



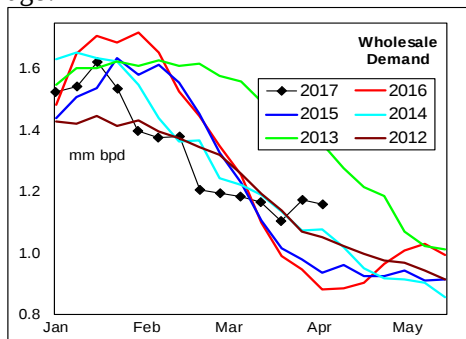
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

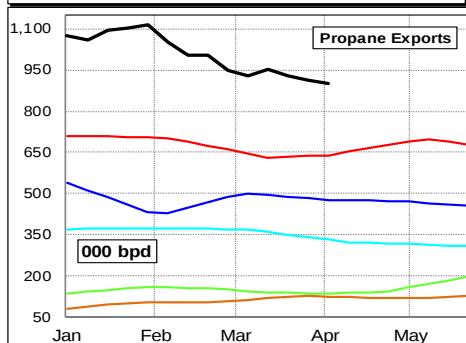
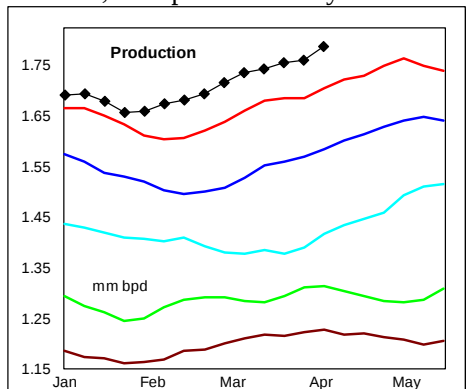
Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com

Summary¹:

Wholesale demand decreased -36,000 bpd last week still at a level above the last 3-yrs. The latest 4-wk wholesale demand was +209,000 bpd above a year ago.



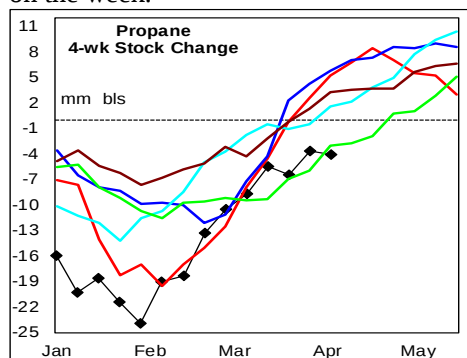
Production increased +31,000 bpd last week, while imports decreased -55,000 bpd. Production for the latest 4-wk period averaged +74,000 above a year ago. The latest 4-wk average of imports was +51,000 bpd above last year.



Exports for the week ending 07Apr17 were 0.9 million bpd.

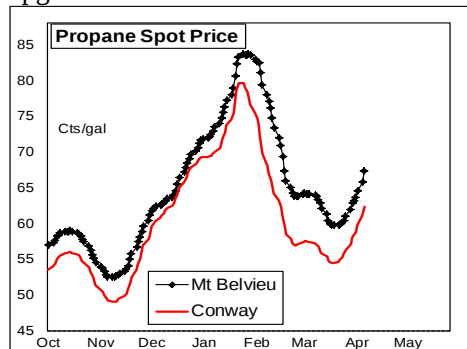
Stocks decreased -1.2 million barrels on the week, concentrated in Gulf. Stocks in the Midwest were unchanged

on the week.



The latest 4-wk stock draw of -3 million barrels, matched the record for the last 5-yrs at this period.

Price and Spreads Mt Belvieu spot price increased +6 cpg last week ending 11Apr17 while Conway reported a +7 cpg increase.



