



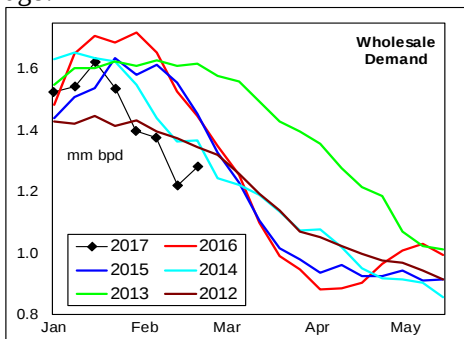
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

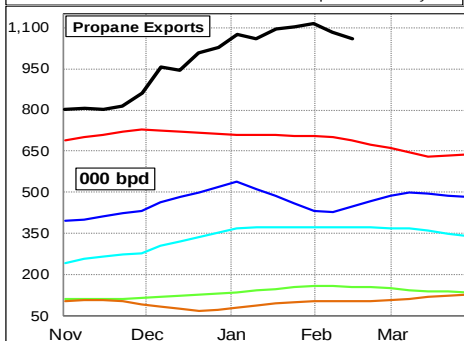
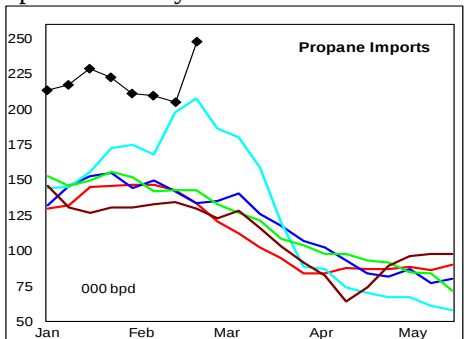
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Summary¹:

Wholesale demand increased +63,000 bpd last week, with the level below the historic range. The latest 4-wk wholesale demand was -243,000 bpd below a year ago.



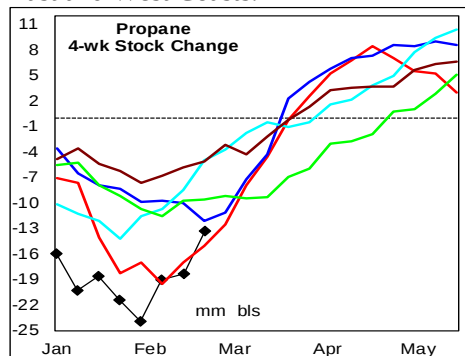
Production increased +74,000 bpd last week. Production for the latest 4-wk period averaged +72,000 above a year ago. Imports increased +80,000 bpd on the week, to a record high. The latest 4-wk average import volume was +61,000 bpd above last year.



Exports for the week ending 17Feb17 were 1.1 million bpd, continuing a trend of near 75% increase over the prior year.

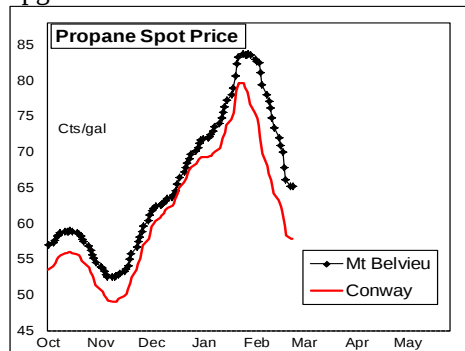
Stocks decreased -0.5 million barrels on the week, with builds on the

East and West Coasts.



The latest 4-wk stock draw of -13.3 million barrels, was near the 3-yr mid range for the period.

Price and Spreads Mt Belvieu spot price decreased -5 cpg last week ending 28Feb17 while Conway reported a -3.5 cpg decline.



The Conway - Mt Belvieu price spread continued to trade below the last 3-yr for the period, although tightening last week.

