



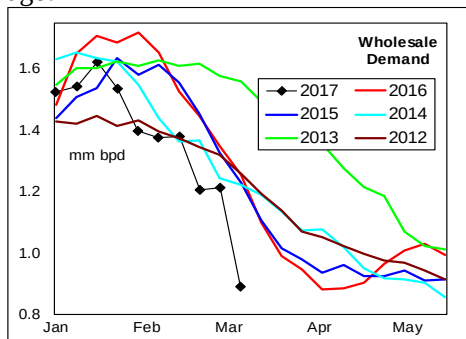
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

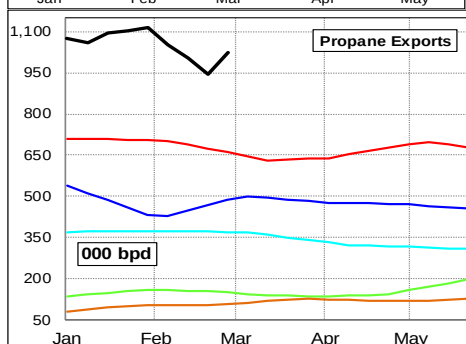
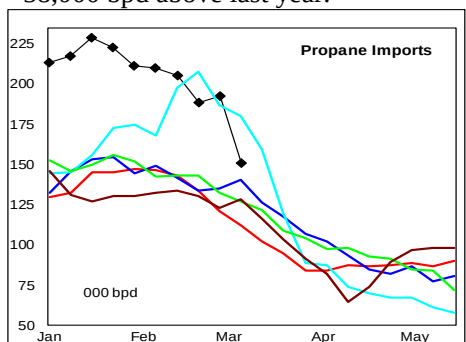
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Summary¹:

Wholesale demand fell -0.6 million bpd last week, driven by unusually warm temperatures. The latest 4-wk wholesale demand was -174,000 bpd below a year ago.

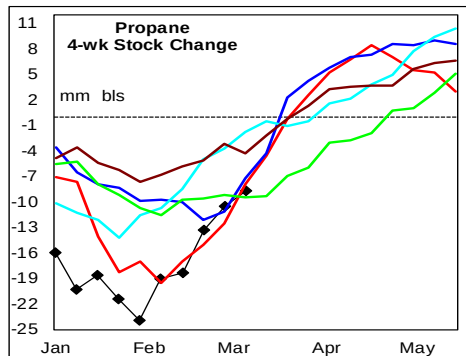


Production was unchanged last week, while imports decreased -28,000 bpd. Production for the latest 4-wk period averaged +78,000 above a year ago. The latest 4-wk average of imports was +58,000 bpd above last year.



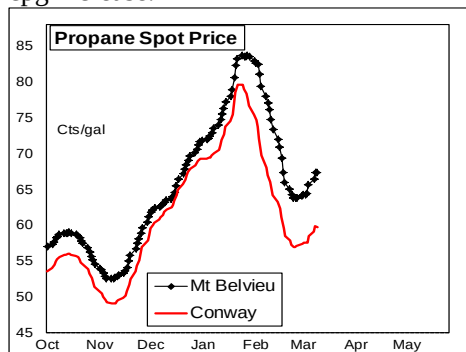
Exports for the week ending 03Mar17 were 1 million bpd, extending the year on year sharp increase.

Stocks decreased -0.8 million barrels on the week, concentrated in the Gulf and Midwest.



The latest 4-wk stock draw of -8 million barrels, matched the average of the last 2-yrs.

Price and Spreads Mt Belvieu spot price increased +3 cpg last week ending 14Mar17 while Conway reported a +2 cpg increase.