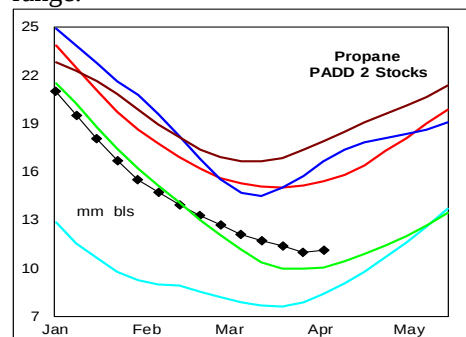
The Conway – Mt Belvieu price spread traded below the 3-yr mid range for this time of year.

The propane to natural gas price spread trended higher on strength in propane prices, trading at the 5-yr range for the period.

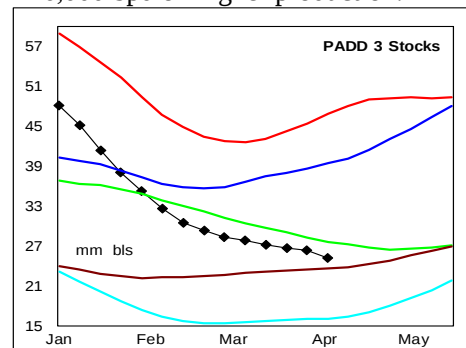
The propane / crude oil price spread trended higher on the week, trading at a level above the 5-yr range for the period. **PADD 1** stocks decreased -0.3 million barrels last week. Stock levels ended the week -20% below the prior 5-yr high for the period. Supply increased +4,000 bpd on higher production.

PADD 2 supply decreased -20,000 bpd on lower imports. Production for the latest 4-wk period was +60,000 bpd above a year ago while imports increased +27,000 bpd. Midwest supply continues on a trend of +90,000 bpd above the prior record high, which was last year. Stocks were unchanged on the week.

Stock levels ended the week -25% below last year, and well below the 3-yr mid range.



PADD 3 stocks decreased -1.3 million barrels on the week. Stock levels ended the week -48% below last year's record high, and well below the 3-yr mid range for the period. Supply increased +16,000 bpd on higher production.



PADDs 4 & 5 stocks increased +0.4 million barrels last week. Supply decreased -24,000 bpd on a lower production and imports for the week. Stock levels ended the week -11% below last year.

Emerging Trends Much above normal temperatures are forecast for all heating markets except along norther tier states.

Stocks are -27 million barrels below last year, with the Gulf accounting for 23 million of the total. Look for support to prices on relatively low carry out stocks and a +325,000 bpd rise in exports over a year ago for the 1st quarter of 2017. The increase in exports is only partially offset by increased production, so that further stock draws in the Gulf are likely in the near term.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

April 12, 2017

Fundamental Trends for the Week Ending:

Friday, April 07, 2017

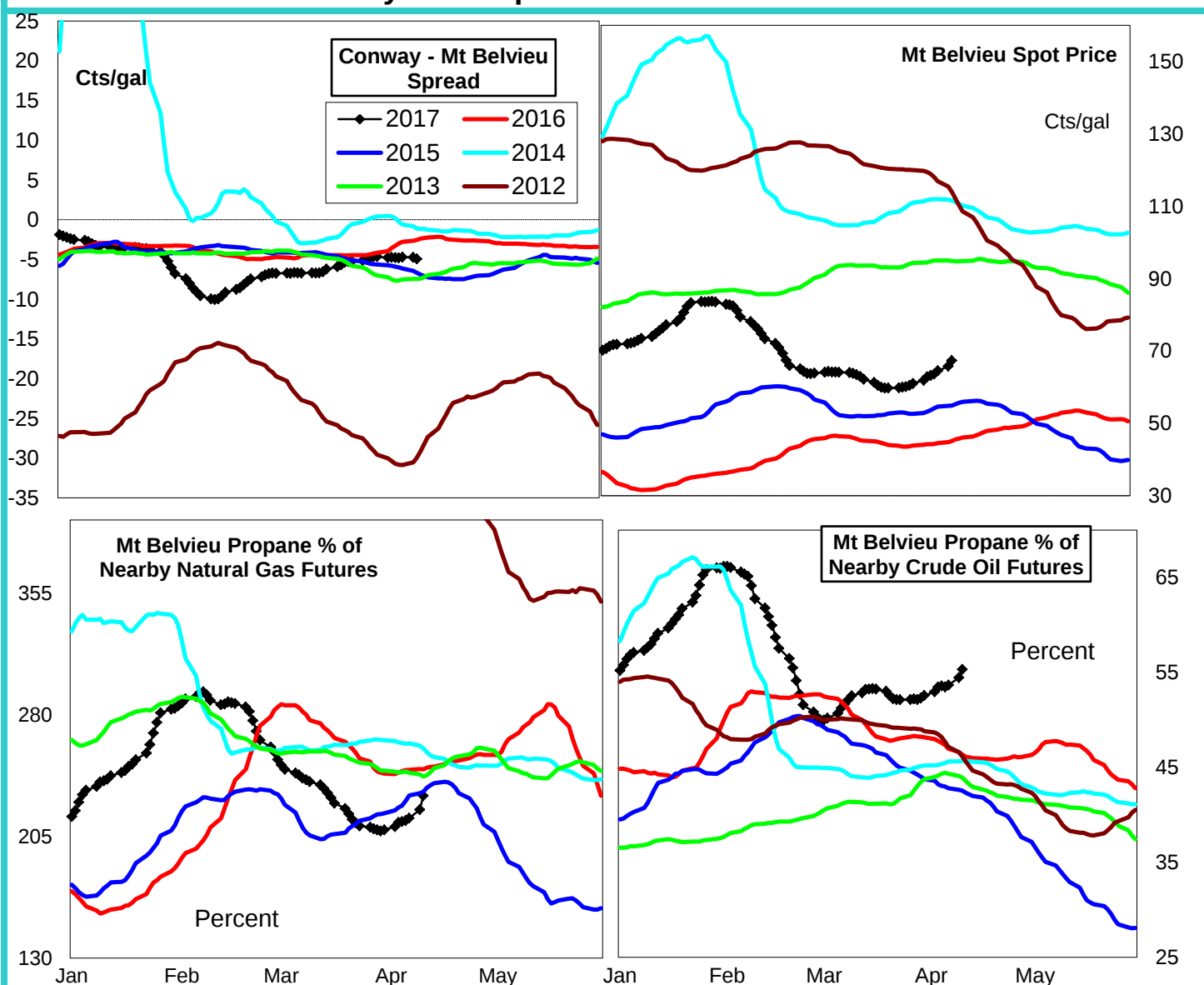
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	40,367	2,532	11,125	25,149	1,561	-1,215	-268	-36	-1,264	353
Propylene Stocks	2,382					-83				
Production	1,787	157	443	973	214	31	10	19	16	-14
Imports	97	33	43	0	21	-55	-6	-39	0	-10
Whsle Demand	1,158					-36				

Price Trends for the Week Ending:

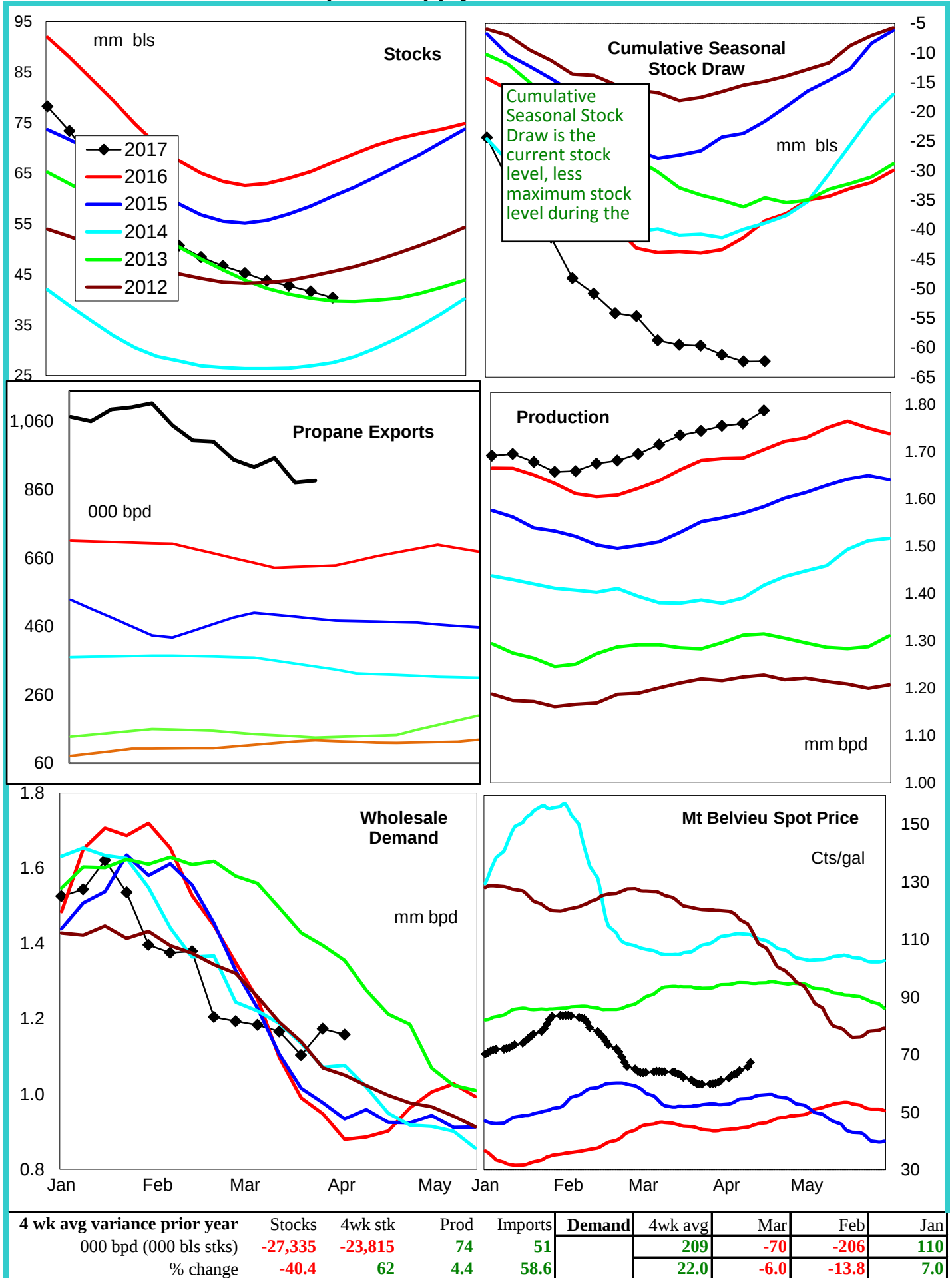
Tuesday, April 11, 2017

Cents/gal	Average for week ending:				Change from:			% change from:		
	4/11/17	4/4/17	3/14/17	4/14/16	4/4/17	3/14/17	4/14/16	4/4/17	3/14/17	4/14/16
Mont Belvieu Spot	65.2	61.2	66.5	45.4	3.93	-5.23	21.08	6.4	-7.9	46.4
Conway Spot	60.5	56.4	59.1	42.9	4.10	-2.70	16.13	7.3	-4.6	37.6

