



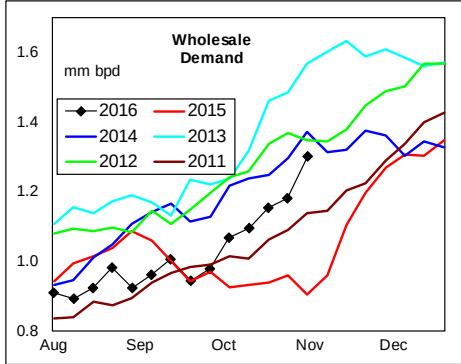
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

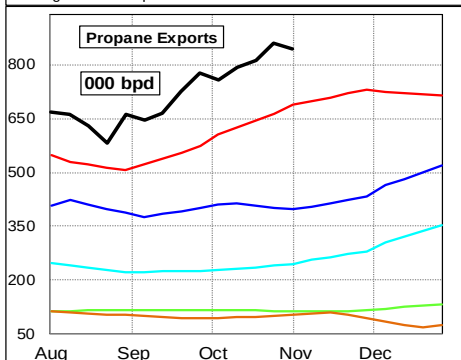
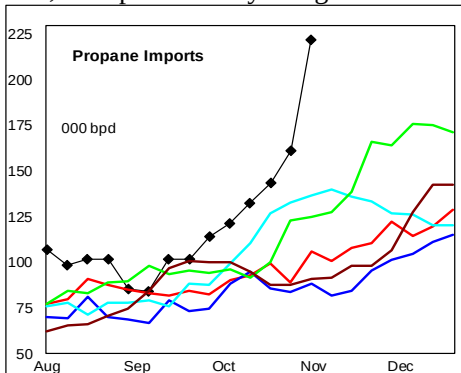
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Summary¹:

Wholesale demand increased +196,000 bpd last week, with the latest 4-wk average +256,000 bpd above a year ago.



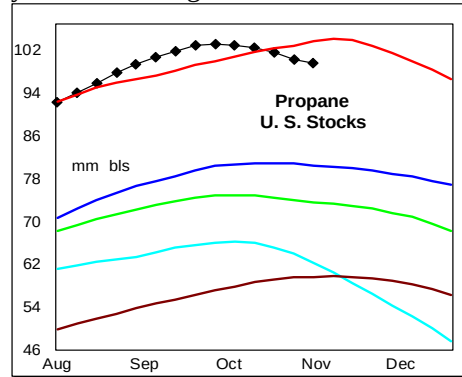
Production decreased -29,000 bpd on the week, with decreases in all regions except the Midwest. Production for the latest 4-wk average was +127,000 above a year ago. Imports jumped +82,000 bpd on the week, with the 4-wk average +68,000 bpd above a year ago.



Exports for the week ending 04Nov16 were 845,000 bpd, extending the year-on-year growth.

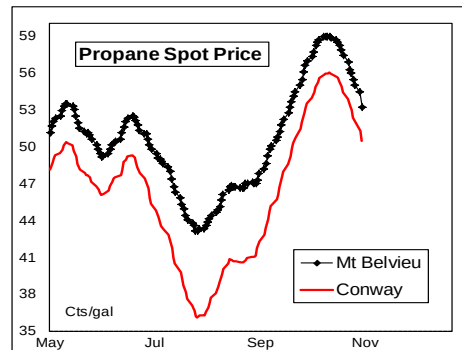
Stocks decreased -1.3 million barrels on the week, to a level -4% below last

year's record high.



The latest 4-wk stock draw of -4.4 million barrels, matched the record draw for this time of year.

Price and Spreads Mt Belvieu and Conway spot prices decreased -4 and -3.5 cpg; respectively, for the week ending 08Nov16. The downtrend which began in mid October continued on above normal temperatures and high stocks.



The Conway – Mt Belvieu price spread traded sideways on the week, ending at a level that matched 3-yr lows.

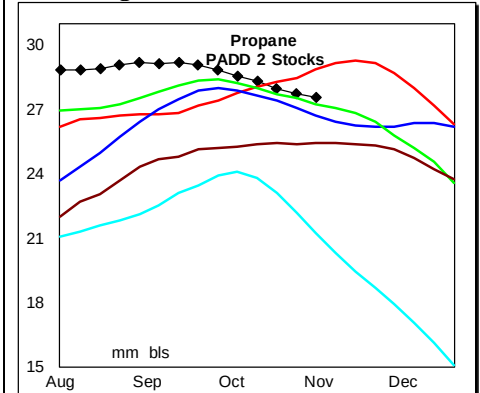
The propane to natural gas price spread trended lower last week, ending at a level that matched the latest 2-yr average.