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

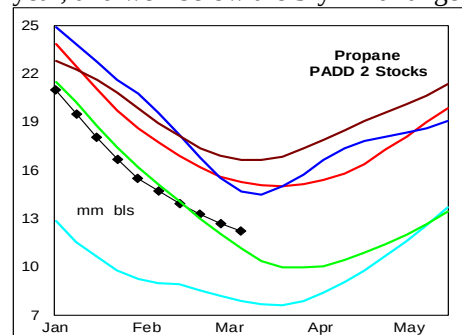
The propane to natural gas price spread late in the week to a level near the 3-yr mid range for the period.

The propane / crude oil price spread trended higher on weakness in crude oil prices, to a level above the historic range for this time of year.

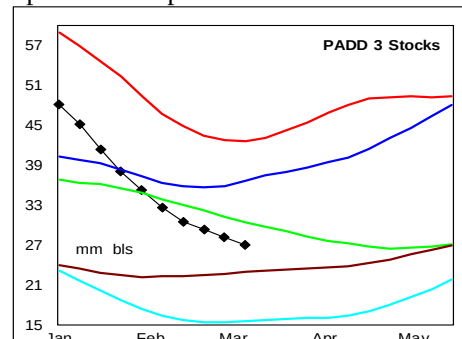
PADD 1 stocks increased +0.1 million barrels on the week. Stock levels ended the week +33% above the prior 5-yr high for the period. Supply decreased -8,000 bpd on lower imports.

PADD 2 supply decreased -21,000 bpd on the week, driven by lower imports. Production for the latest 4-wk period was +44,000 bpd above a year ago while imports increased +28,000 bpd. Midwest supply continues on a trend of +70,000 bpd above the prior record high, which was last year. Stocks decreased -0.3 million barrels on the week. Stock

levels ended the week -18% below last year, and well below the 3-yr mid range.



PADD 3 stocks decreased -0.6 million barrels on the week. Stock levels ended the week -37% below last year's record high, and well below the 3-yr mid range for the period. Supply decreased -17,000 bpd on lower production.



PADDs 4 & 5 stocks were unchanged last week. Supply increased +18,000 bpd on higher production. Stock levels ended the week -29% below last year.

Emerging Trends Below to near normal temperatures are forecast for norther heating markets during the next 2-wks.

Stocks are -18 million barrels below last year. The latest 4-wk stock draw of -8 million barrels is comparable to the last 2-yrs; indicating the rate of draw has slowed from earlier records. Look for near term support to prices on below normal temperatures and below average stock levels. There is risk of weakness by month end as the heating season comes to an end.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

March 15, 2017

Fundamental Trends for the Week Ending:

Friday, March 10, 2017

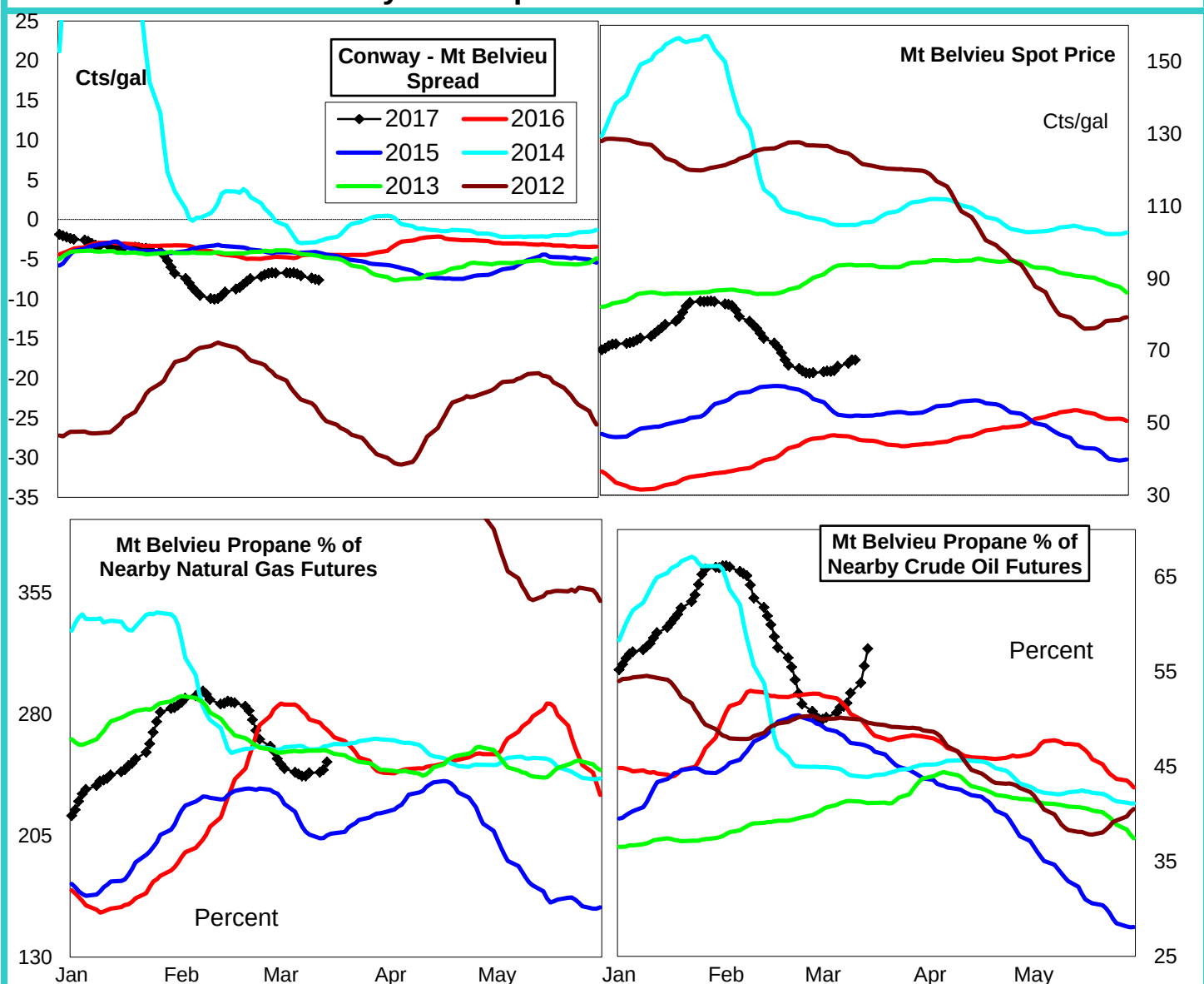
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	44,468	3,840	12,245	27,021	1,362	-758	79	-290	-564	17
Propylene Stocks	2,447					76				
Production	1,732	152	437	933	210	0	-1	-6	-17	24
Imports	151	48	63	0	40	-28	-7	-15	0	-6
Whsle Demand	889					-583				

Price Trends for the Week Ending:

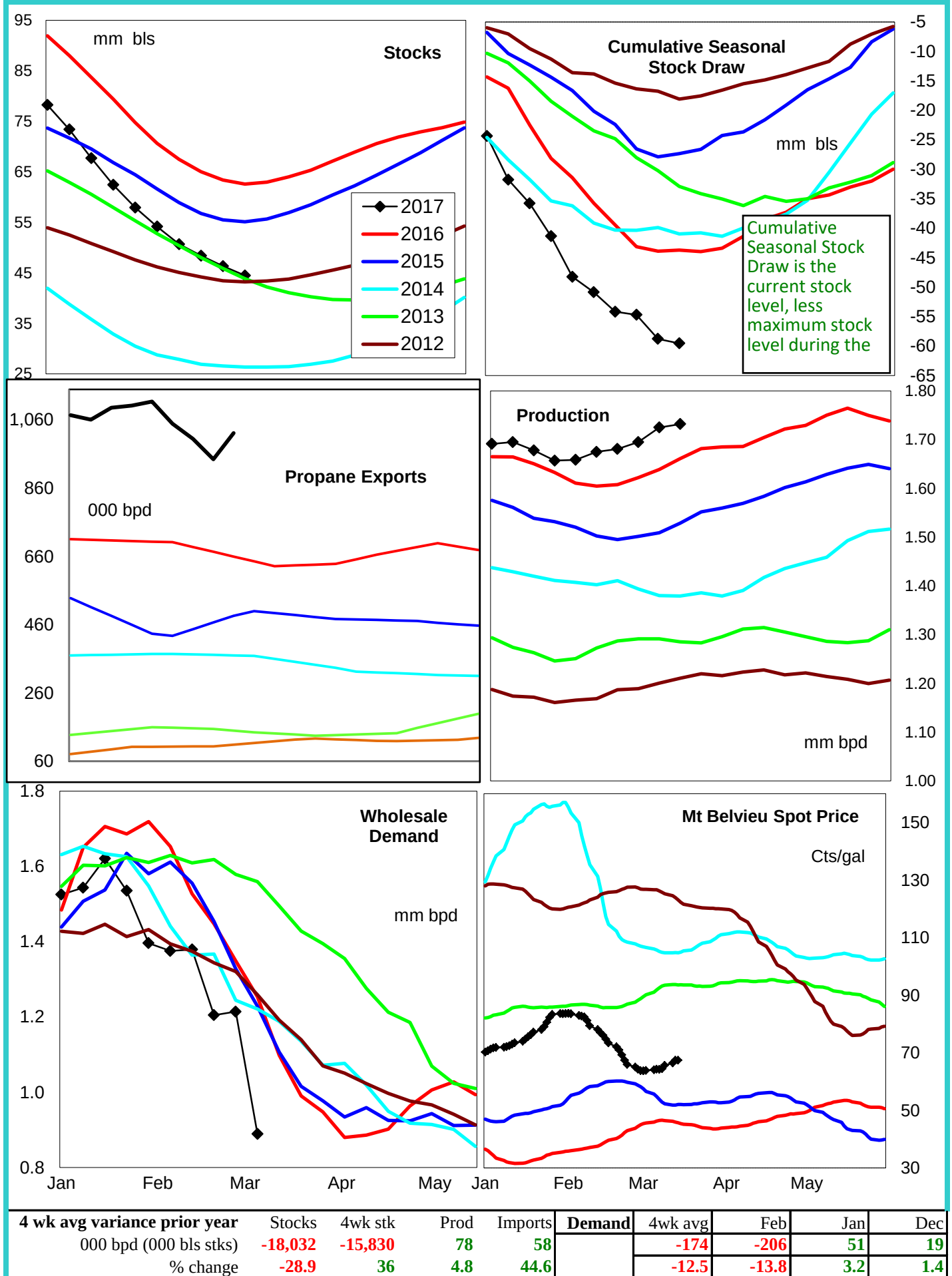
Tuesday, March 14, 2017

Cents/gal	Average for week ending:				Change from:			% change from:		
	3/14/17	3/7/17	2/14/17	3/17/16	3/7/17	2/14/17	3/17/16	3/7/17	2/14/17	3/17/16
Mont Belvieu Spot	66.5	62.0	79.6	46.3	4.45	-17.55	33.28	7.2	-22.1	71.9
Conway Spot	59.1	56.0	68.6	41.9	3.08	-12.65	26.78	5.5	-18.4	64.0

