



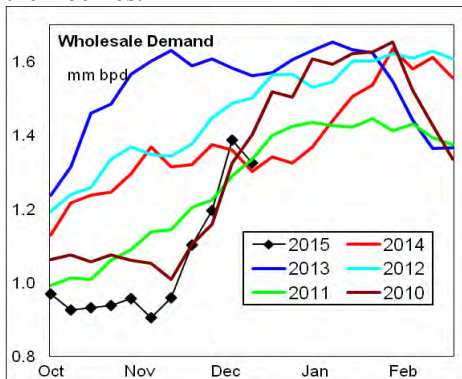
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

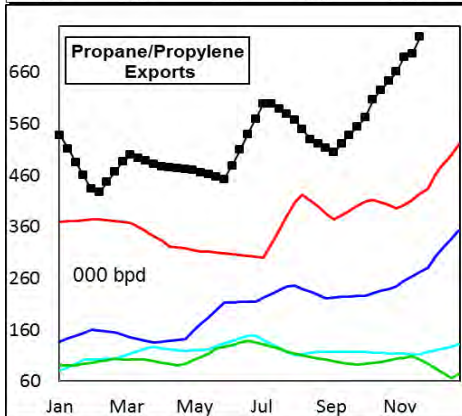
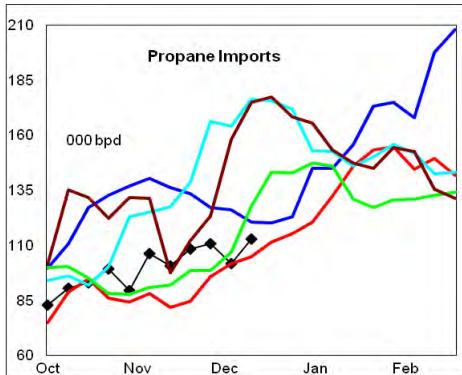
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Summary¹:

Wholesale demand declined -0.2 million bpd last week, to a level to a level that matched 5-yr lows for the period; driven by continued mild temperatures East of the Rockies.



Imports increased +7,000 bpd last week, concentrated on the East Coast and Rockies.

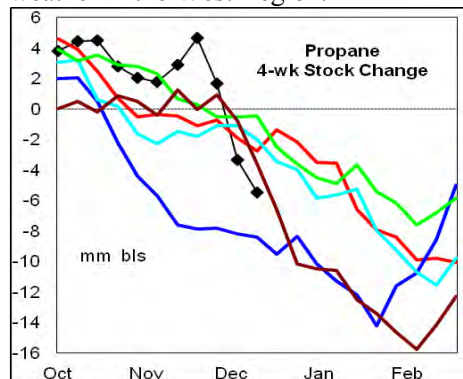


Exports for the week ending 20Nov15 were +302,000 bpd above last year.

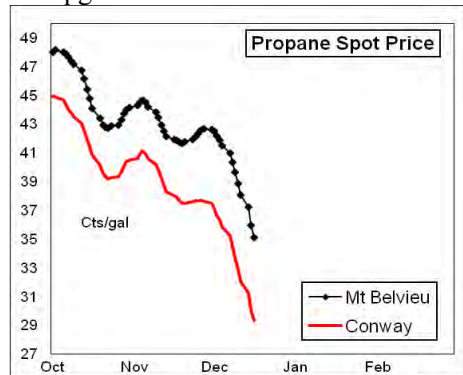
Stocks decreased -1.7 million barrels last week, with draws in all regions. Stock levels remain at 5-yr highs in all

regions.

The rate of stock draw was a -5.5 million barrels during the latest 4-wk period, a larger draw than four of the last 5-yrs; driven by exports and cold weather in the West Region.



Price and Spreads Mt Belvieu spot price decreased -5 cpg last week ending 16Dec15, while Conway prices were -4.5 cpg lower.



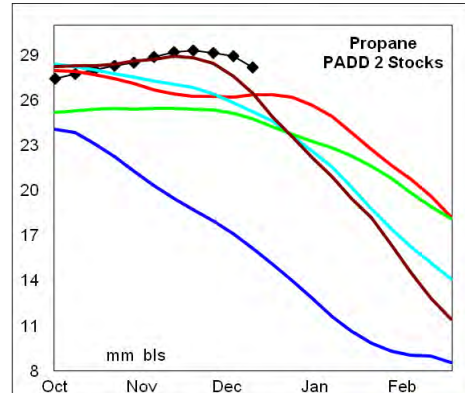
The Conway - Mt Belvieu price spread was nearly unchanged last week, ending at a level near 3-yr lows for the period.