The propane / crude oil price spread pulled back late in the week, ending at a level near 3-yr highs for the period.

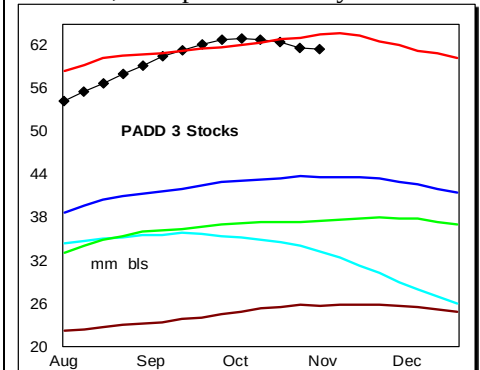
PADD 1 stocks decreased -0.4 million barrels last week. Stock levels ended the week -2% below a year ago. Supplies were -14,000 bpd below last year, due to lower production.

PADD 2 supply increased +78,000 bpd on the week, to new all time highs for each during this period. Production for the latest 4-wk period was +55,000 bpd

above a year ago while imports increased a similar amount. Stocks declined -0.2 million barrels last week. Stock levels ended the week -4% below last year's record high.



PAD 3 stocks decreased -0.4 million barrels on the week. Stock levels ended the week -4% below last year's record high. Supply for the latest 4-wk period was +81,000 bpd above last year.



PADDs 4 & 5 stocks decreased -0.4 million barrels last week. Supply was unchanged on the week. Stock levels ended the week -14% below last year's record high.

Emerging Trends Fall grain drying use has peaked while temperatures remain well above normal in key heating markets. Production and imports are +195,000 bpd above a year ago for the latest 4-wk, a record high. Stocks are only slightly below last year's record highs.

Even with export growth, the high stock levels and mild temperatures in major heating markets risk further price weakness ahead of the winter heating season.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

November 9, 2016

Fundamental Trends for the Week Ending:

Friday, November 04, 2016

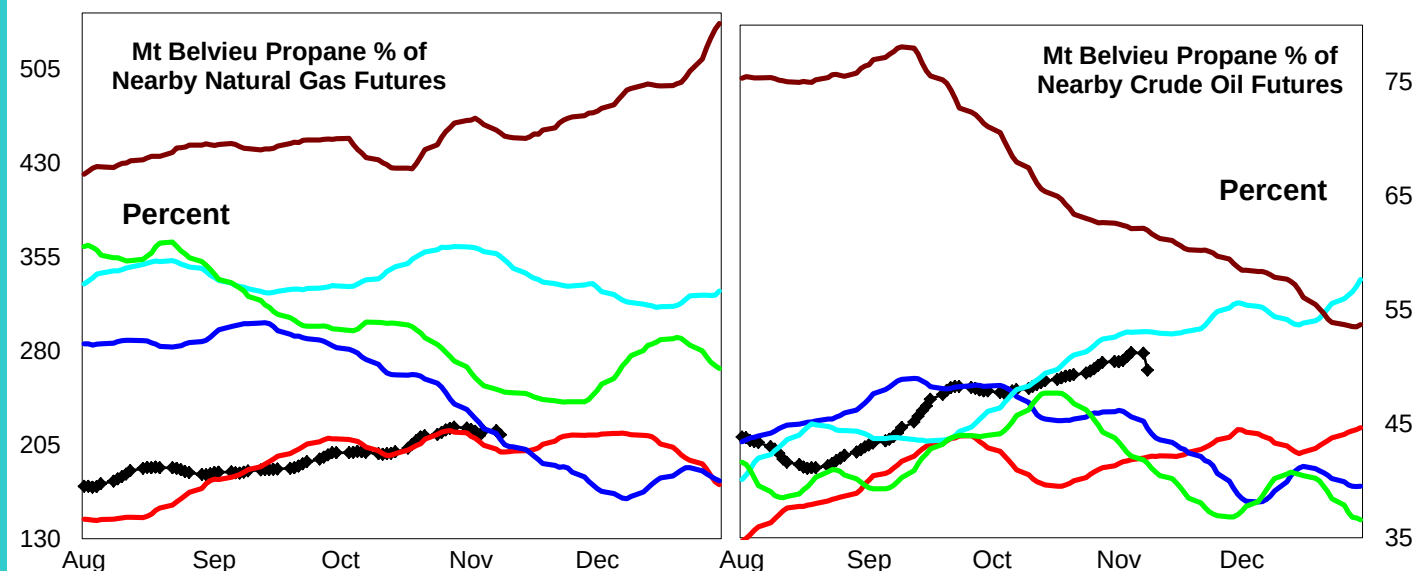
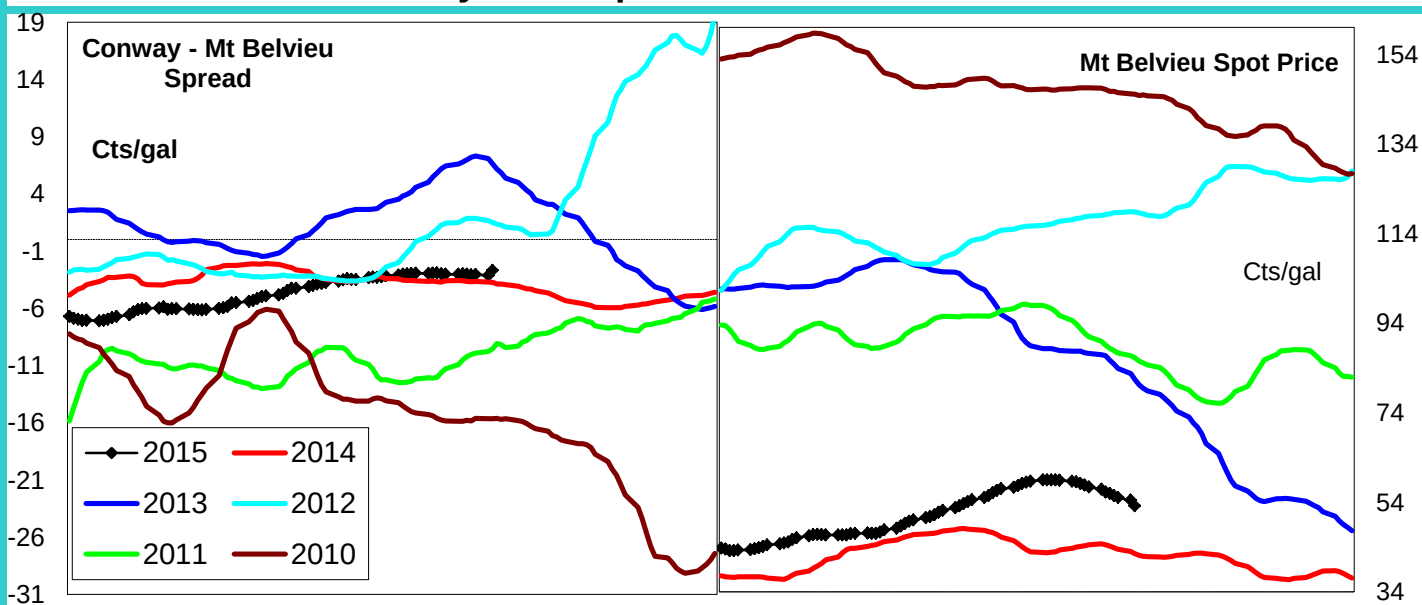
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	99,600	6,776	27,553	61,477	3,794	-1,313	-370	-185	-388	-370
Propylene Stocks	3,660					-50				
Production	1,737	147	437	964	189	-29	-11	19	-20	-17
Imports	222	40	142	0	40	82	6	59	0	17
Whsle Demand	1,302					196				

Price Trends for the Week Ending:

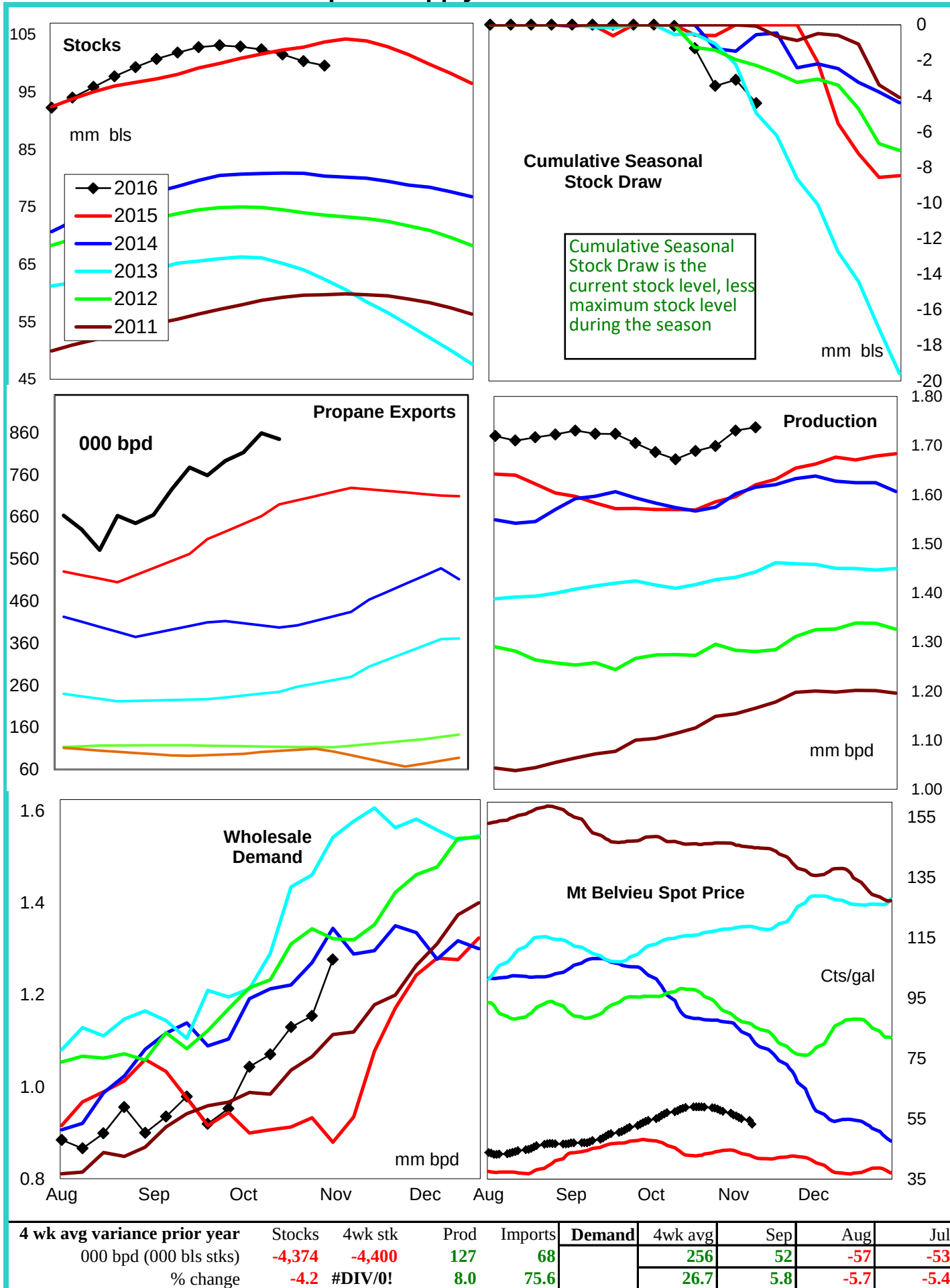
Tuesday, November 08, 2016

Cents/gal	Average for week ending:				Change from:			% change from:		
	11/8/16	11/1/16	10/11/16	11/12/15	11/1/16	10/11/16	11/12/15	11/1/16	10/11/16	11/12/15
Mont Belvieu Spot	54.7	57.2	57.5	43.6	-2.48	-0.25	13.90	-4.3	-0.4	31.9
Conway Spot	51.7	54.2	54.0	39.9	-2.58	0.20	14.18	-4.7	0.4	35.6

