WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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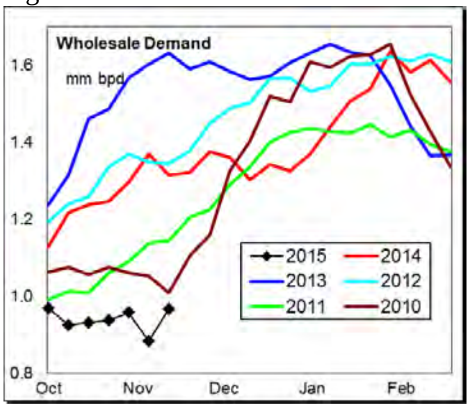
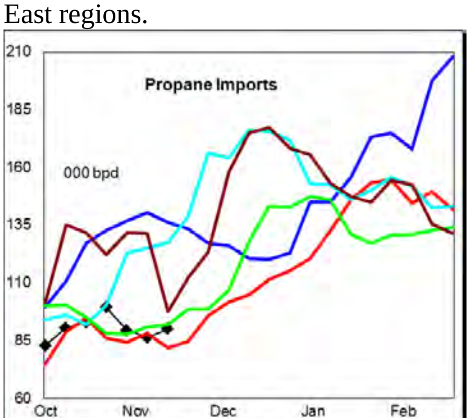
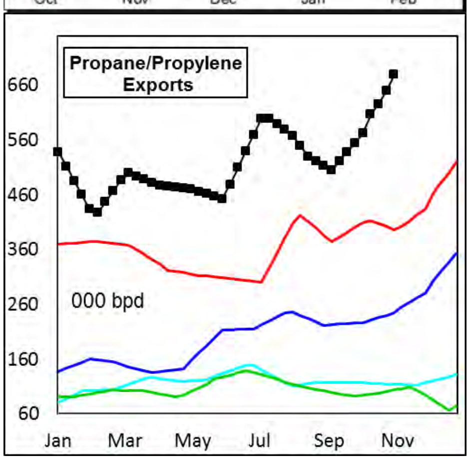
Summary[1]:
Wholesale demand increased +110,000 bpd last week, a level sharply below the 5-yr range. Above normal temperatures and lack of rain in grain harvesting regions has reduced seasonal demand.



Imports decreased -11,000 bpd last week, concentrated in the Midwest and East regions.

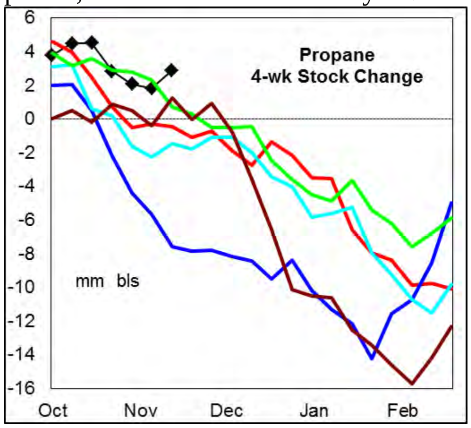




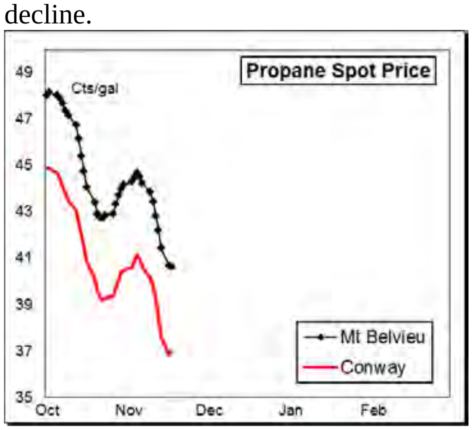
Exports for the week ending 30Oct15 were +288,000 bpd above last year.

Stocks increased +0.5 million barrels last week, with the build concentrated in the Midwest. Stocks remain at a season high this year due to above normal temperatures for the last month.

The rate of stock build was +2.9 million barrels during the latest 4-wk period, a record for this time of year.



Price and Spreads Mt Belvieu spot price decreased -3.50 cpg last week ending 17Nov15, while Conway saw a similar decline.



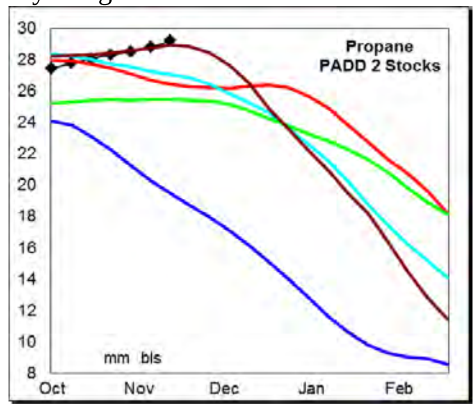
The Conway – Mt Belvieu price spread was unchanged last week, ending at a level well below the last 2-yrs.

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

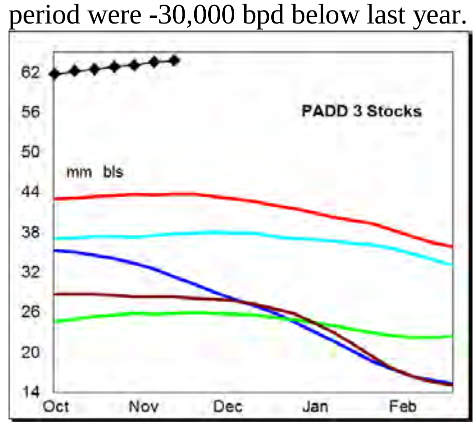
The propane / crude oil price spread traded sideways last week, ending at a level near the 3-yr mid range.