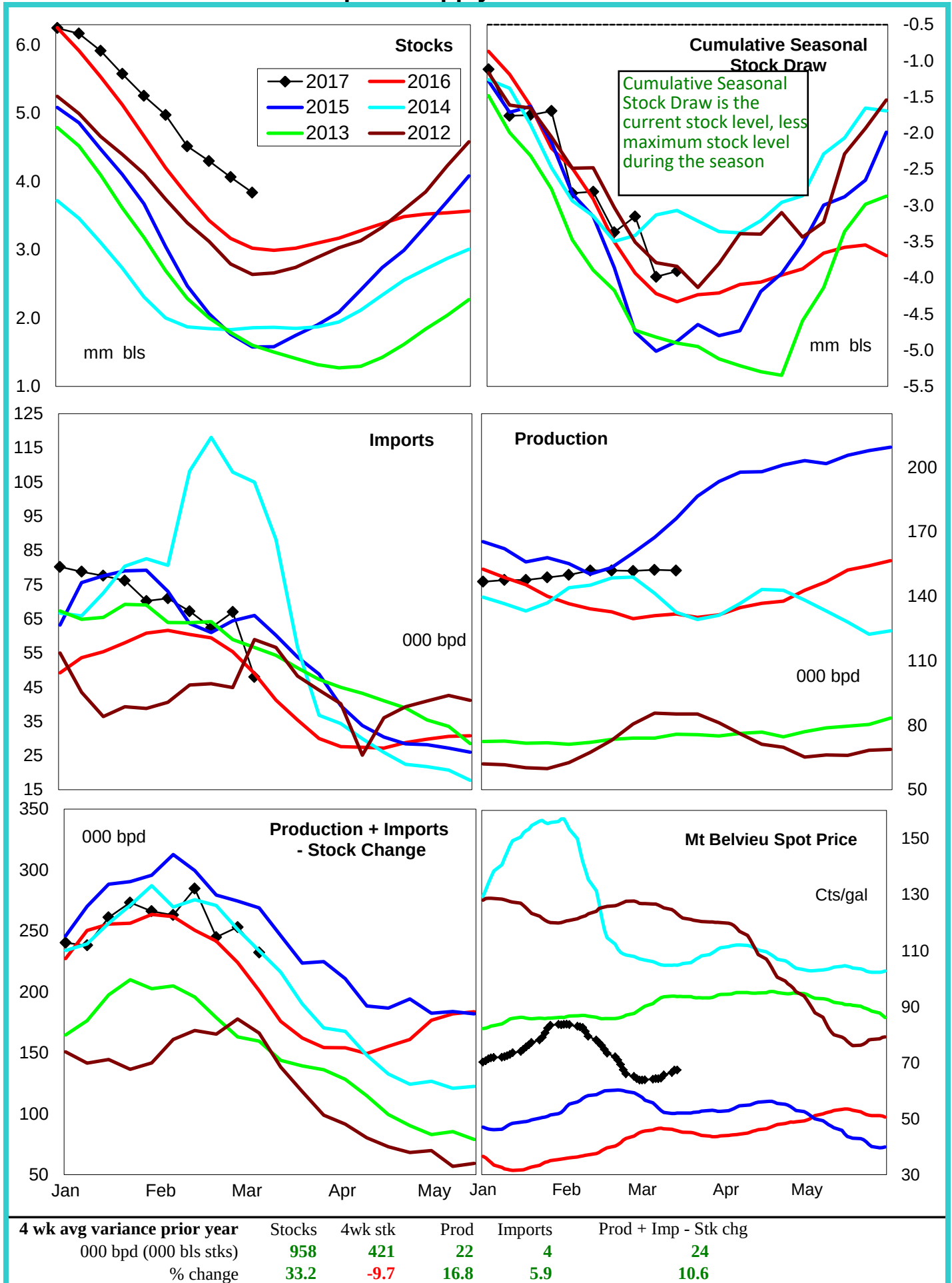
Key Price Spreads and Differentials



