



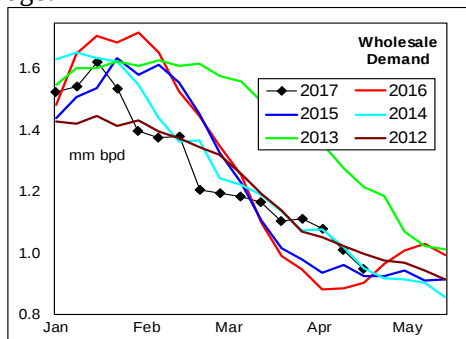
WEEKLY PROPANE SUPPLY-DEMAND-PRICE TRENDS

A Fundamental Petroleum Trends Weekly Report

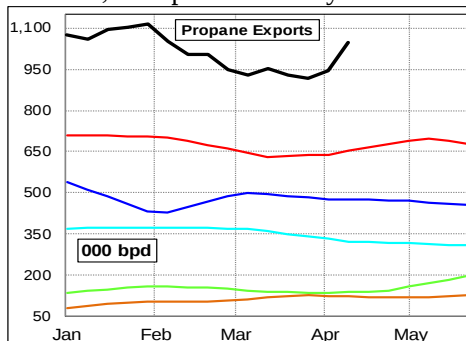
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Summary¹:

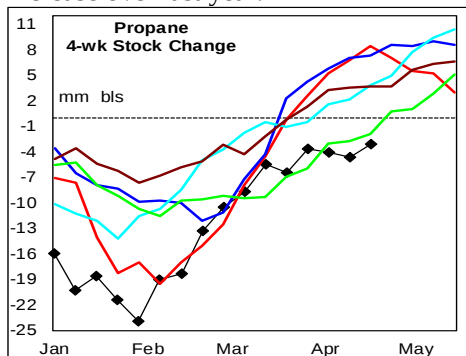
Wholesale demand increased +21,000 bpd last week to a level comparable with the last 2-yr. The latest 4-wk wholesale demand was +224,000 bpd above a year ago.



Production increased +16,000 bpd last week, while imports were +31,000 bpd higher. Production for the latest 4-wk period averaged +73,000 above a year ago. The latest 4-wk average of imports was +34,000 bpd above last year.



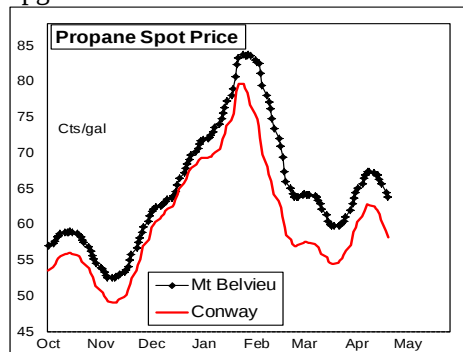
Exports for the week ending 14Apr17 were 1 million bpd, a +400,000 bpd increase over last year.



Stocks were unchanged on the week, including a -1 million barrel draw in the Gulf region. All other regions reported

builds. The latest 4-wk stock change was a draw of -3.1 million barrels, compared to builds +7.5 million barrels for the period in each of the last 2-yr.

Price and Spreads Mt Belvieu spot price decreased -5 cpg last week ending 25Apr17 while Conway reported a -6 cpg decline.



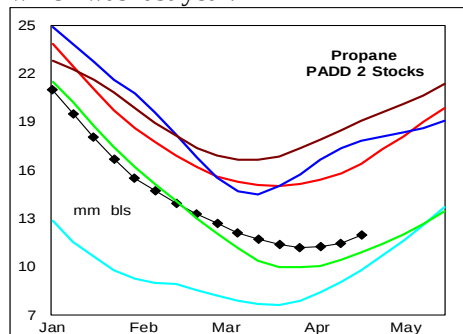
The Conway - Mt Belvieu price spread traded below the 3-yr mid range for this time of year.

The propane to natural gas price spread was unchanged for the week, trading at historic lows for the period.

