



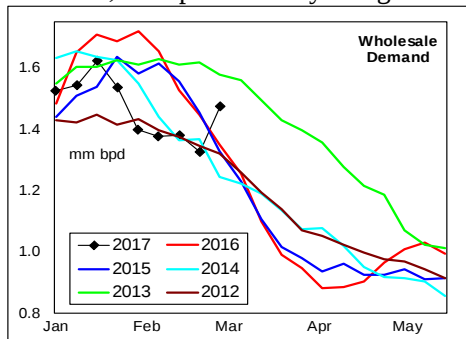
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

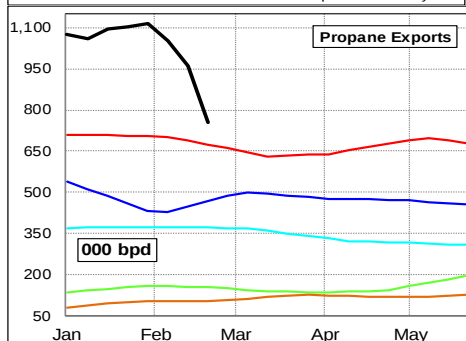
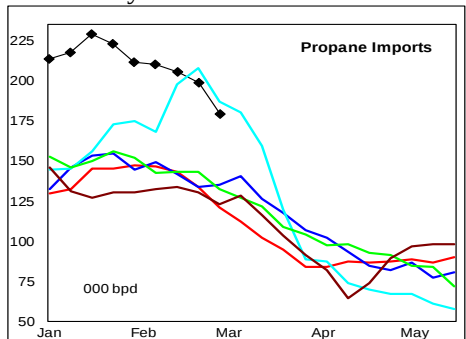
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Summary¹:

Wholesale demand increased +191,000 bpd last week, to a level above the last 3-yrs. The latest 4-wk wholesale demand was -237,000 bpd below a year ago.



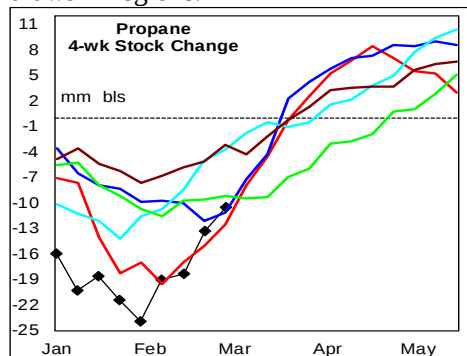
Production increased +21,000 bpd last week. Production for the latest 4-wk period averaged +79,000 above a year ago. Imports decreased -69,000 bpd on the week, to a level that matched historic highs for the period. The latest 4-wk average imports were +64,000 bpd above last year.



Exports for the week ending 24Feb17 were 0.8 million bpd, down sharply from January levels.

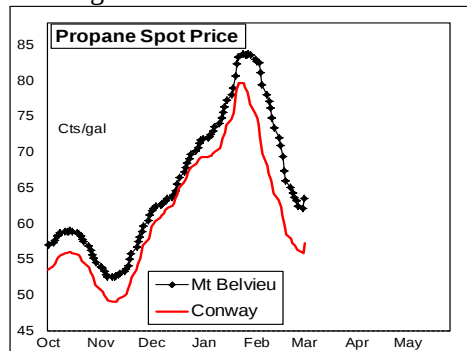
Stocks decreased -4.1 million barrels on the week, with substantial

draws in regions.



The latest 4-wk stock draw of -9.2 million barrels, matched the average of the last 2-yrs.

Price and Spreads Mt Belvieu spot price decreased -1/2 cpg last week ending 07Mar17 while Conway was nearly unchanged.



The Conway - Mt Belvieu price spread continued to trade below the last 3-yrs for the period.