PADD 1 stocks increased +0.2 million barrels on the week to a level +15% above the prior 5-yr high for the period. Supply was nearly unchanged last week week.

PADD 2 supply decreased -12,000 bpd last week, on lower production and imports. Production was +54,000 bpd above a year ago for the week, a record high. Stocks increased +0.4 million barrels on the week, to a level above the 5-yr range.



PAD 3 stocks decreased -0.2 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 -30,000 bpd below last year.



PADDs 4 & 5 stocks increased +0.1 million barrels on the week, at a level +0.5 million barrels above last year.

Emerging Trends Look for wholesale demand to rebound on a sharp drop in temperatures across major heating markets during the 2nd half of the month. Stock levels are extremely high in all regional markets.

A strengthening $dollar and over supply of crude oil continues to depress energy prices. Normal to below normal temperatures in key heating markets should provide a floor to wholesale propane prices during the 2nd half of the month.

[1] Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

November 18, 2015

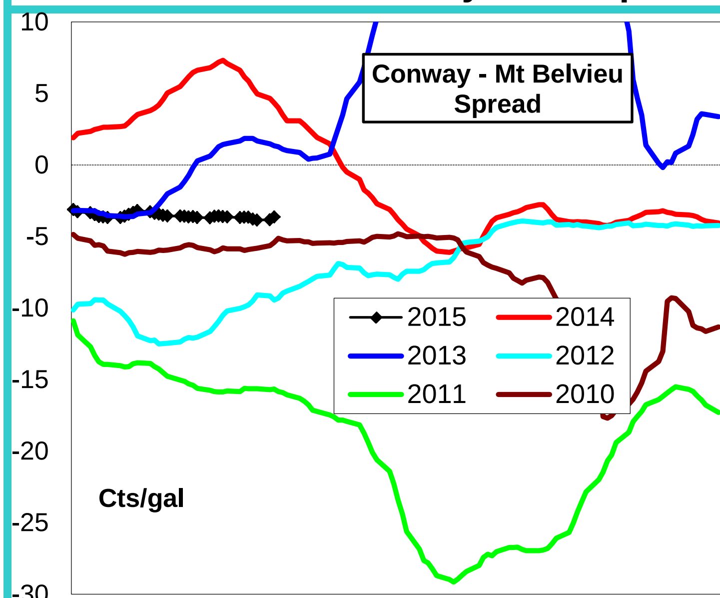
Fundamental Trends for the Week Ending: Friday, November 13, 2015

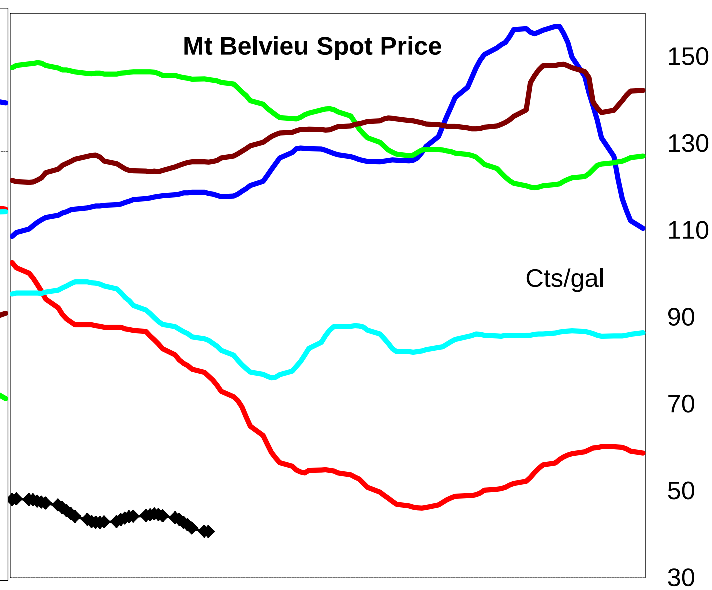
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	104,469	7,096	29,202	63,672	4,499	495	172	405	-196	114
Propylene Stocks	3,689					2				
Production	1,628	167	377	898	186	-31	5	-4	-32	0
Imports	90	38	36	0	16	-11	-4	-8	0	1
Whsle Demand	967					110				

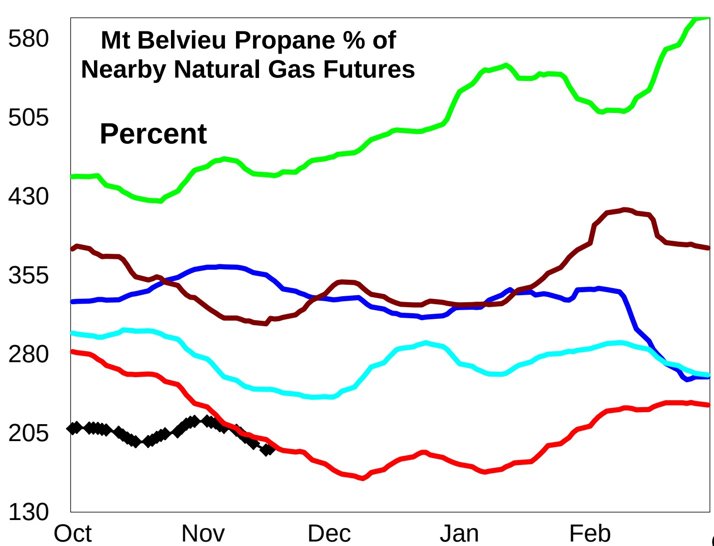
Price Trends for the Week Ending: Tuesday, November 17, 2015