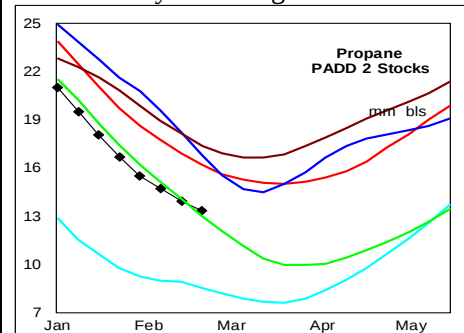
The propane to natural gas price spread trended lower on the week, due to modest strength in gas prices.

The propane / crude oil price spread extended the sharp decline on strength in crude oil prices.

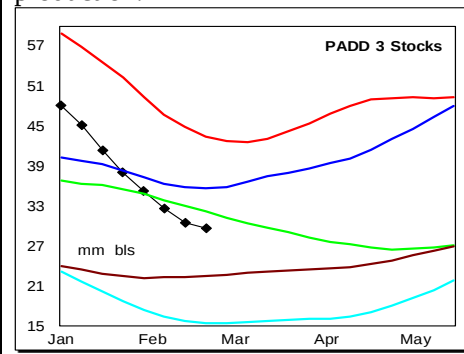
PADD 1 stocks increased +0.2 million barrels on the week; due in part to a surge in imports. Stock levels ended the week +40% above the prior 5-yr high for the period. Supply increased +53,000 bpd on higher imports.

PADD 2 supply increased +50,000 bpd on the week, driven by higher production and imports. Production for the latest 4-wk period was +67,000 bpd above a year ago while imports increased +24,000 bpd. Midwest supply continues on a trend of +90,000 bpd above the prior

record high, which was last year. Stocks decreased -0.4 million barrels on the week. Stock levels ended the week -18% below last years' record high, and below the 3-yr mid range.



PAD 3 stocks decreased -0.4 million barrels on the week, lower than normal on an increase in production. Stock levels ended the week -29% below last year's record high, and below the 3-yr mid range for the period. Supply increased +62,000 bpd on higher production.



PADDs 4 & 5 stocks were unchanged last week. Supply decreased -9,000 bpd last week on lower production. Stock levels ended the week -1% below last year.

Emerging Trends Much above normal temperatures are forecast across the entire country during the next 2-wks; except the northwest.

The stock draw last week of -0.5 million bpd was below average for the period. Supply increased +154,000 bpd last week on higher production and imports. Look for continued weakness in prices on above average temperatures, and record supply.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

March 1, 2017

Fundamental Trends for the Week Ending:

Friday, February 24, 2017

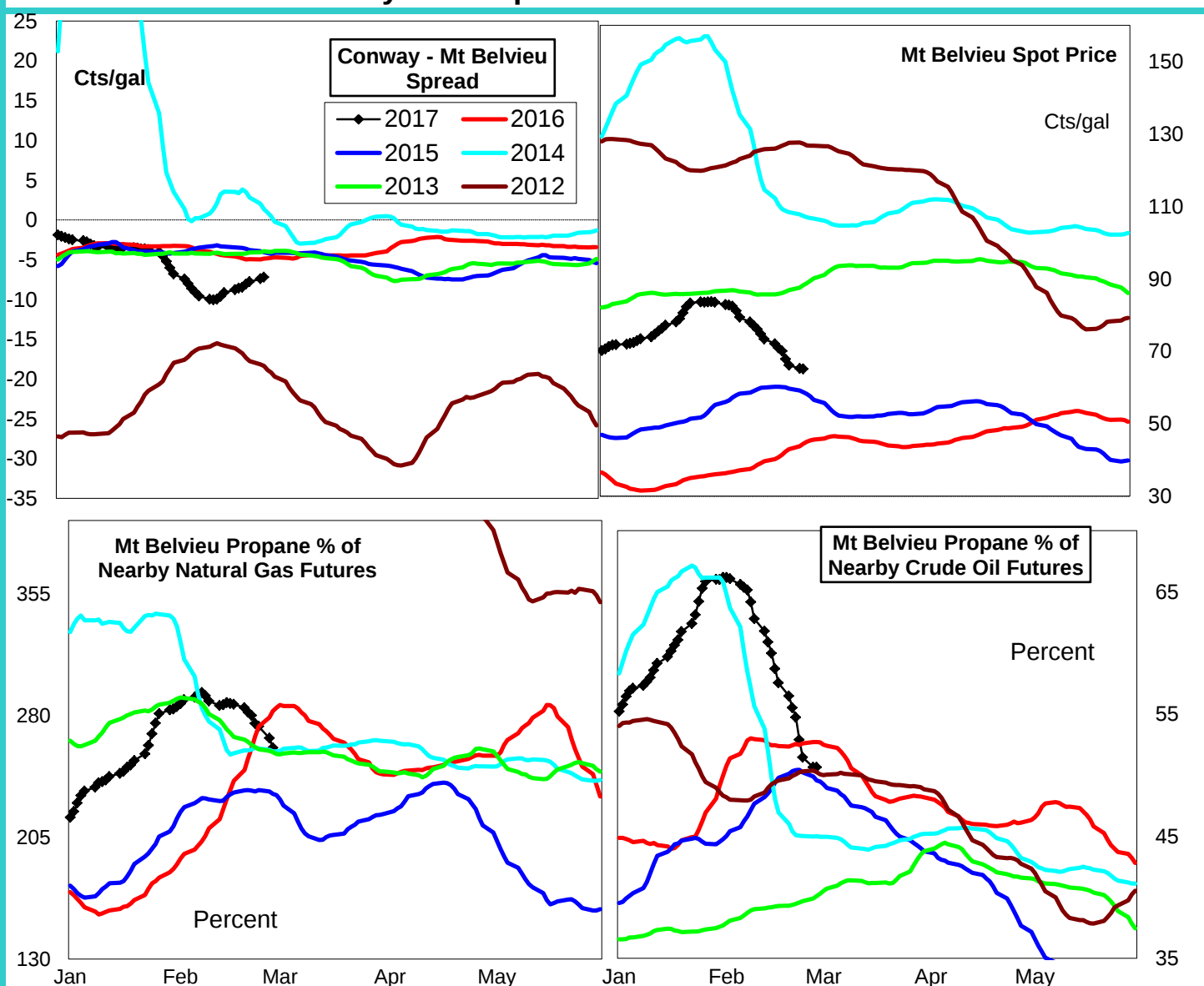
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	49,307	4,596	13,351	29,695	1,665	-536	218	-386	-394	26
Propylene Stocks	2,513					-355				
Production	1,711	152	449	910	200	74	4	13	62	-5
Imports	248	98	109	0	41	80	47	37	0	-4
Whsle Demand	1,281					63				

Price Trends for the Week Ending:

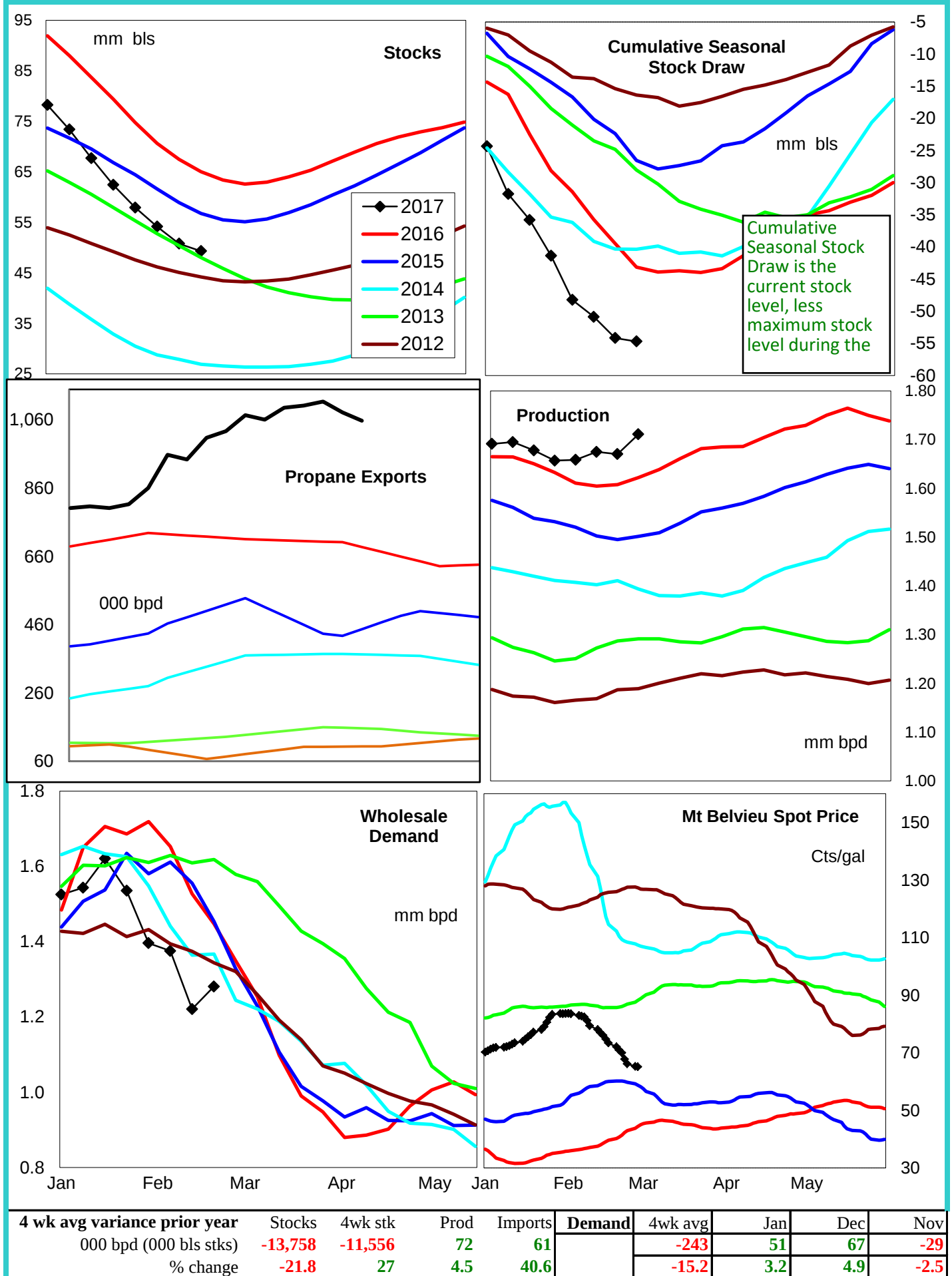
Tuesday, February 28, 2017

Cents/gal	Average for week ending:				Change from:			% change from:		
	2/28/17	2/21/17	1/31/17	3/3/16	2/21/17	1/31/17	3/3/16	2/21/17	1/31/17	3/3/16
Mont Belvieu Spot	65.5	74.6	82.2	42.7	-9.15	-7.63	39.50	-12.3	-9.3	92.5
Conway Spot	57.8	65.3	79.1	38.3	-7.45	-13.78	40.80	-11.4	-17.4	106.7

