



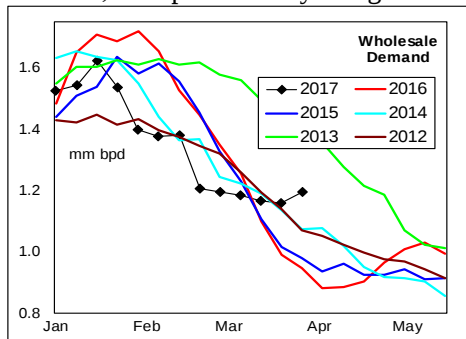
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

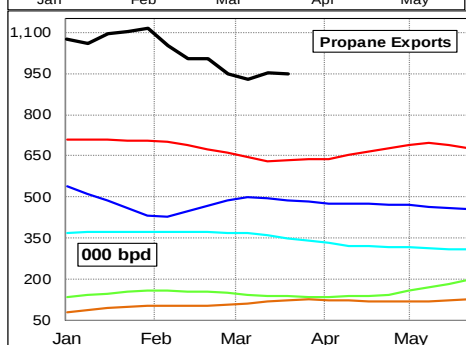
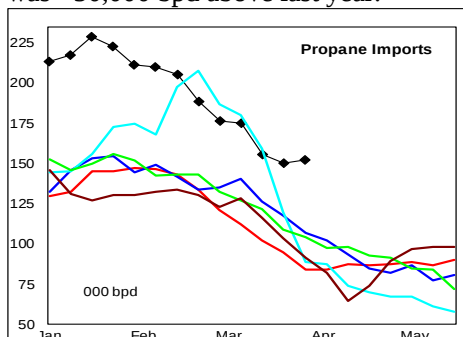
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Summary¹:

Wholesale demand increased +25,000 bpd last week to a level above the last 3-yrs. The latest 4-wk wholesale demand was +28,000 bpd above a year ago.

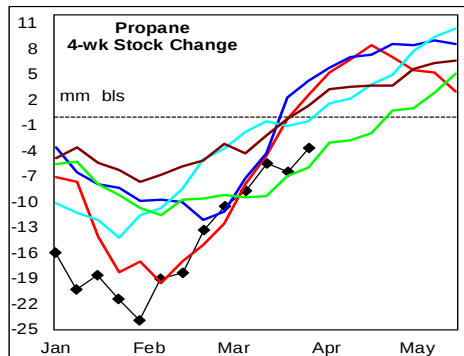


Production increased +21,000 bpd last week, while imports decreased -11,000 bpd. Production for the latest 4-wk period averaged +58,000 above a year ago. The latest 4-wk average of imports was +50,000 bpd above last year.



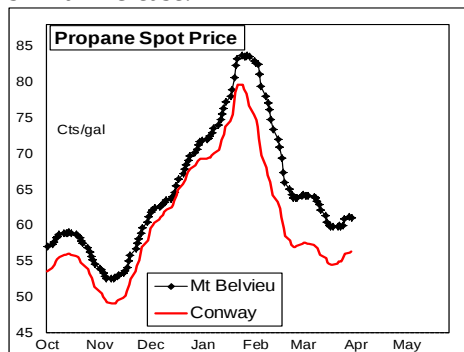
Exports for the week ending 24Mar17 were 0.9 million bpd.

Stocks decreased -1.2 million barrels on the week, concentrated in Gulf and east Coast regions. Stocks in the Midwest increased +0.4 million barrels.



The latest 4-wk stock draw of -3.6 million barrels, a larger draw than each of the last 3-yrs.

Price and Spreads Mt Belvieu spot price increased +2 cpg last week ending 04Apr17 while Conway reported a similar increase.