The propane / crude oil price spread trended lower last week, although the level remains well above the 5-yr range for the period.

PADD 1 stocks increased +0.1 million barrels last week. Stock levels ended the week -22% below the prior 5-yr high for the period. Supply decreased -5,000 bpd on lower imports.

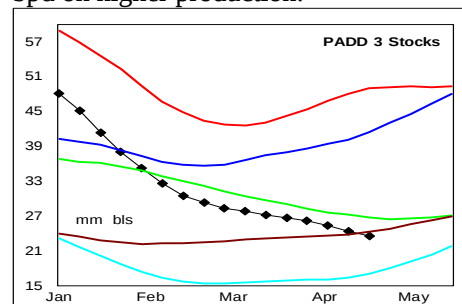
PADD 2 supply jumped +56,000 bpd on higher production and imports. Production for the latest 4-wk period was +66,000 bpd above a year ago while imports increased +15,000 bpd. Midwest supply continues on a trend of +80,000 bpd above the prior record high, which was last year.



Stocks increased +0.7 million barrels on

the week. Stock levels ended the week -27% below last year, and near historic lows for this time of year.

PAD 3 stocks decreased -1 million barrels on the week. Stock levels ended the week -53% below last year's record high, and at the low end of the 5-yr range for the period. Supply increased +2,000 bpd on higher production.



PADDs 4 & 5 stocks increased +0.2 million barrels last week. Supply decreased -6,000 bpd on a lower production. Stock levels ended the week -12% below last year.

Emerging Trends Stocks increased +1 million barrels in the combined East, Midwest and West regions last week; offsetting a -1 million barrel draw in the Gulf region.

The latest 4-wk stock change is an -11 million barrel variance (below) the average of the last 2-yr; driven by higher wholesale demand and exports, partially offset by increased supply.

If exports continue to average +340,000 bpd above last year and are partially offset by a +115,000 bpd increase in supply this leaves a net impact of -225,000 bpd lower rate of stock build or approximately -6.7 million barrels per month reduction in the rate of stock build.

The increase in exports should lead to an equalization of domestic and global propane prices. As global and domestic price equalize, look for the year-on-year growth rate in exports to decrease from the 2017-YTD rate of +340,000 bpd. However, even with a slowing in the rate of stock builds, peak fall stock levels are likely to be near historic lows.

¹ Source is latest EIA Weekly Statistics

PROPANE: Graph Link and Weekly Summary

April 26, 2017

Fundamental Trends for the Week Ending:

Friday, April 21, 2017

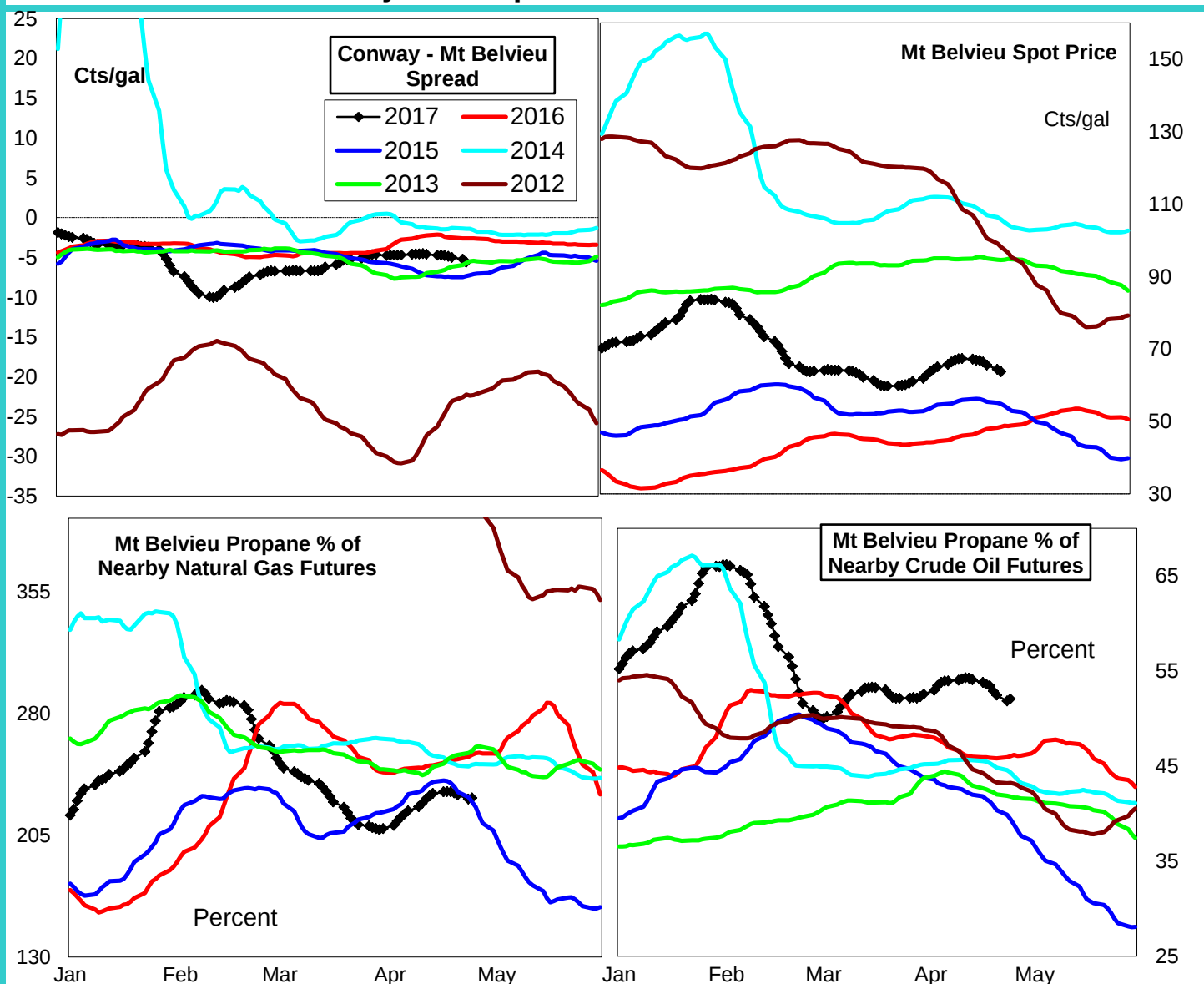
000 bpd Stocks 000 bls	Weekly Supply-Demand					Change from prior week:				
	U.S. Total	PADD				U.S. Total	PADD			
		1	2	3	4&5		1	2	3	4&5
Stocks	39,651	2,596	11,946	23,550	1,559	8	98	745	-1,004	169
Propylene Stocks	2,683					160				
Production	1,799	157	467	985	190	16	0	29	2	-15
Imports	119	24	59	0	36	31	-5	27	0	9
Whsle Demand	947					21				

Price Trends for the Week Ending:

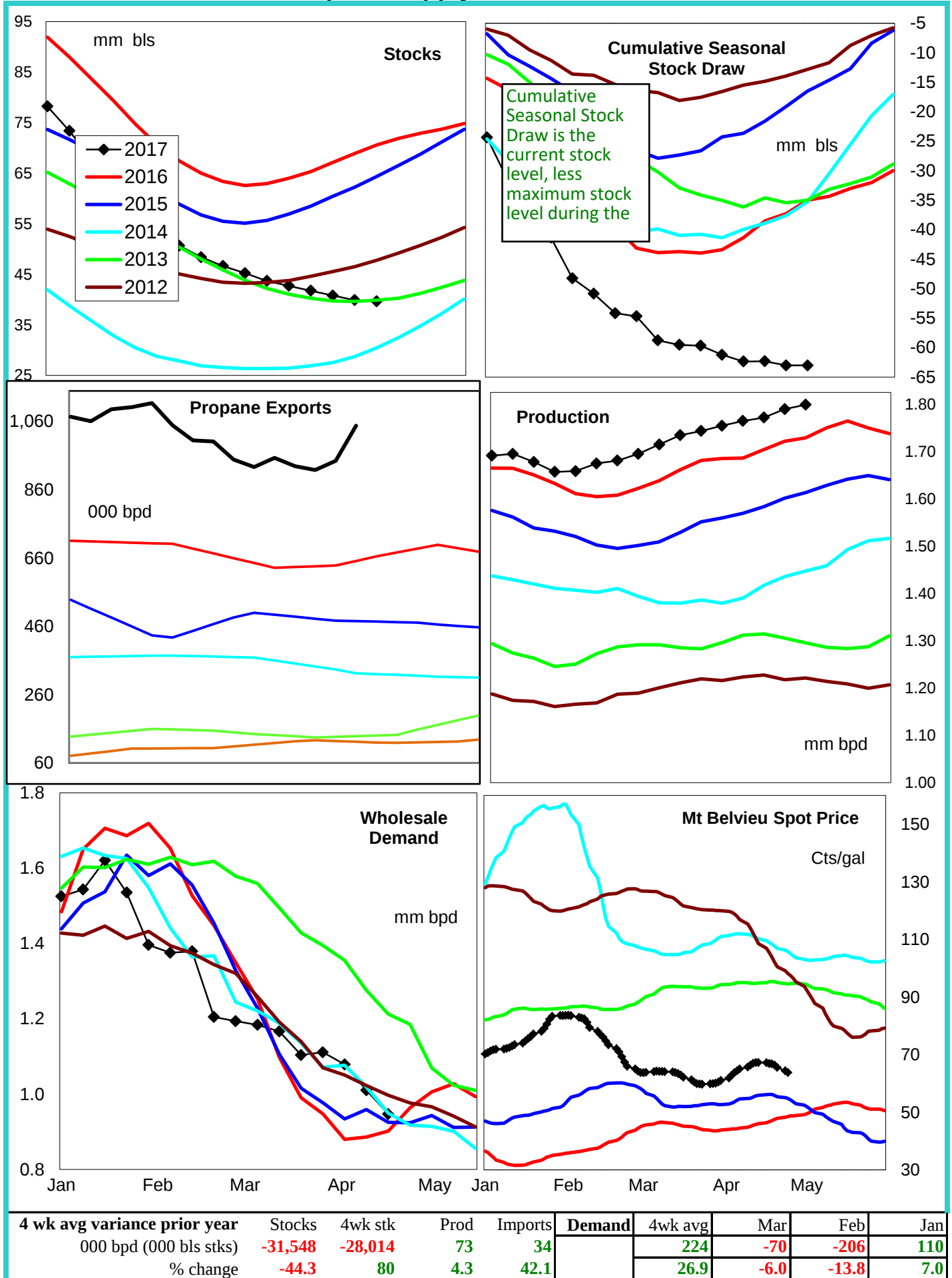
Tuesday, April 25, 2017

Cents/gal	Average for week ending:				Change from:			% change from:		
	4/25/17	4/18/17	3/28/17	4/28/16	4/18/17	3/28/17	4/28/16	4/18/17	3/28/17	4/28/16
Mont Belvieu Spot	65.0	68.7	58.5	48.4	-3.68	10.18	10.15	-5.4	17.4	21.0
Conway Spot	59.9	64.2	53.7	45.9	-4.33	10.58	7.73	-6.7	19.7	16.8