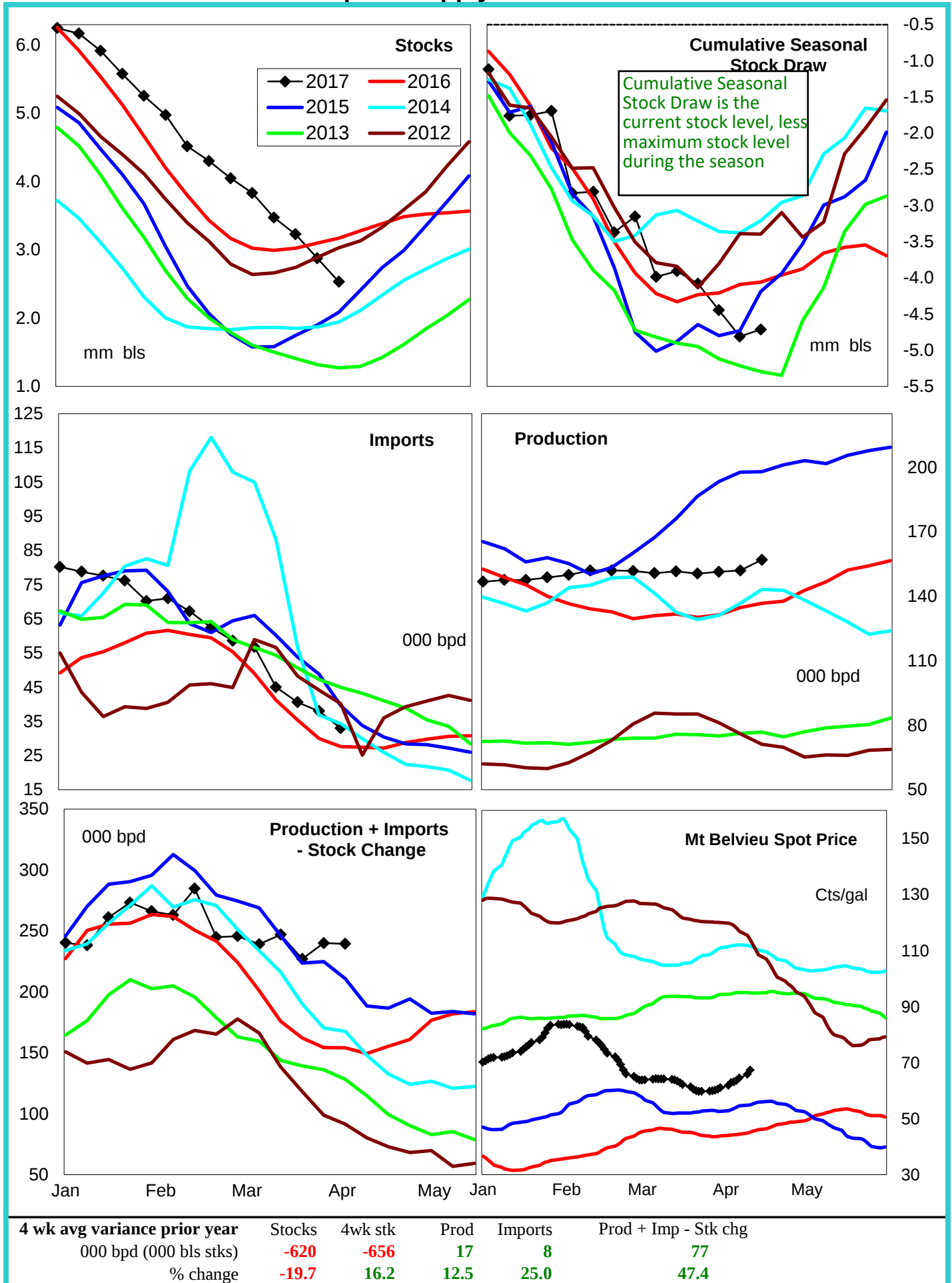
Key Price Spreads and Differentials