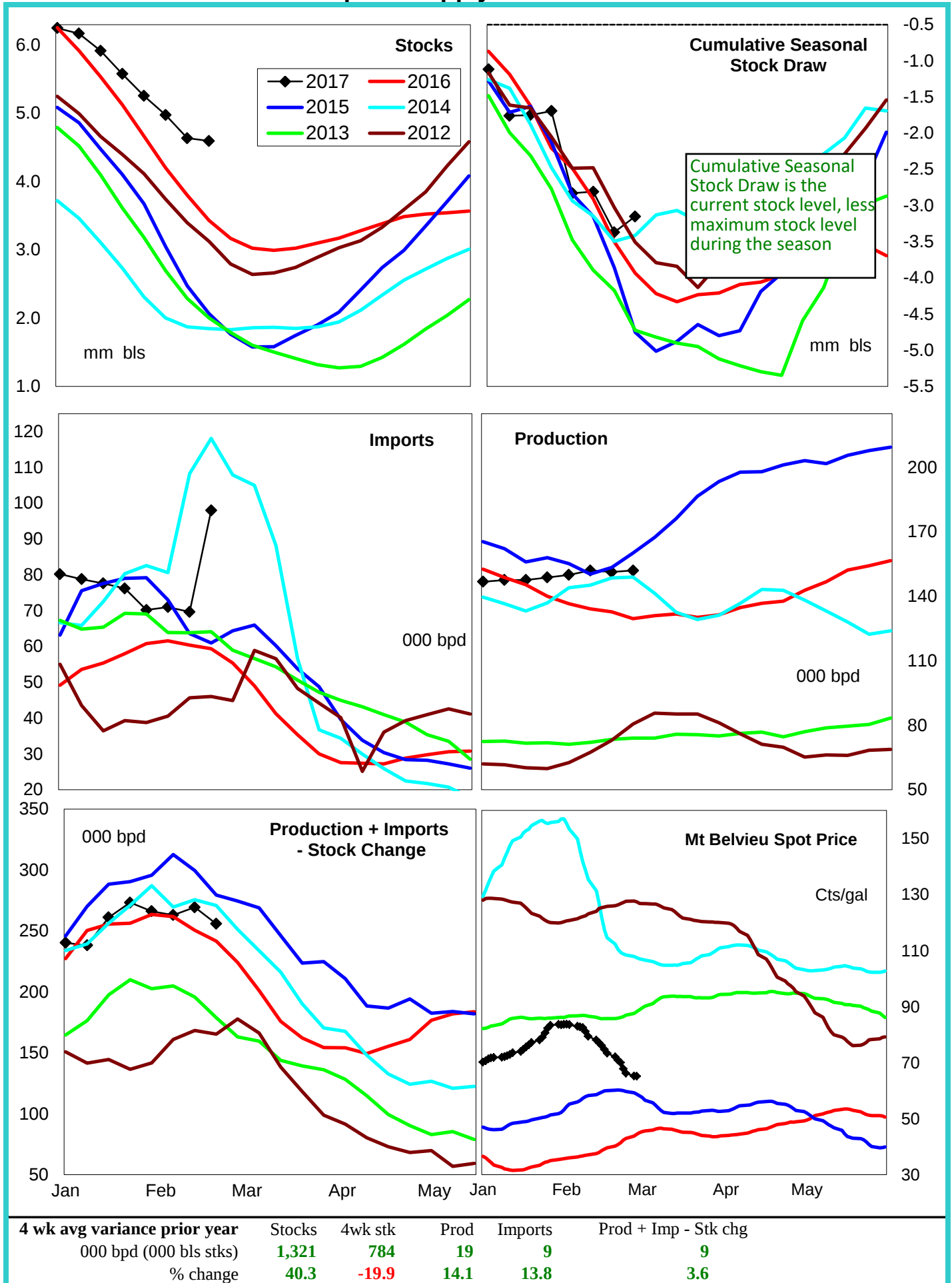
Key Price Spreads and Differentials



