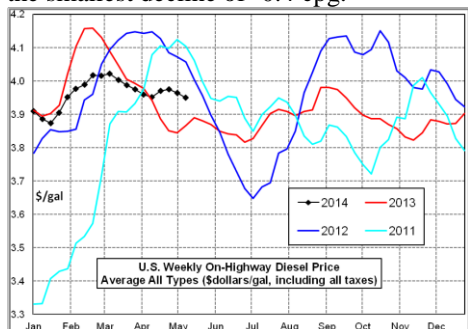


Weekly Retail On-Highway Diesel Prices

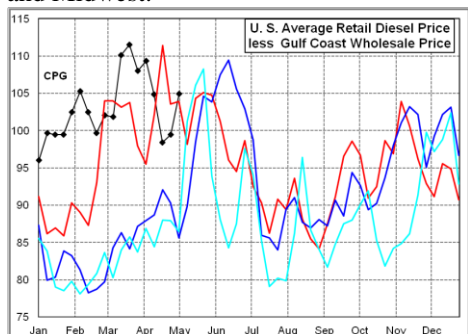
Region	Actual Price 1/			Forecast 2/	Change from week ago
	21Apr14	28Apr14	05May14	12May14	
U.S.	3.971	3.975	3.964	3.949	-0.015
East Coast	4.070	4.065	4.055	4.047	-0.008
New England	4.212	4.208	4.181	4.174	-0.007
Central Atlantic	4.191	4.185	4.176	4.160	-0.016
Lower Atlantic	3.953	3.949	3.940	3.928	-0.012
Midwest	3.946	3.947	3.935	3.913	-0.022
Gulf Coast	3.820	3.824	3.813	3.801	-0.012
Rocky Mountain	3.976	3.982	3.978	3.950	-0.028
West Coast	4.030	4.055	4.046	4.041	-0.005
California	4.102	4.140	4.132	4.122	-0.010

1/ Source: U.S. Energy Information Administration
2/ Source: Fundamental Petroleum Trends Reports

Diesel Fuel Price Trends U.S. retail diesel prices decreased -1.1 cpg for the week ending 05May14. Prices were lower in all regional markets, led by a -2.7 cpg decline in New England. The Rockies saw the smallest decline of -0.4 cpg.



The U.S. average retail diesel price compared to Gulf Coast wholesale market increased +5.4 cpg on the week. The spread ended the week comparable to last year, but +20 cpg above the prior 2-yr; driven by tight supplies in the Northeast and Midwest.



The national average on-highway price ended the week +12 cpg above a year ago. The highest retail prices were in New

England and Central Atlantic regions at \$4.18/gal. The lowest prices were in the Gulf at \$3.81/gal and the Midwest at \$3.94/gal. Very low prices in the Gulf are driven by extremely high Gulf production.

The spread between the U.S. average price compared to all East Coast regions remain above the last 3-yr on tight supplies. The spread between the U.S. average price and regional prices in the Gulf and West Coast remain at or below the last 3-yr, but are tightening on improving export demand.

Gulf spot average prices decreased -4 cpg last week. The price level ended the week near below the prior quarter average.



The spread between the Gulf wholesale price and the U.S. average retail price increased +5.4 cpg to 104 cpg last week. This differential is comparable to last year, but is well above prior years, driven by over supply on the Gulf and tight supplies in the Northeast and Midwest.

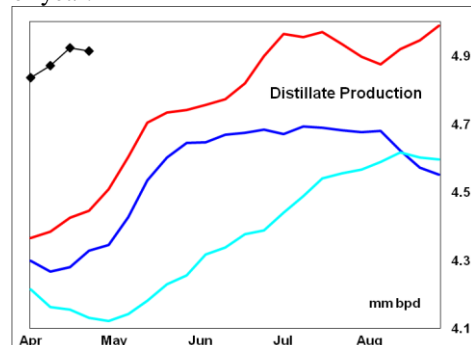
Supply - Demand Fundamental Trends Distillate wholesale demand increased +75,000 bpd on the week, driven by increased exports. Demand for the latest 4-wk period was +276,000 bpd above last year.

Supply increased +13,000 bpd on the week, driven by extremely high production.

During the latest 4-wk period, production was +494,000 bpd above last year while imports were -13,000 bpd

lower. Stocks saw a +1.9 million barrel build last week, concentrated on the East Coast.

Stock levels ended the week -1.3 million barrels below a year ago. The latest 4-wk stock change East of the Rockies was a +2 million barrel build, compared to an average -4 million barrel draw for this time of year.



Global Trends Driving Diesel Prices Slower economic growth in China has been offset with increased political tension in Ukraine - Russia; limiting the recent price pull back.

Distillate production remains extremely high on below average refinery maintenance in the Gulf region. Unplanned maintenance on the West Coast is leading to tightness in the region.

Look for record high production of distillates and burdensome North American crude oil stock levels to constrain distillate prices in the near term. Extreme over supply of crude oil risk further price declines during the 2nd quarter.

Diesel Price Outlook Retail prices are forecast to trend lower in the near term as a result of the decline in wholesale spot prices. The current downtrend in the spot to retail spread in the Northeast should continue during the 2nd quarter. The Southeast and Gulf markets remain very well supplied, which should lead to continued below average retail prices in these regions.