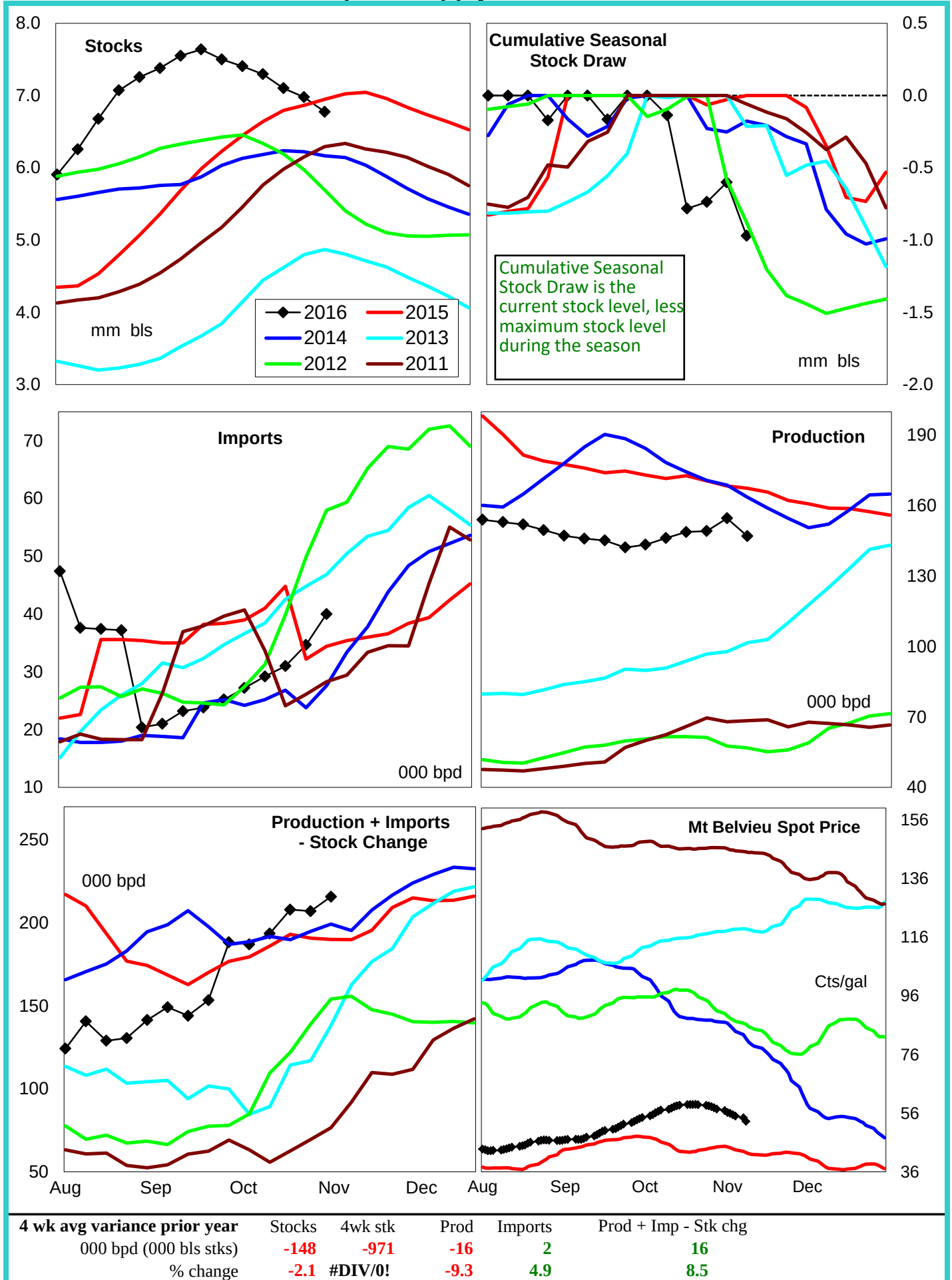
Key Price Spreads and Differentials



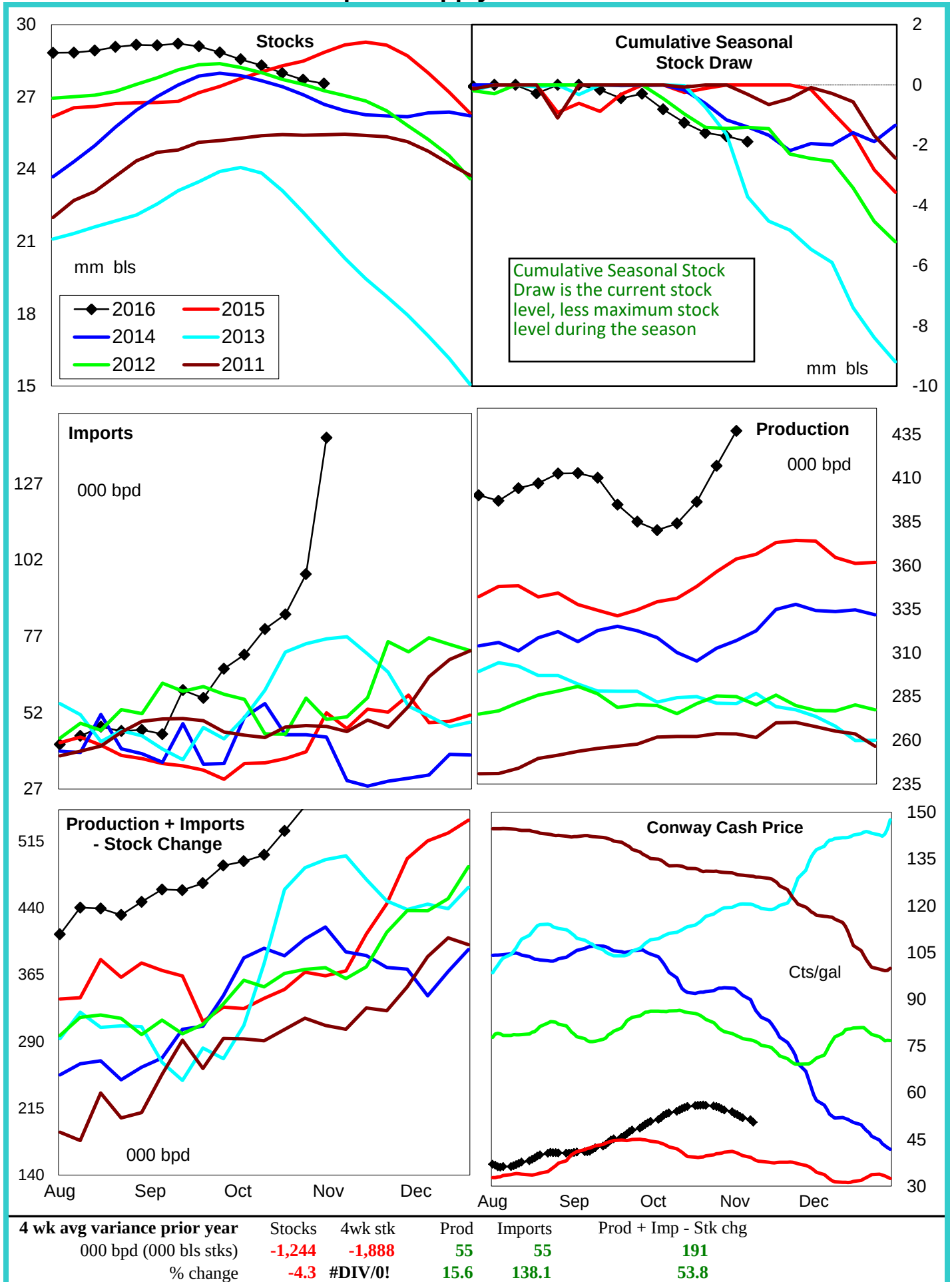