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

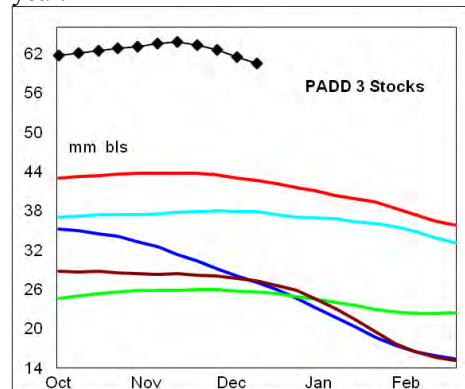
The propane / crude oil price spread fell last week, ending at a level comparable with two of the last 3-yrs.

PADD 1 stocks decreased -0.4 million barrels on the week to a level +20% above a year ago and above the 5-yr range. Supply was nearly unchanged last week.

PADD 2 supply increased +9,000 bpd last week, with production +53,000 bpd above last year for the week. Stocks decreased -0.7 million barrels on the week, with the level still above the 5-yr range.



PAD 3 stocks decreased -0.4 million barrels on the week. Stock levels ended the week +42% above the prior 5-yr high. Supplies for the latest 4-wk period were +24,000 bpd above last year.



PADDs 4 & 5 stocks decreased -0.2 million barrels on the week. The present rate of stock draw is a record, driven by colder than normal temperatures in the region.

Emerging Trends Temperatures are forecast to be sharply above normal for the next 2-wks across the eastern 2/3rds of the country.

The strengthening \$dollar and global over supply of crude oil continues to depress energy prices; offsetting the impact of increased Middle East political tension.

Very high stock levels, record production combined with much above normal average temperatures point toward exceptional weakness in wholesale prices.

The industry faces record carryout and storage containment limits.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

December 16, 2015

Fundamental Trends for the Week Ending:

Friday, December 11, 2015

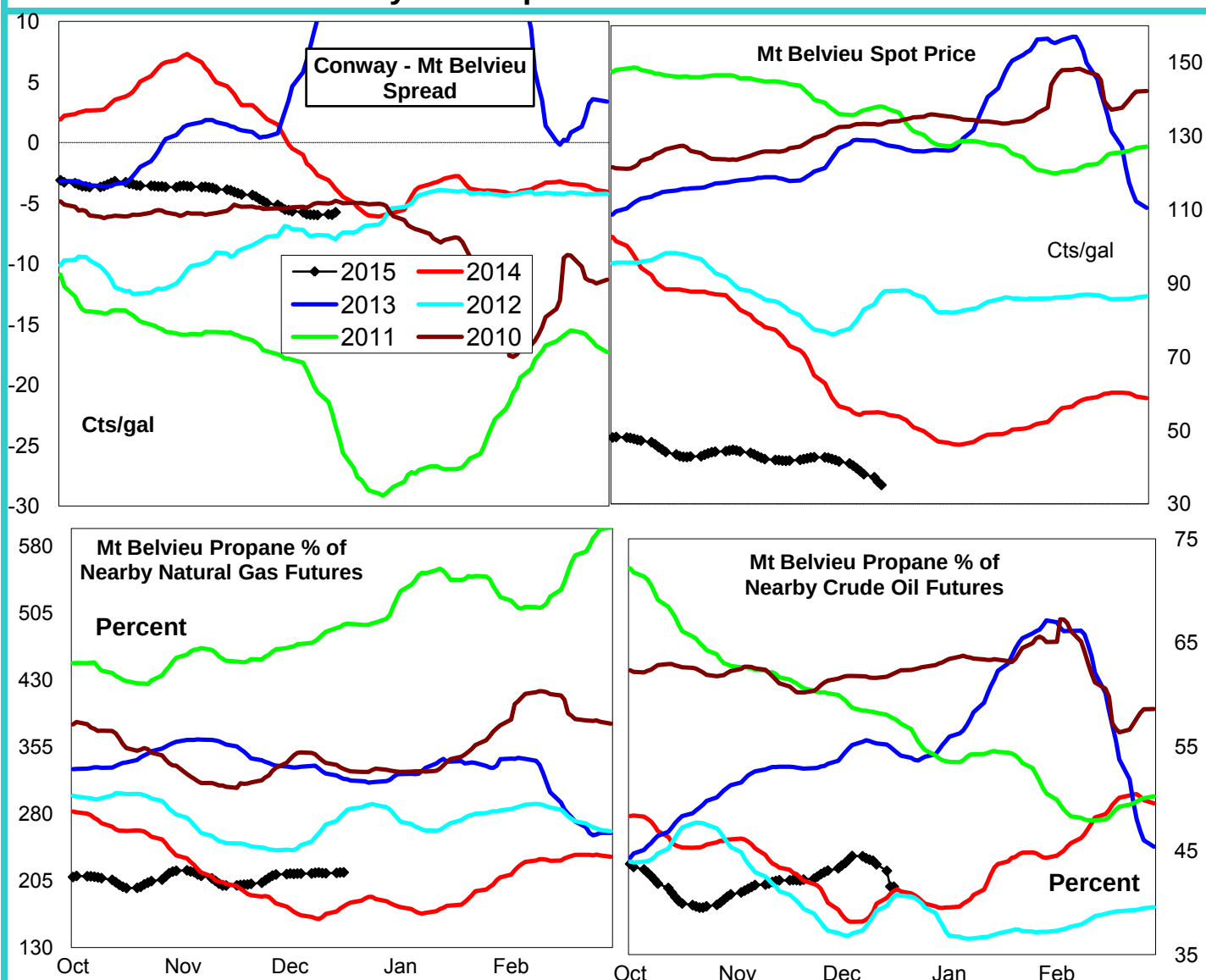
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	98,975	6,506	28,173	60,451	3,845	-1,683	-357	-733	-368	-225
Propylene Stocks	3,189					227				
Production	1,701	155	387	996	163	27	-9	27	4	5
Imports	113	45	39	0	29	7	13	-18	0	12
Whsle Demand	1,325					-218				