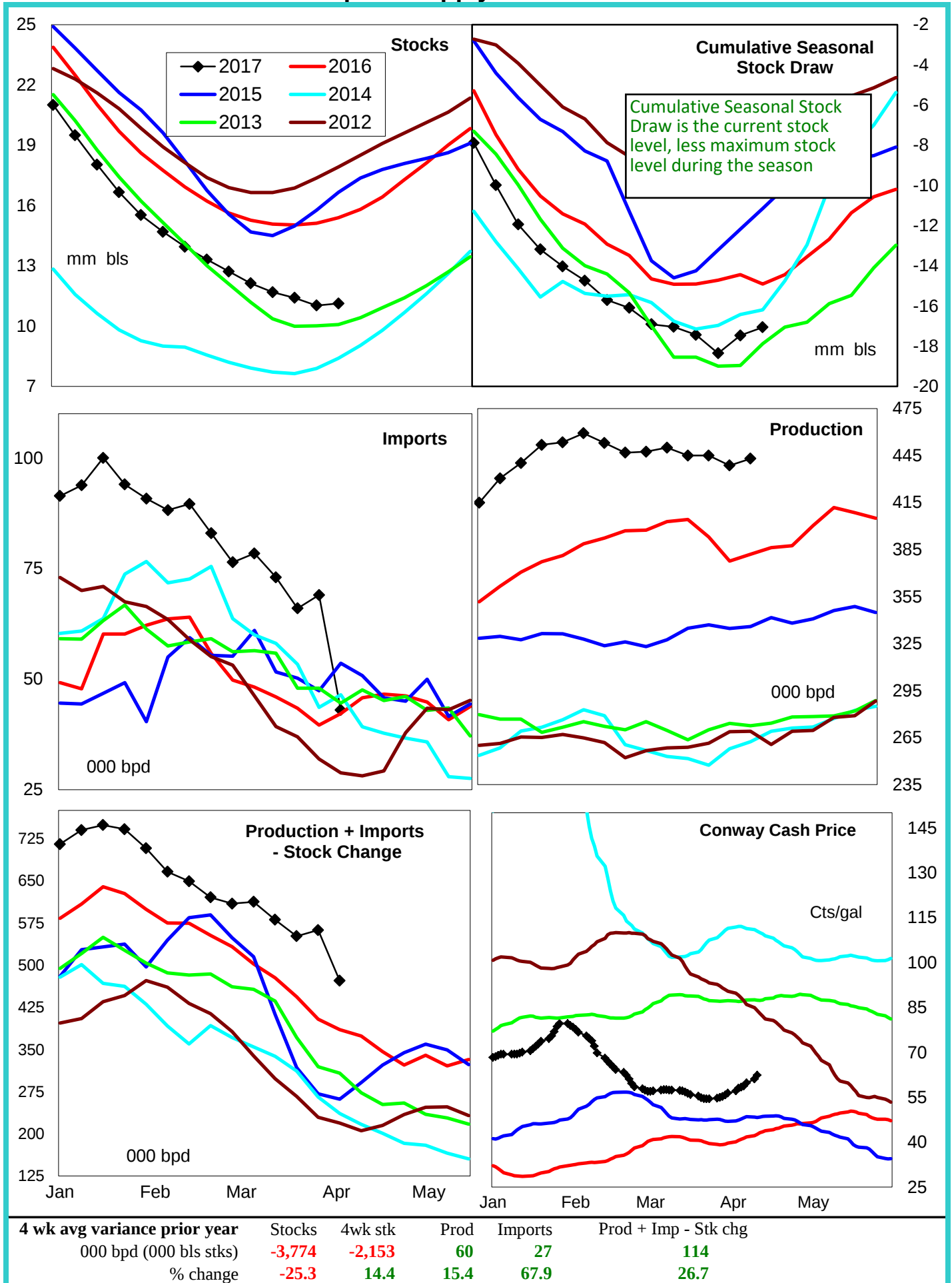
U. S. Propane Supply and Demand Balance



