WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

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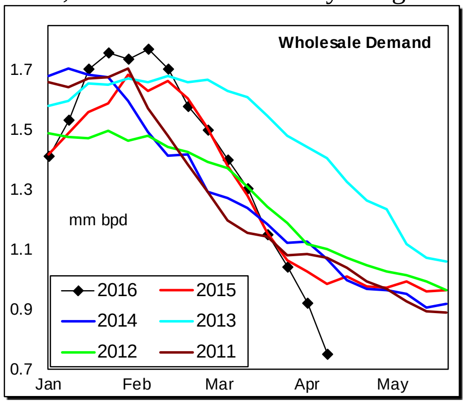
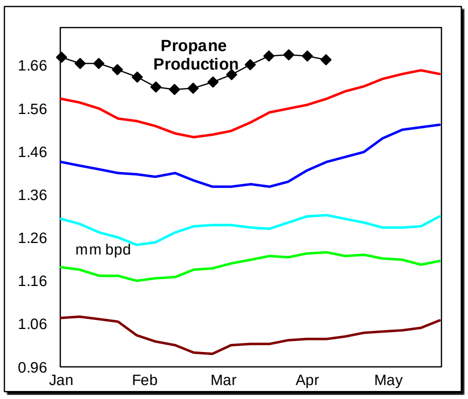
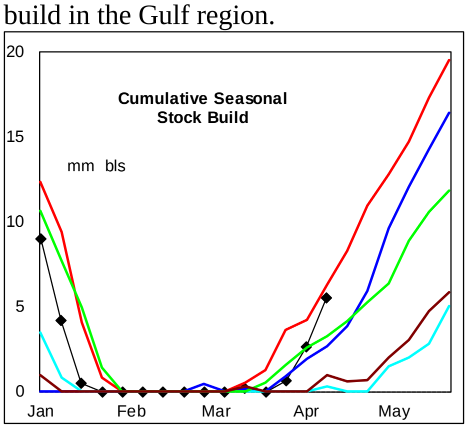
Summary[1]:
Wholesale demand fell -138,000 bpd last week, to a level below the 5-yr range.



Production decreased -18,000 bpd on the week including a -49,000 bpd drop in the Midwest.

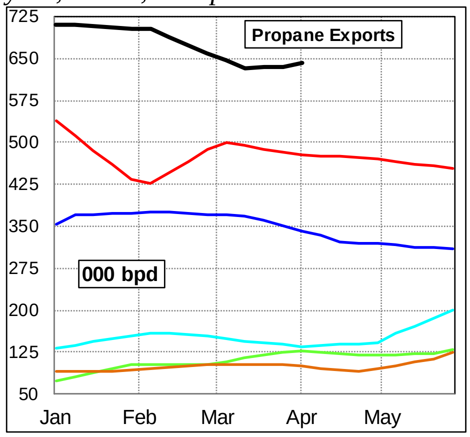


Stocks increased +2.8 million barrels on the week, including a +3.3 million barrel build in the Gulf region.

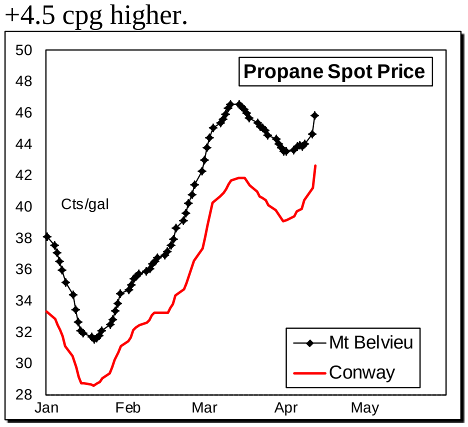


The cumulative seasonal stock build of +6.3 million barrels, was comparable to a year ago and a 5-yr high. Stock levels ended the week +7.7 million barrels above a year ago, and a 5-yr high for the period.

Exports for the week ending 01Apr16 were +166,000 bpd above last year, at 643,000 bpd.



Price and Spreads Mt Belvieu spot price increased +3.5 cpg last week ending 12Apr16, while Conway prices were +4.5 cpg higher.



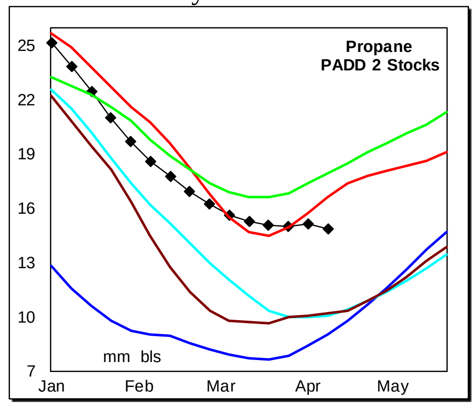
The Conway – Mt Belvieu price spread trended higher last week, ending at a level above the 3-yr mid range.

The propane to natural gas price spread trended higher last week, ending at a level that near the 3-yr mid range.

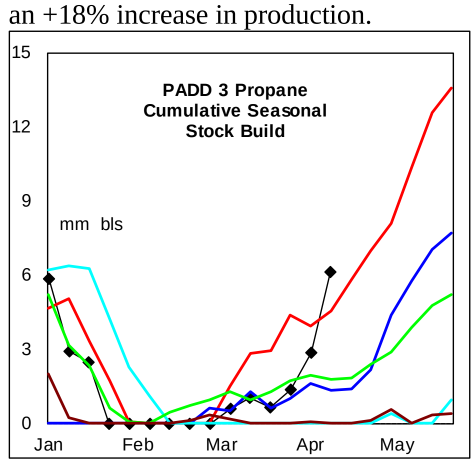
The propane / crude oil price spread trended lower on the week, ending at a level above the last 3-yrs for the period.

PADD 1 stocks were unchanged on the week ending at a level +42% above last year and above the 5-yr range. Supply increased +11,000 bpd on the week.

PADD 2 supply fell -55,000 bpd last week, on sharply lower refinery output. Production for the latest 4-wk period was +53,000 bpd above a year ago. Stocks fell -0.5 million barrels on the week, to a level below last year.



PAD 3 stocks increased +3.3 million barrels on the week; driving a record cumulative seasonal build for this time of year. Stock levels ended the week +23% above the prior 5-yr high. Supplies for the latest 4-wk period were +141,000 bpd above last year, driven by an +18% increase in production.