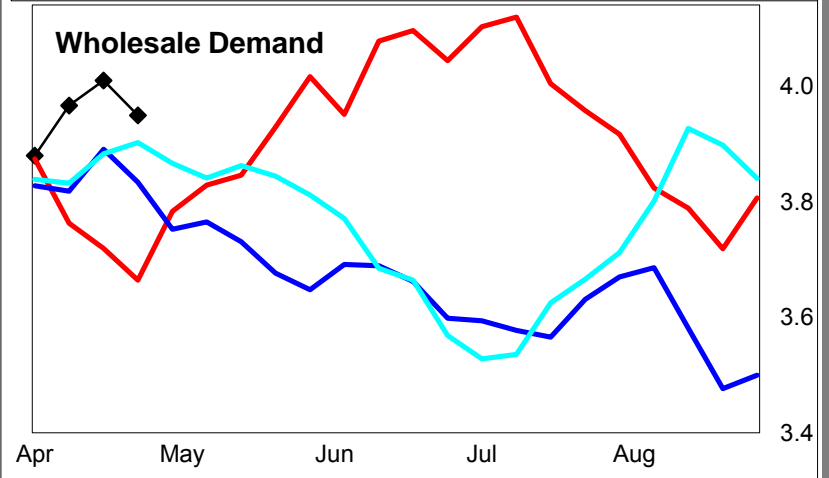
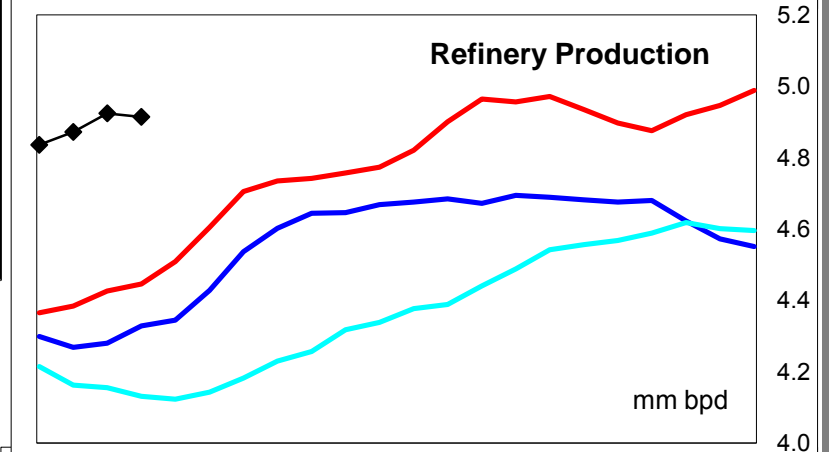
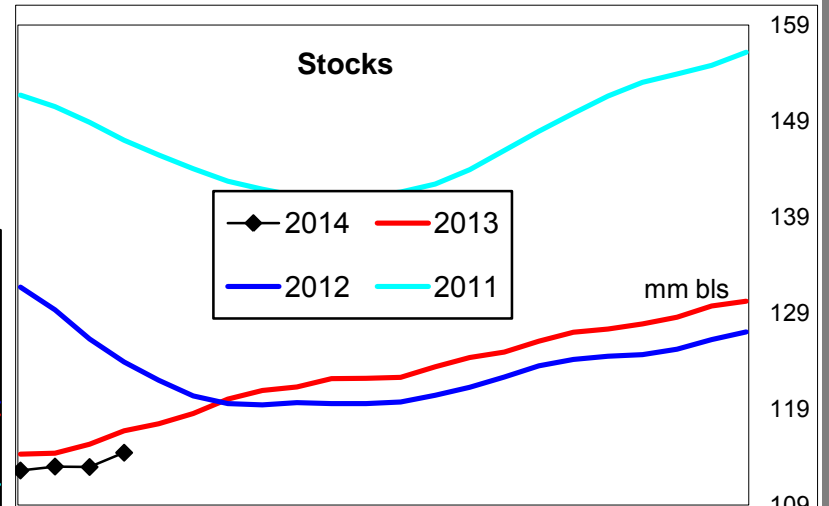