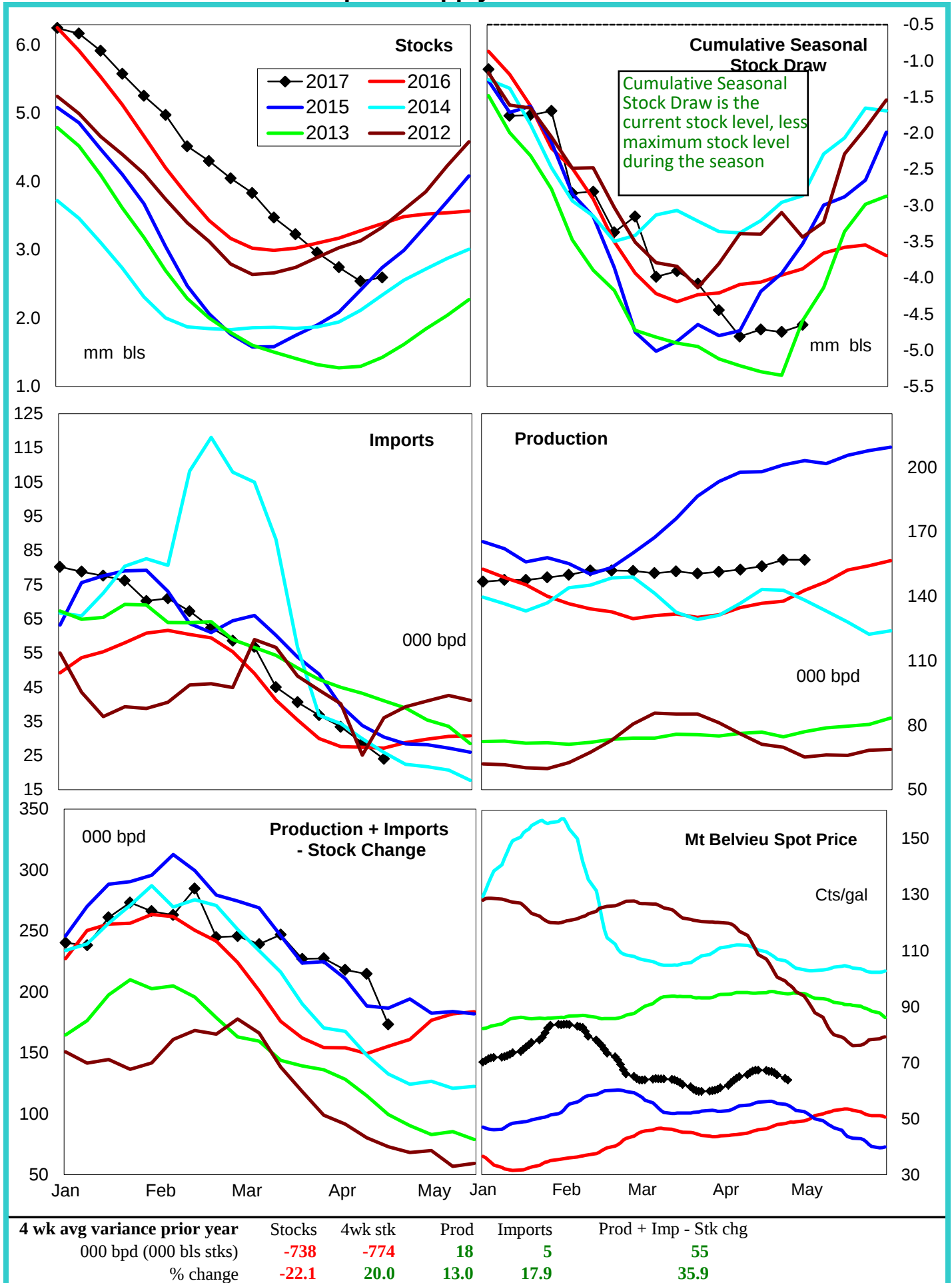
Key Price Spreads and Differentials