PADDs 4 & 5 stocks were unchanged on the week. Stock levels ended the week -20% below last year, but well above four of the last 5-yrs.

Emerging Trends The above average build last week of +2.8 million barrels was due to lower exports for the period (indicated by the +3.3 million build in the Gulf region).

A sharp decrease in wholesale demand and record production led to the record carry out stock levels, which were +7.7 million barrels above the prior 5-yr high.

The increase in global energy prices offset excess propane supplies, leading to the renewed uptrend in wholesale propane prices last week.

[1] Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

April 13, 2016

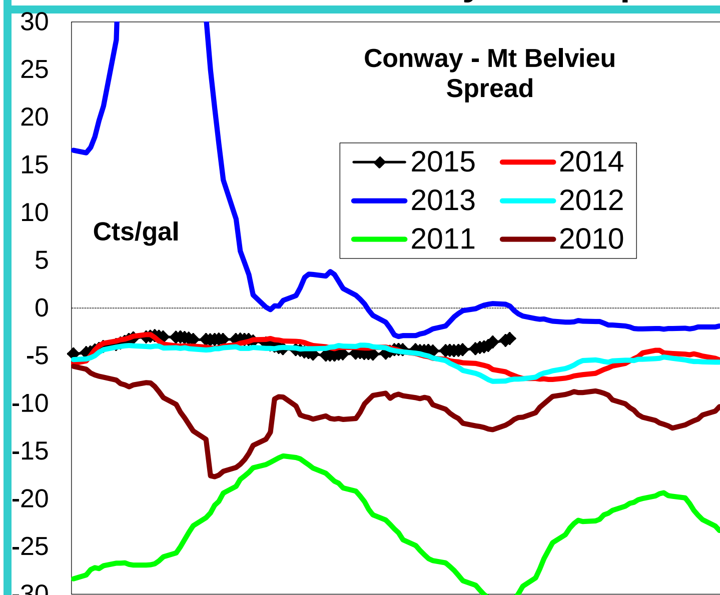
Fundamental Trends for the Week Ending: Friday, April 08, 2016

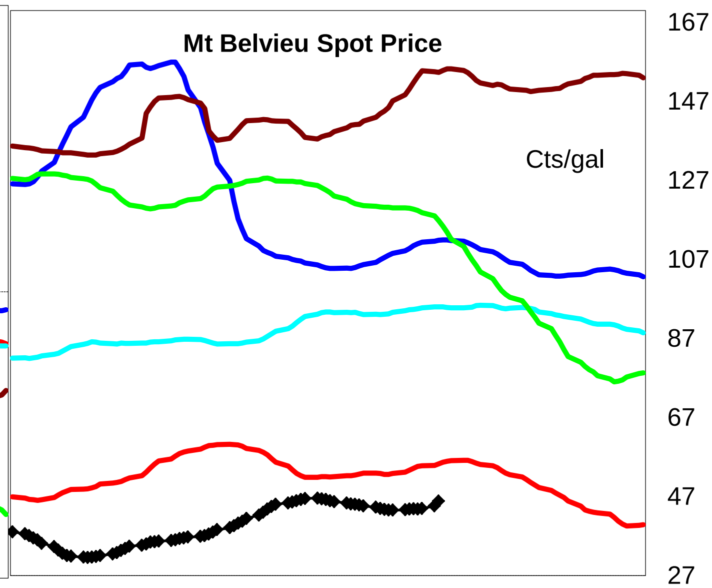
000 bpd / Stocks 000 bls	Weekly Supply-Demand: U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5	Change from prior week: U.S. Total	PADD 1	PADD 2	PADD 3	PADD 4&5
Stocks	67,702	3,152	14,899	47,905	1,746	2,844	33	-471	3,281	1
Propylene Stocks	3,918					230				
Production	1,673	138	350	1,006	179	-18	12	-49	19	0
Imports	76	26	31	0	19	-4	-1	-6	0	3
Whsle Demand	700					-138				

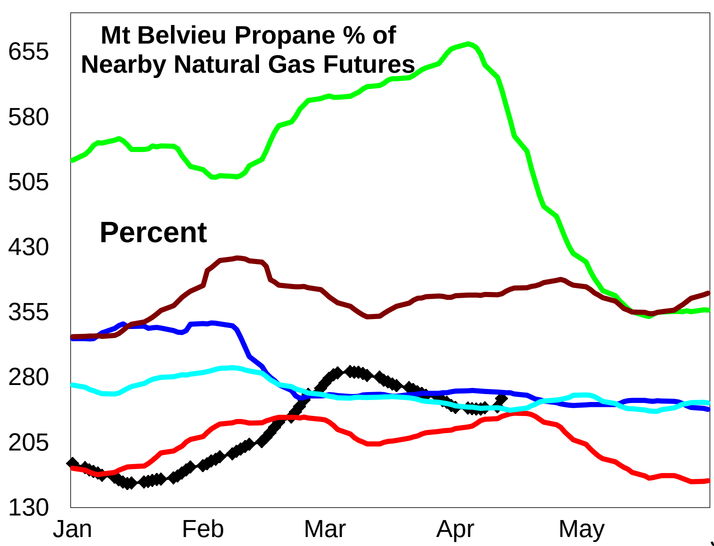
Price Trends for the Week Ending: Tuesday, April 12, 2016

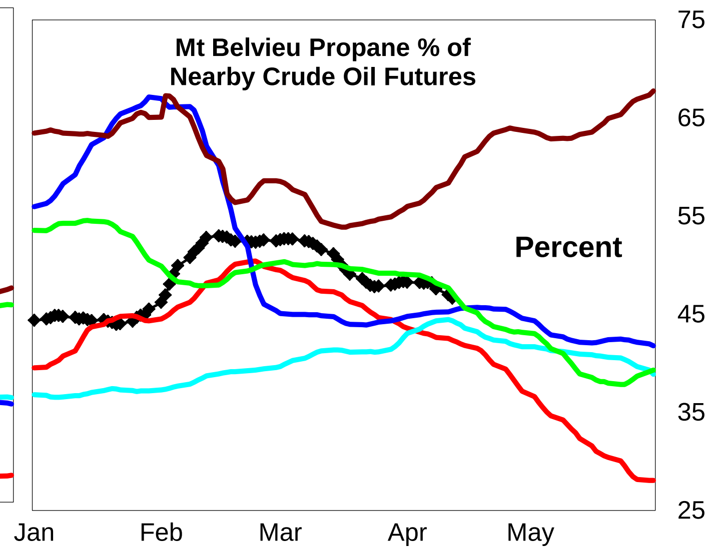
Cents/gal	Average for week ending: 4/12/16	4/5/16	3/15/16	4/15/15	Change from: 4/5/16	3/15/16	4/15/15	% change from: 4/5/16	3/15/16	4/15/15
Mont Belvieu Spot	44.3	43.5	46.6	55.3	0.80	-3.13	-8.63	1.8	-6.7	-15.6
Conway Spot	40.8	38.9	42.4	49.0	1.93	-3.50	-6.60	5.0	-8.3	-13.5