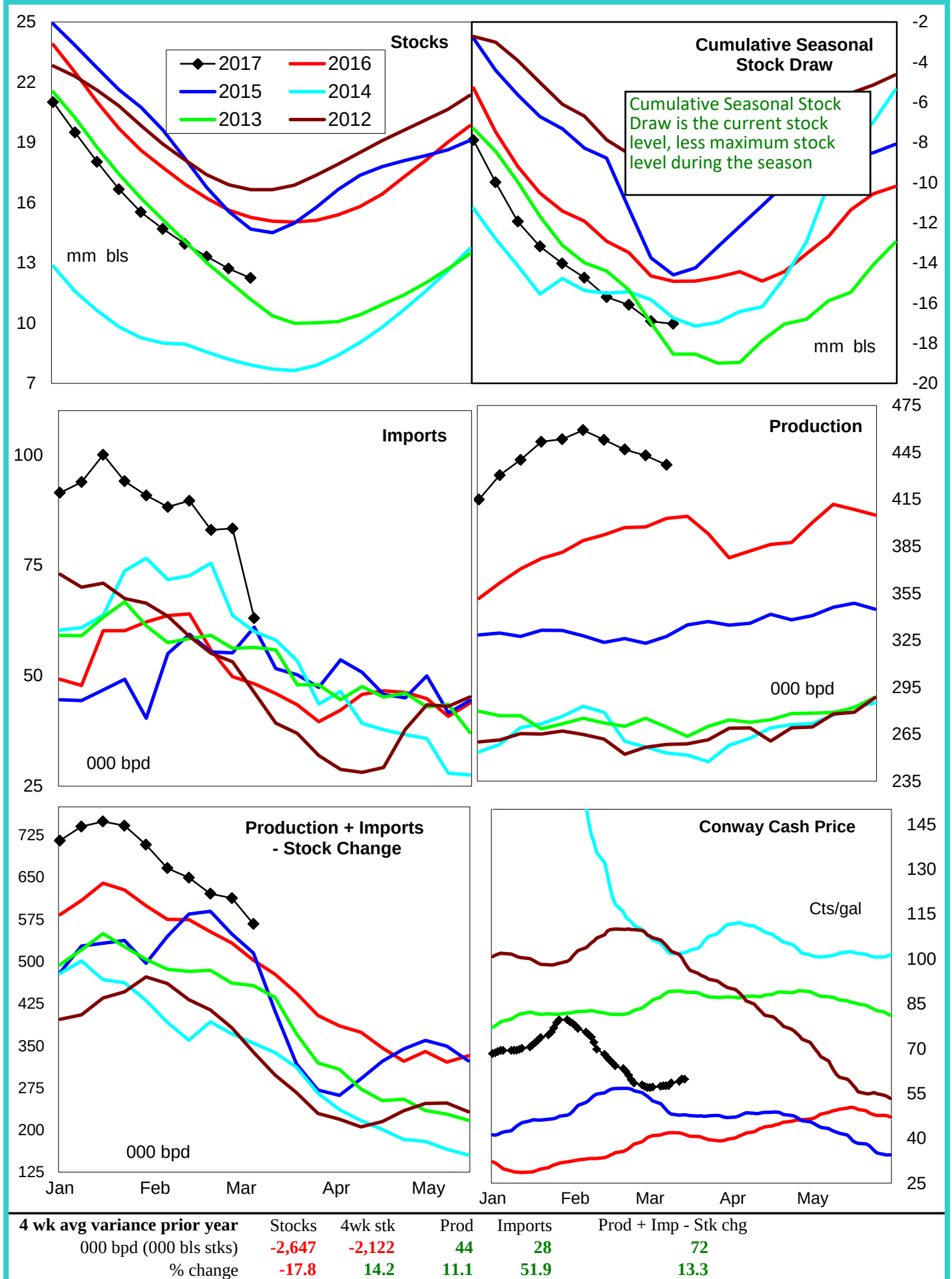
U. S. Propane Supply and Demand Balance