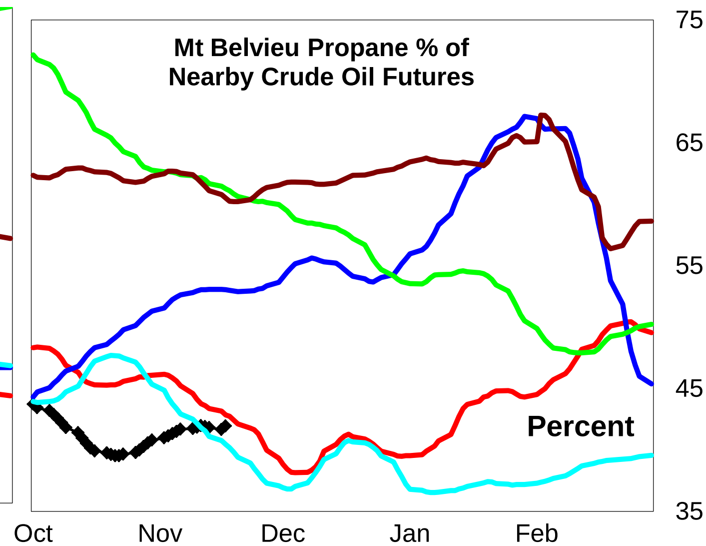
Cents/gal	Average for week ending:				Change from:			% change from:		
	11/17/15	11/10/15	10/20/15	11/19/14	11/10/15	10/20/15	11/19/14	11/10/15	10/20/15	11/19/14
Mont Belvieu Spot	41.5	44.9	43.2	76.5	-3.40	1.63	-33.23	-7.6	3.8	-43.5
Conway Spot	37.6	41.4	40.0	81.2	-3.80	1.38	-41.13	-9.2	3.4	-50.7