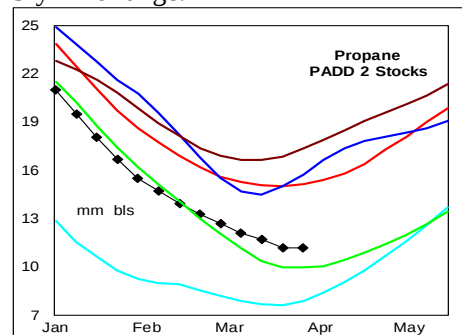
The Conway - Mt Belvieu price spread continued to trade near the 3-yr mid range for this time of year.

The propane to natural gas price spread extended a downtrend on strength in gas prices, trading below the 5-yr range for the period.

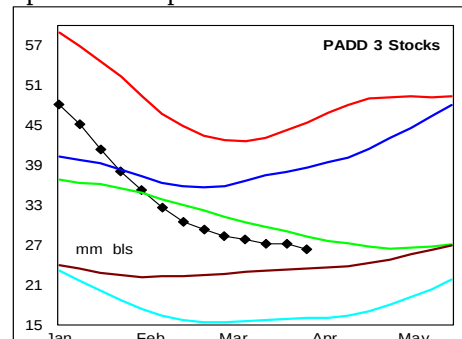
The propane / crude oil price spread was unchanged on the week, trading at a level above the 5-yr range for the period. **PADD 1** stocks decreased -0.5 million barrels last week. Stock levels ended the week -10% below the prior 5-yr high for the period. Supply decreased -8,000 bpd on lower production.

PADD 2 supply decreased -25,000 bpd on lower production. Production for the latest 4-wk period was +42,000 bpd above a year ago while imports increased +25,000 bpd. Midwest supply continues on a trend of +70,000 bpd above the prior record high, which was last year. Stocks increased +0.4 million barrels on the week. Stock levels ended the week -

27% below last year, and well below the 3-yr mid range.



PADD 3 stocks decreased -1.1 million barrels on the week. Stock levels ended the week -41% below last year's record high, and well below the 3-yr mid range for the period. Supply decreased -5,000 bpd on lower production.



PADDs 4 & 5 stocks were unchanged last week. Supply increased +48,000 bpd on a surge in production for the week. Stock levels ended the week -31% below last year.

Emerging Trends Much above normal temperatures are forecast for the eastern 1/2 of the the country during the next 2-wks. Look for the seasonal stock build to began in the near term.

Stocks are -23 million barrels below last year, with the Gulf accounting for 18 million of the total. Look for near term support to prices on an uptick in global oil prices. There is risk of wholesale price weakness on the end to heating season and beginning of seasonal stock builds.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

April 5, 2017

Fundamental Trends for the Week Ending:

Friday, March 31, 2017

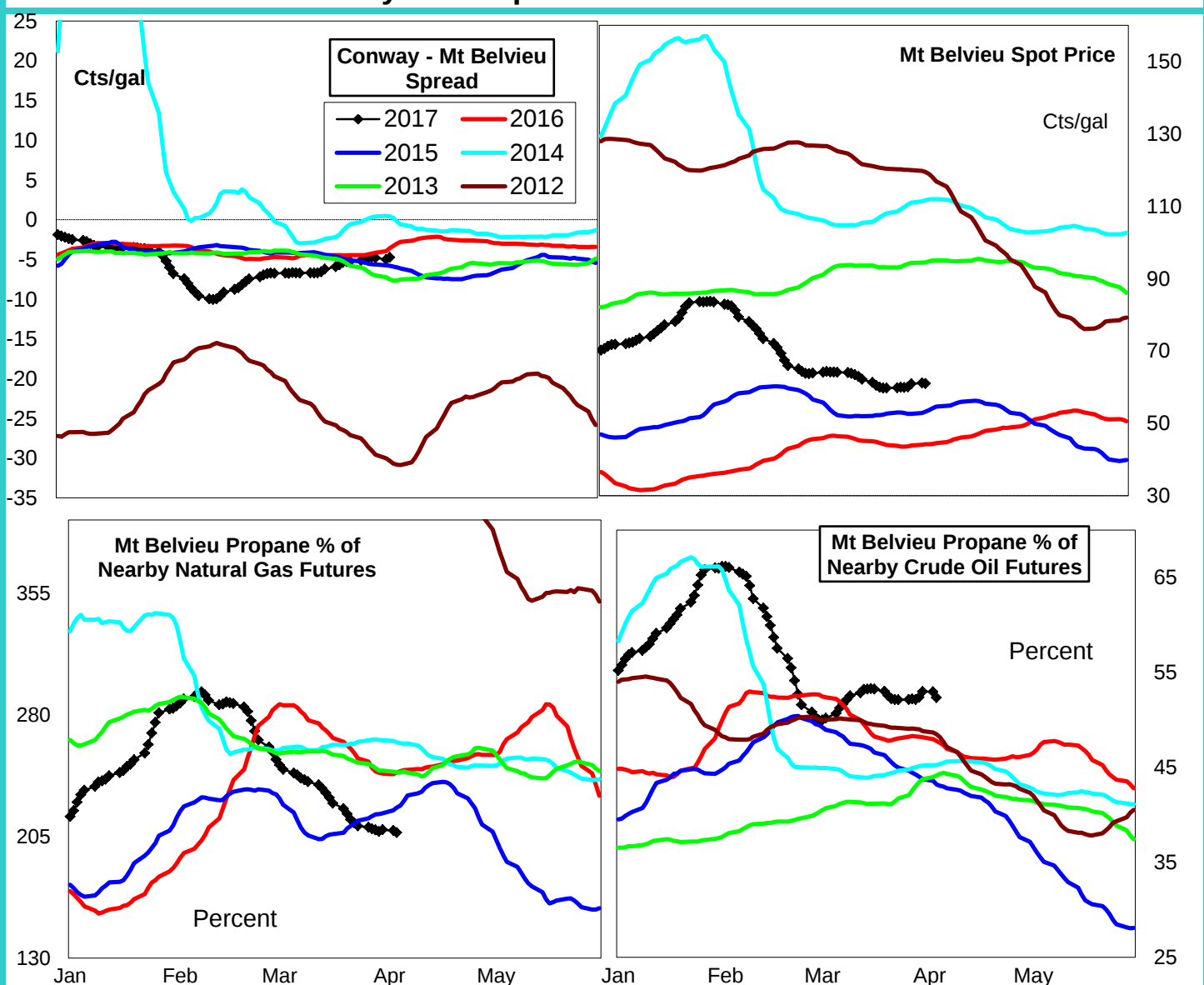
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	41,582	2,800	11,161	26,413	1,208	-1,213	-501	365	-1,091	14
Propylene Stocks	2,465					-49				
Production	1,756	147	424	957	228	21	-5	-25	-5	56
Imports	152	39	82	0	31	-11	-3	0	0	-8
Whsle Demand	1,194					25				

Price Trends for the Week Ending:

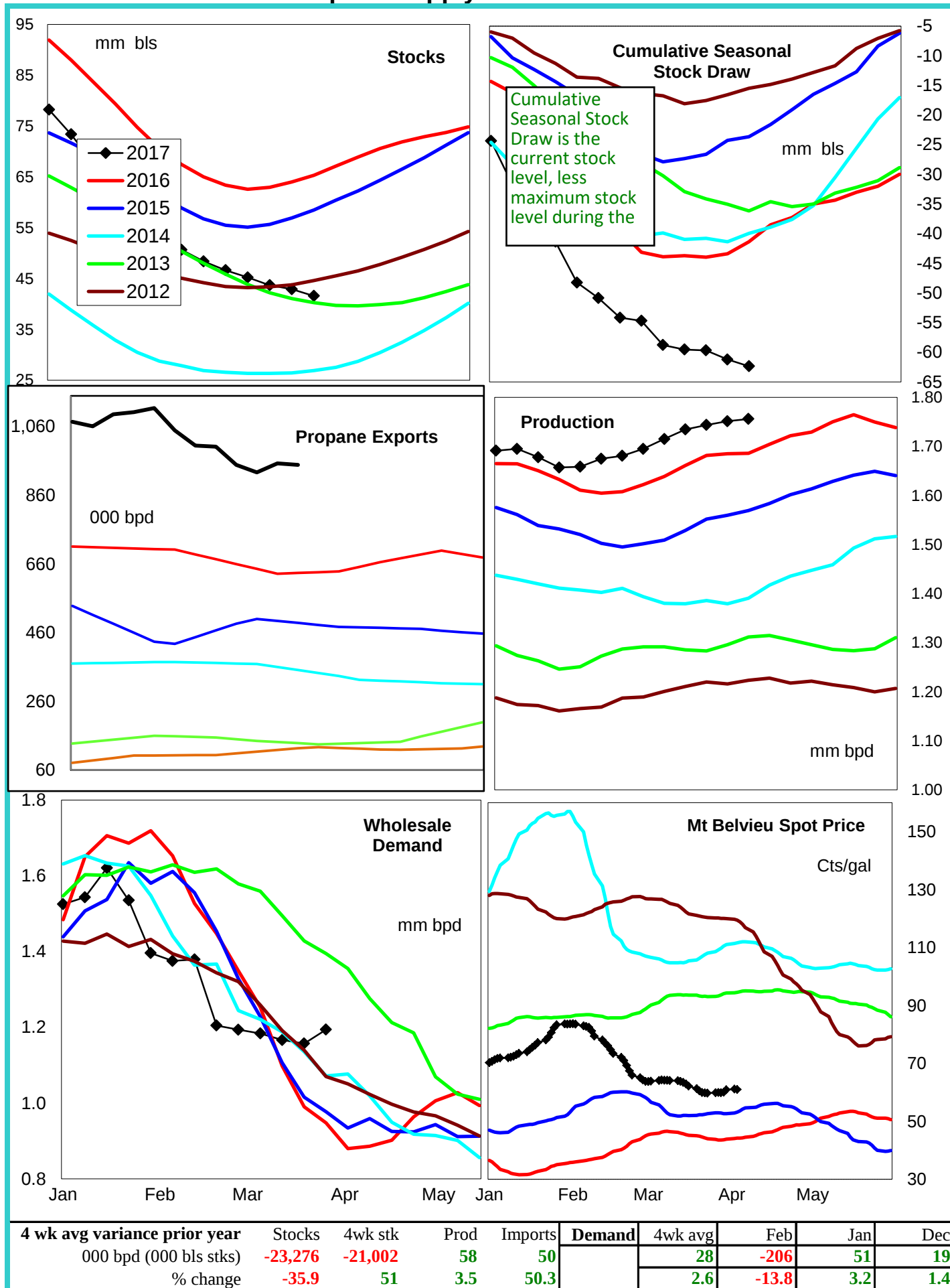
Tuesday, April 04, 2017

Cents/gal	Average for week ending:				Change from:			% change from:		
	4/4/17	3/28/17	3/7/17	4/7/16	3/28/17	3/7/17	4/7/16	3/28/17	3/7/17	4/7/16
Mont Belvieu Spot	61.2	58.5	62.0	43.0	2.73	-3.50	19.05	4.7	-5.6	44.4
Conway Spot	56.4	53.7	56.0	38.6	2.70	-2.33	17.38	5.0	-4.2	45.0