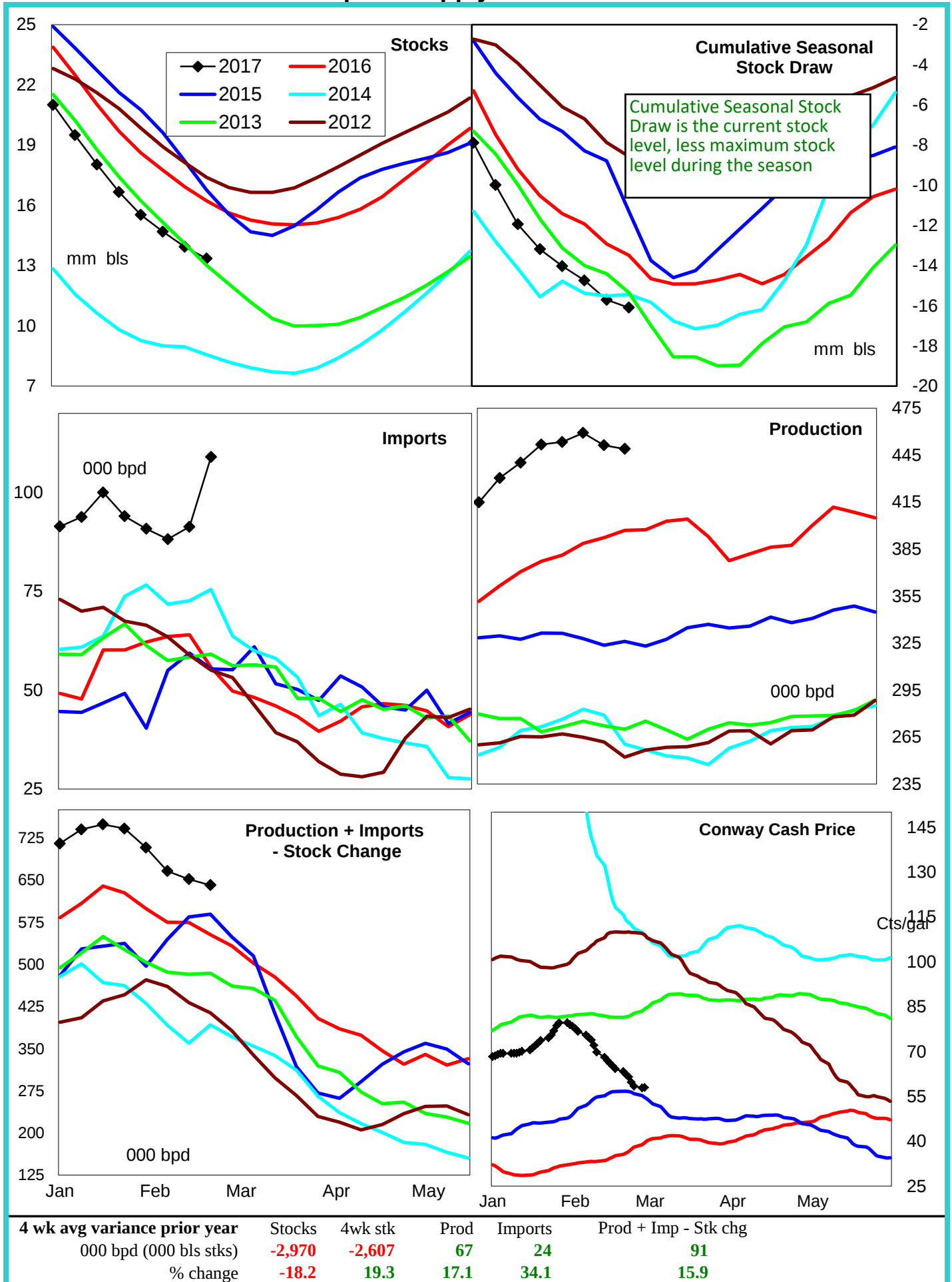
U. S. Propane Supply and Demand Balance



PADD 1 Propane Supply and Demand Balance