Key Price Spreads and Differentials

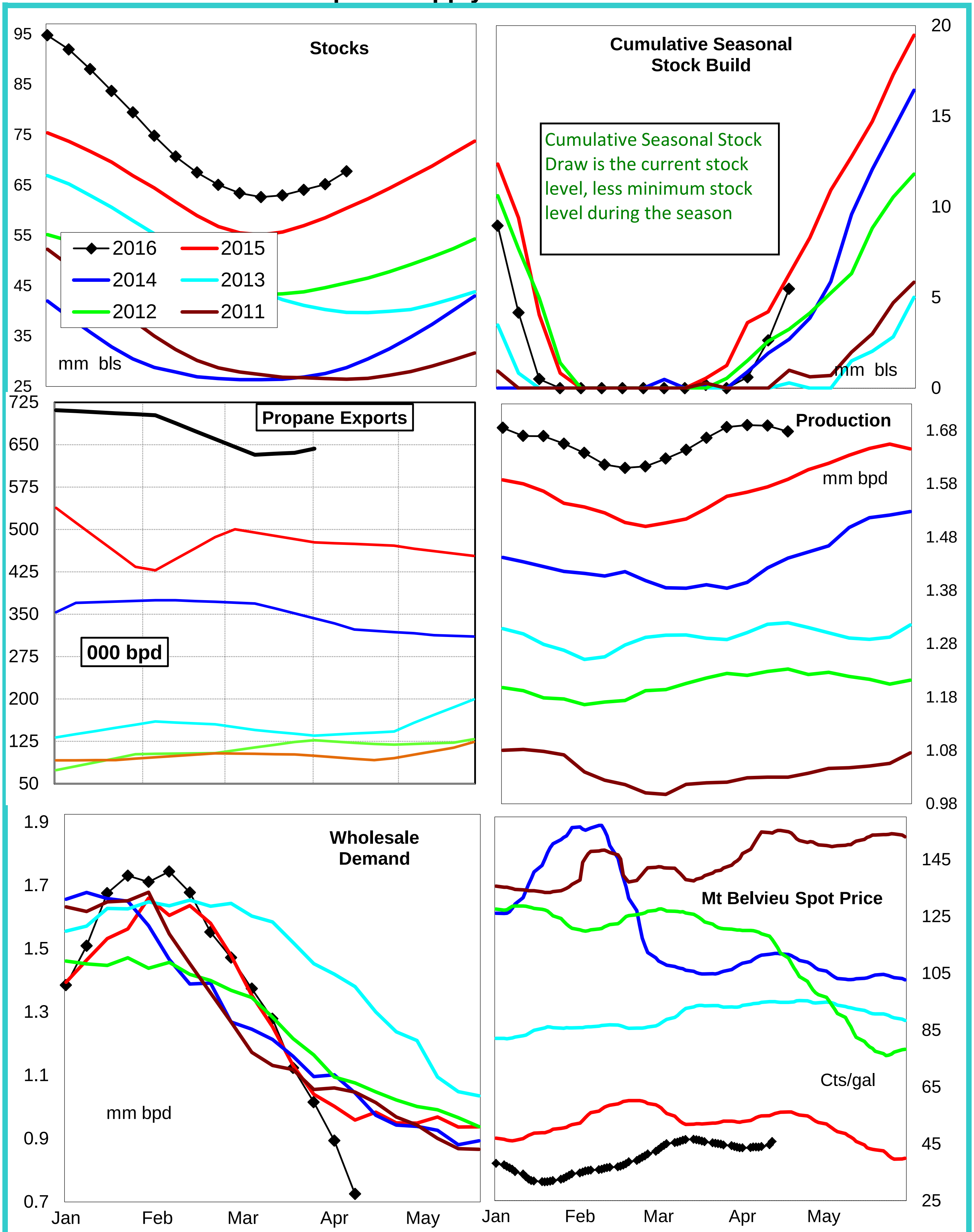








U. S. Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Demand	4wk avg	Mar	Feb	Jan
000 bpd (000 bls stks)	7,685	-797	121	-31		-51	-127	48	9
% change	12.8	-13	7.7	-26.3		-5.1	-10.7	3.1	0.6