Key Price Spreads and Differentials

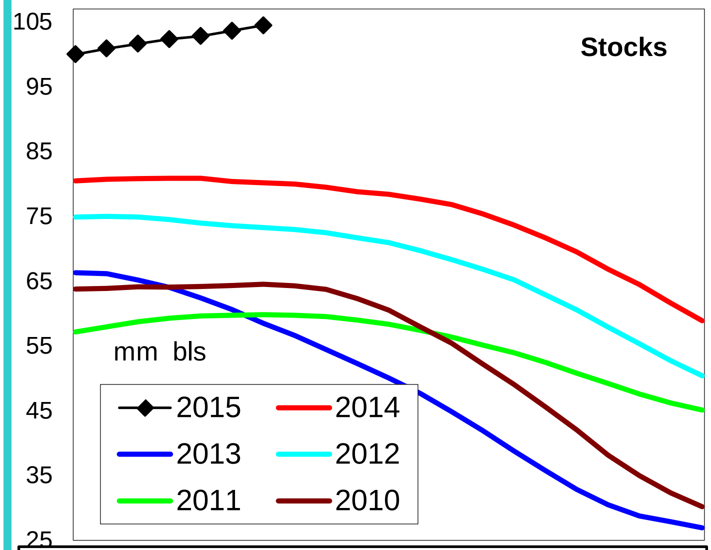


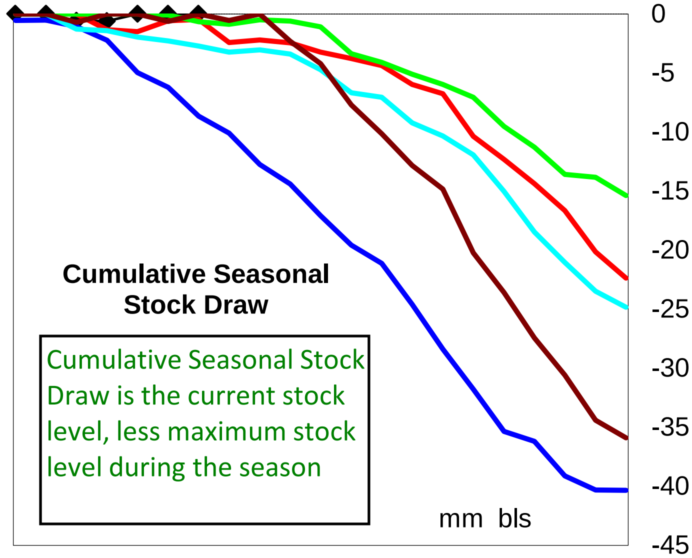


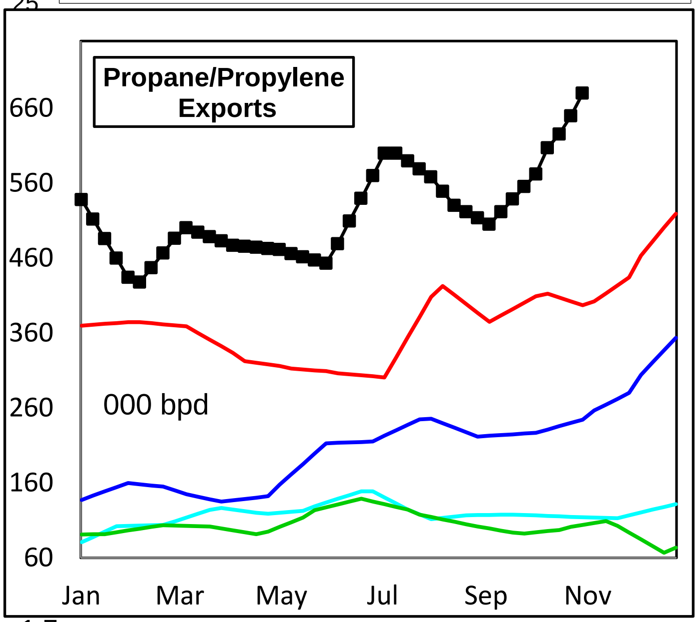


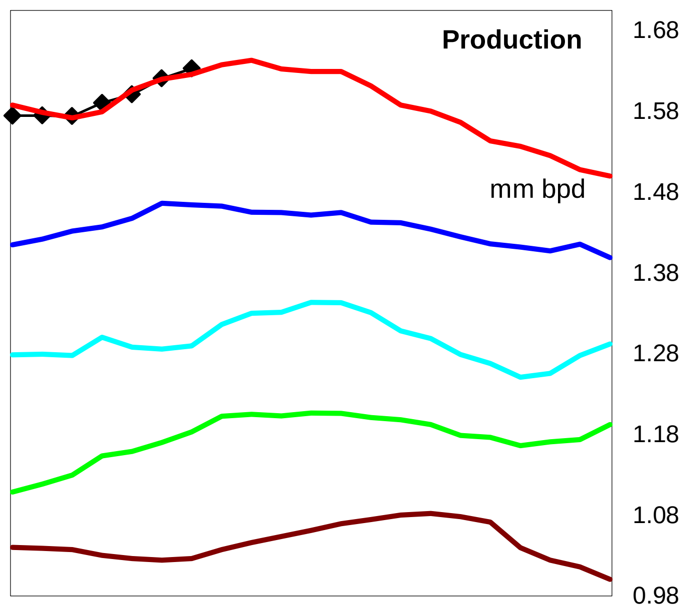


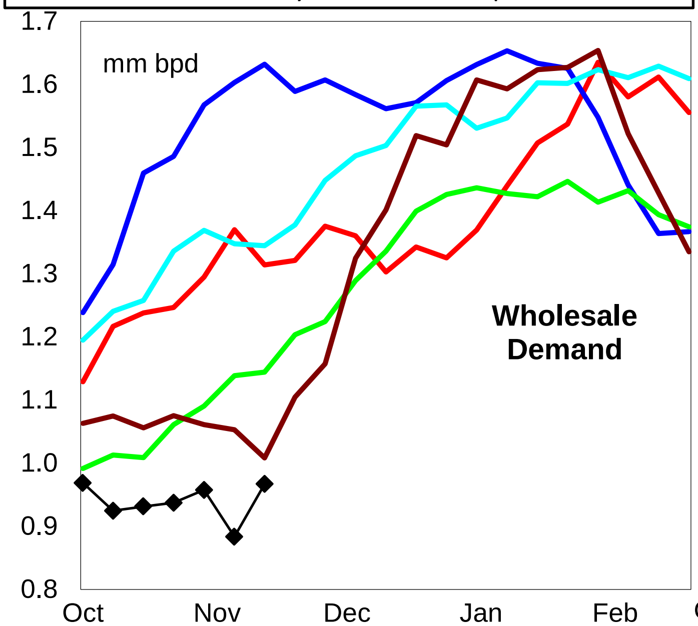
U. S. Propane Supply and Demand Balance

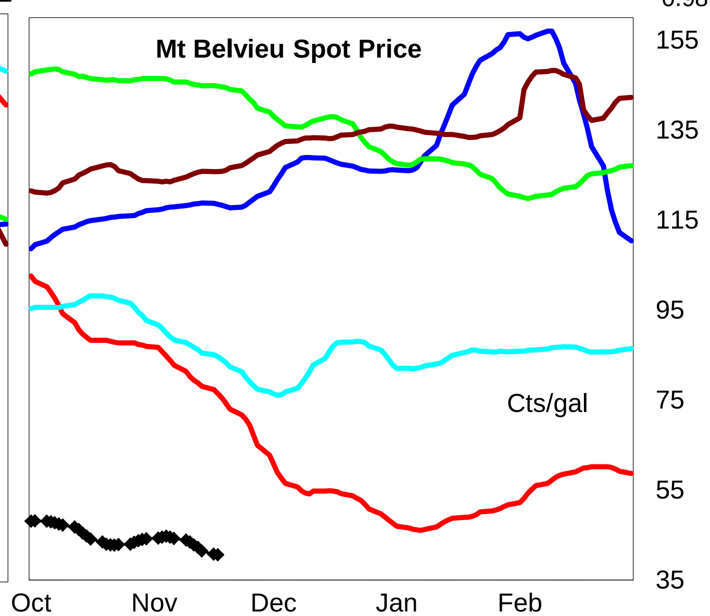












4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Oct	Sep	Aug
000 bpd (000 bls stks)	23,317	460	-2	5		-405	-185	-67	5
% change	28.7	-100	-0.1	5.1		-30.6	-16.2	-6.5	0.5