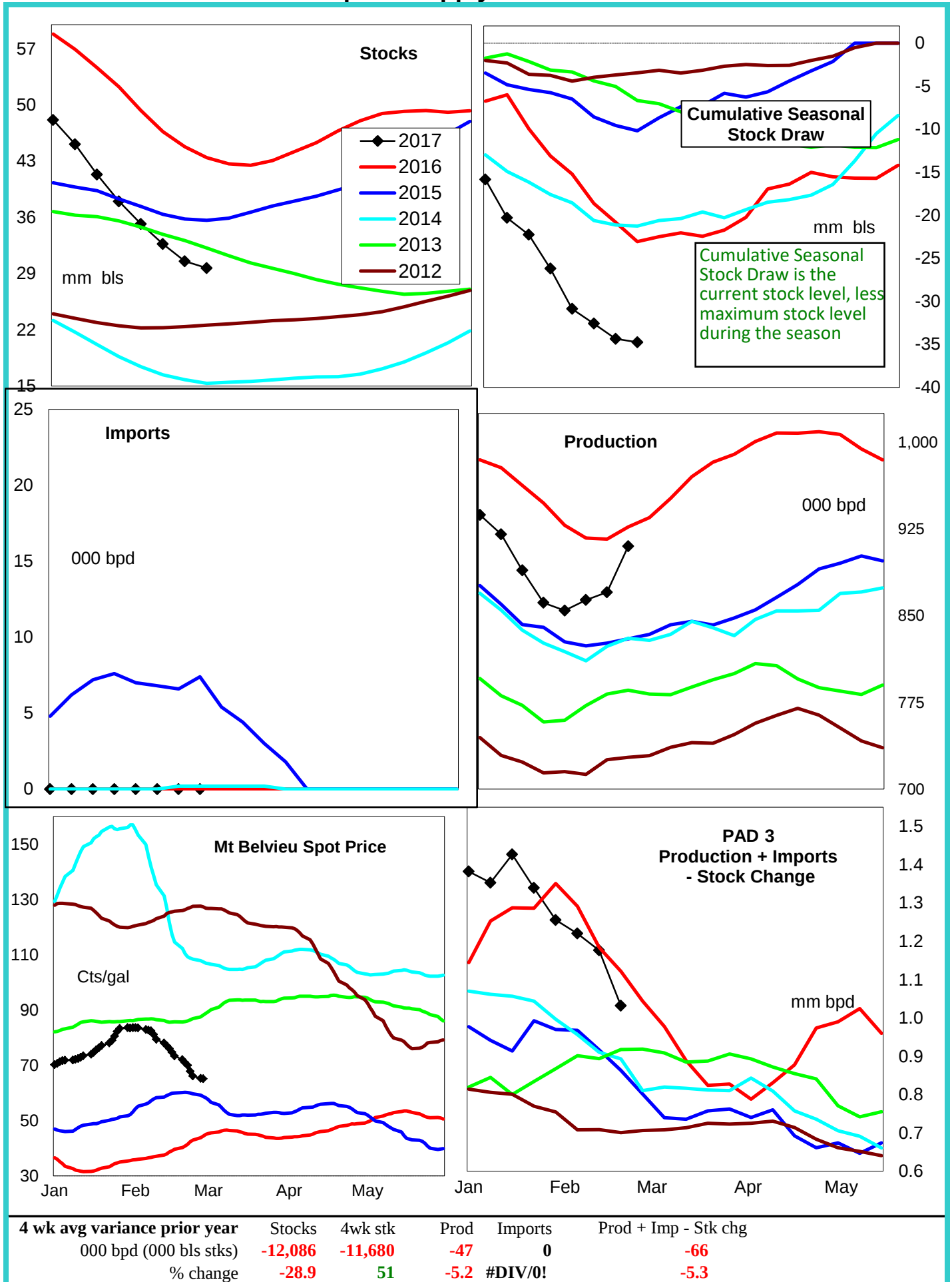
PADD 2 Propane Supply and Demand Balance