U. S. Propane Supply and Demand Balance



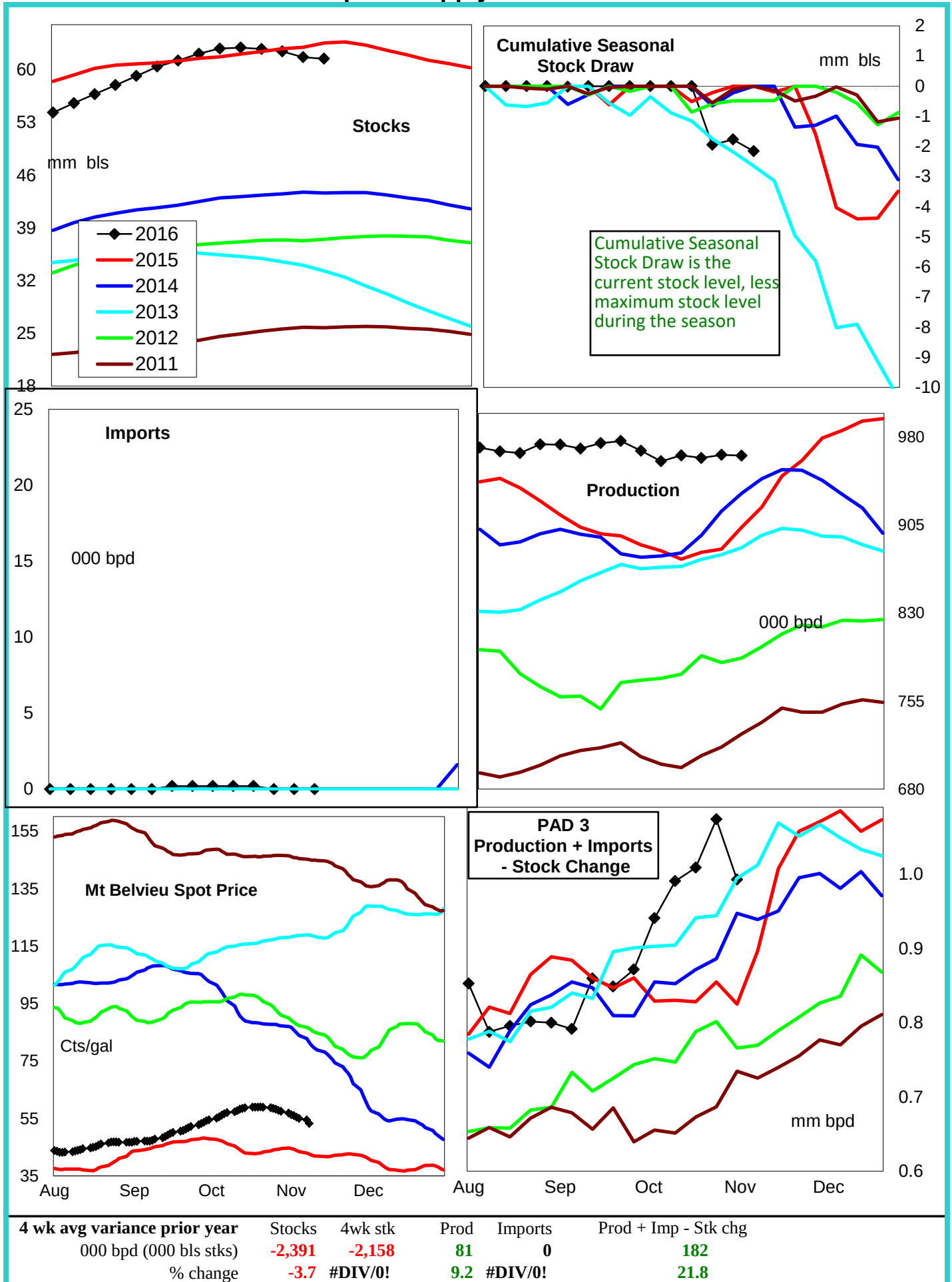
PADD 1 Propane Supply and Demand Balance