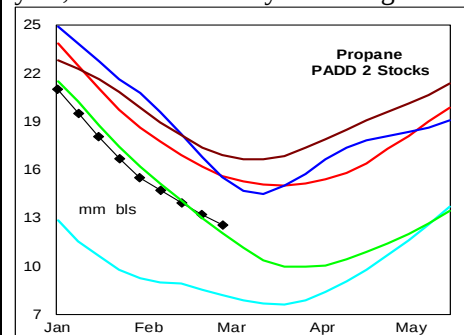
The propane to natural gas price spread was unchanged last week at a level near the average of the last 2-yrs.

The propane / crude oil price spread also saw limited change on the week at a level near the 2-yr average for the period.

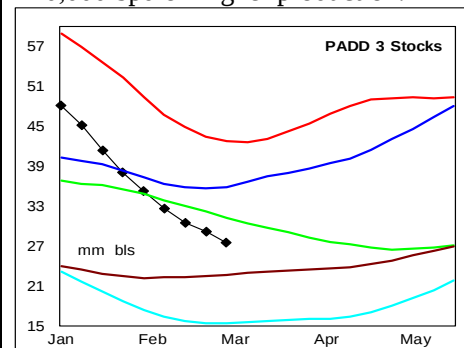
PADD 1 stocks decreased -0.8 million barrels on the week. Stock levels ended the week +26% above the prior 5-yr high for the period. Supply decreased -42,000 bpd on lower imports.

PADD 2 supply decreased -37,000 bpd on the week, driven by lower imports. Production for the latest 4-wk period was +57,000 bpd above a year ago while imports increased +33,000 bpd. Midwest supply continues on a trend of +90,000 bpd above the prior record high, which was last year. Stocks decreased -

0.8 million barrels on the week. Stock levels ended the week -17% below last year, and below the 3-yr mid range.



PADD 3 stocks decreased -2.1 million barrels on the week. Stock levels ended the week -35% below last year's record high, and well below the 3-yr mid range for the period. Supply increased +40,000 bpd on higher production.



PADDs 4 & 5 stocks decreased -0.3 million barrels last week. Supply decreased -9,000 bpd on lower production. Stock levels ended the week -26% below last year.

Emerging Trends Below normal temperatures are forecast across the northern 1/3rd of the country during the next week; then a return to above normal temperatures across the entire country (except the northwest) by mid month.

The latest 4-wk stock draw of -9 million barrels was comparable to the last 2-yrs, with the level of stocks equal to the 5-yr mid range. Look for near term support to prices on below normal temperatures in key markets, followed by weakness in the 2nd half of the month as the heating season comes to an end.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

March 8, 2017

Fundamental Trends for the Week Ending:

Friday, March 03, 2017

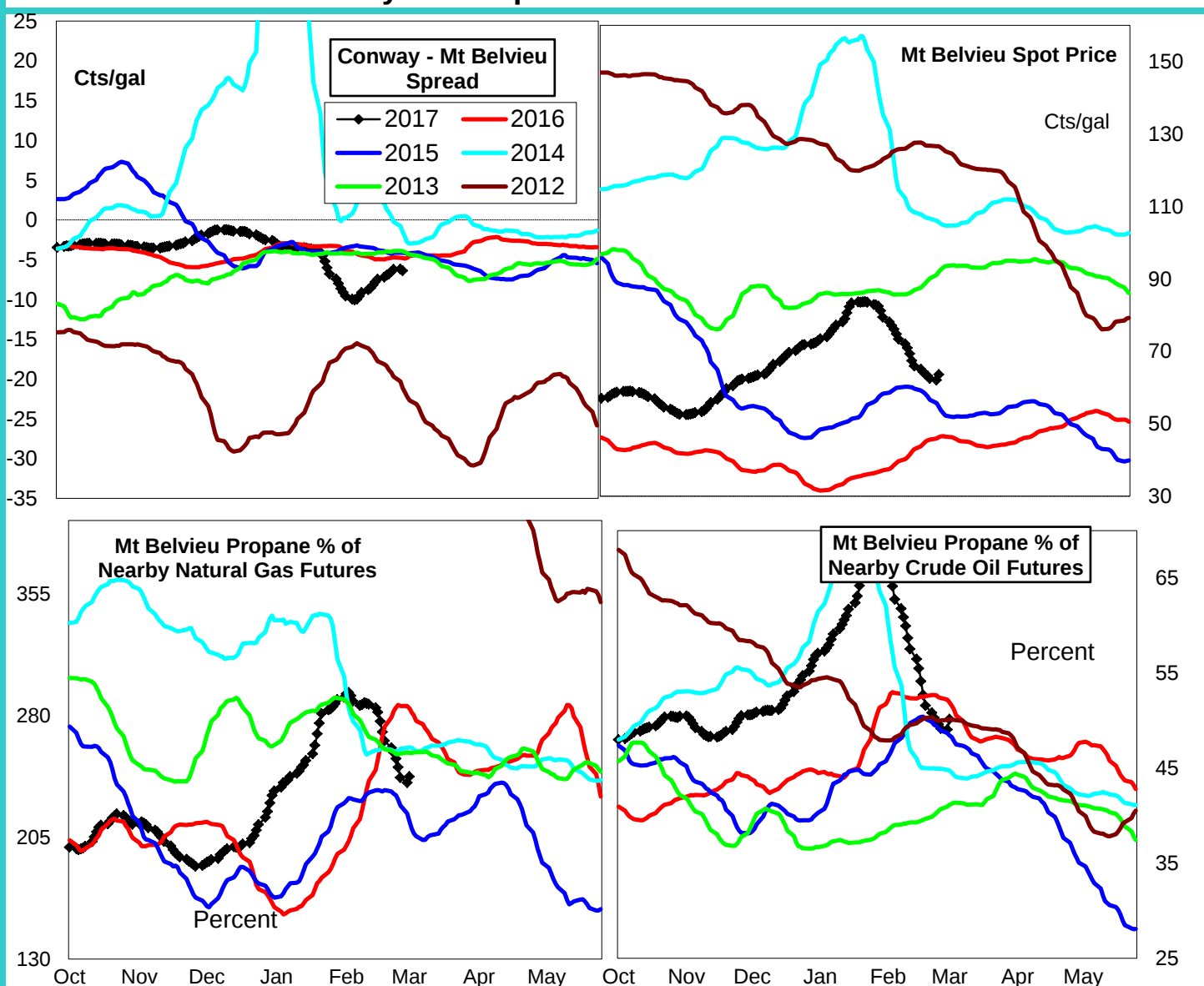
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	45,226	3,761	12,535	27,585	1,345	-4,081	-835	-816	-2,110	-320
Propylene Stocks	2,371					-142				
Production	1,732	153	443	950	186	21	1	-6	40	-14
Imports	179	55	78	0	46	-69	-43	-31	0	5
Whsle Demand	1,472					191				

Price Trends for the Week Ending:

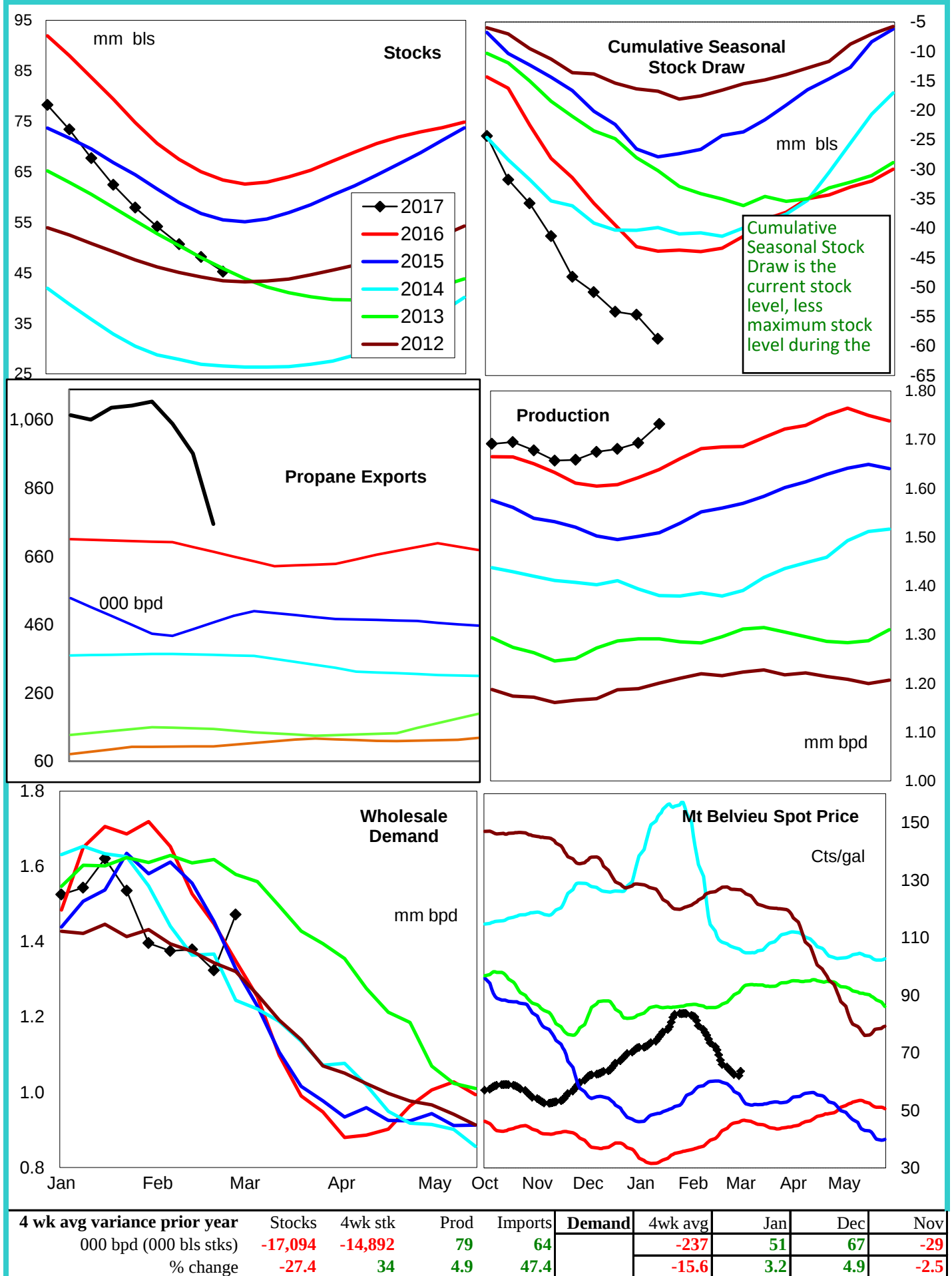
Tuesday, March 07, 2017

Cents/gal	Average for week ending:				Change from:			% change from:		
	3/7/17	2/28/17	2/7/17	3/10/16	2/28/17	2/7/17	3/10/16	2/28/17	2/7/17	3/10/16
Mont Belvieu Spot	62.0	65.5	85.7	46.9	-3.45	-20.28	38.85	-5.3	-23.7	82.9
Conway Spot	56.0	57.8	79.7	41.6	-1.85	-21.88	38.10	-3.2	-27.4	91.6