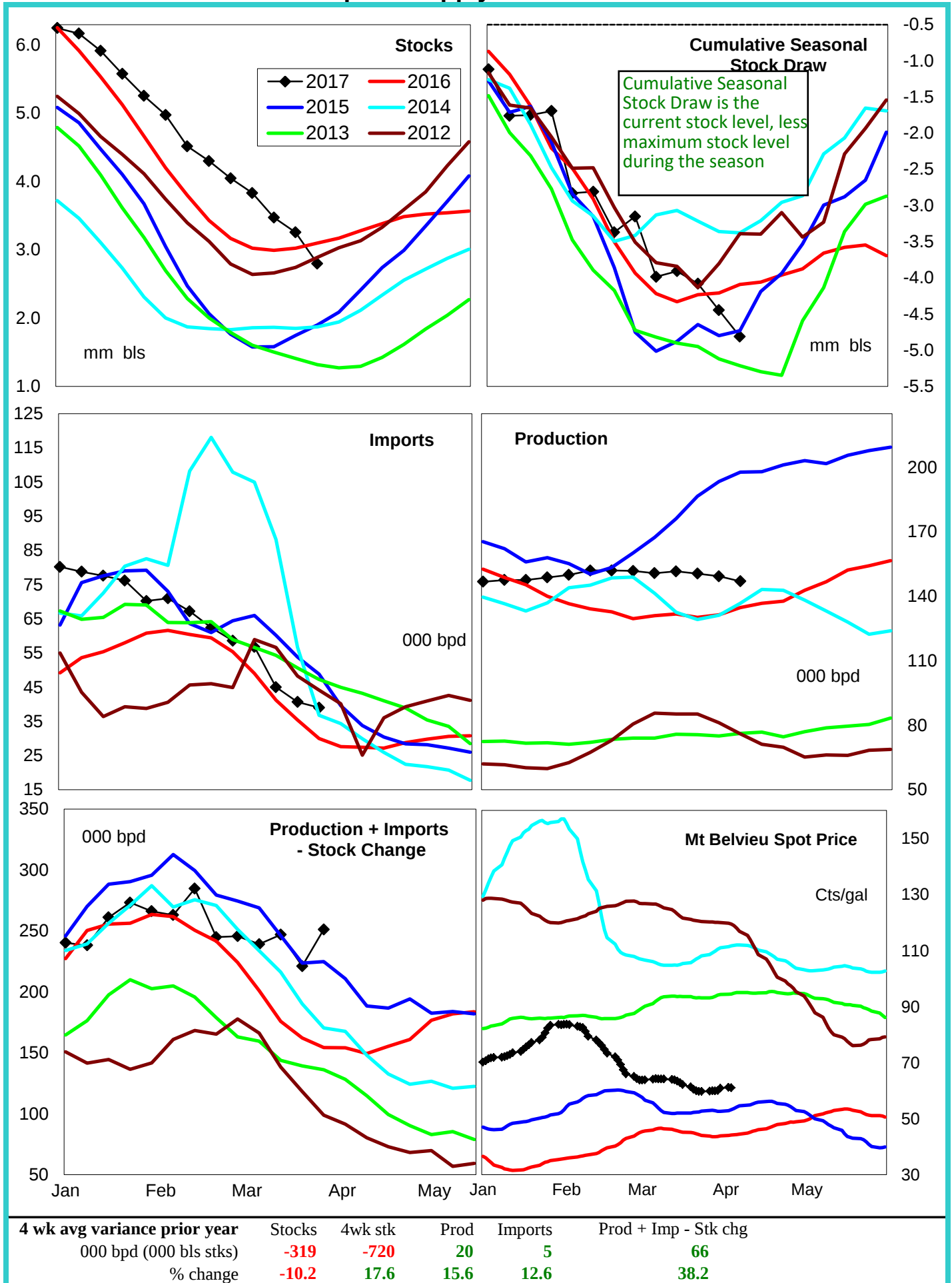
Key Price Spreads and Differentials