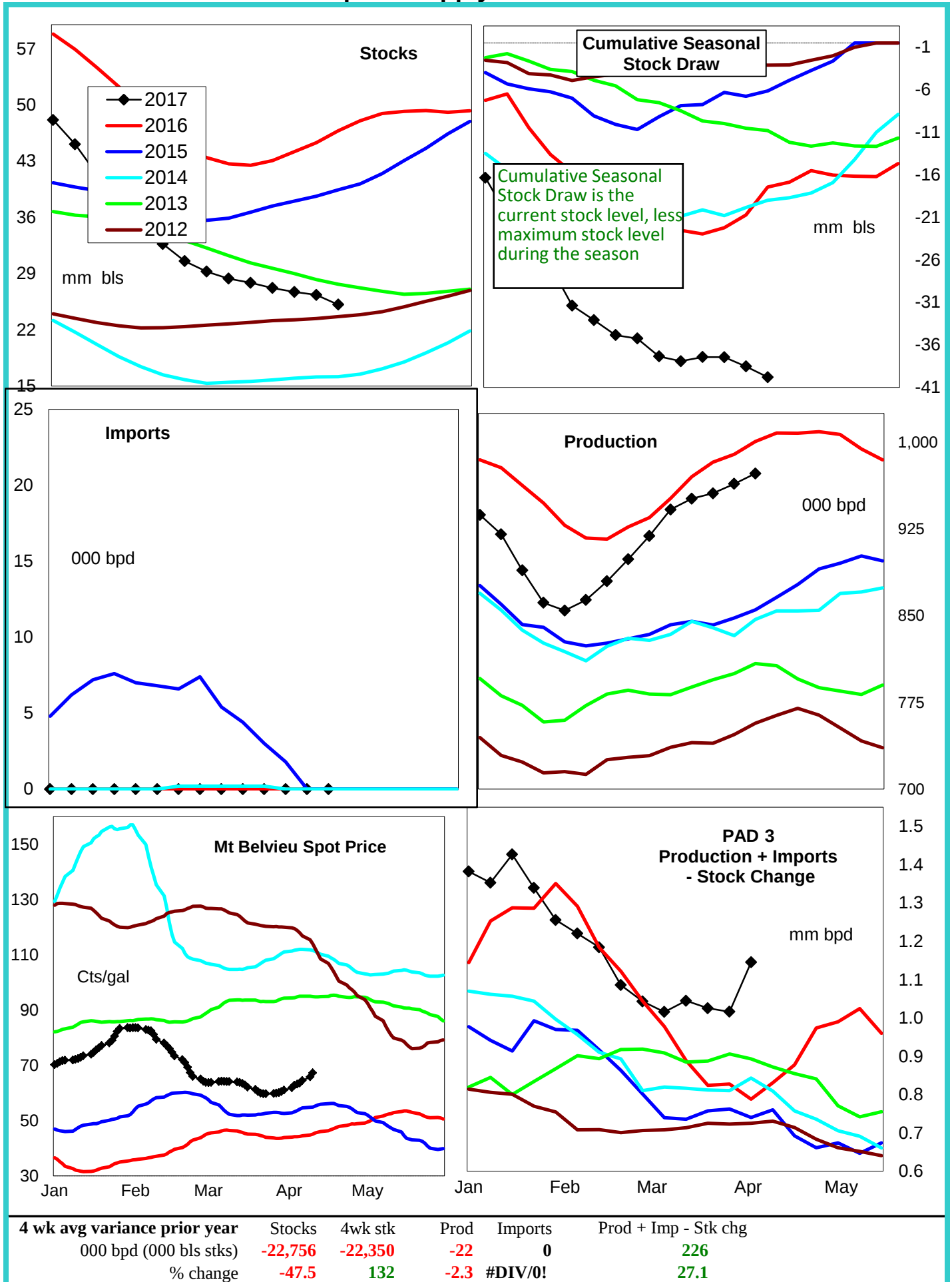
PADD 1 Propane Supply and Demand Balance