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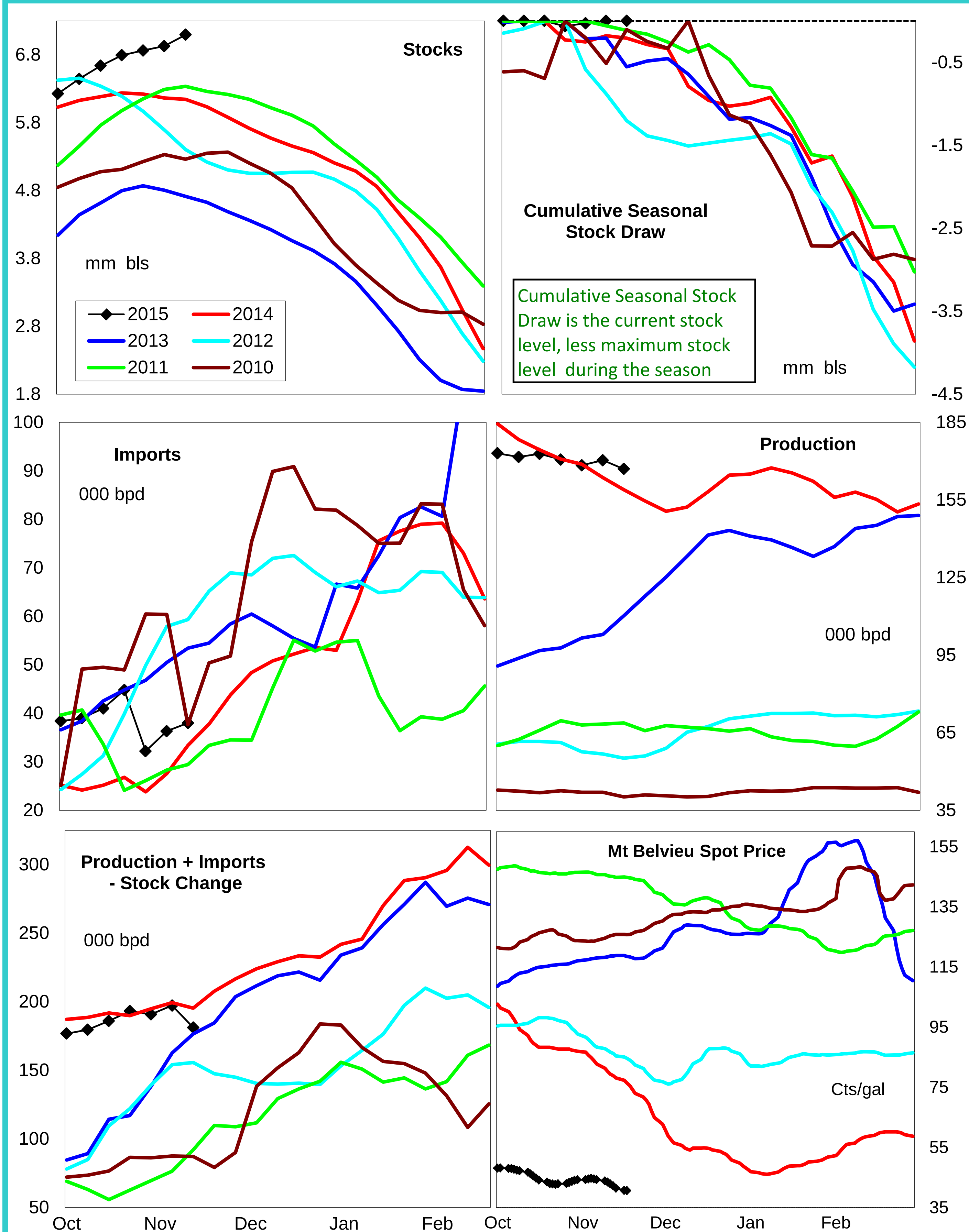
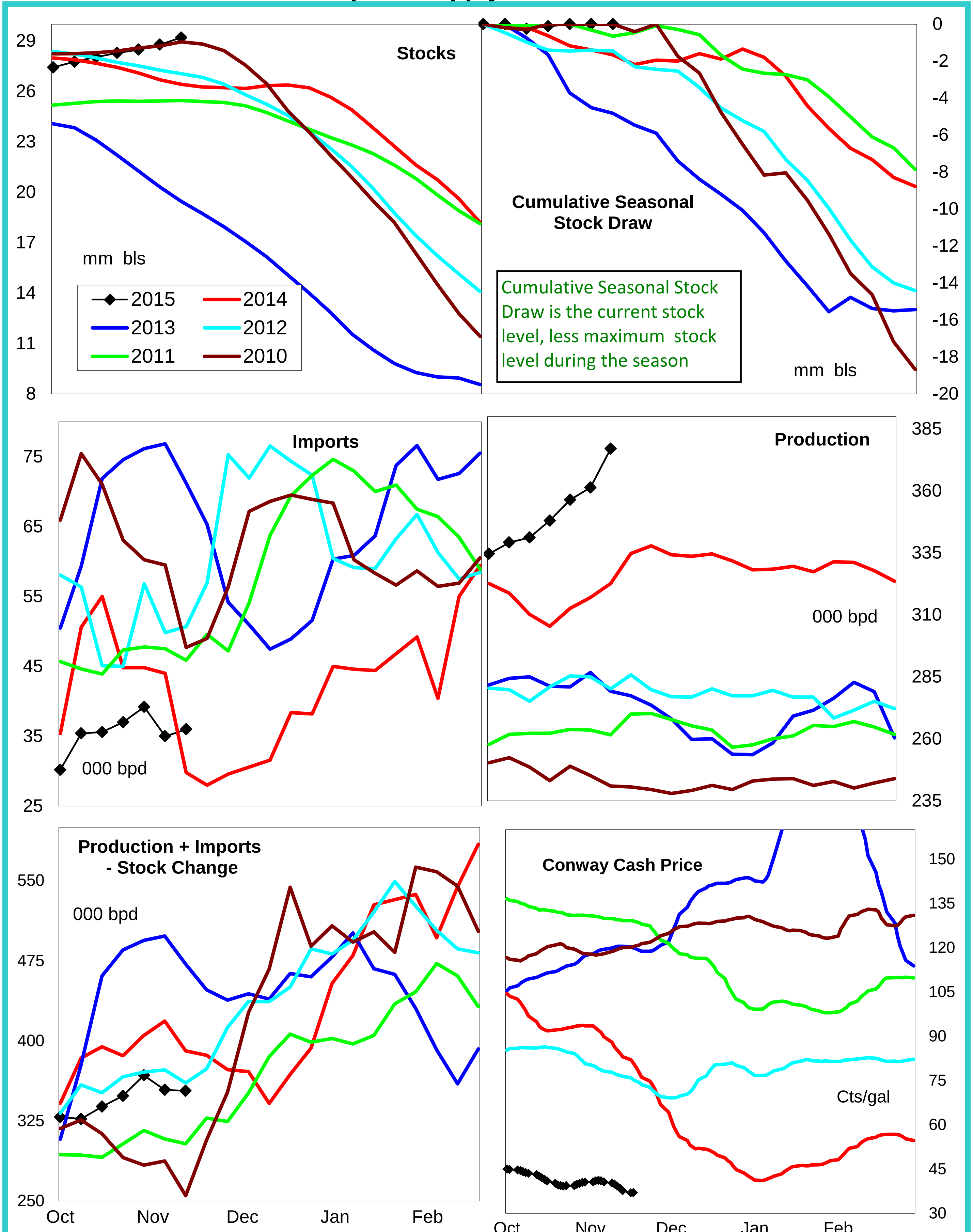
PADD 1 Propane Supply and Demand Balance