Price Trends for the Week Ending:

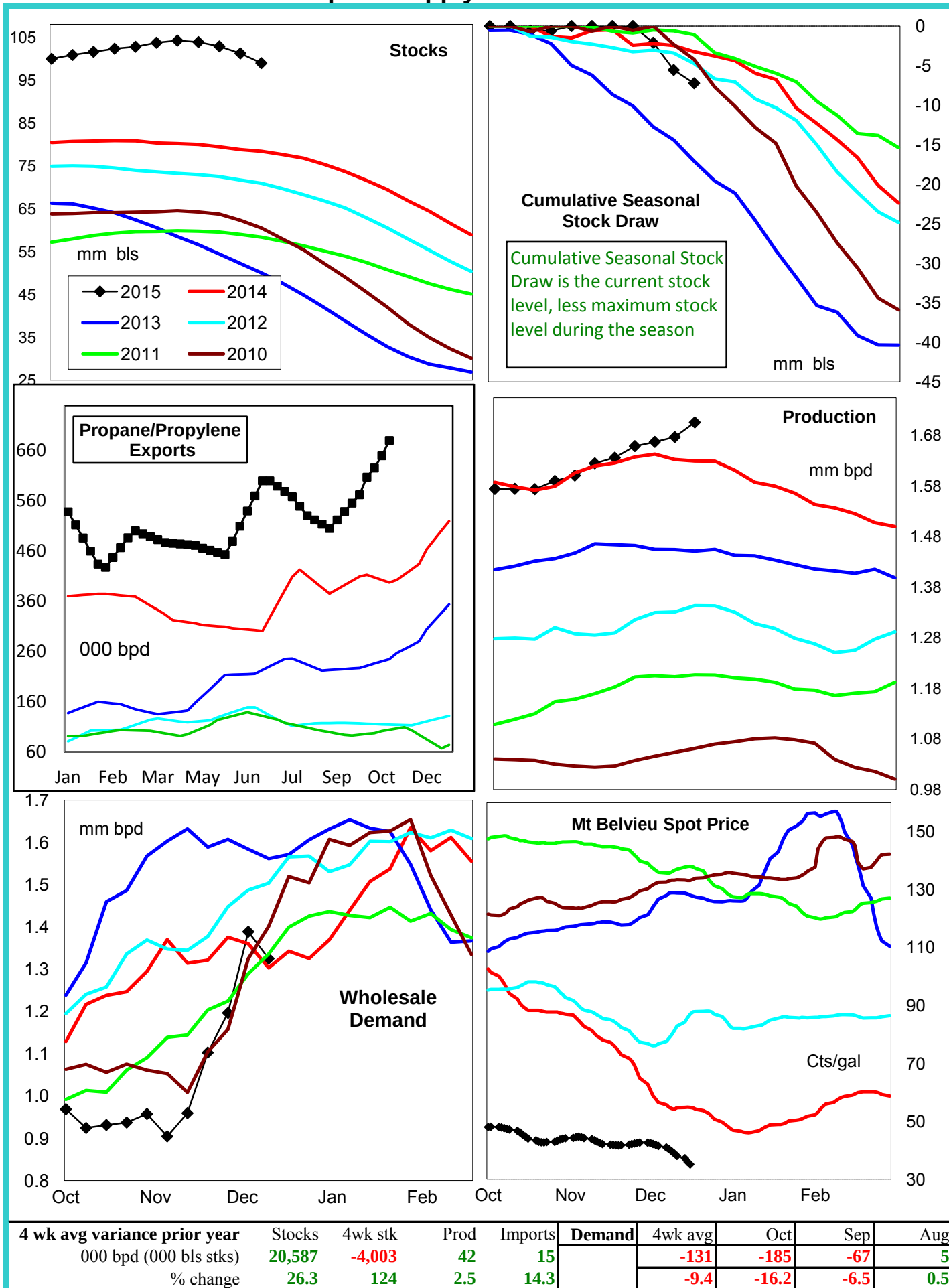
Wednesday, December 16, 2015

Cents/gal	Average for week ending:				Change from:			% change from:		
	12/16/15	12/9/15	11/18/15	12/18/14	12/9/15	11/18/15	12/18/14	12/9/15	11/18/15	12/18/14
Mont Belvieu Spot	37.2	41.5	41.0	55.3	-4.25	0.48	-14.28	-10.2	1.2	-25.8
Conway Spot	31.3	35.5	37.1	52.5	-4.18	-1.63	-15.35	-11.8	-4.4	-29.3