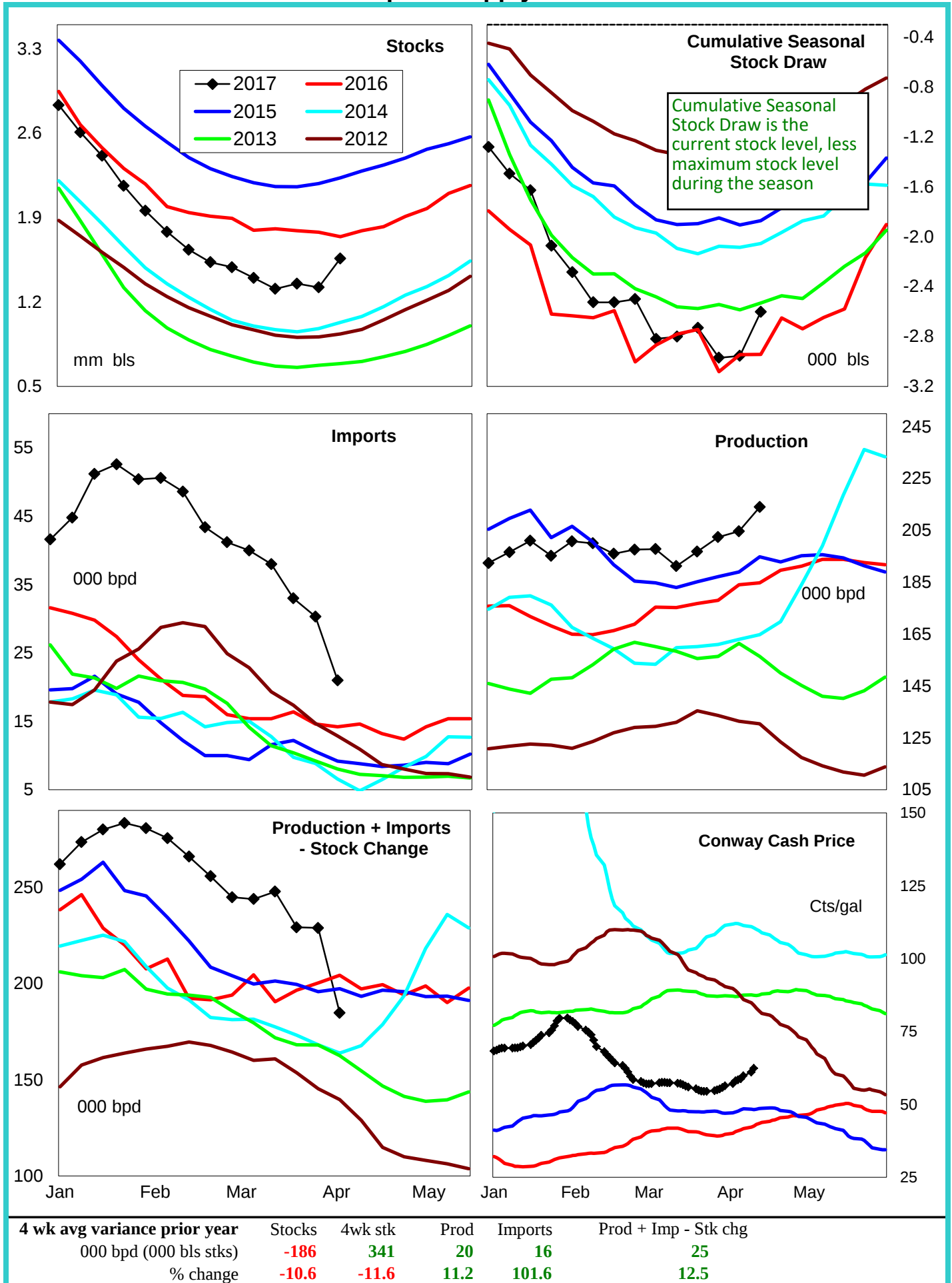
PADD 2 Propane Supply and Demand Balance



PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks