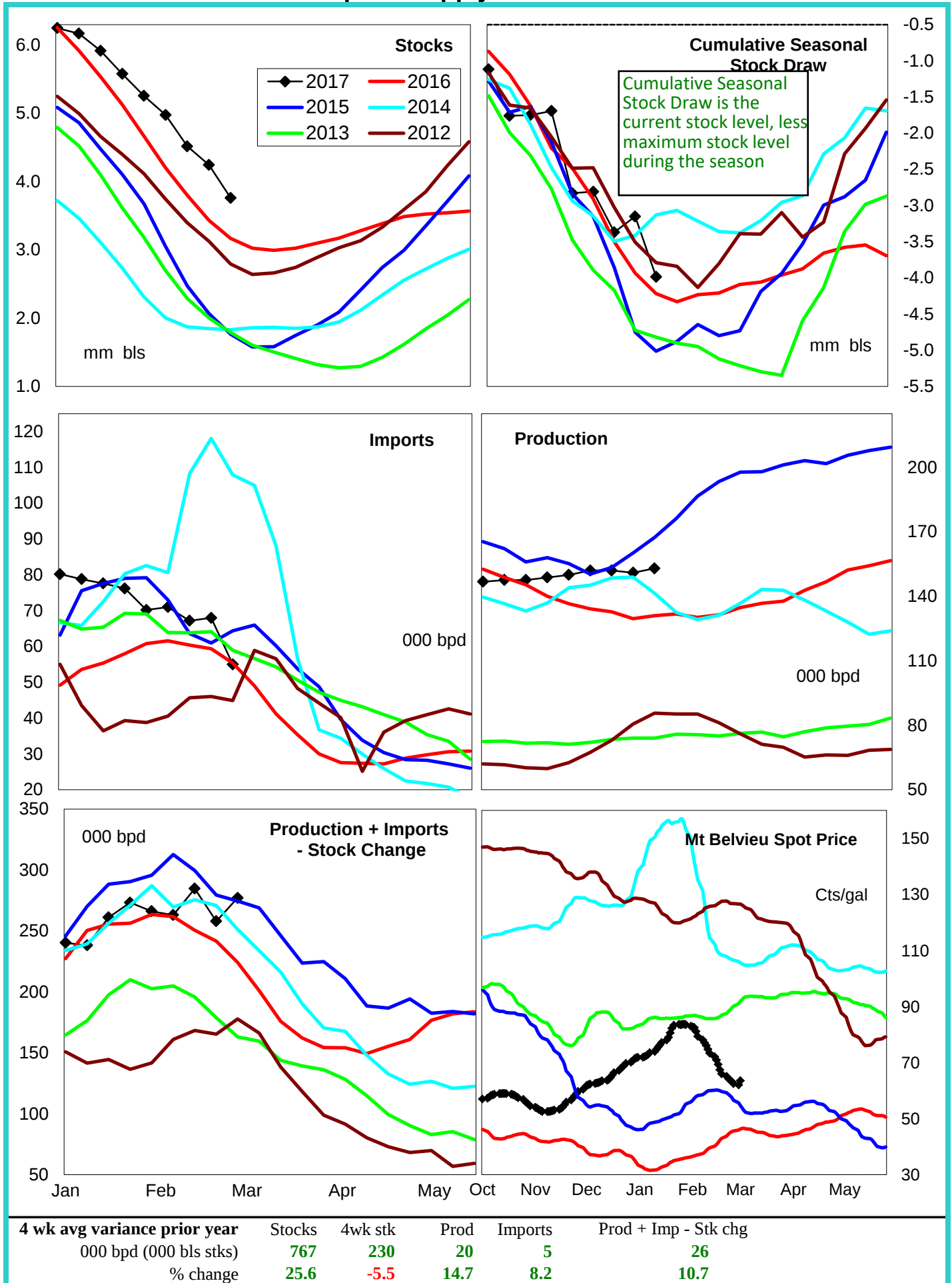
Key Price Spreads and Differentials



