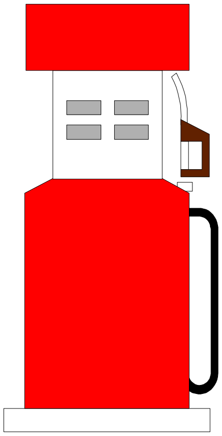


New Century FS

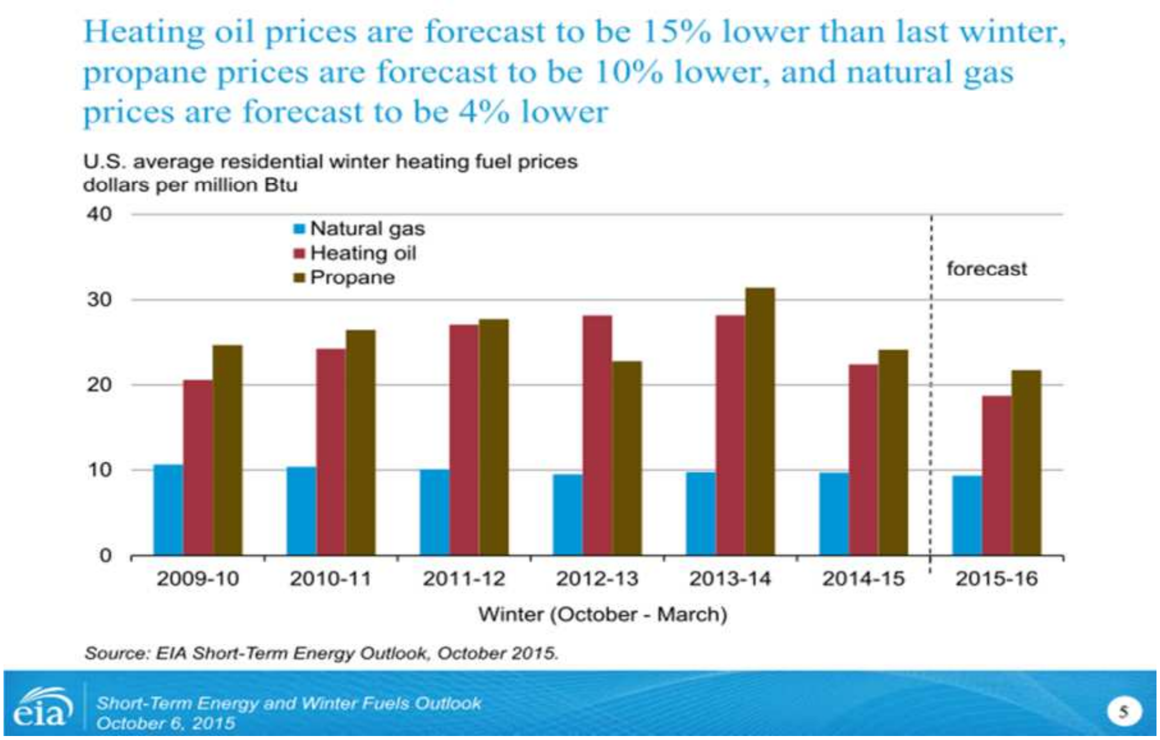
Energy Market Update October 7, 2015

NYMEX Prices

	Close	Wk Change
November Crude Oil	$ 47.81	$ +2.72
November Gasoline	$ 1.3900	$ +0.0006
November Heating Oil	$ 1.5796	$ +.0074
November Natural Gas	$ 2.481	$ -.045

Market Comments: We saw some selling at the end of the day in the oil complex, that could have been some profit-taking after yesterday's rally. The inventory report leaned bearish this morning, but was shrugged off for a large part of the session. The International Monetary Fund is forecasting that Latin America will fall into recession this year. Venezuela and Brazil will be the main reasons for weak economic performance. Russian warships fired cruise missiles into Syria today targeting Western-backed fighters opposed to President Assad.