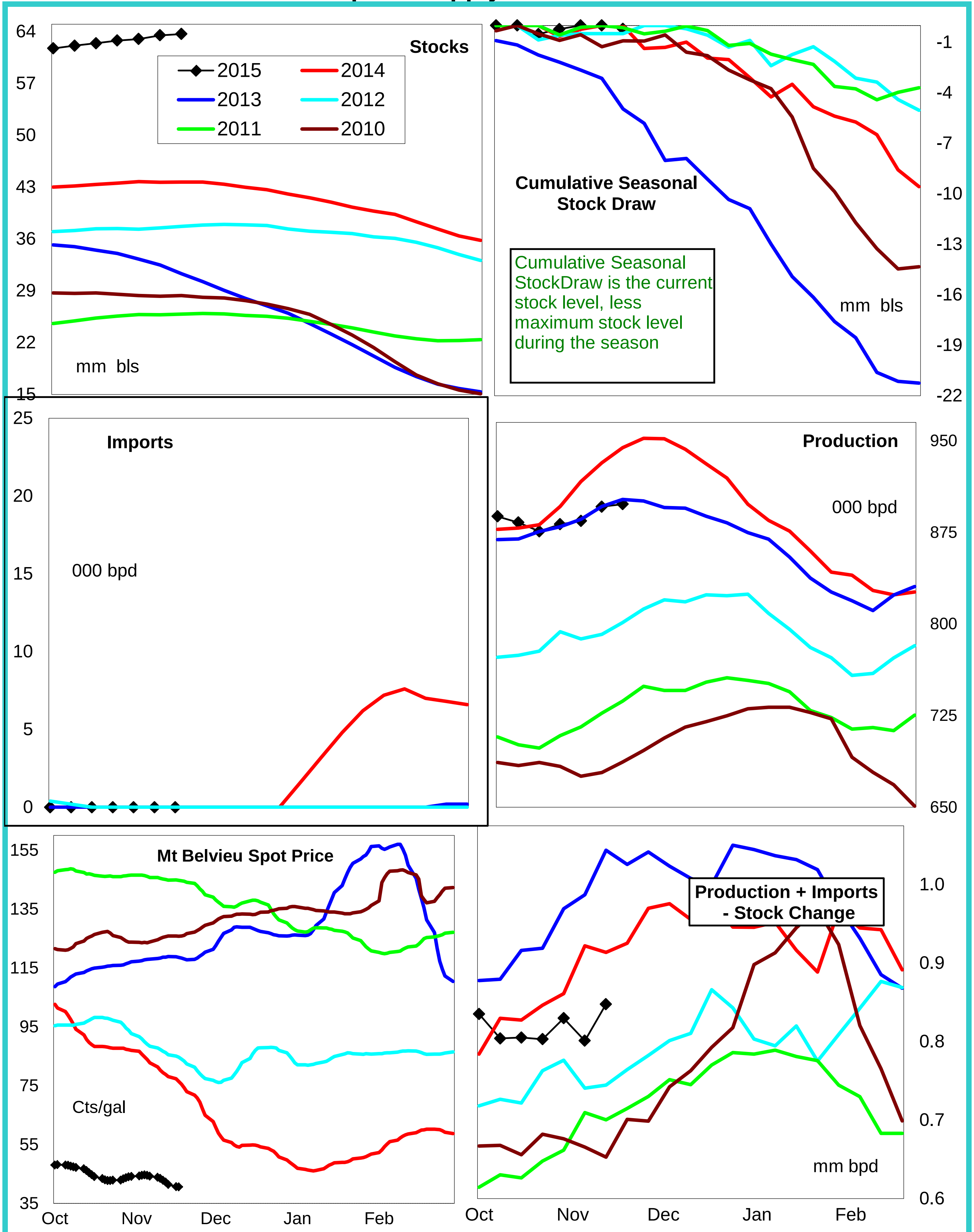
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	909	208	1	10	-4
% change	14.7	-100.0	0.6	42.3	-2.2

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)	2,776	1,669	46	-7	-44
% change	10.5	-100.0	14.8	-14.9	-11.1

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)	19,163	-196	-30	0	-65
% change	43.1	#DIV/0!	-3.3	#DIV/0!	-7.2