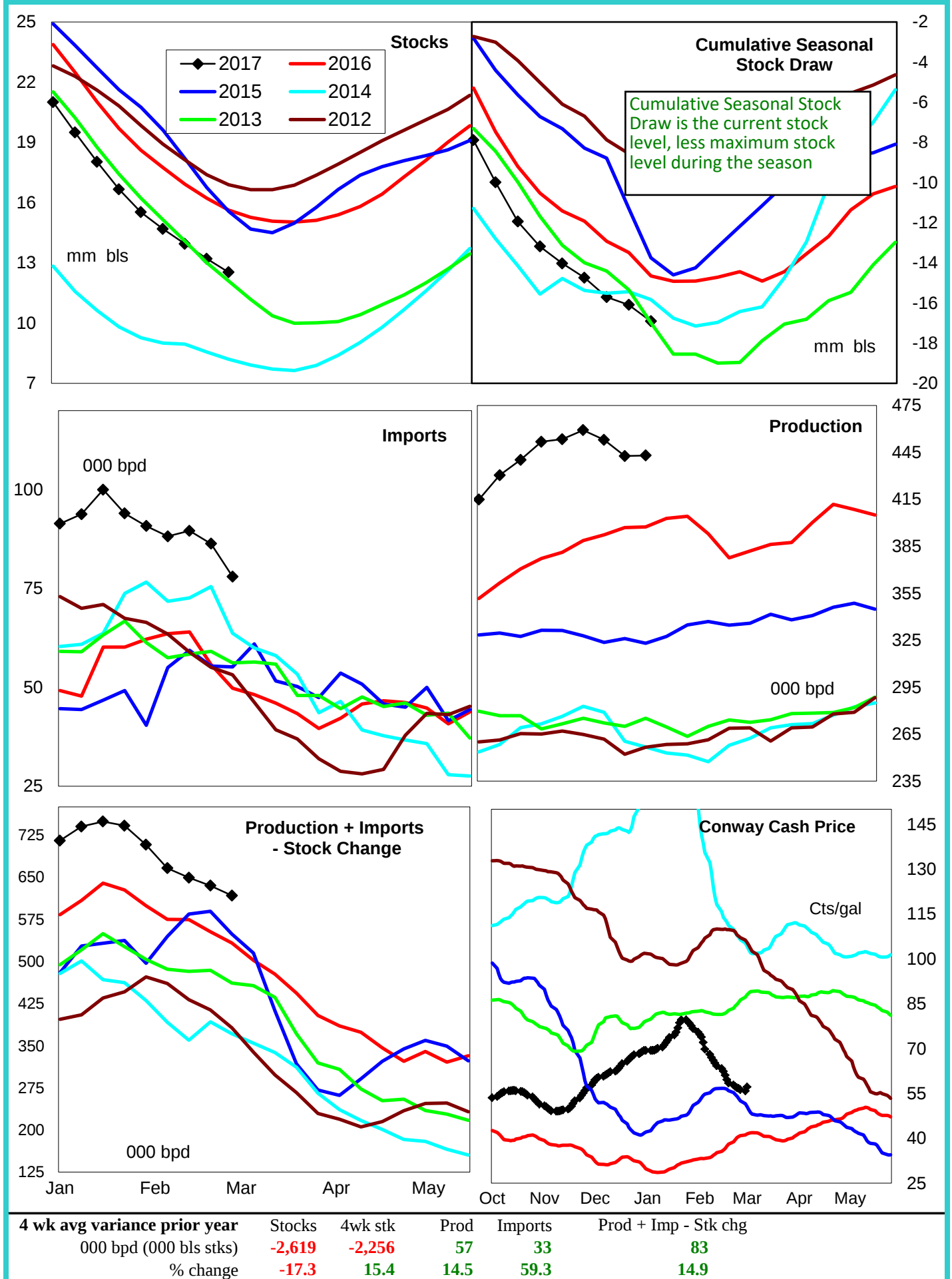
U. S. Propane Supply and Demand Balance