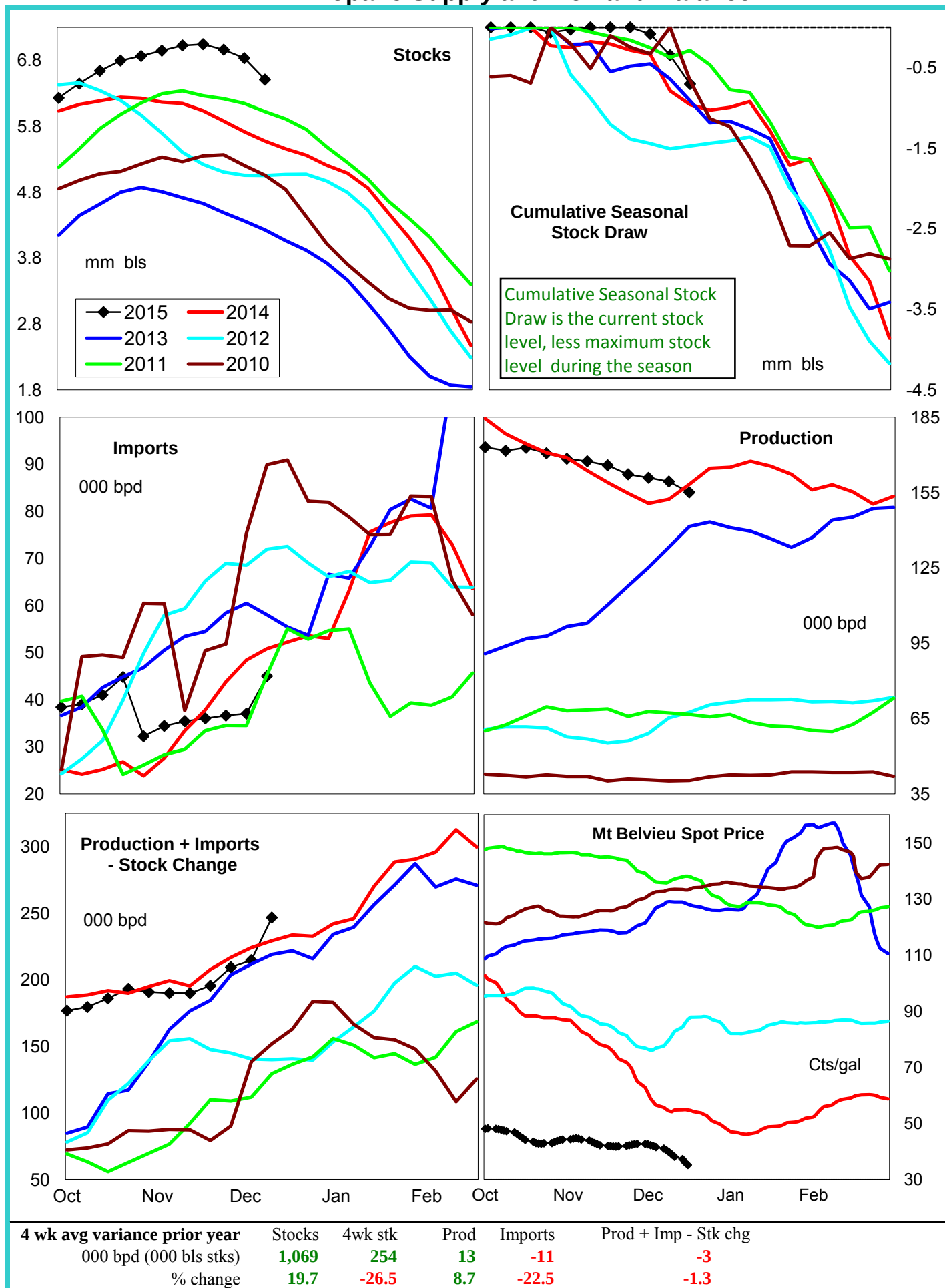
Key Price Spreads and Differentials