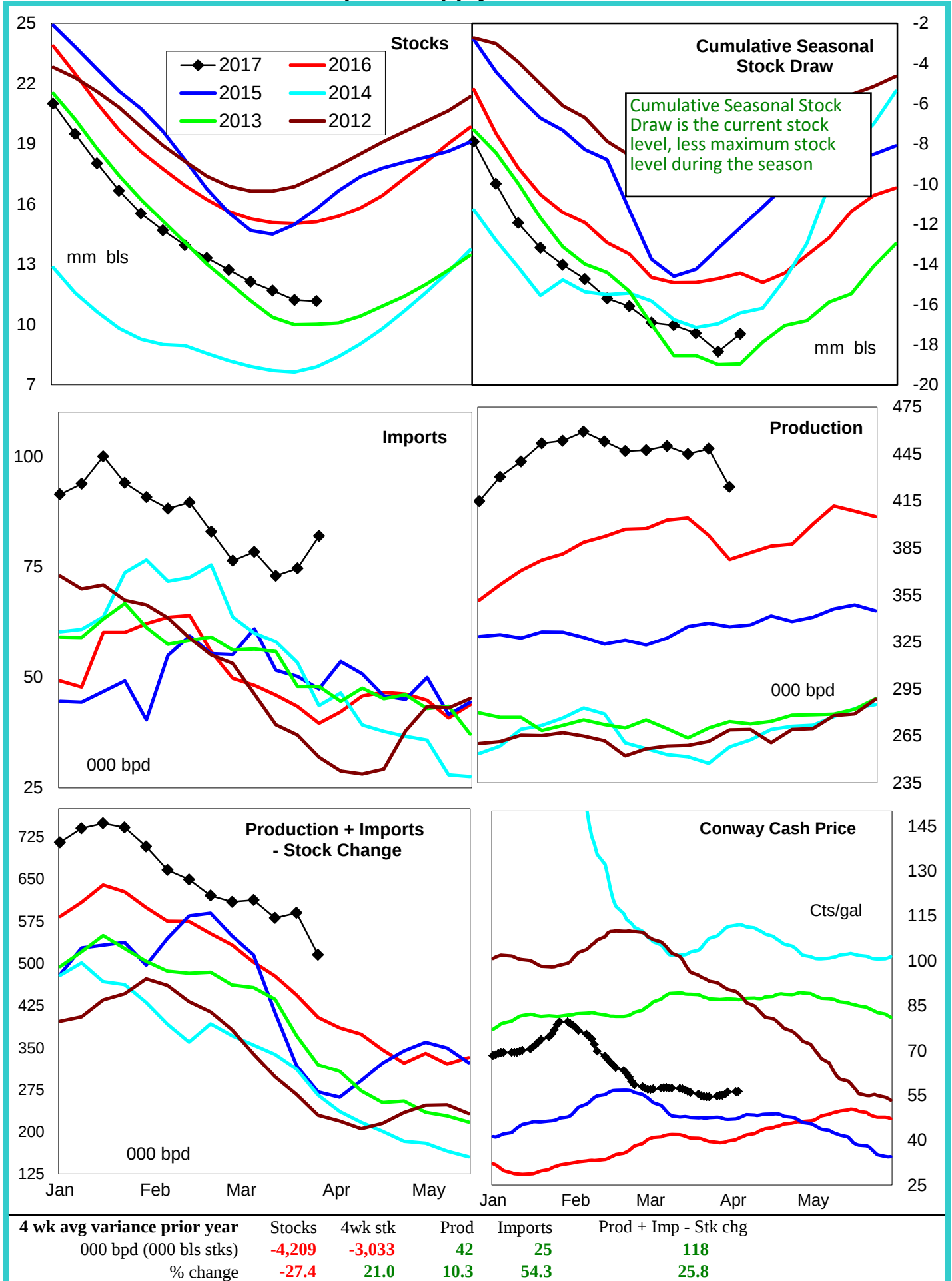
U. S. Propane Supply and Demand Balance