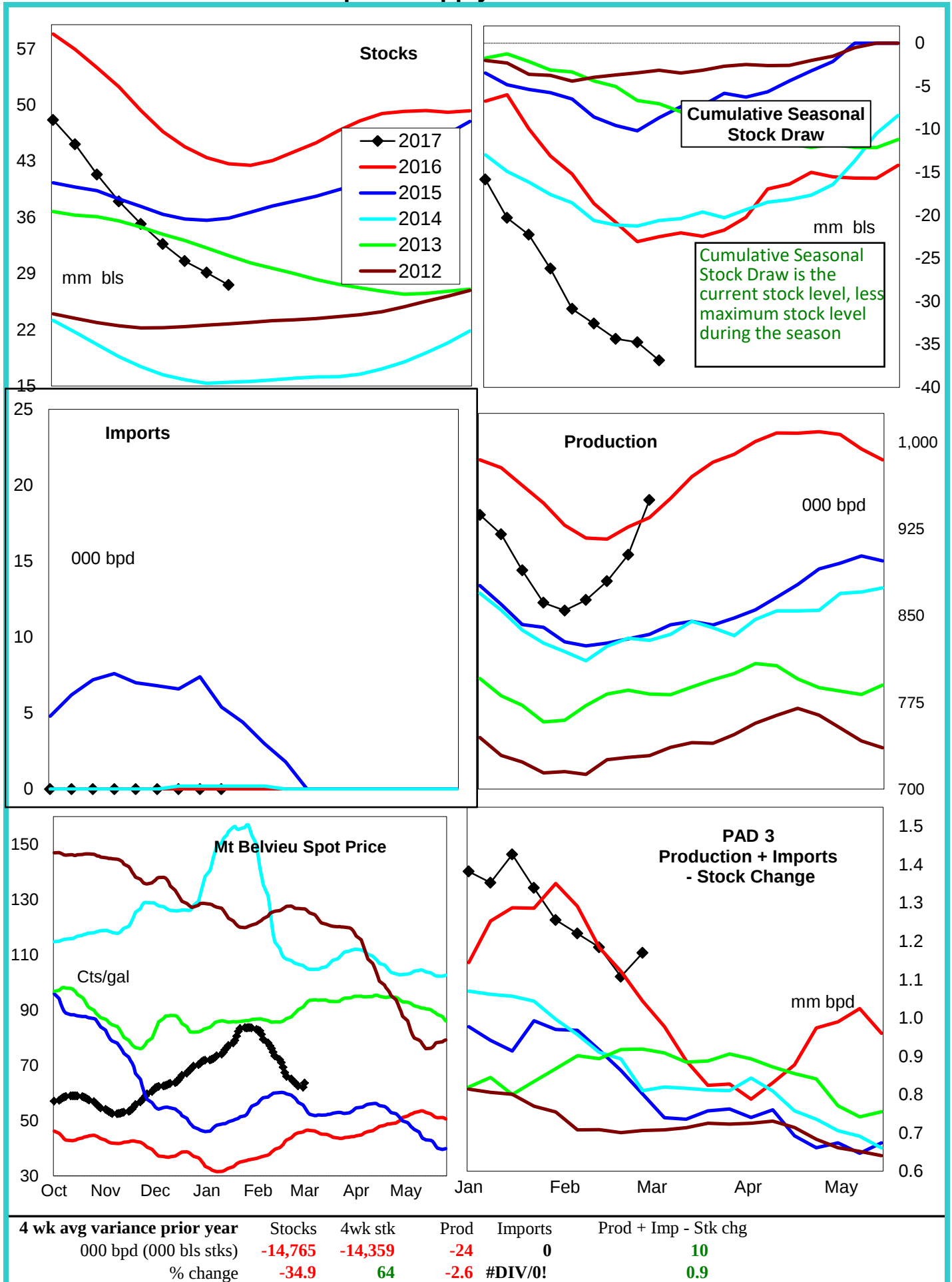
PADD 1 Propane Supply and Demand Balance