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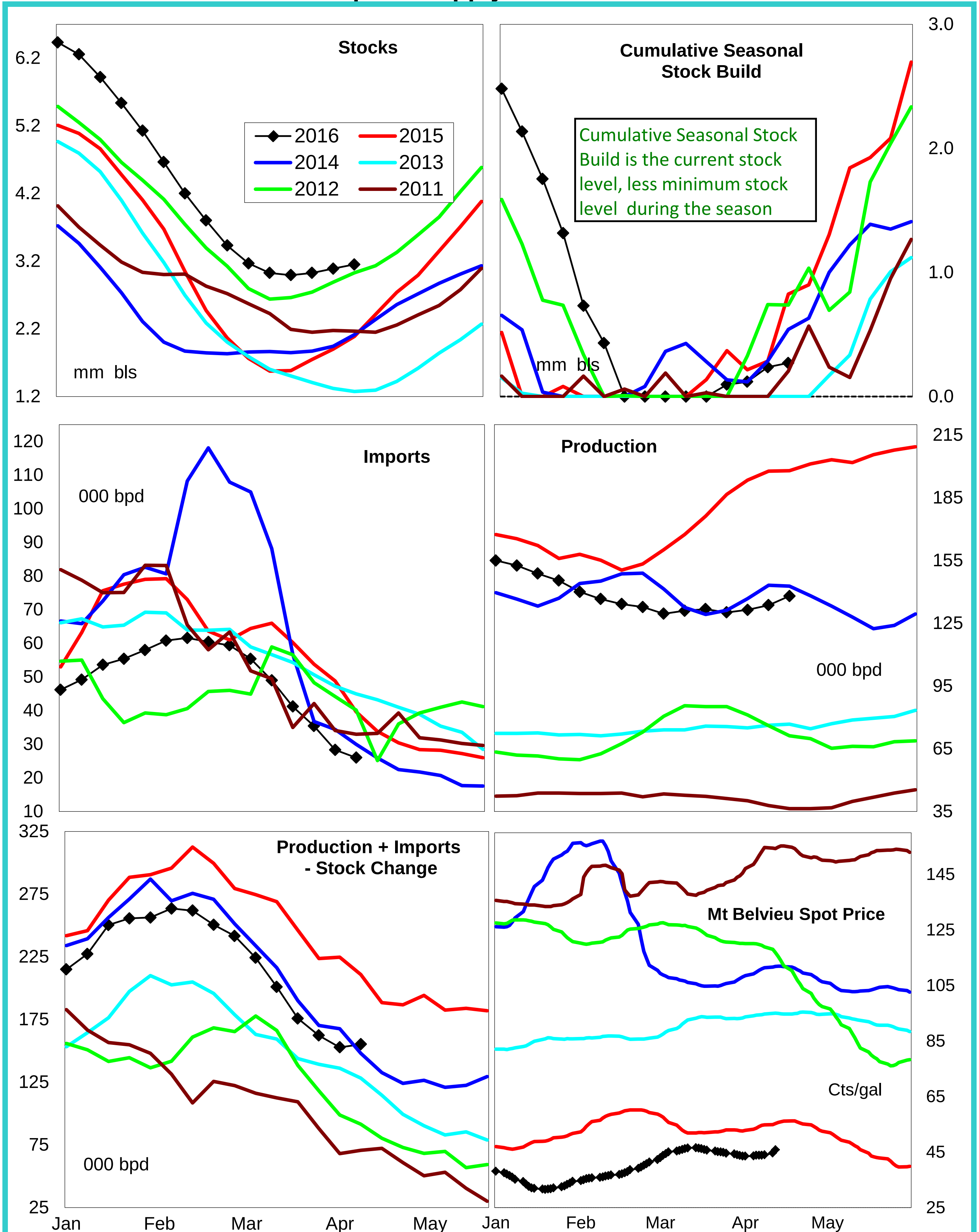
PADD 1 Propane Supply and Demand Balance



4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	945	-556	-63	-23	-65
% change	42.8	-67.3	-31.8	-42.9	-28.6