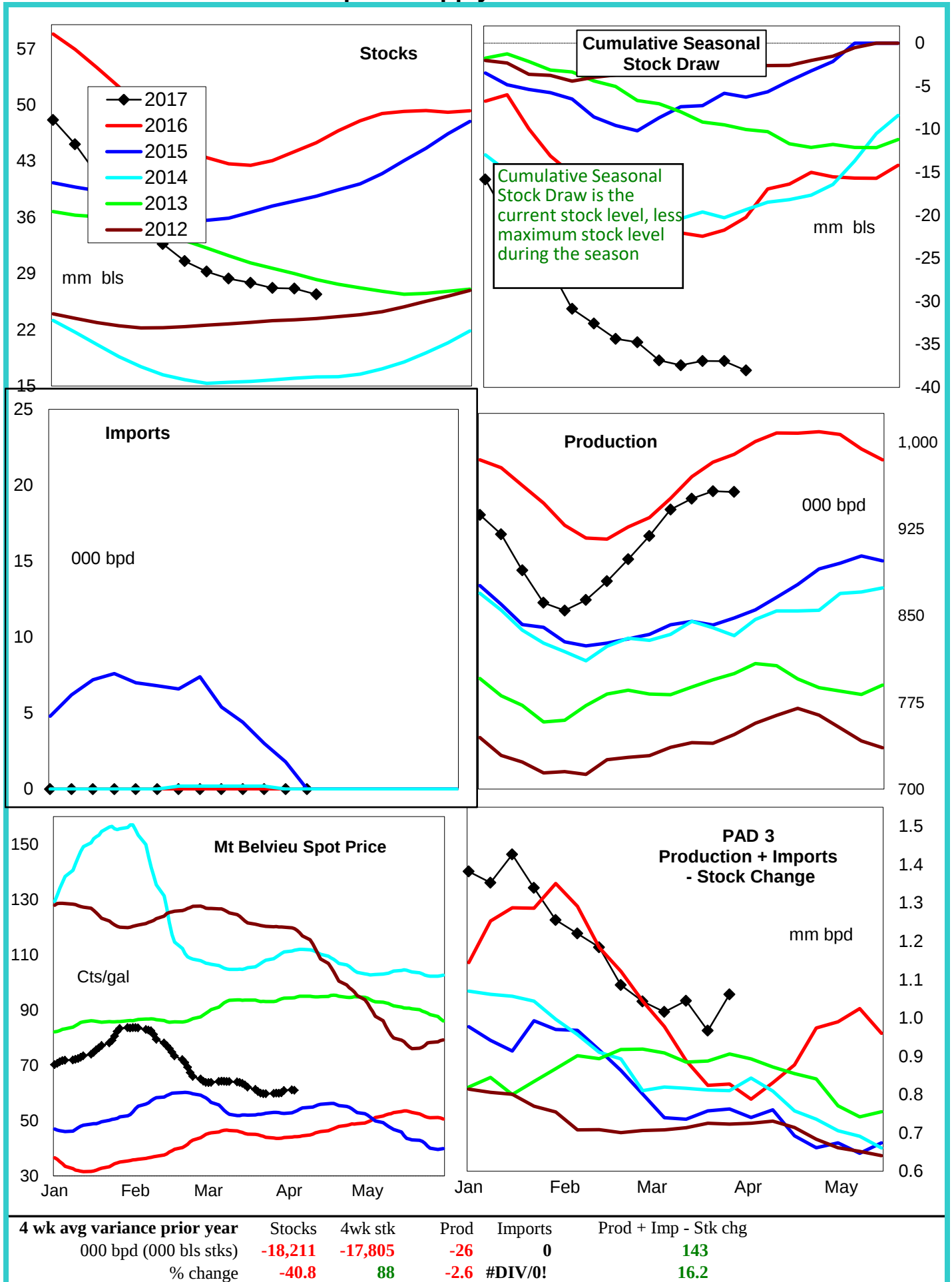
PADD 1 Propane Supply and Demand Balance