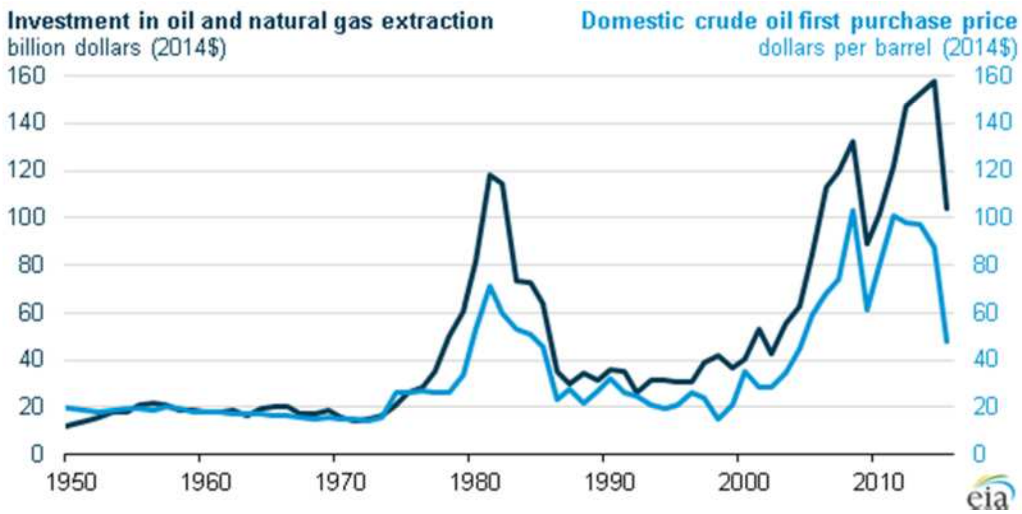
	Crude				Gasoline				Distillate Fuel			
	Change	Total	3Yr Avg.	5 Yr. Avg.	Change	Total	3Yr Avg.	5 Yr. Avg.	Change	Total	3Yr Avg.	5 Yr. Avg.
DOE	+3.073	461.0	366	359	+1.91	223.9	208	211	-2.458	149.2	124	132
EST.	+4.800/-0.000				+2.800/-2.000				+.500/-2.600			
Propane	Total 100.3 +1.6				Midwest 27.5 +.5				Gulf 62 +.6			
API's	Crude -1.23 ; Cushing -.100				Gasoline +4.74				Distillates -2.9			



Propane stocks in the U.S. hit the new historical high of 100.3 million barrels according to last week's statistics. Propane prices are projected to be cheaper this winter than last winter due to a warmer forecast. All heating sources are forecasted to be cheaper except for electricity.

According the USDA, corn harvest is at 27 percent complete vs. the average of 32 percent. Soybean harvest is 42 percent complete vs. the average of 32 percent.

The energy industry is keeping a close eye on low oil prices because if they are sustained it could result in a long-term drop in upstream oil and natural gas investments. Oil prices reflect supply and demand balances, as increasing prices often suggests a need for great supply, which in turn greater supply mean increased investment in exploration and production. Previous investment cycles provide insight into how investment responds to crude oil price changes.



Midwest Basis movements, particularly in Chicago, have been the hottest news items lately. Midwest refineries working on maintenance include Husky Energy's 170,000-b/d Lima, Ohio facility; Valero's 185,000-b/d Memphis, Tenn., refinery; North Tier Energy's 97,800-b/d St. Paul Park, Minn., plant; Phillips 66's 330,000-b/d Wood River, Ill., facility; BP's 430,000-b/d Whiting, Ind., refinery; Marathon's Catlettsburg and Robinson plants; Flint Hills Resources' 339,000-b/d Pine Bend, Minn., facility; Phillips 66's Ponca 218,747-b/d Ponca City, Okla., plant; and BP-Husky's Toledo, Ohio, refinery. Allocations and outages have been frequent at many terminals on both gasoline and diesel.

US active oil rig count declined by 26 rigs to 614 last week. It was the largest number of oil rigs idled by US drillers since April and the fifth consecutive weekly decline. We will get a new report this Friday.

Last week the U.S. Department of Transportation presented tighter safety rules for pipelines that carry crude oil, gasoline and other hazardous liquids. The agency proposed expanding pipeline inspections to include rural areas which are currently exempt, and for companies to be open to more scrutiny in their pipeline inspections. The DOT would also like to see mandatory re-checks for lines after floods and hurricanes, and for companies to submit information on thousands of miles of smaller pipelines that fall outside of existing regulations. These new rules were initiated after a crude oil spill of 840,000 gallons into the Kalamazoo River in 2010—the costliest onshore oil spill ever in the U.S., with cleanup costs exceeding $1 billion. The changes could cost pipeline companies a combined $22.5 million annually, according to the DOT.