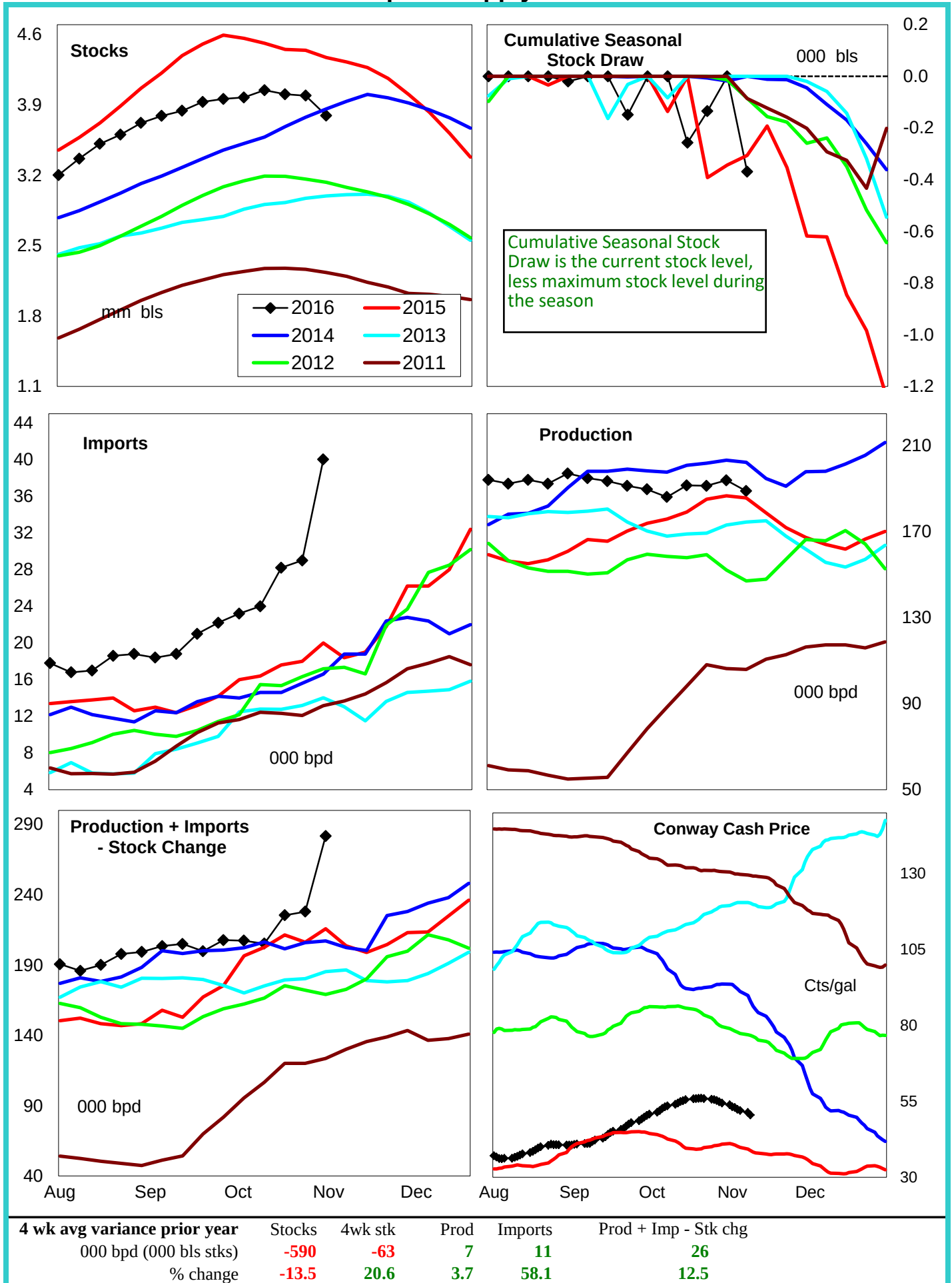
PADD 2 Propane Supply and Demand Balance



