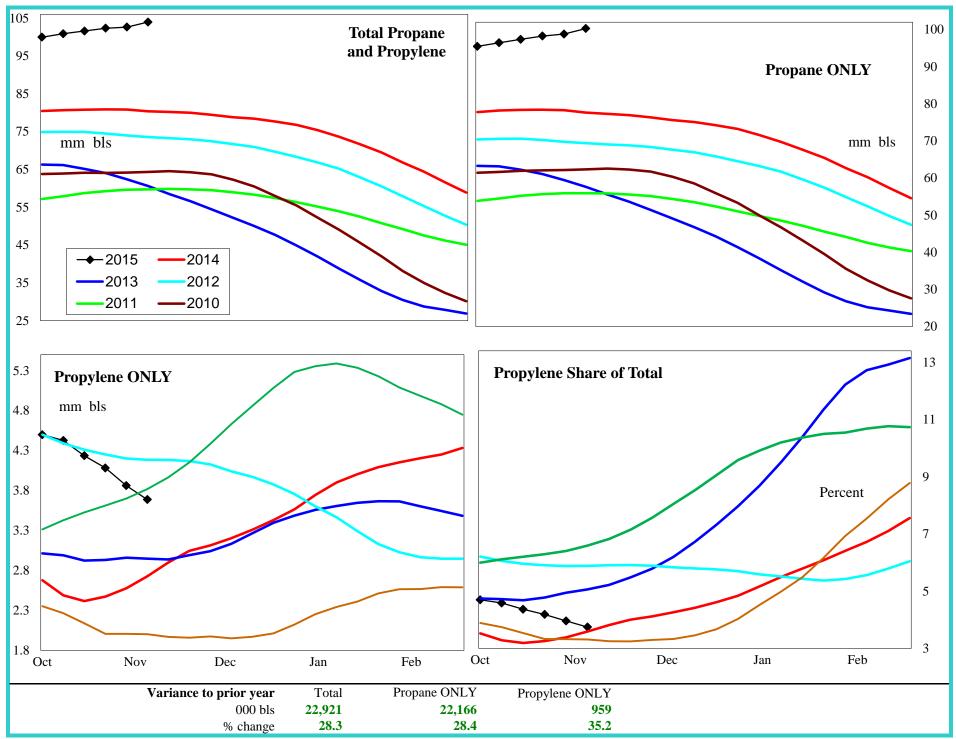
-306

Stocks

344

3 1.3

U. S. Propane and Propylene Stocks



www.fundamentalpetroleumtrends.com 11/12/2015