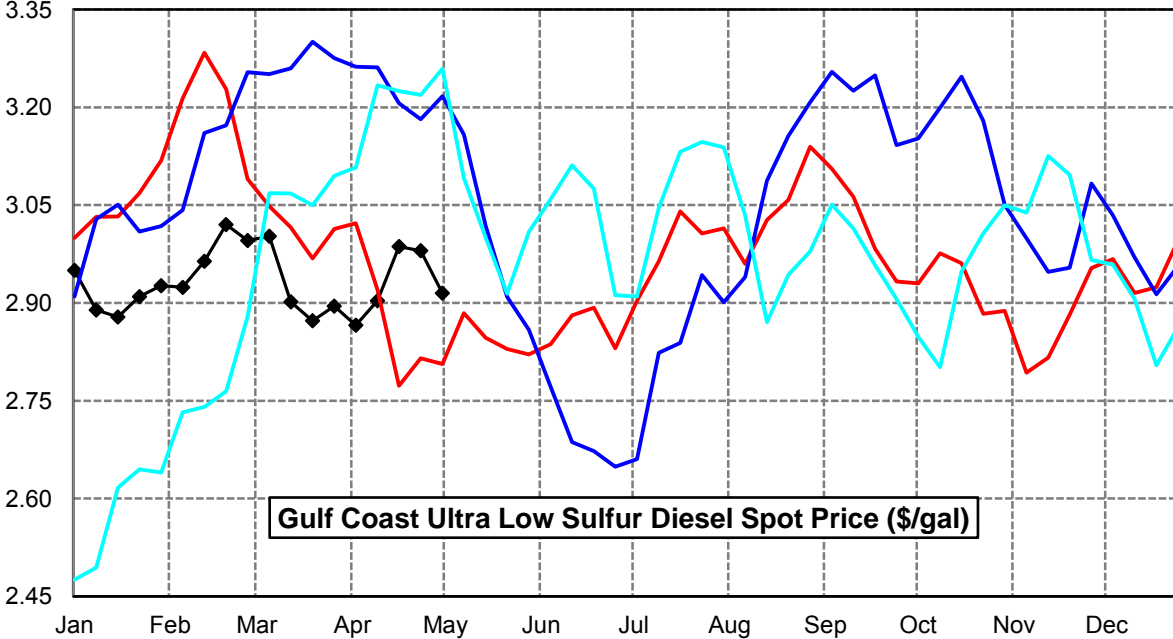
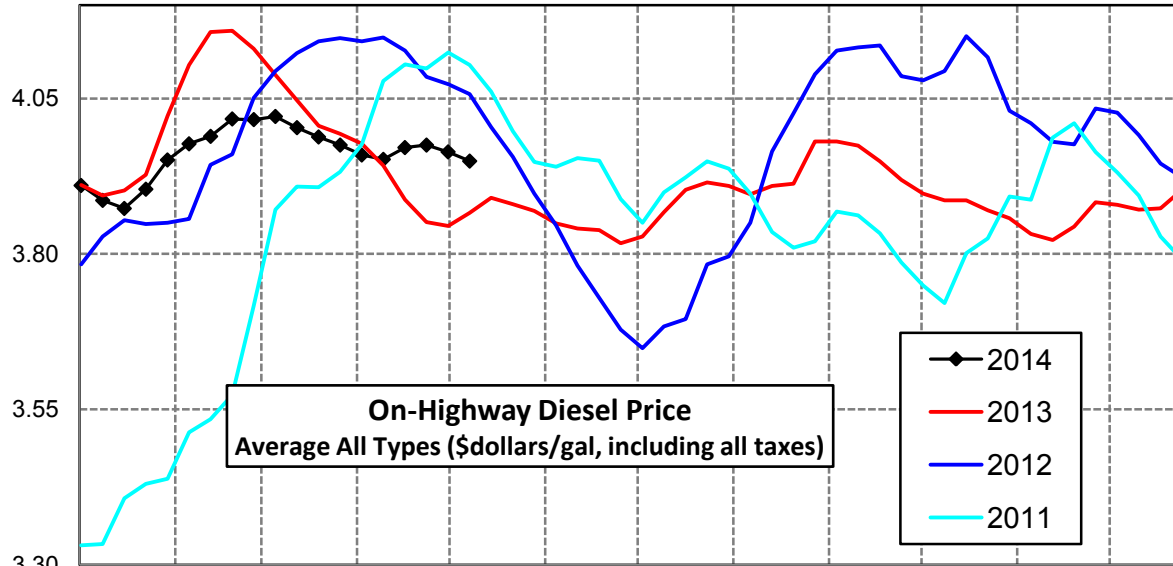
Click [Blue Icon](#) on Map to view Regional Price & Fundamental Trends

U. S. Petroleum Administrative for Defense Districts (PADDs)



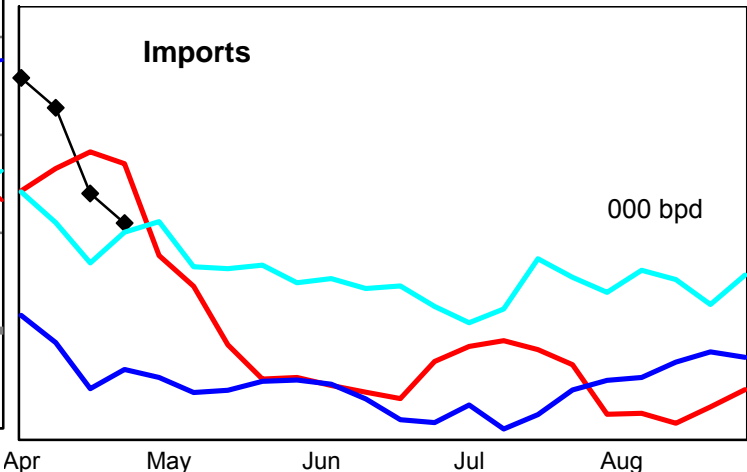
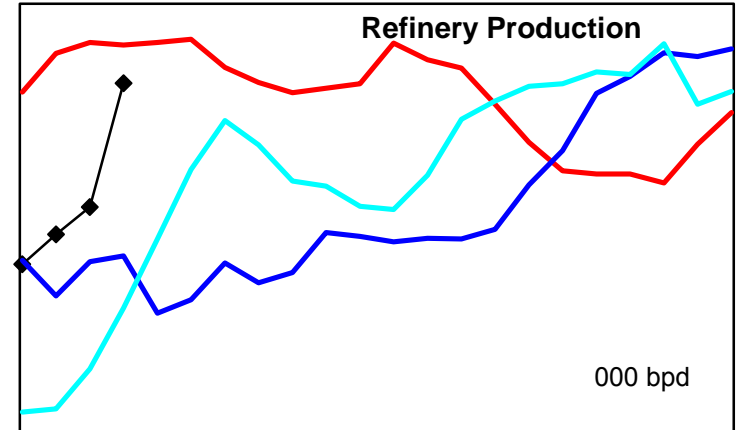
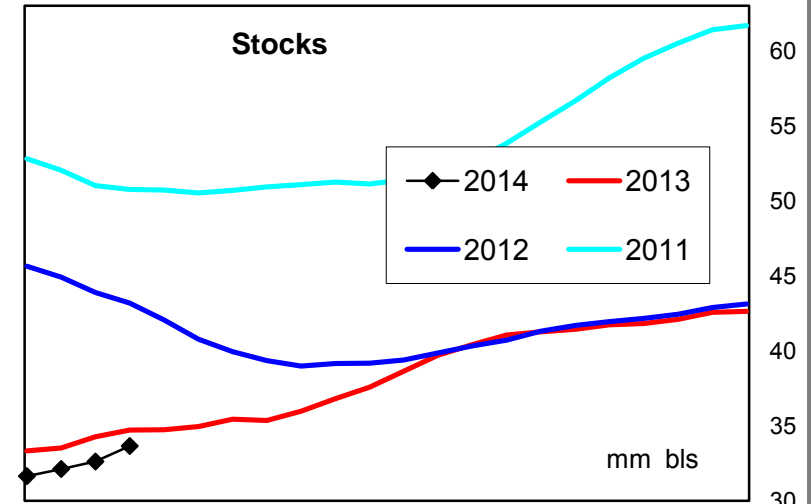
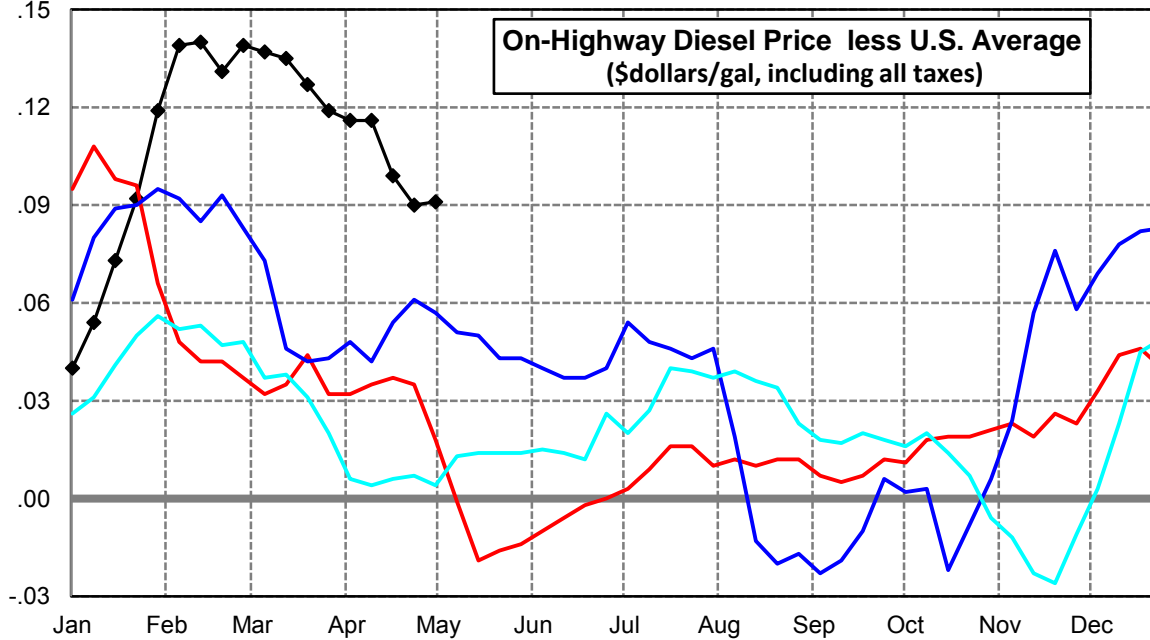
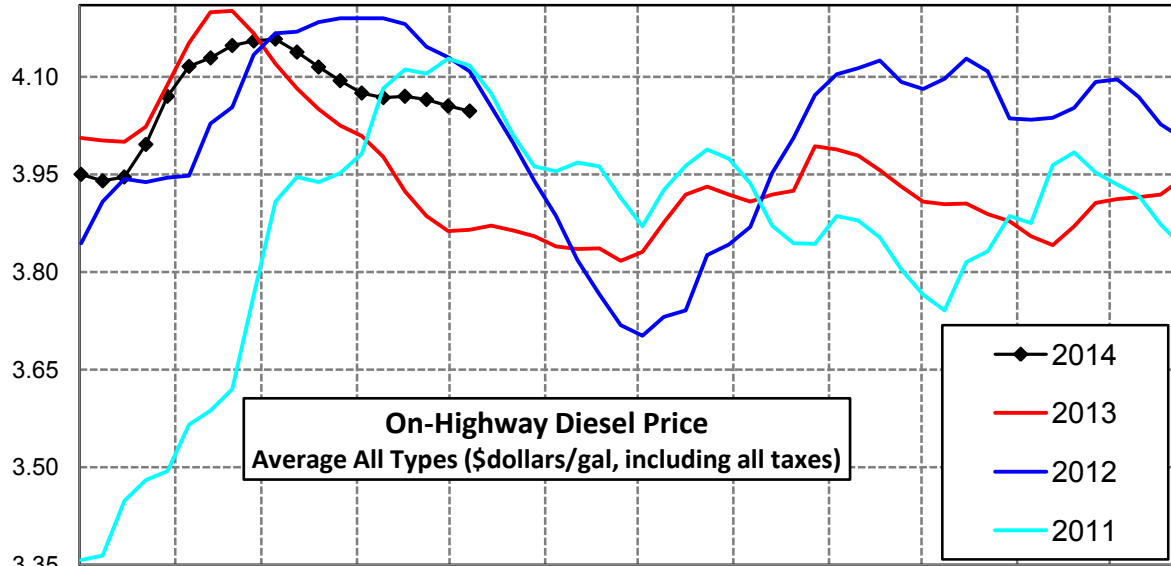
U. S. Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
United States Avg	\$3.971	\$3.975	\$3.964	\$3.949	-\$0.015
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