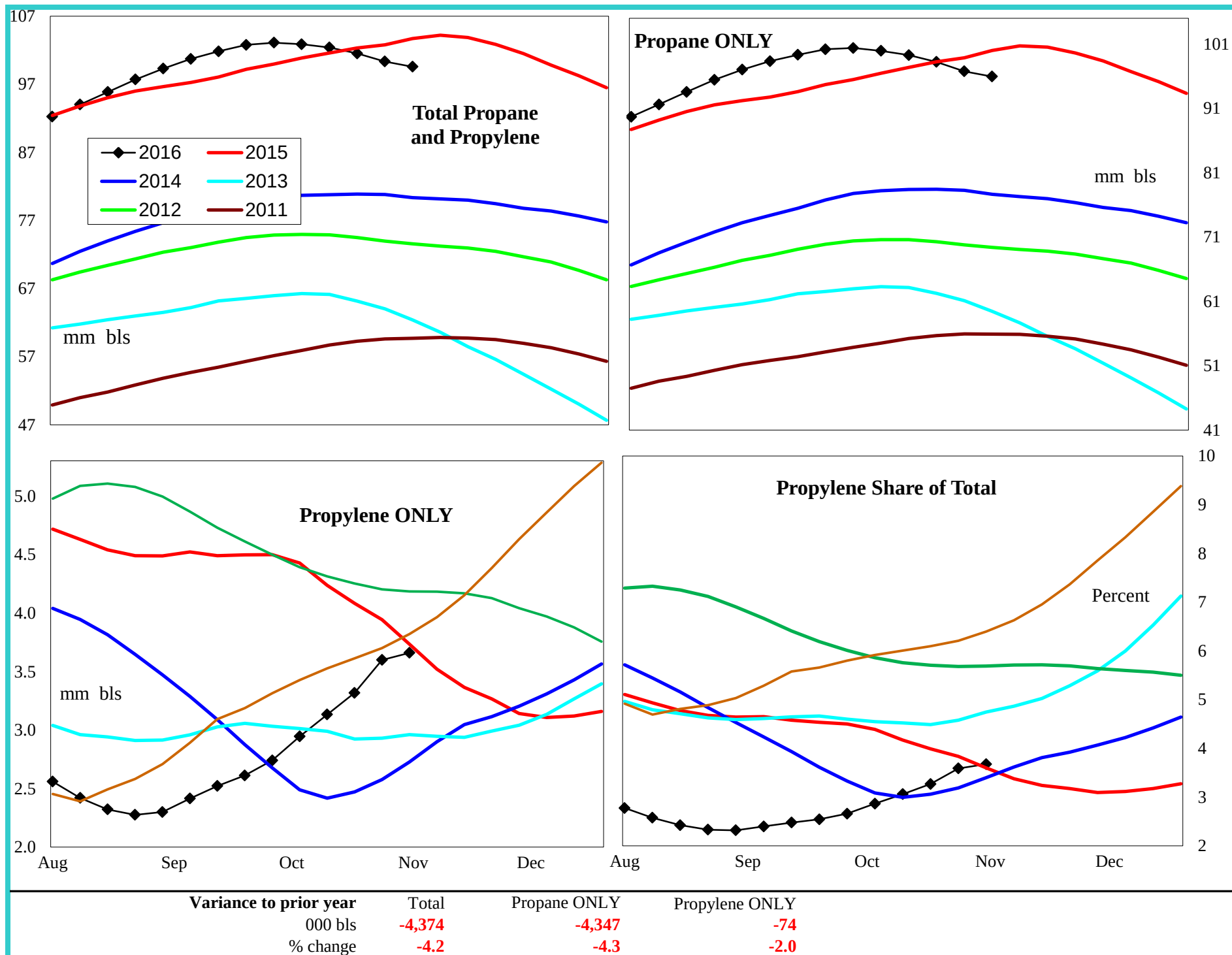
PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks



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