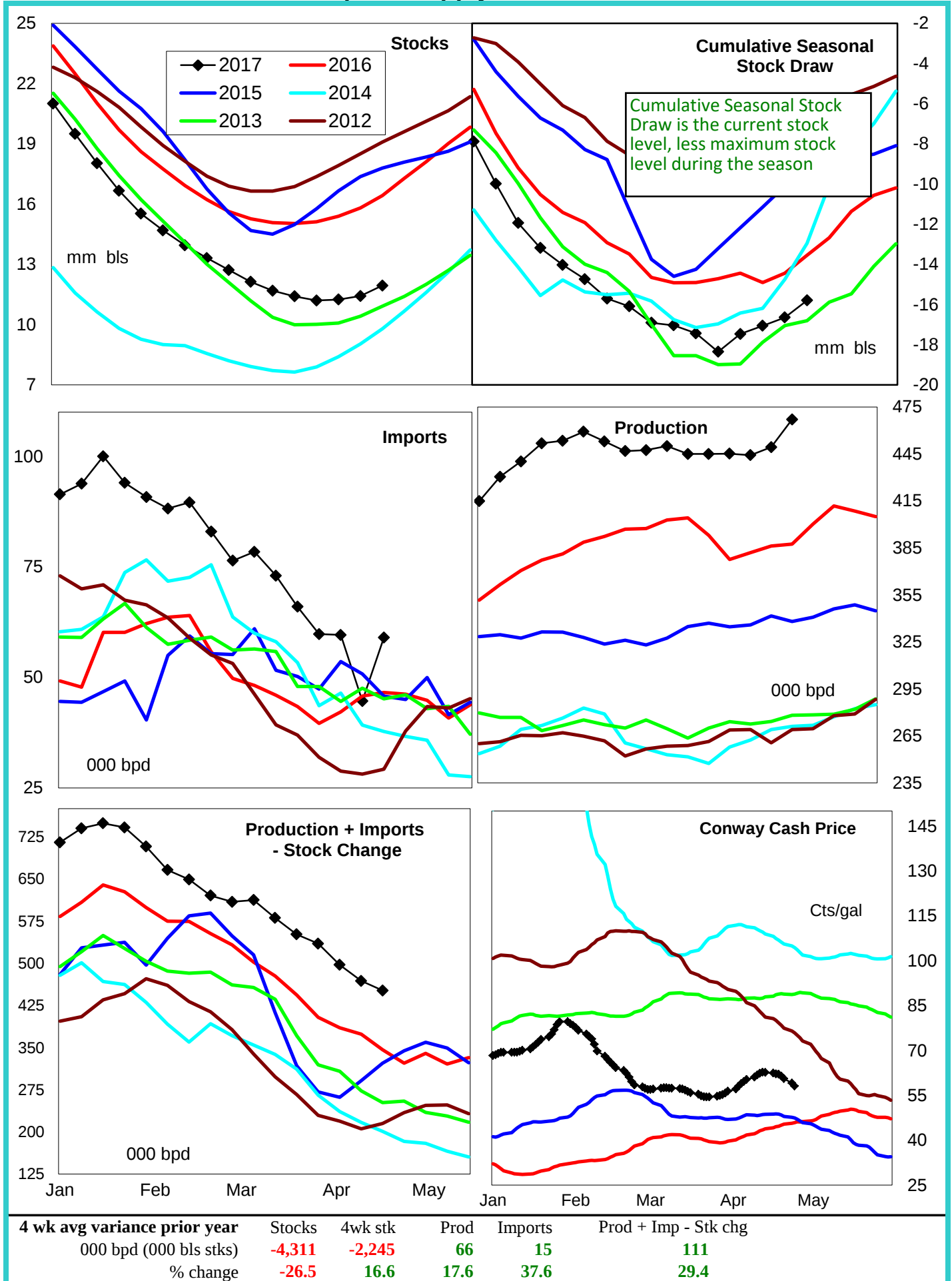
U. S. Propane Supply and Demand Balance