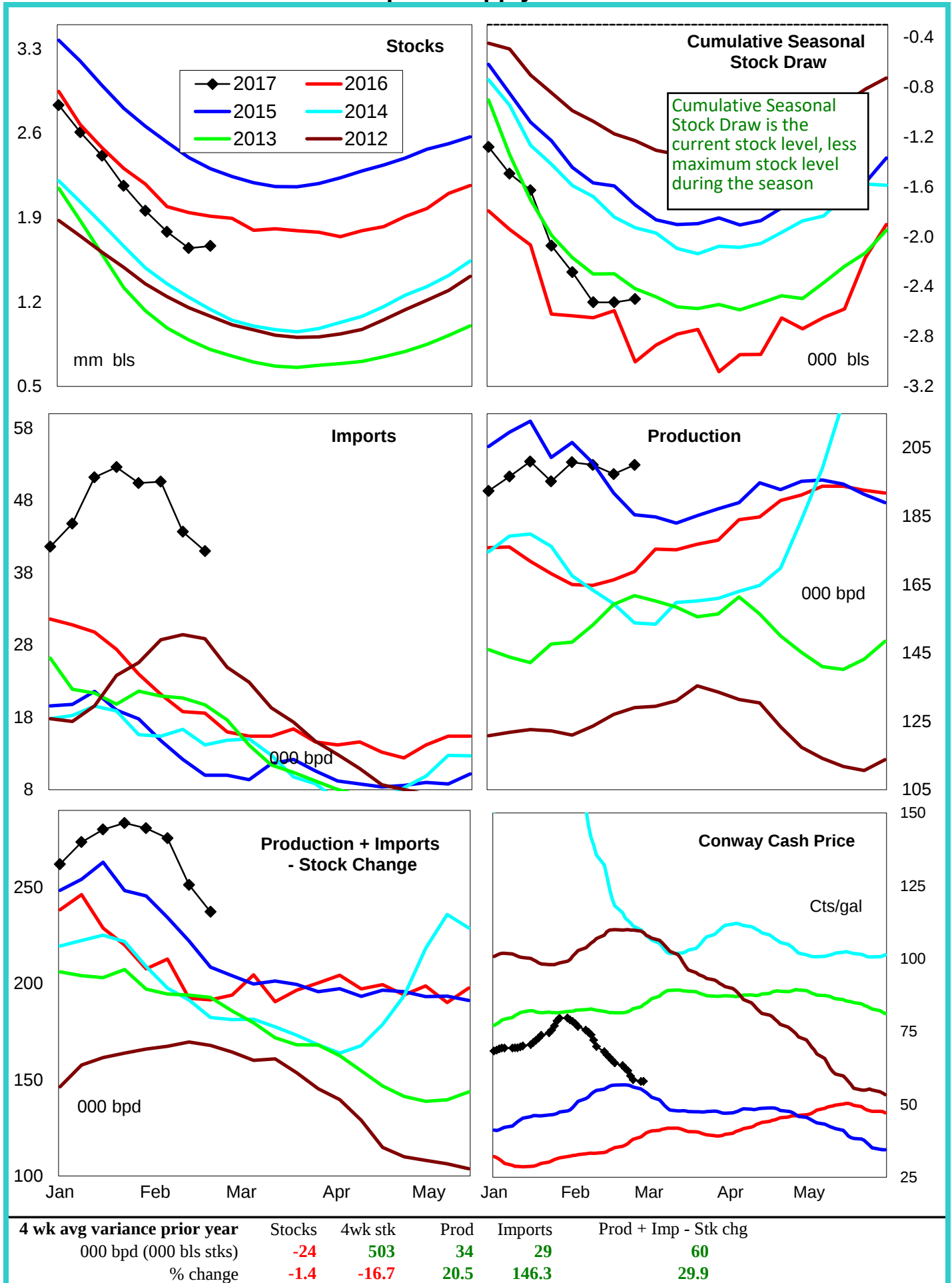
PADD 2 Propane Supply and Demand Balance

75

PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks