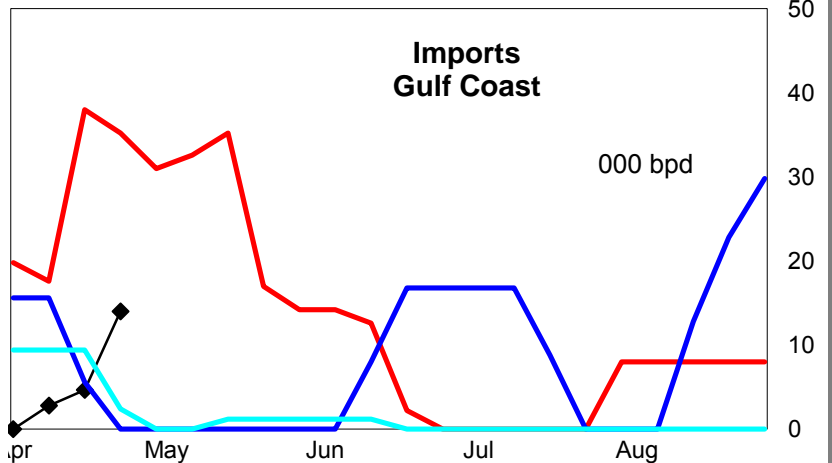
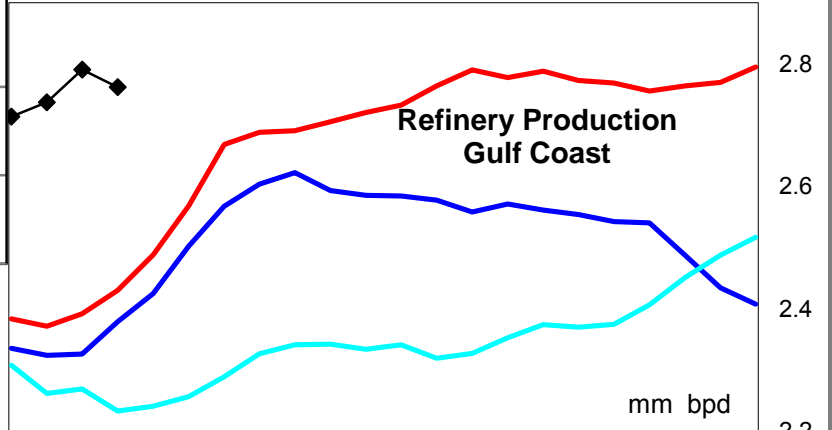
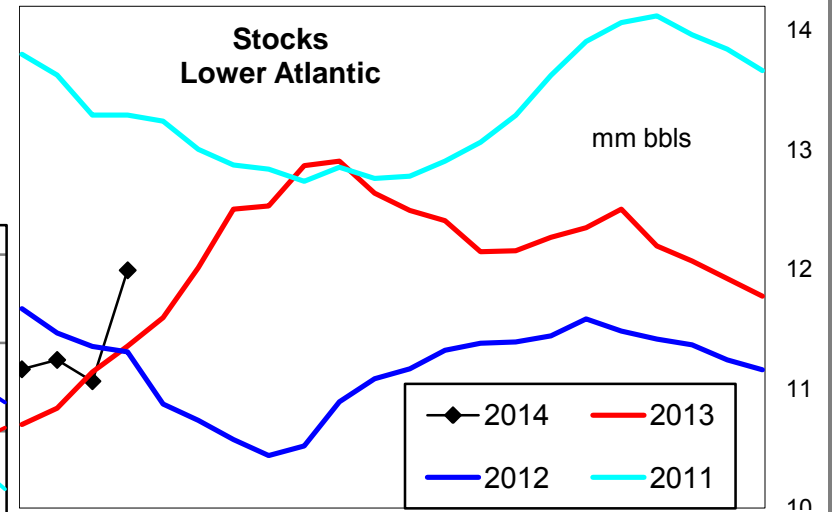
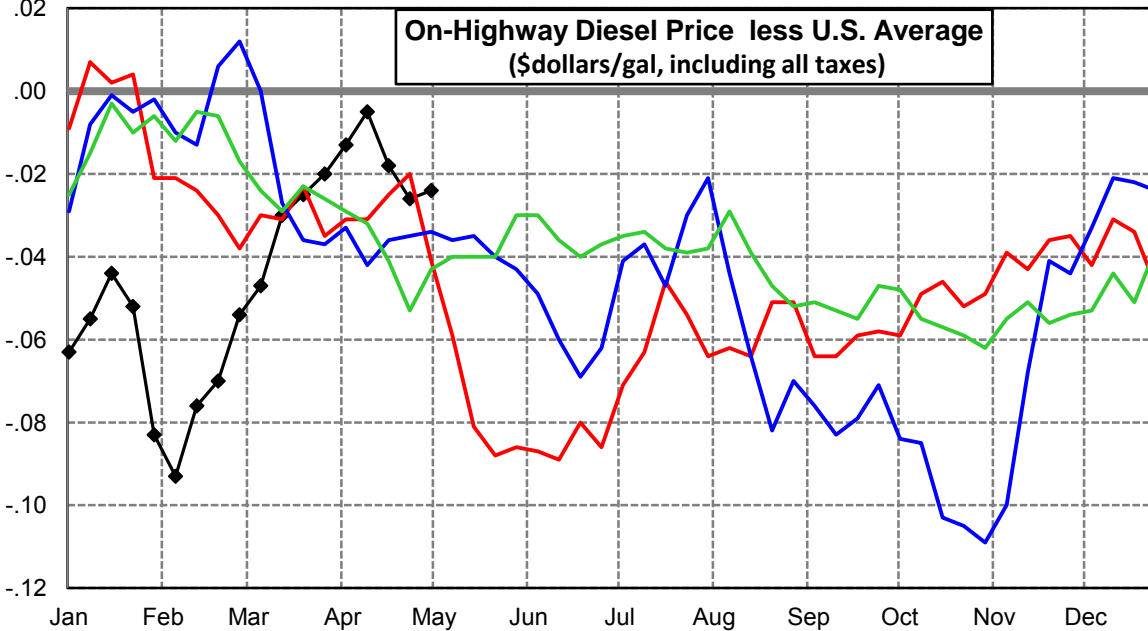
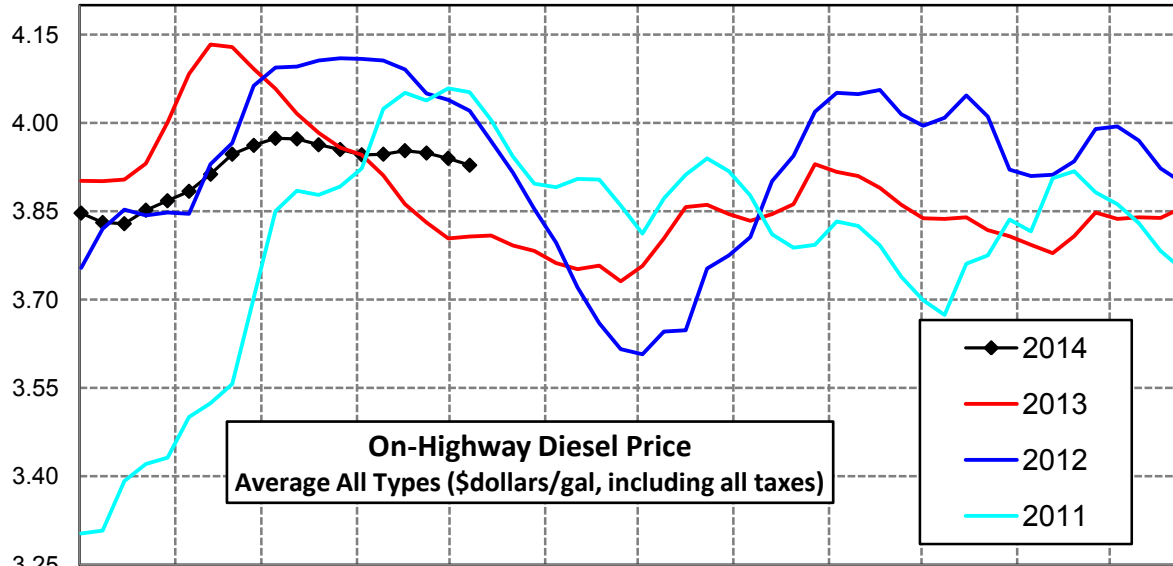
East Coast Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
East Coast	\$4.070	\$4.065	\$4.055	\$4.047	-\$0.008
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