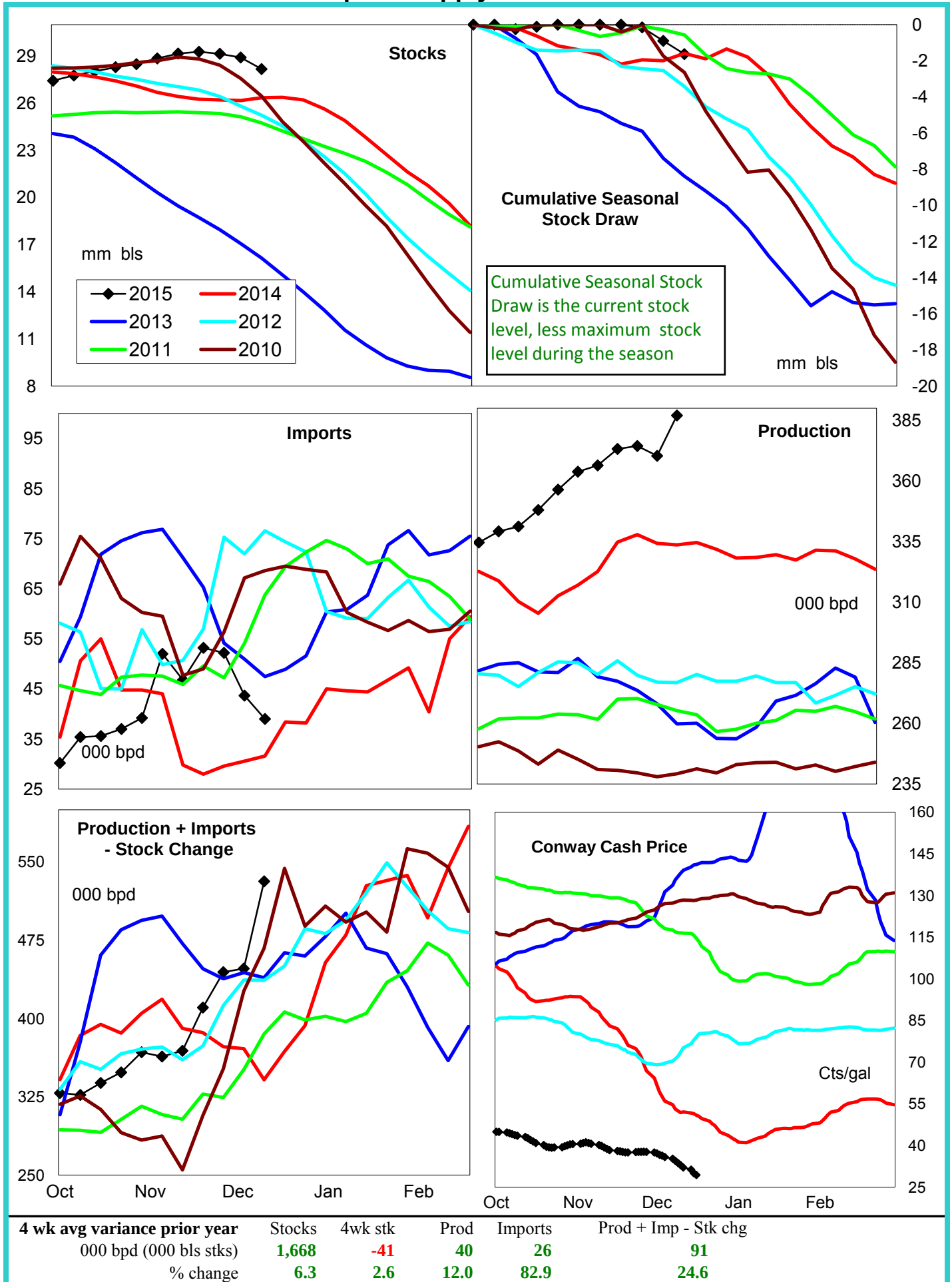
U. S. Propane Supply and Demand Balance