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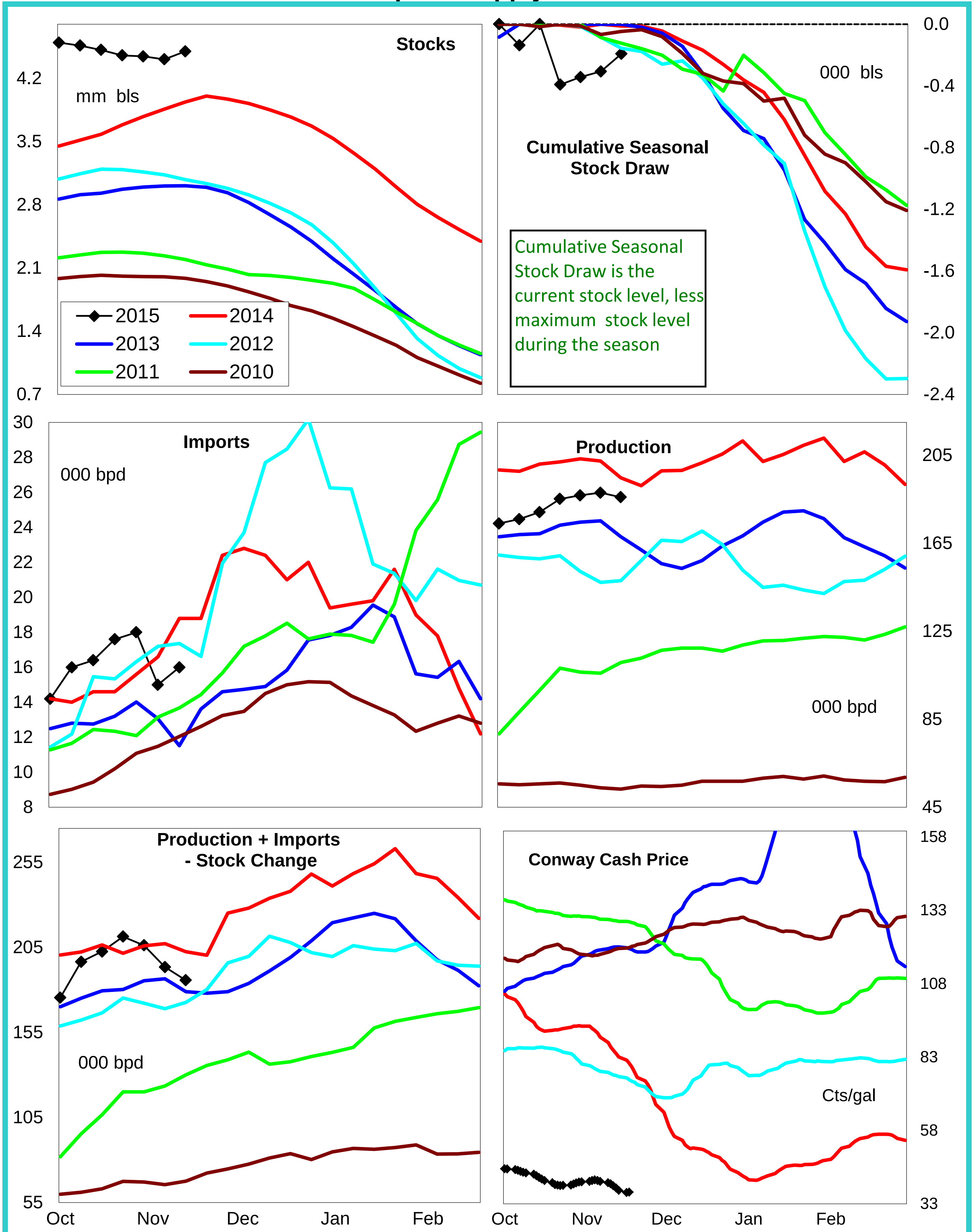
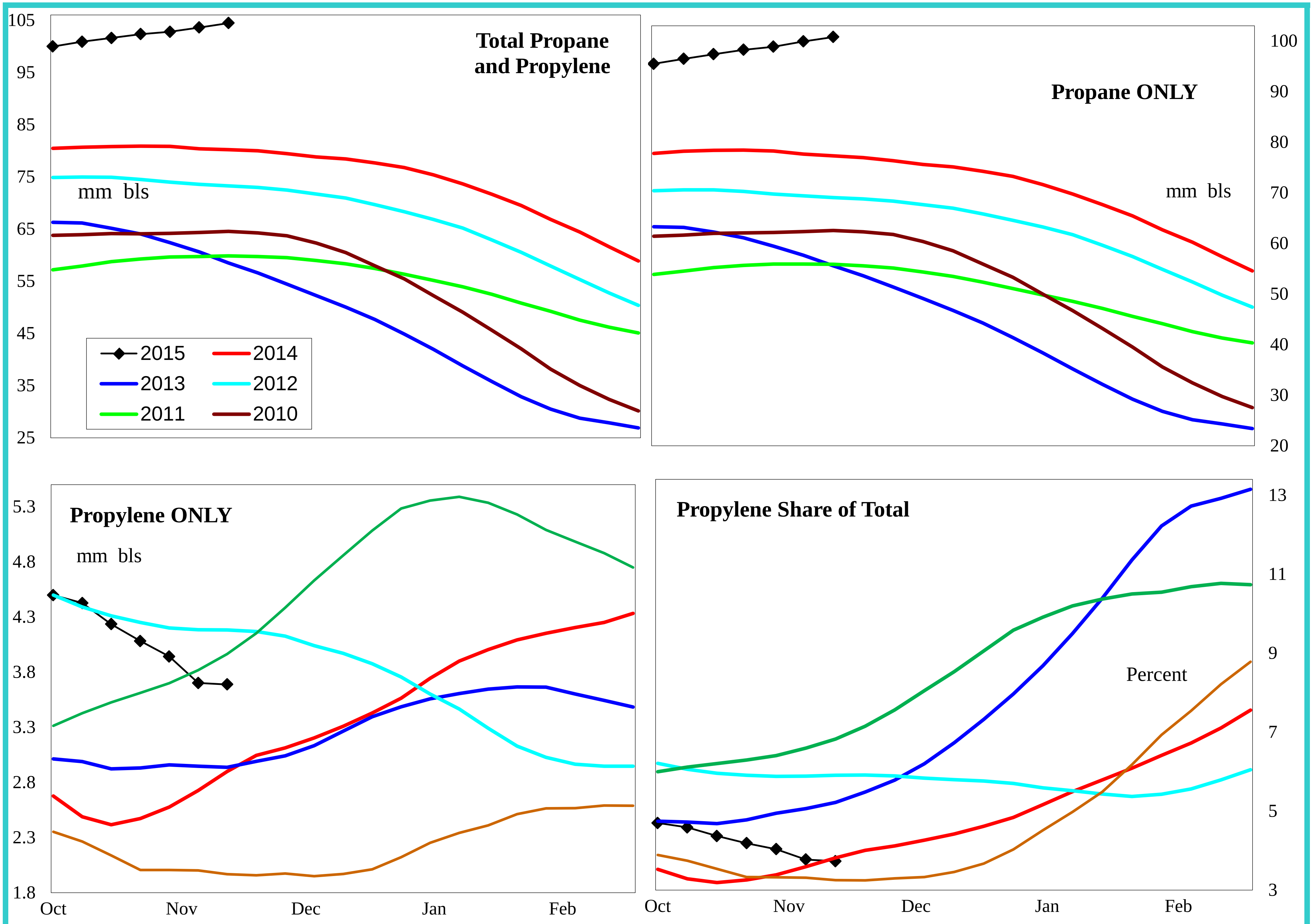
PADDs 4 and 5 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	469	-181	-19	2	-5
% change	11.6	1,645.5	-9.2	9.4	-2.5