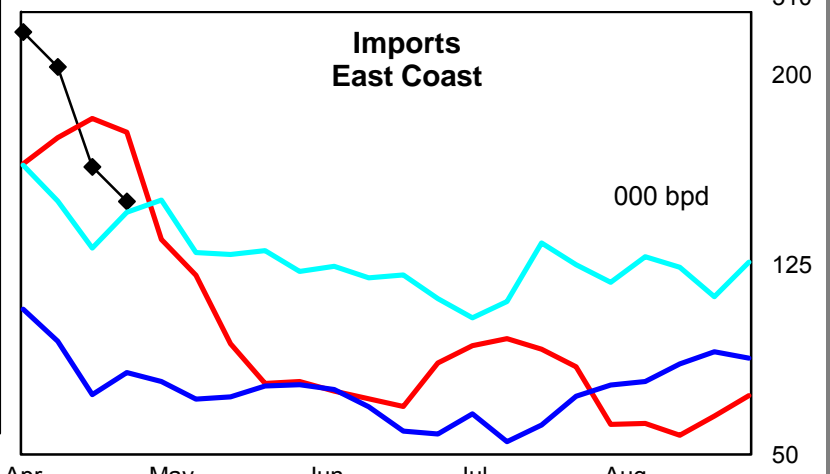
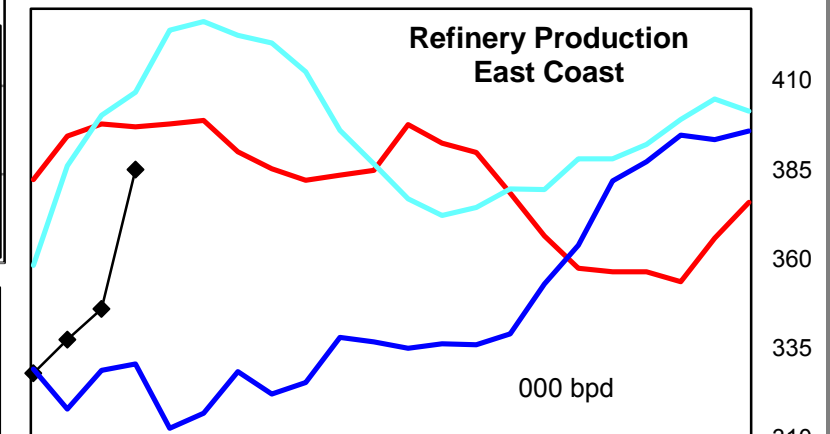
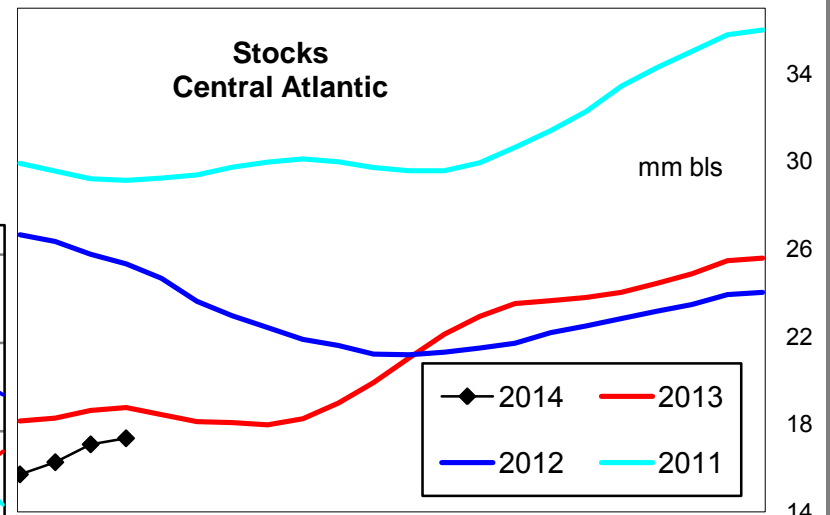
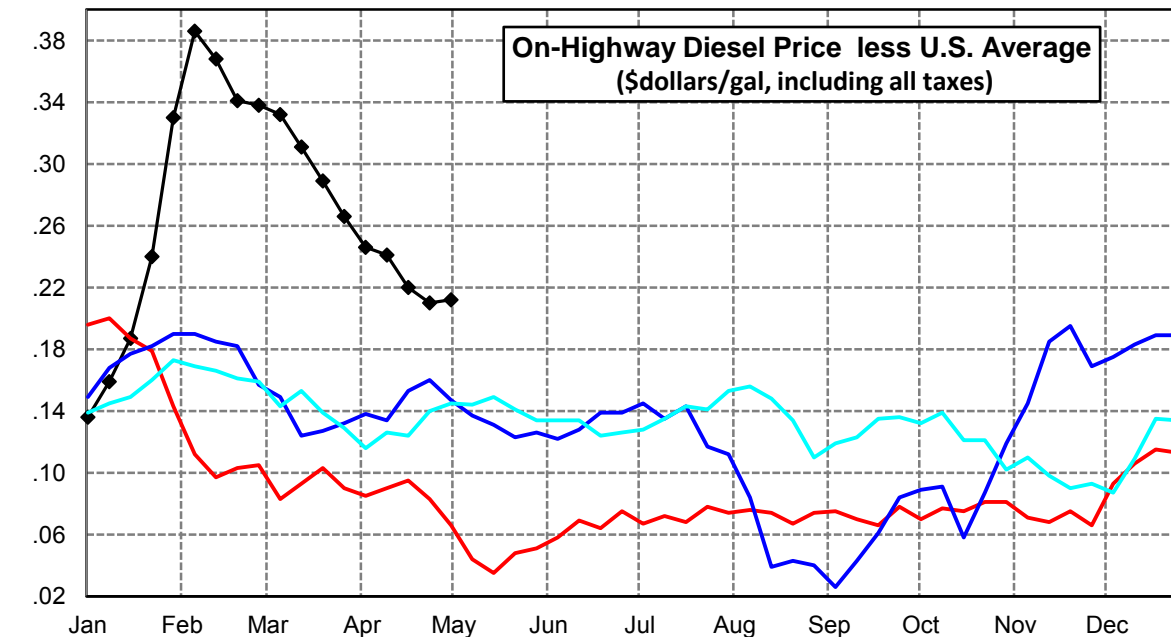
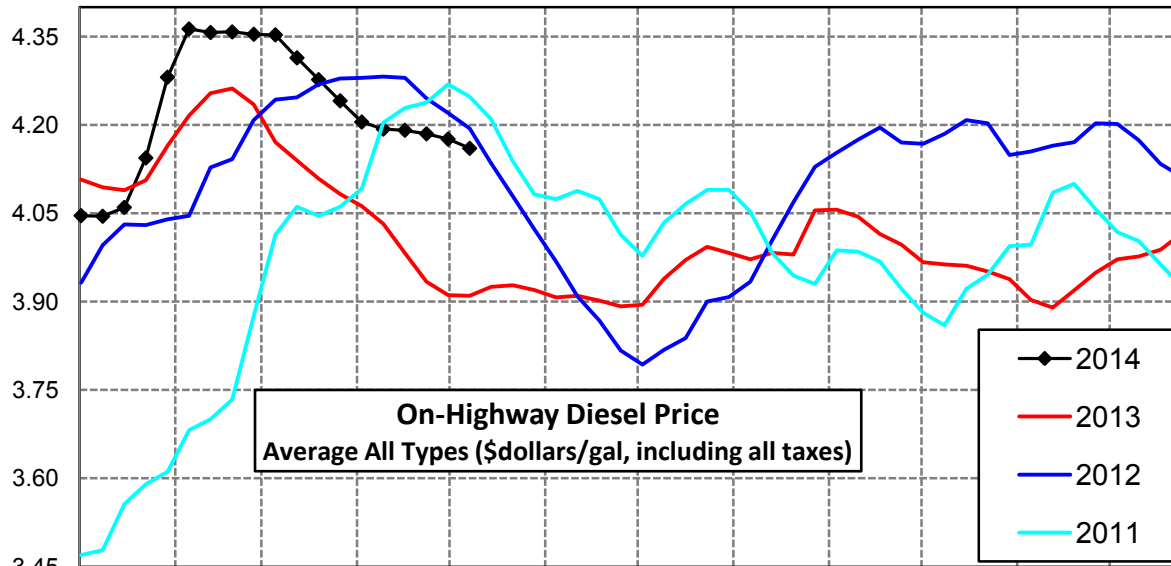
Lower Atlantic Region Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
Lower Atlantic	\$3.953	\$3.949	\$3.940	\$3.928	-\$0.012
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