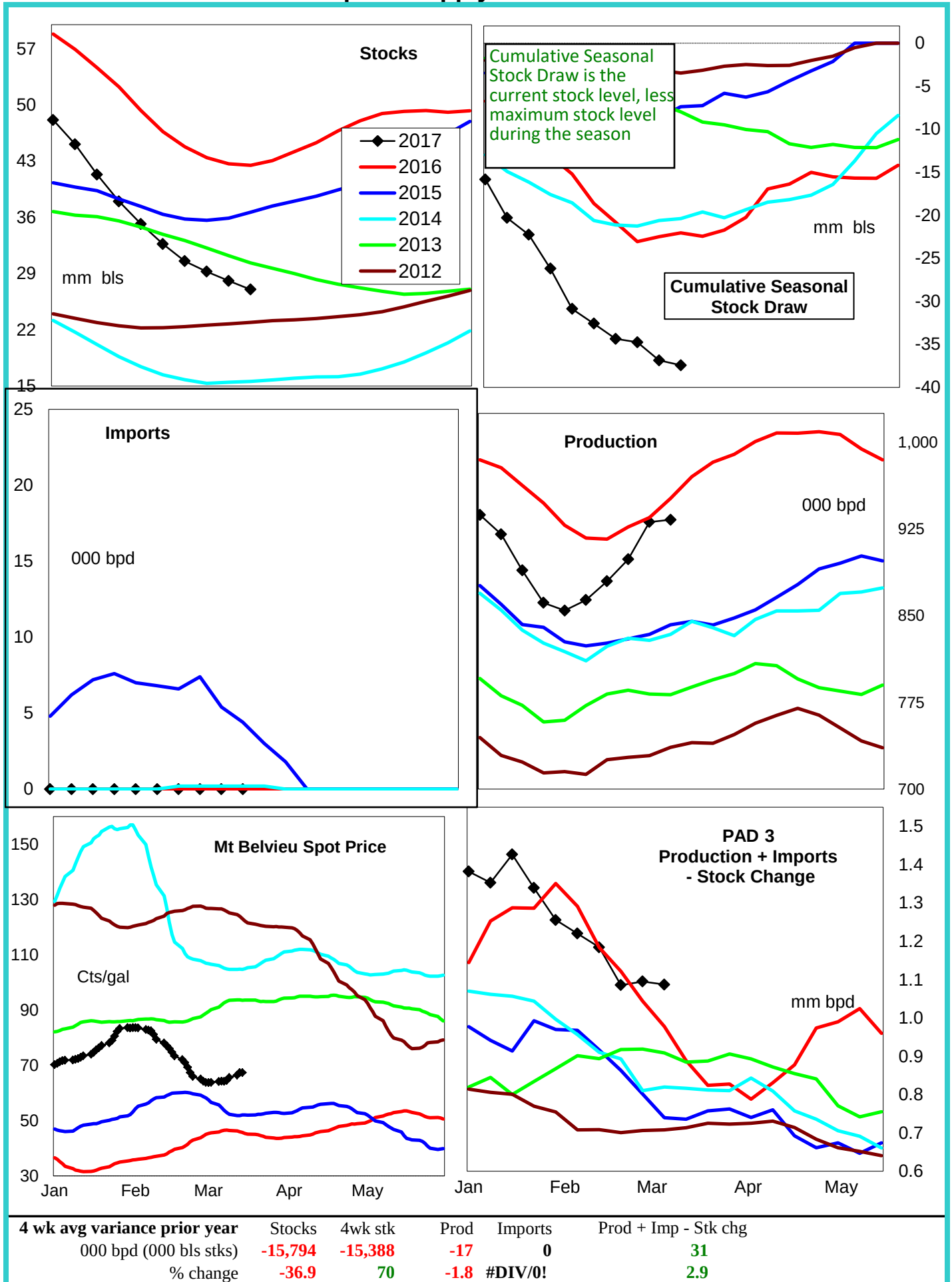
PADD 1 Propane Supply and Demand Balance