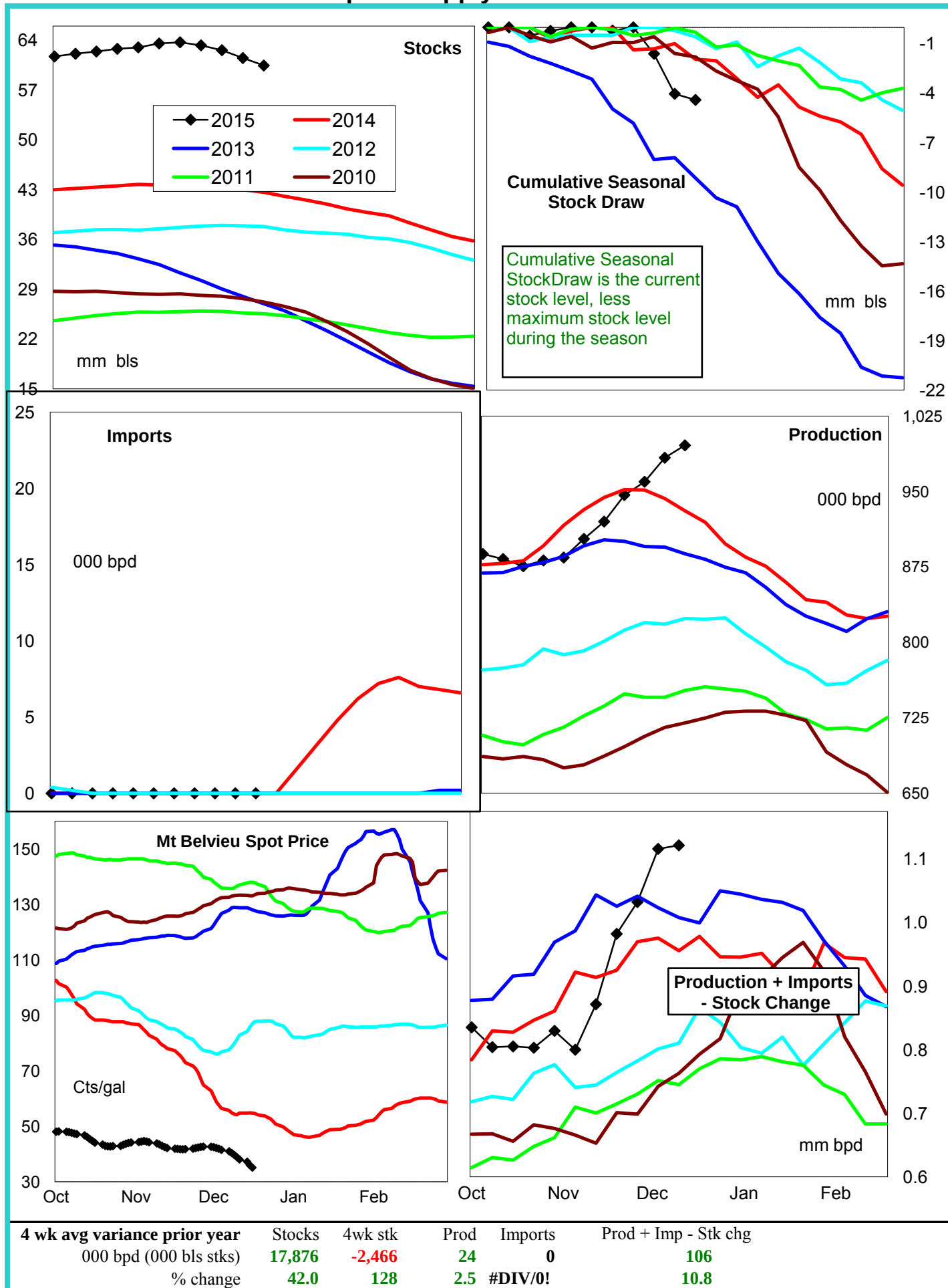
PADD 1 Propane Supply and Demand Balance