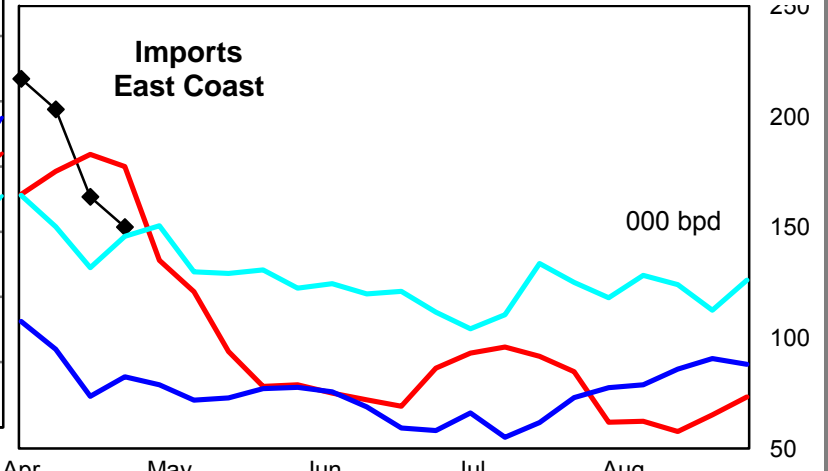
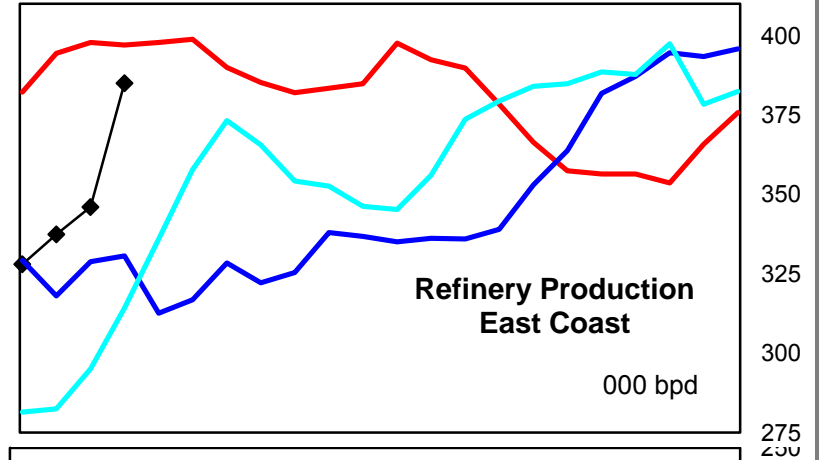
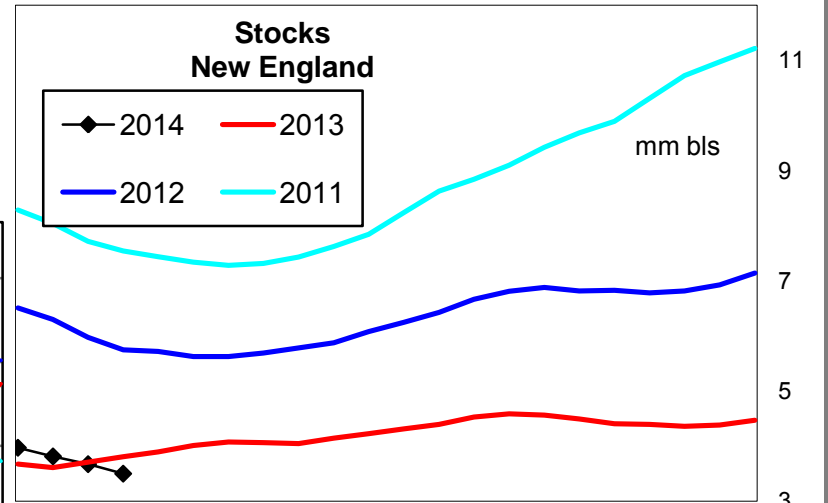
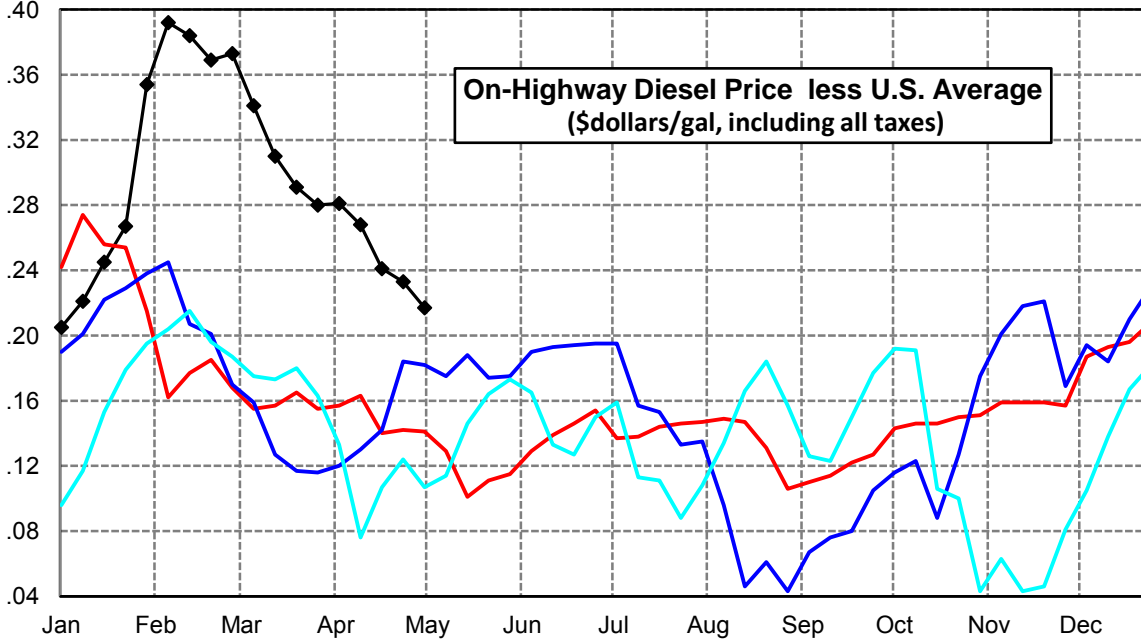
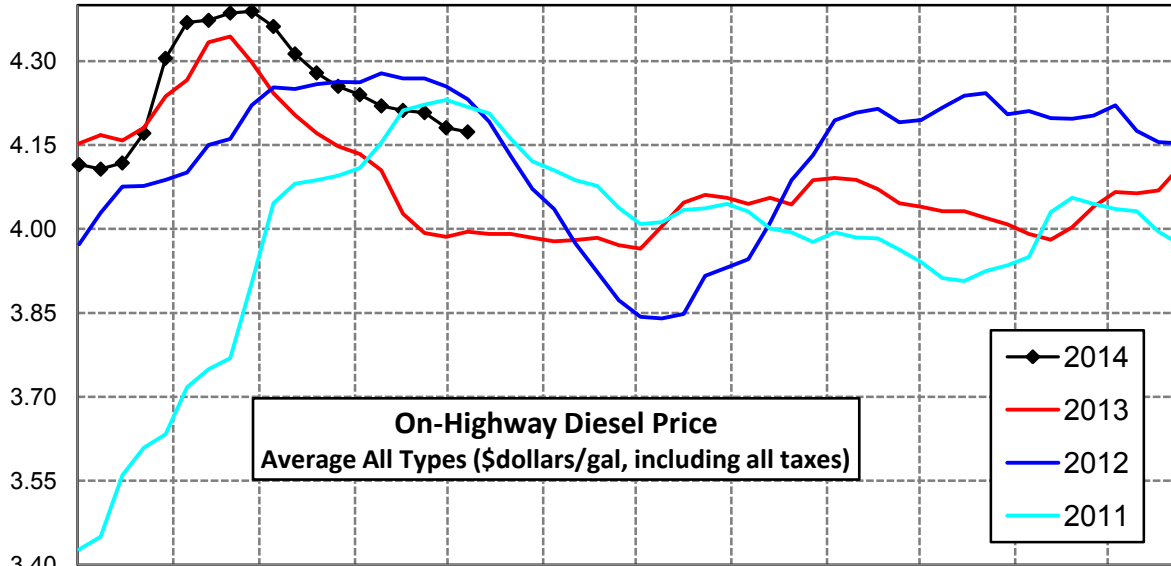
Central Atlantic Region Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
Central Atlantic	\$4.191	\$4.185	\$4.176	\$4.160	-\$0.016
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