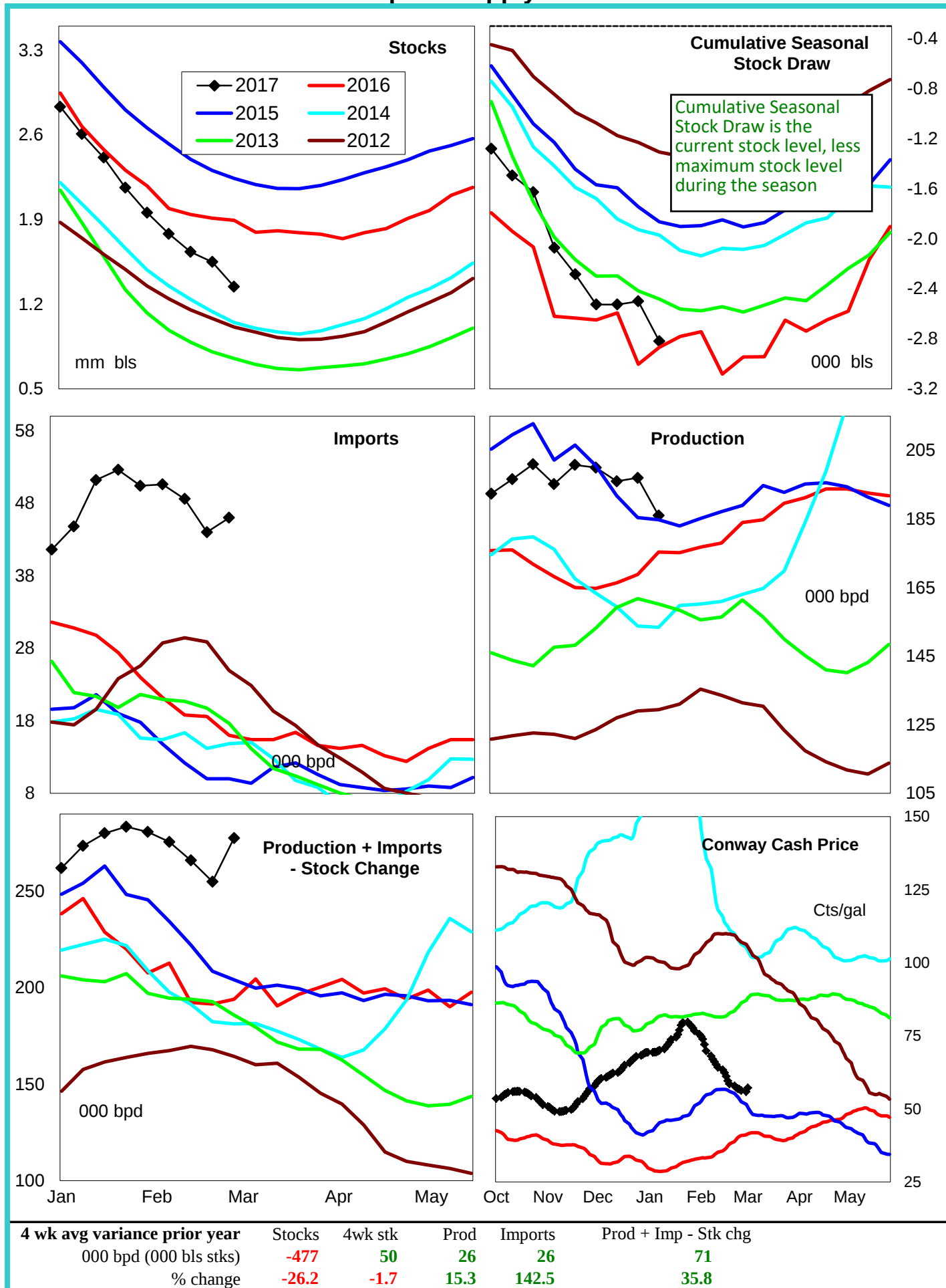
PADD 2 Propane Supply and Demand Balance



PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks