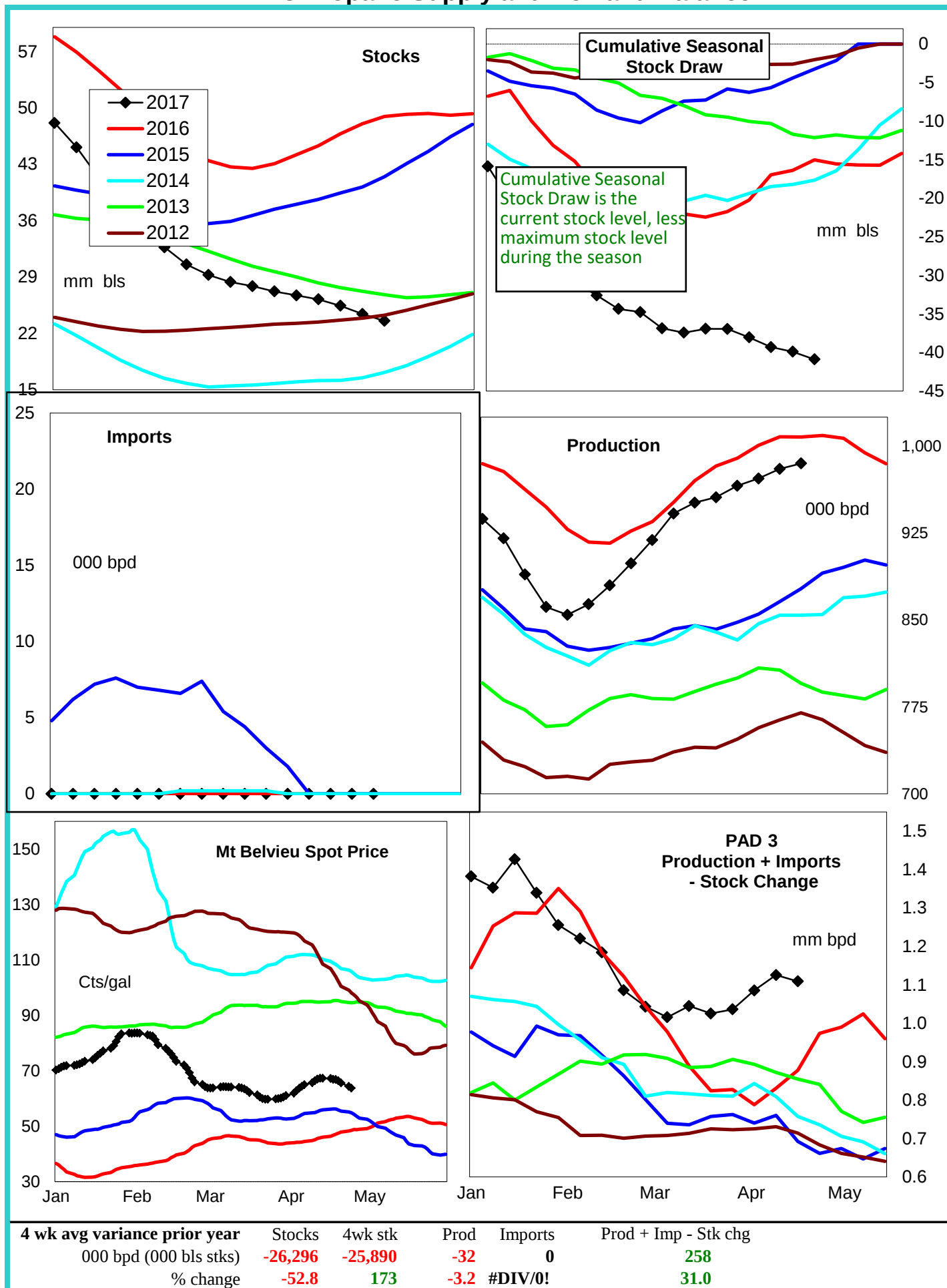
PADD 1 Propane Supply and Demand Balance