U. S. Propane and Propylene Stocks



Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	23,317	22,625	789
% change	28.7	28.9	27.2

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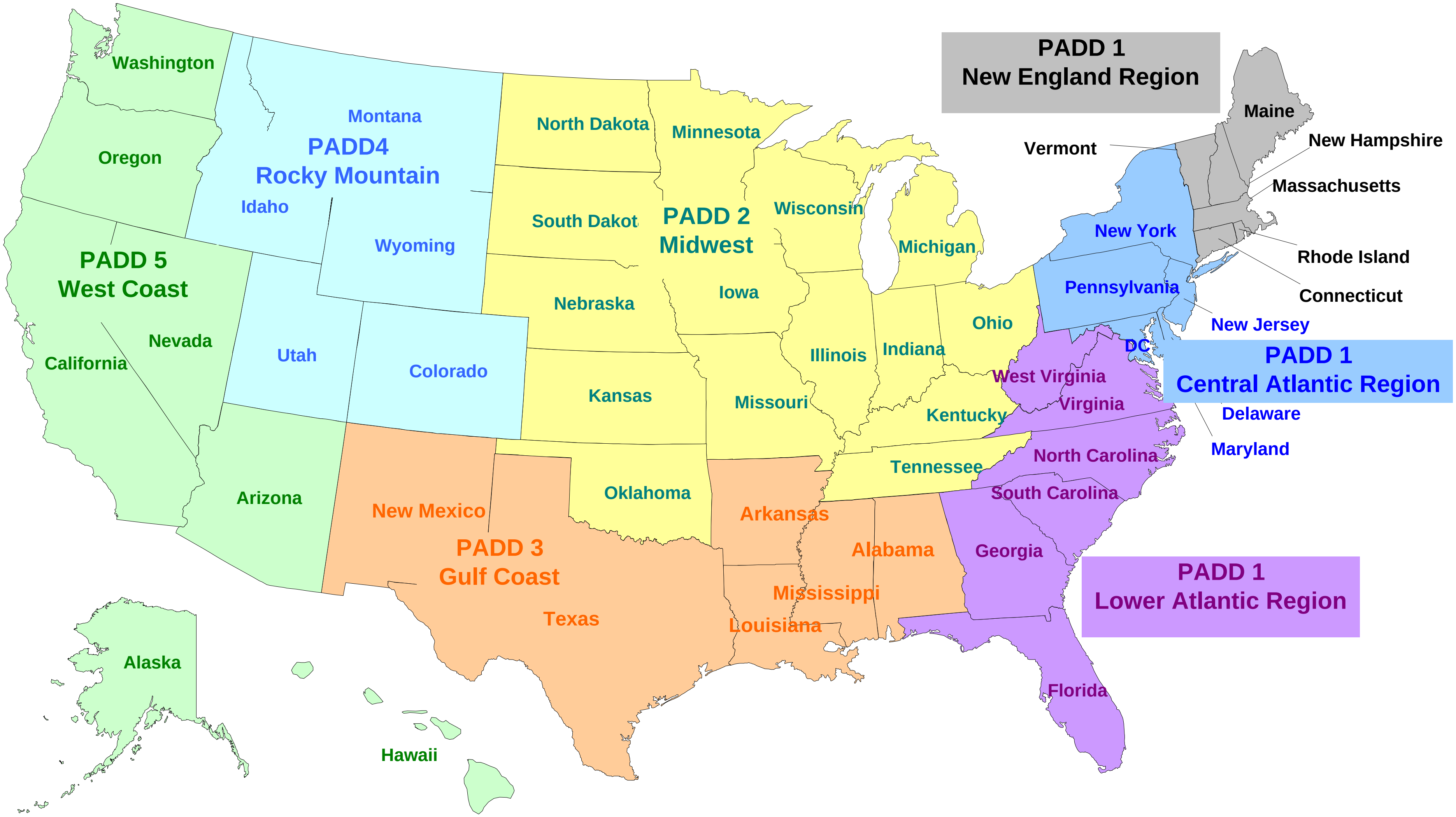
U. S. Petroleum Administrative for Defense Districts (PADDs)



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