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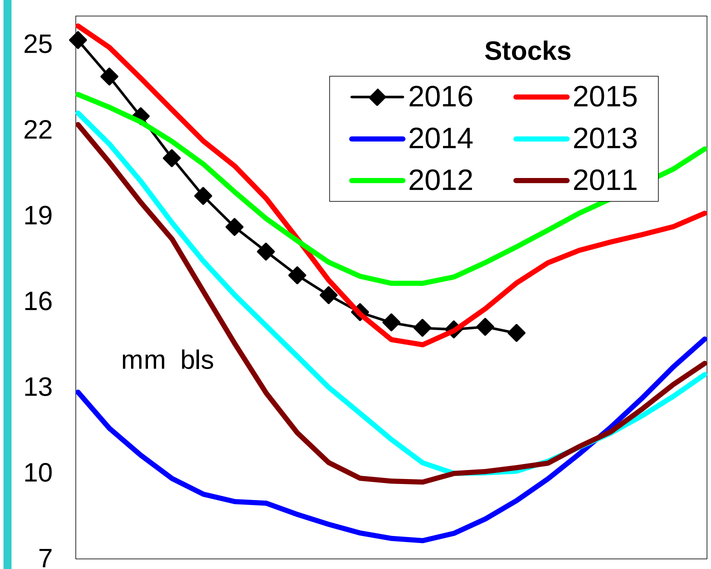
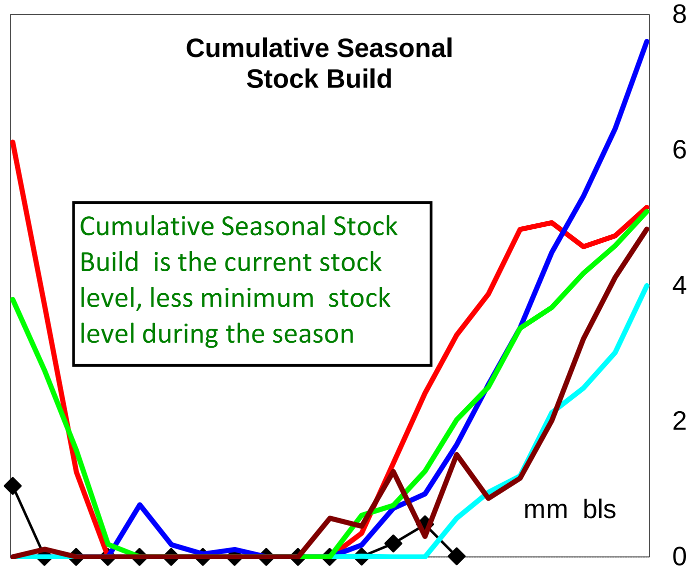
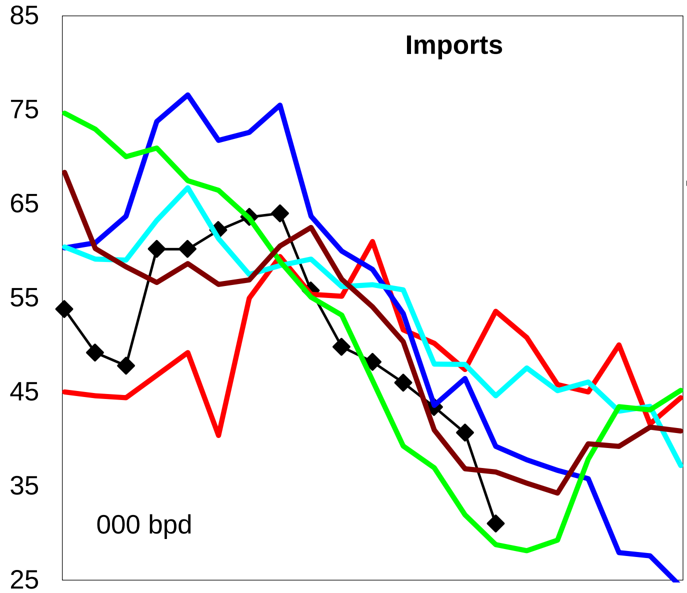
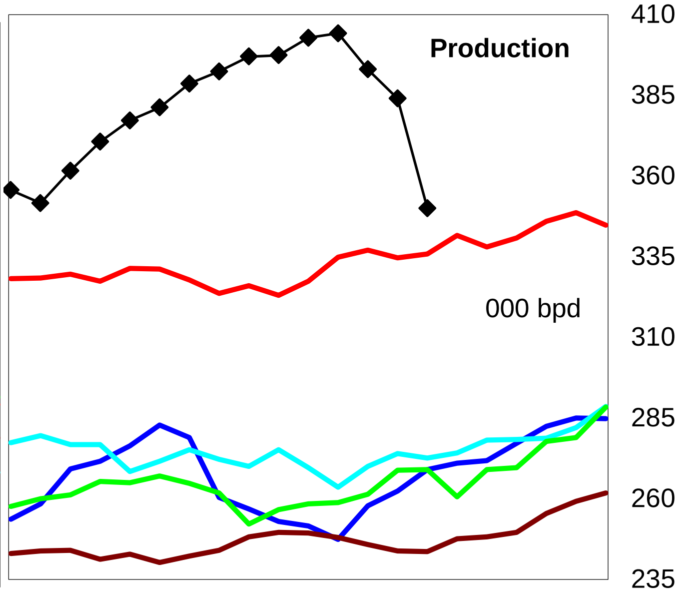
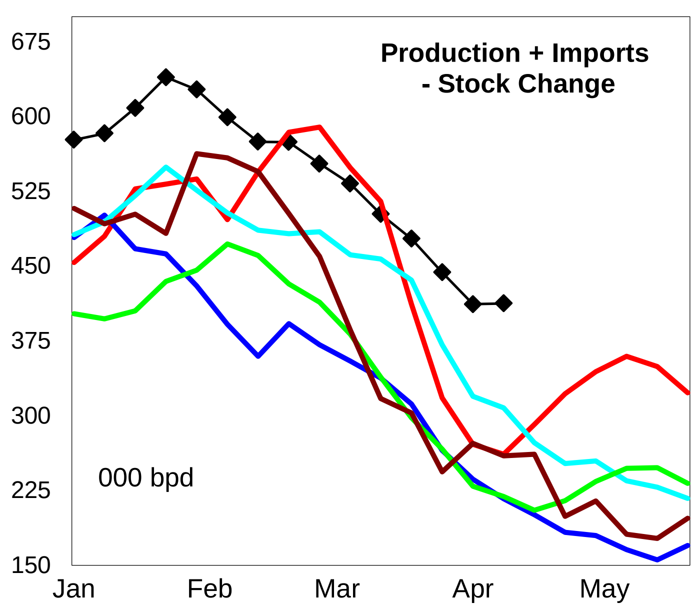
PADD 2 Propane Supply and Demand Balance