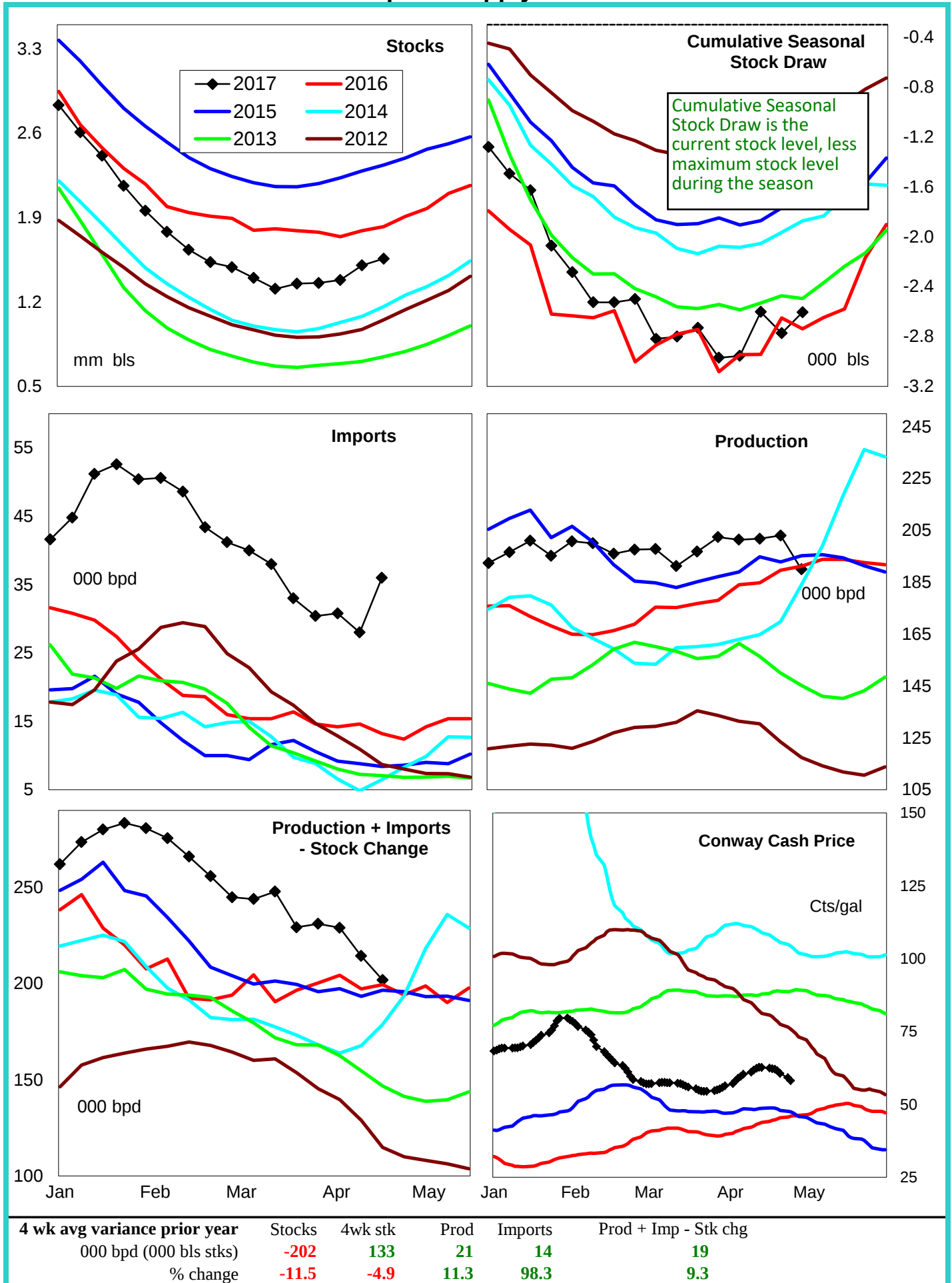
PADD 2 Propane Supply and Demand Balance



PADD 3 Propane Supply and Demand Balance



PADDs 4 and 5 Propane Supply and Demand Balance



U. S. Propane and Propylene Stocks