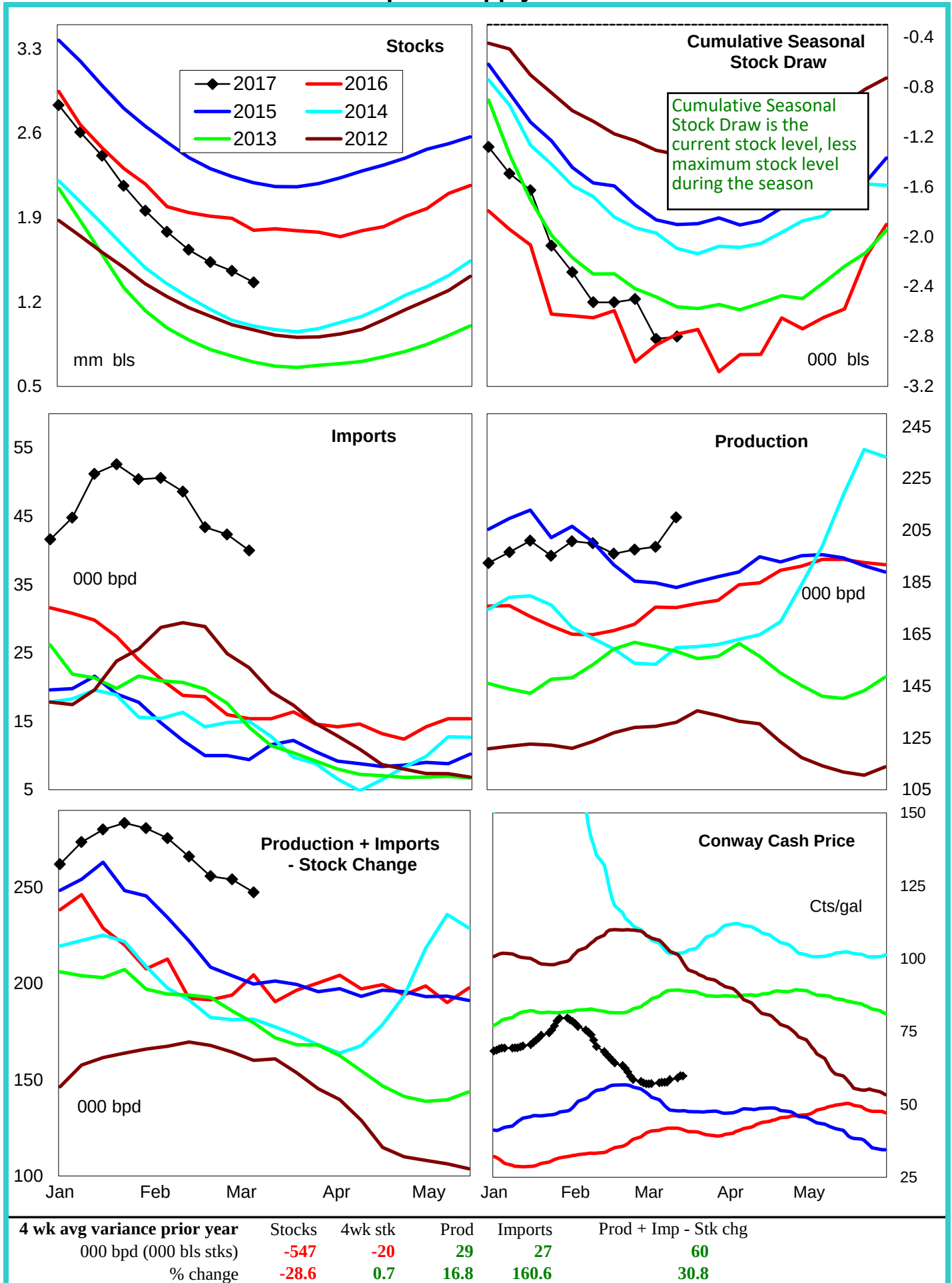
PADD 2 Propane Supply and Demand Balance



PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks