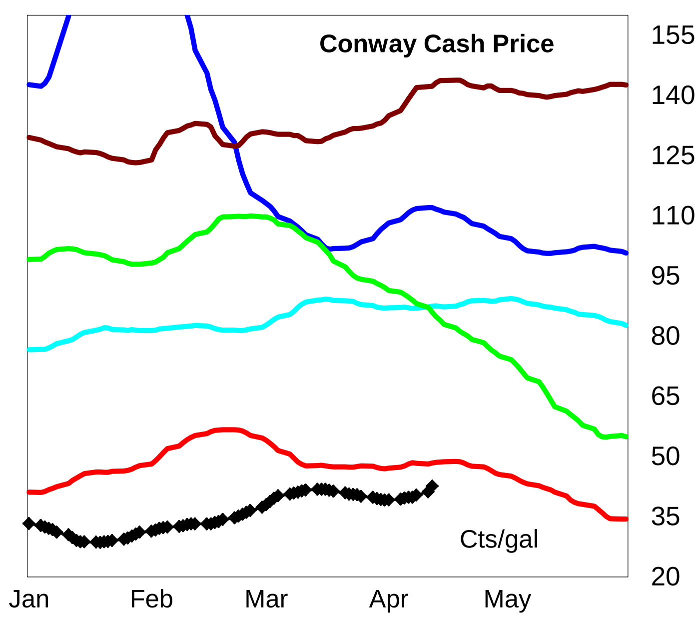






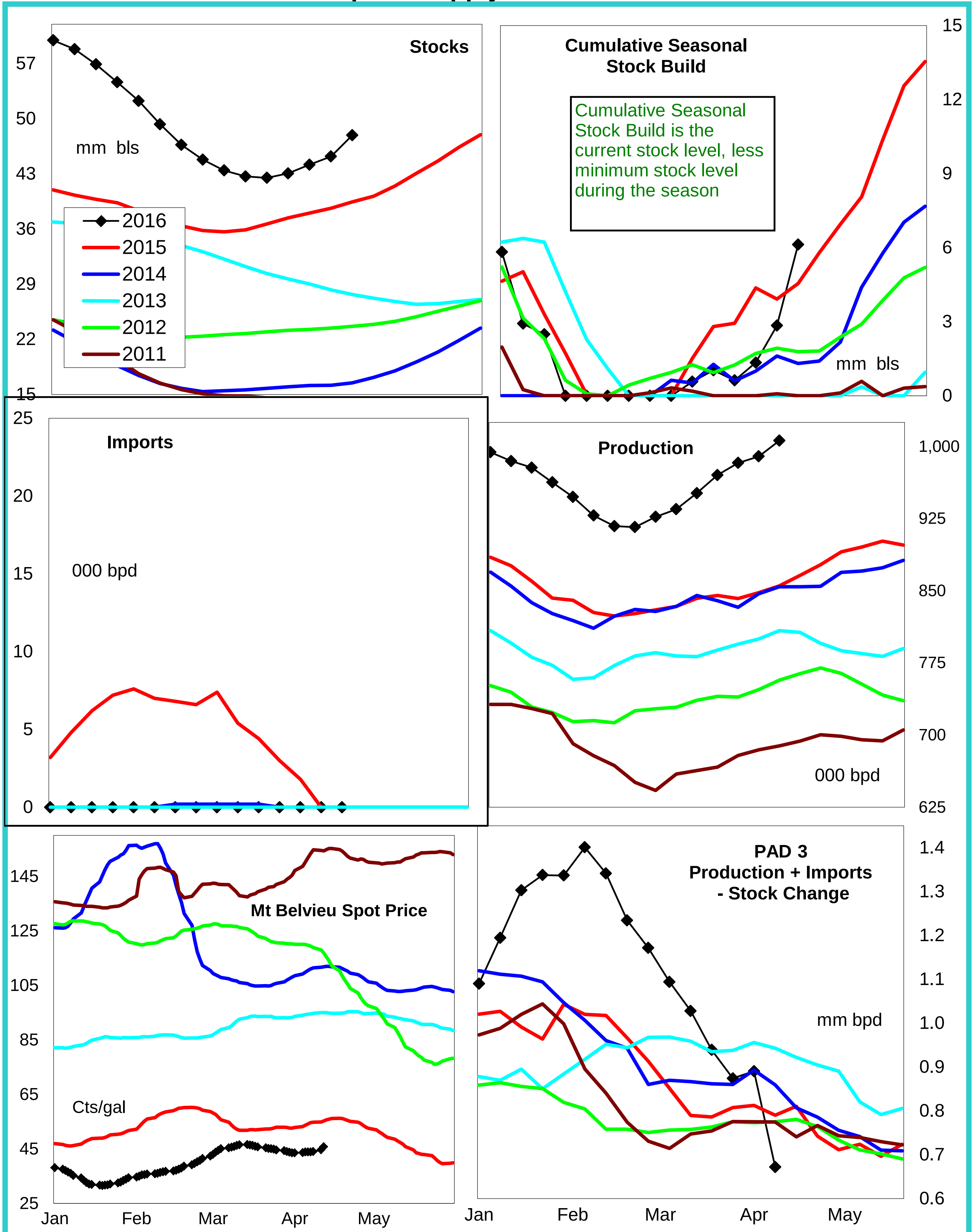






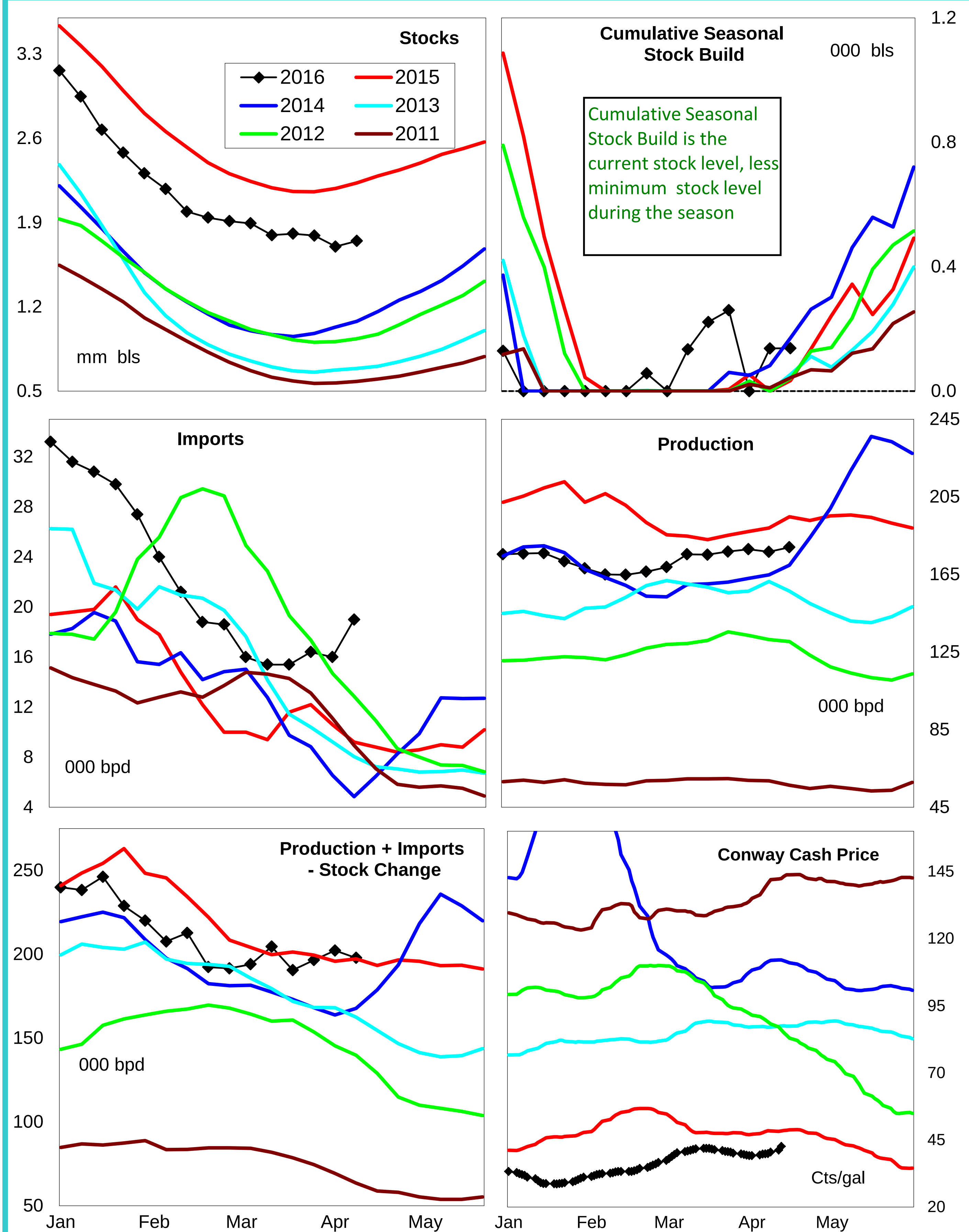
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-1,877	-3,268	53	-11	121
% change	-11.2	-99.8	15.7	-22.1	38.3

PADD 3 Propane Supply and Demand Balance



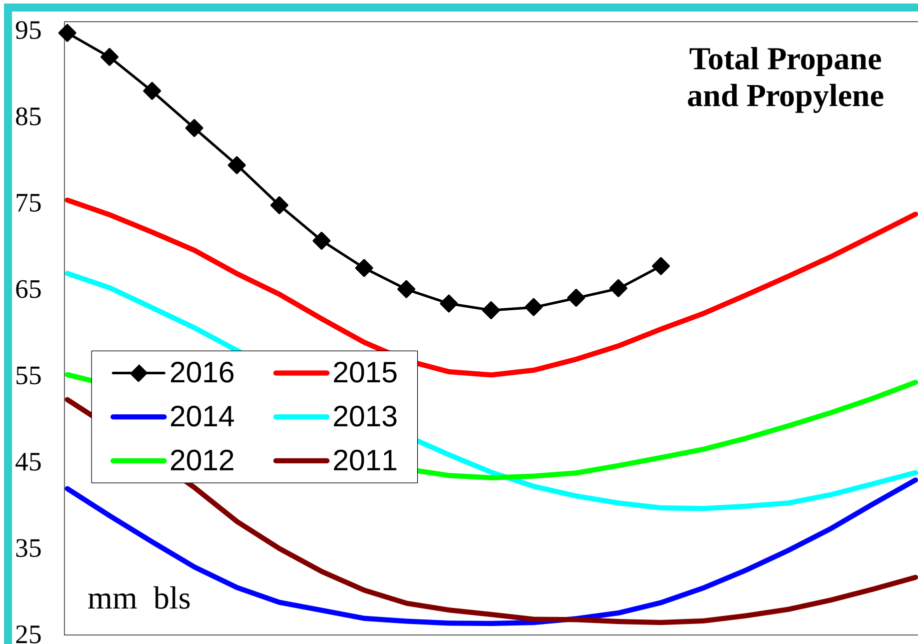
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	9,041	1,580	141	0	45
% change	23.3	35	16.7	#DIV/0!	6.0

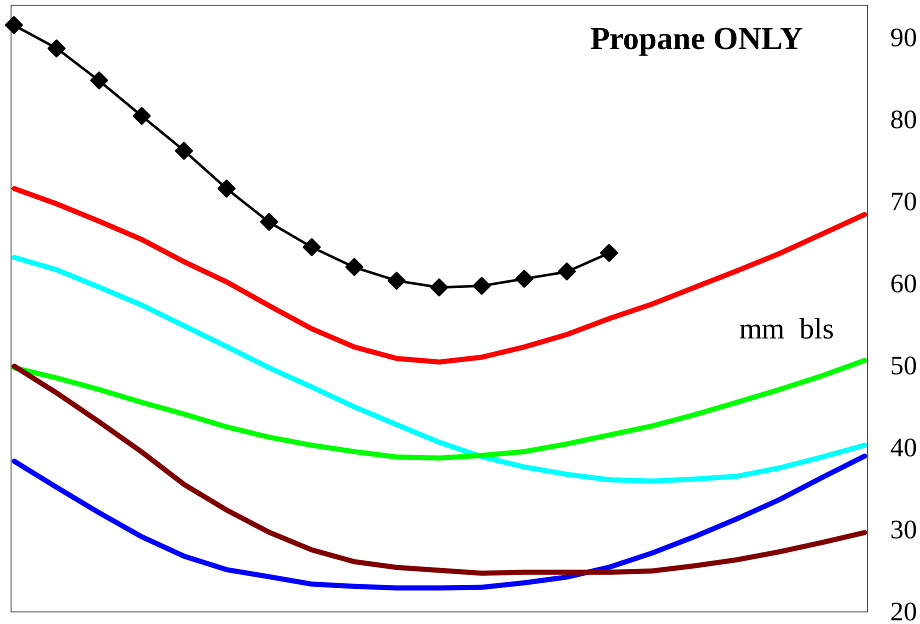
PADDs 4 and 5 Propane Supply and Demand Balance