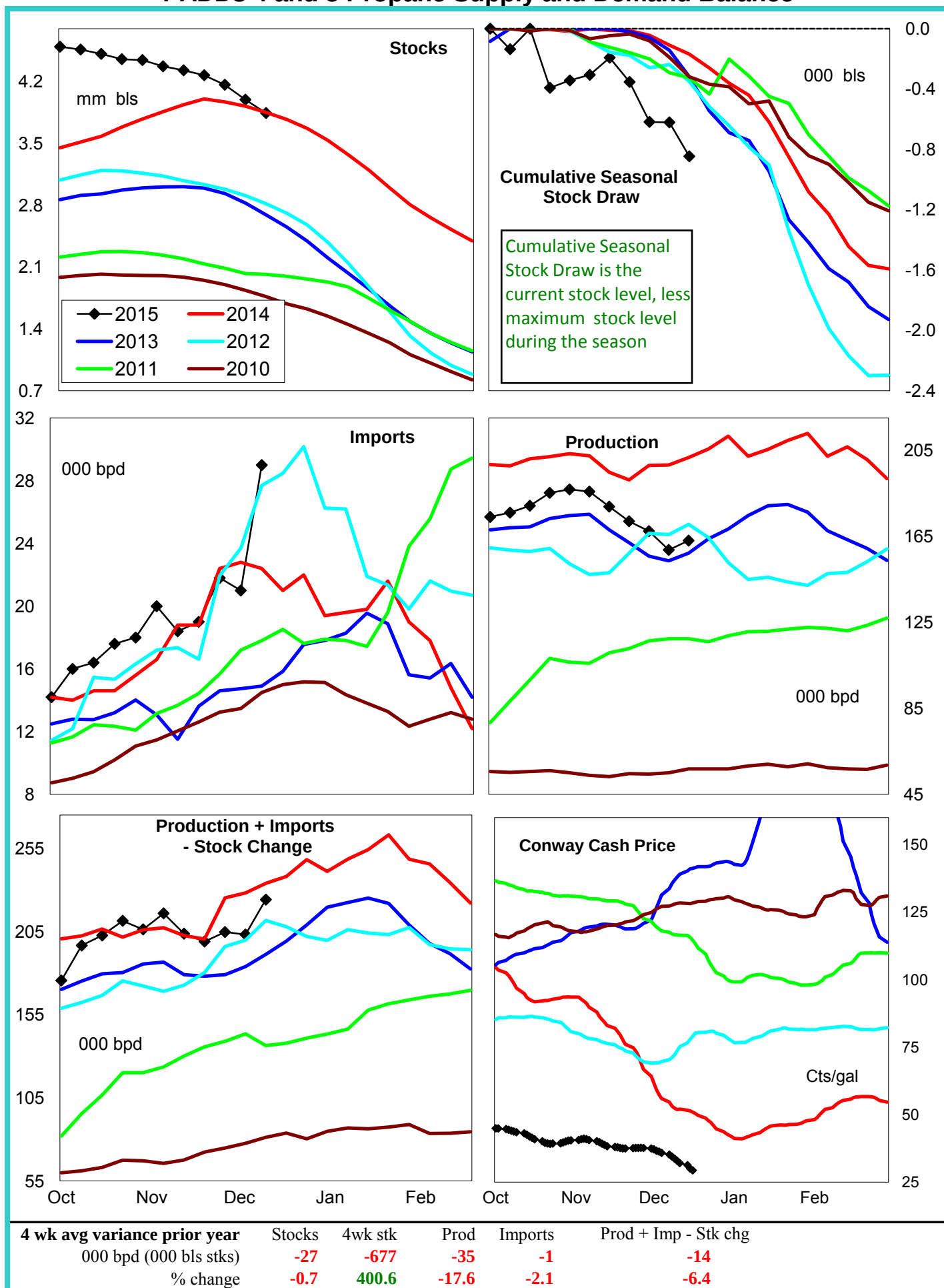
PADD 2 Propane Supply and Demand Balance