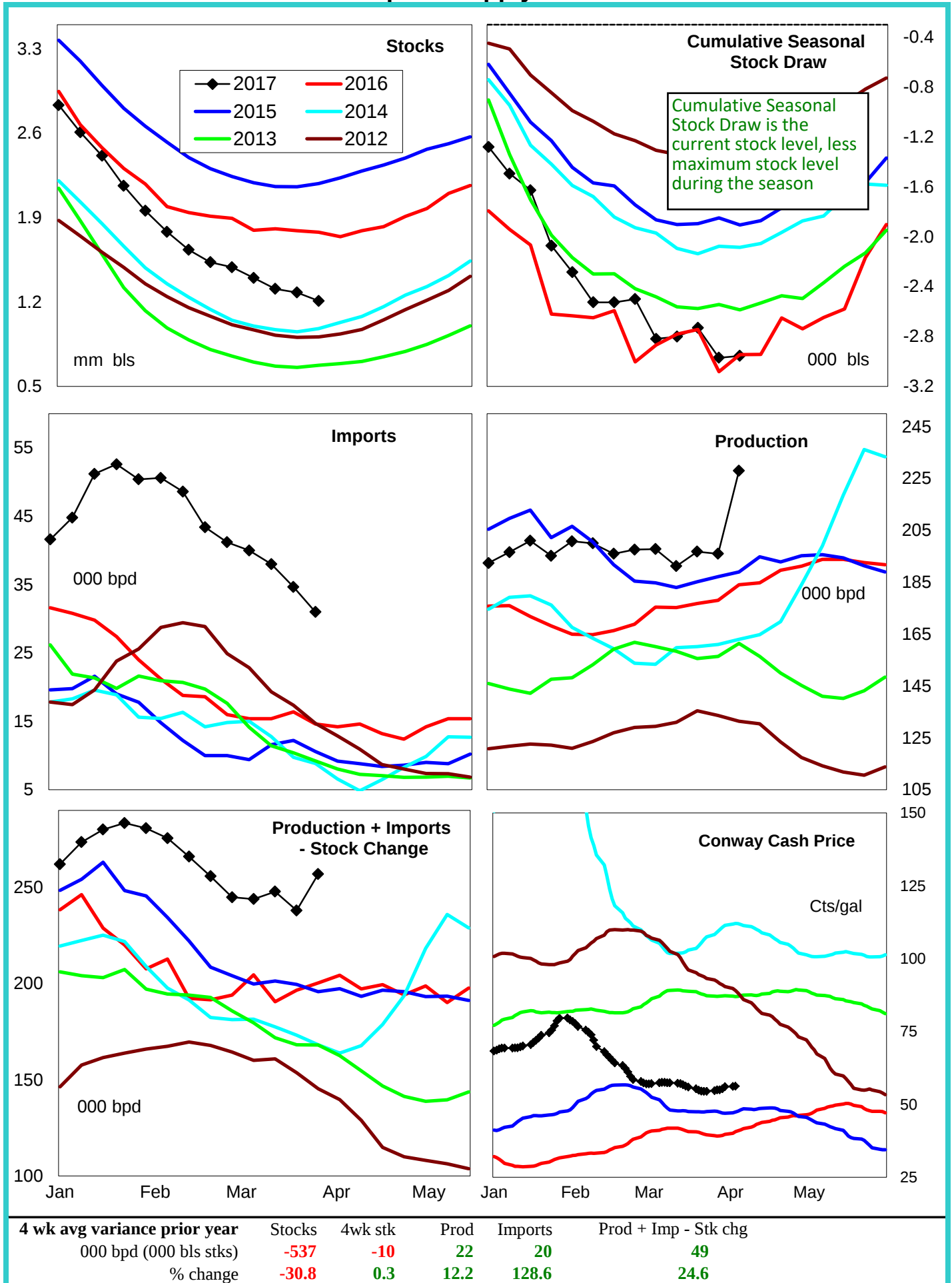
PADD 2 Propane Supply and Demand Balance



PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks