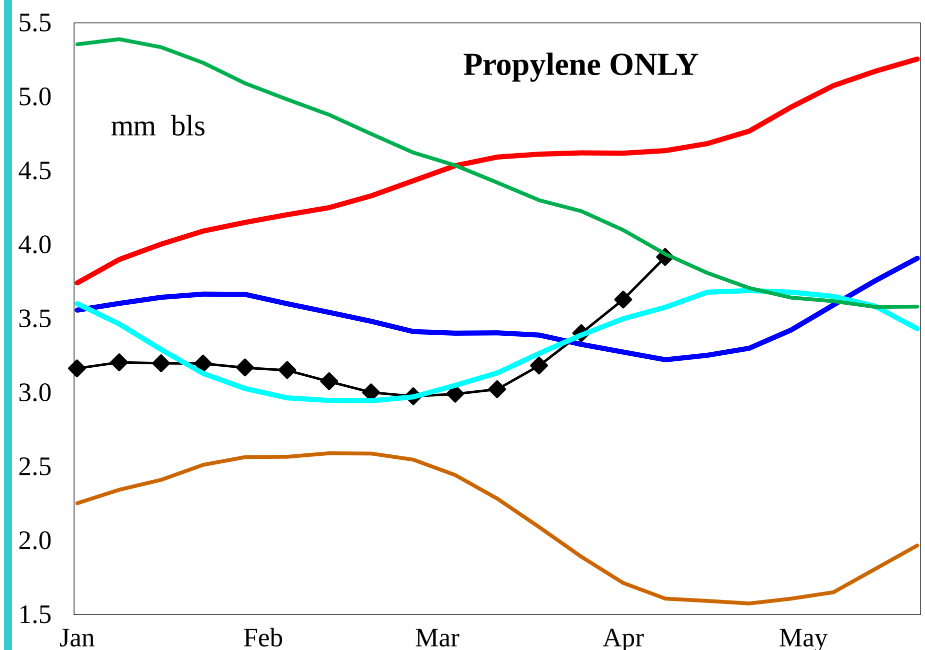


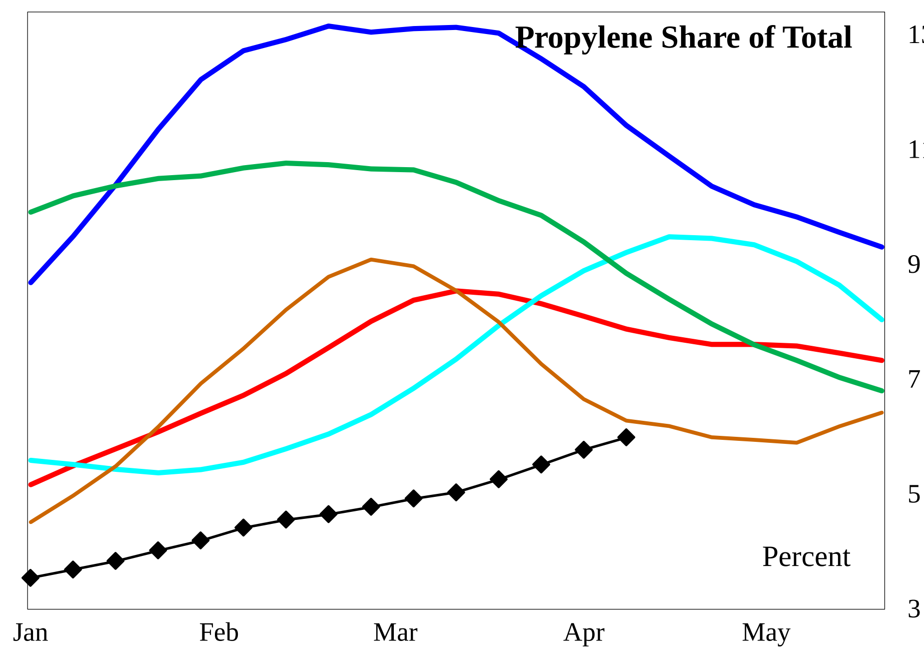
4 wk avg variance prior year	Stocks	4wk stk	Prod	Imports	Prod + Imp - Stk chg
000 bpd (000 bls stks)	-423	104	-10	4	-2
% change	-19.5	305.9	-5.0	31.9	-0.9

U. S. Propane and Propylene Stocks









Variance to prior year	Total	Propane ONLY	Propylene ONLY
000 bls	**7,685**	**8,323**	**-719**
% change	**12.8**	**15.0**	**-15.5**

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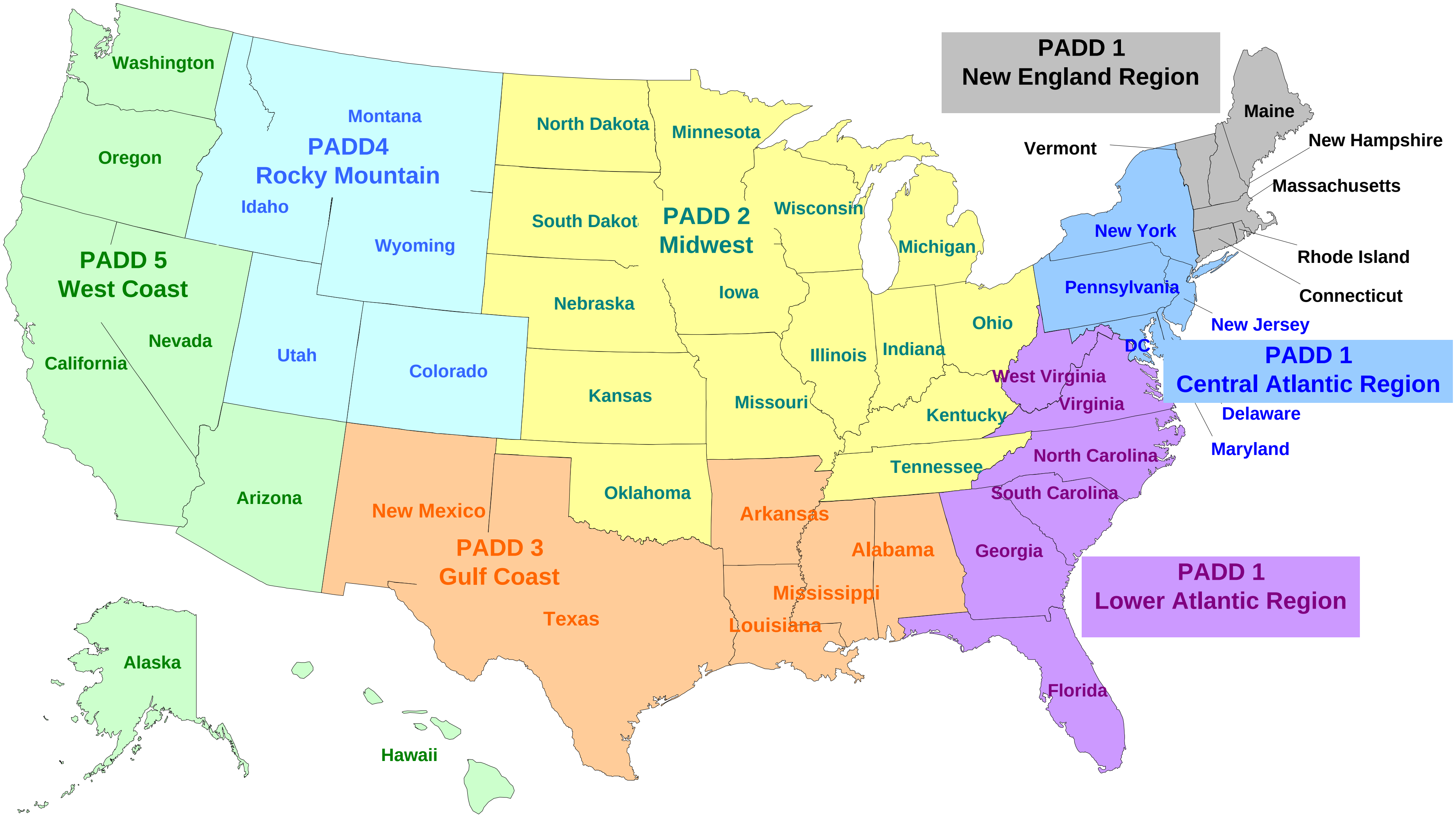
U. S. Petroleum Administrative for Defense Districts (PADDs)



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