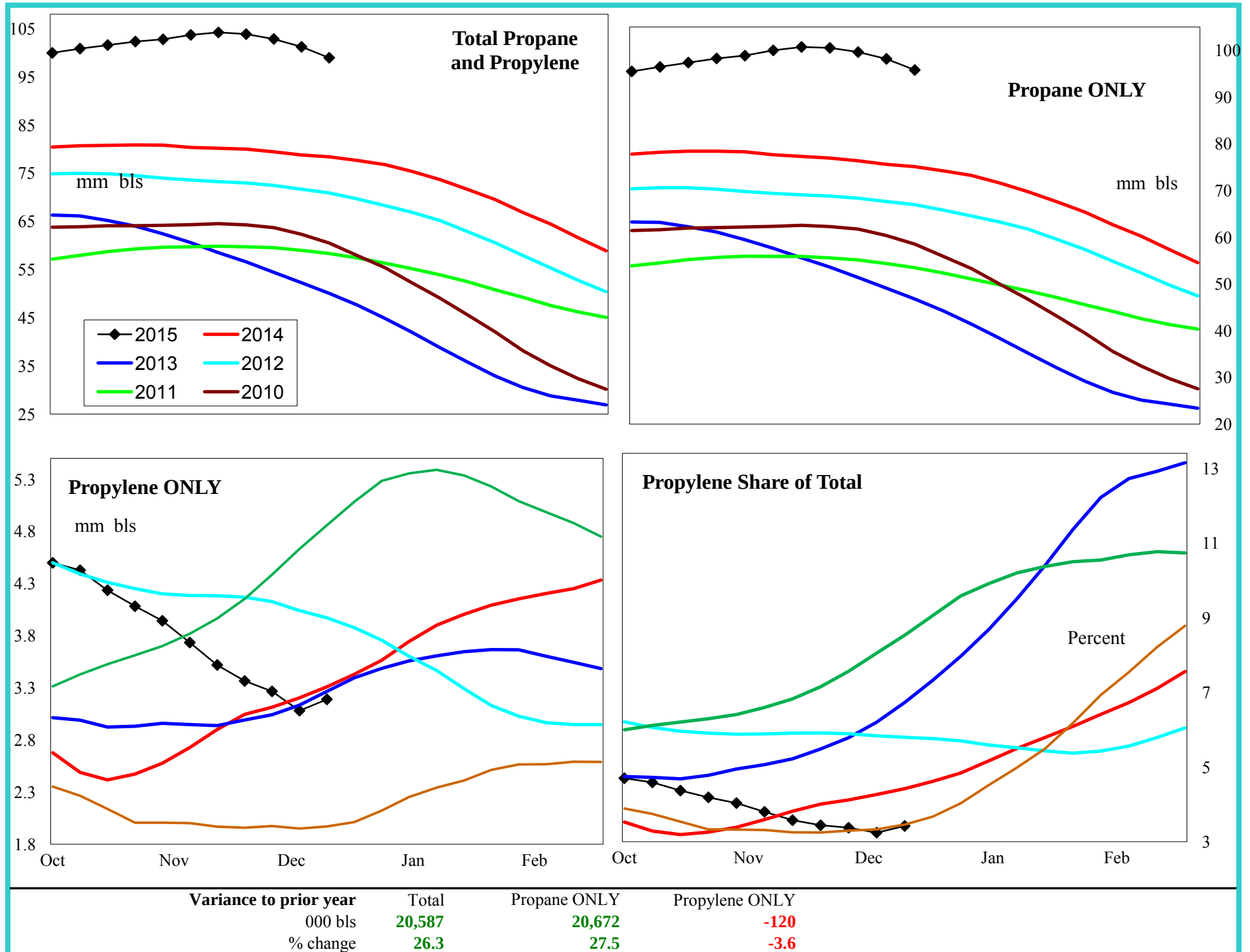
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

