

January 03, 2019

# Global Fractionation Spread Outlook Quarterly Update - 4Q2018

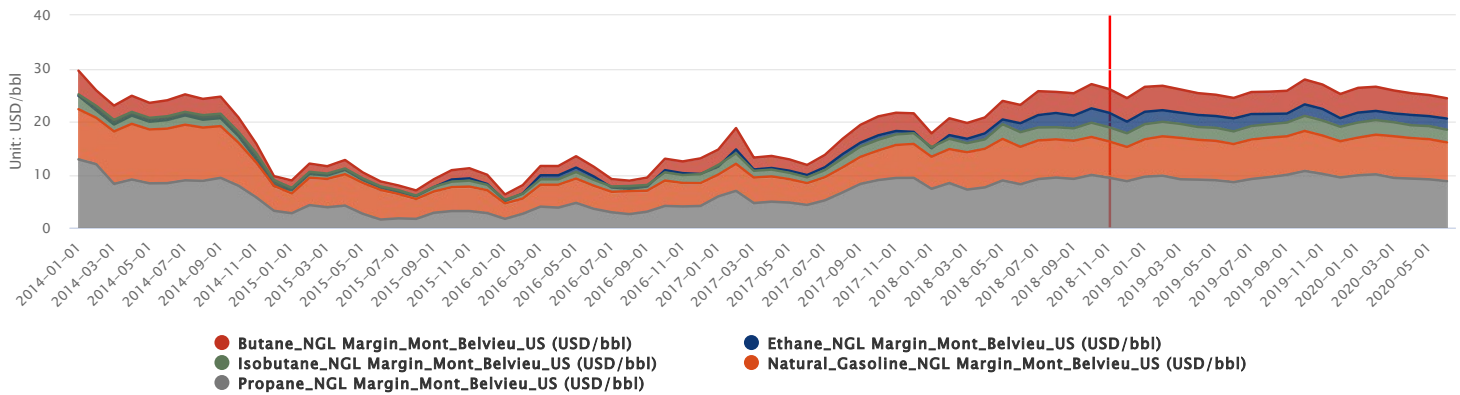
Stratas Advisors

## Short-term Frac Spread Outlook

**Commentary for 4Q18:** Our new 4Q18 forecast for individual NGL purity products and weighted combined fractionation spreads show the forecasts for the next six quarters as trending upward. The minor fluctuations are likely to reflect range bound past seasonal limits. Our current forecasts through the year 2020 show that Conway margins should peak at \$21.84/bbl in October 2020 and Mt. Belvieu margins should peak at \$27.91/bbl in the same month. That's a good bit higher than our prior October 2020 forecast for Conway of \$20.59/bbl due to our current expectations for inland market strength in the latter months of our forecast period. Our forecast for Mt Belvieu remained unchanged. We see no material driver changes between now and the end of the short term forecast period that would incrementally boost or depress prices.

Product Type:  US\_PADD3:

US\_Frac Spread\_Mont Belvieu\_Forecast\_4Q2018



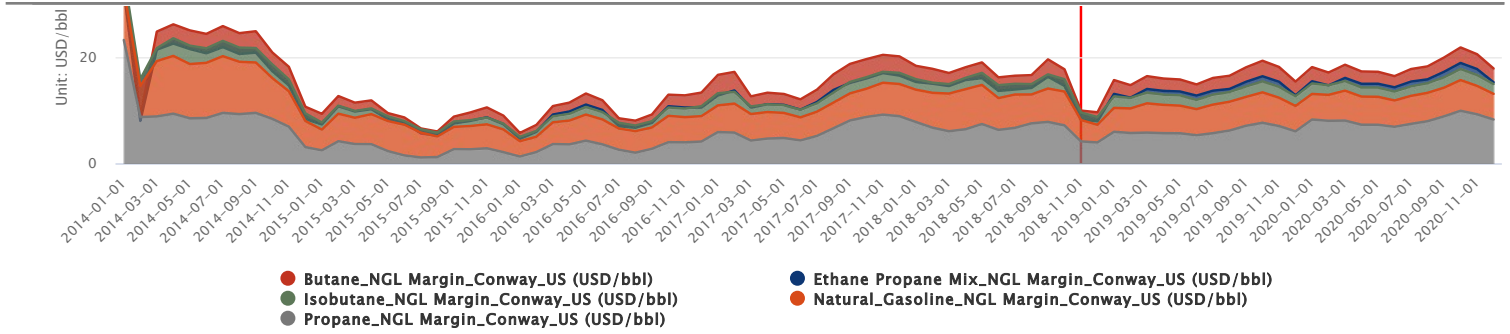
[Edit View](#)

Product Type:  US\_PADD2:

US\_Frac Spread\_Conway\_Forecast\_4Q2018



For members of the following service(s): Short Term Outlook, North American NGL, Global NGL



[Edit View](#)

## Overview of Methodology

Clients may see the details on the 2018 methodology for Fractionation Margin Outlook [within that section](#) of the outlook for the first quarter of 2018.