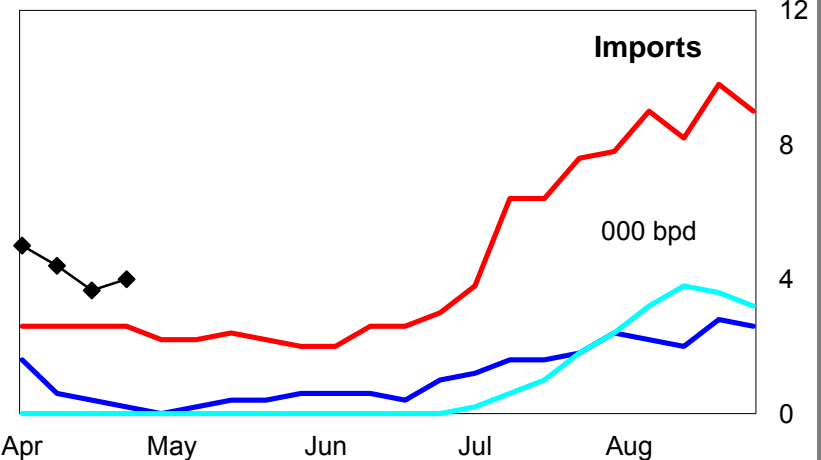
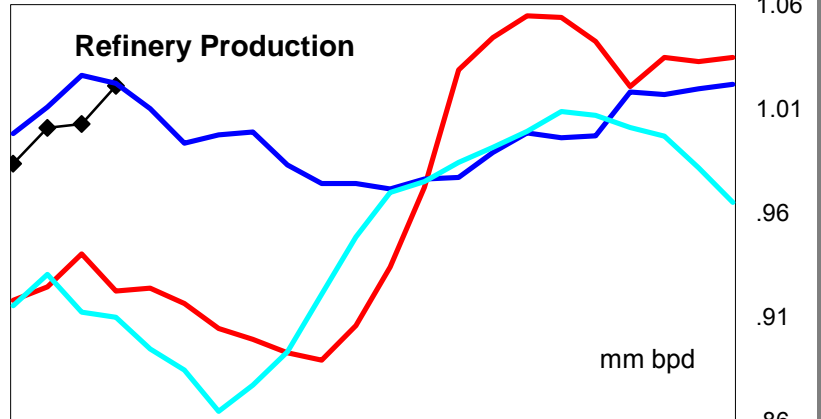
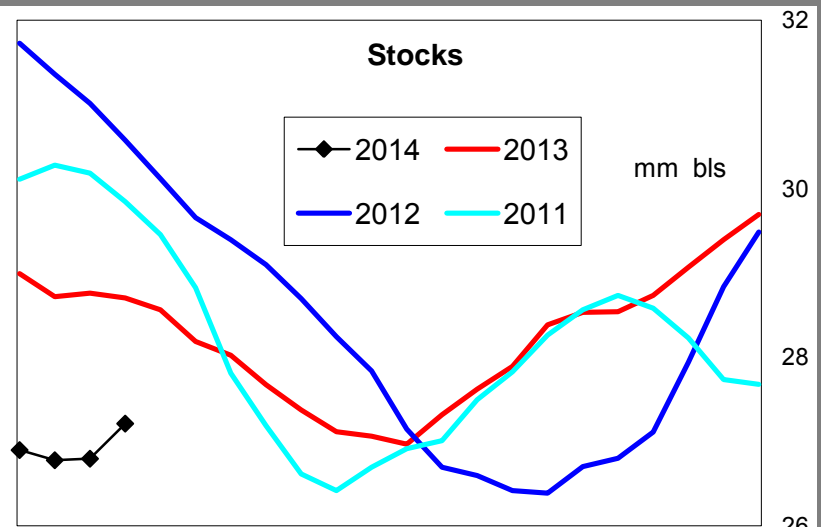
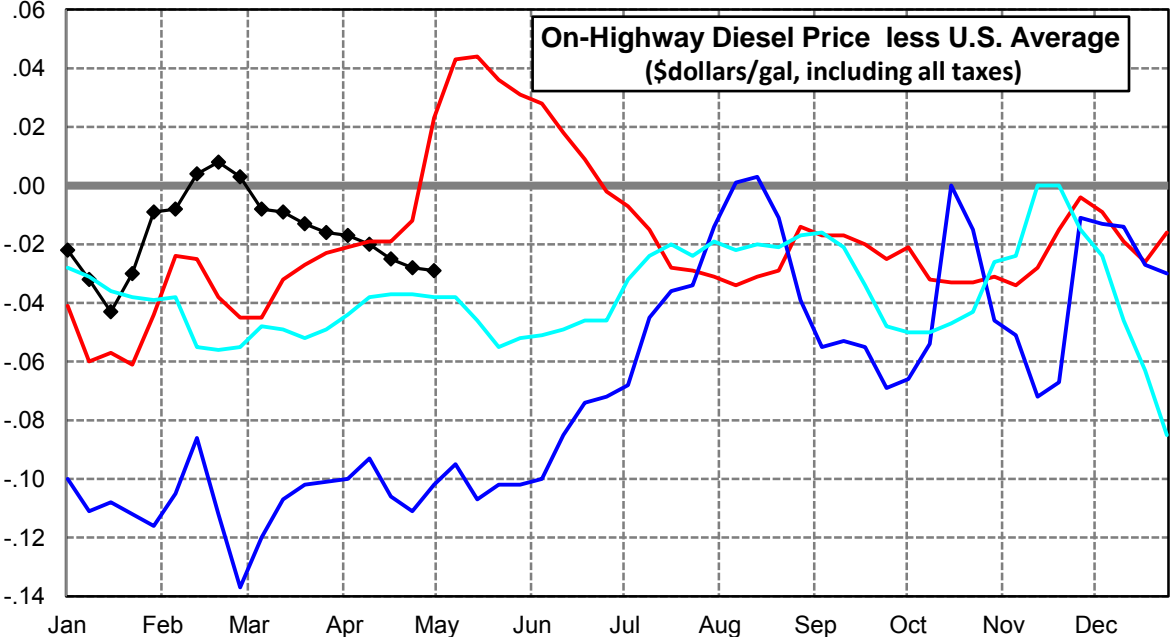
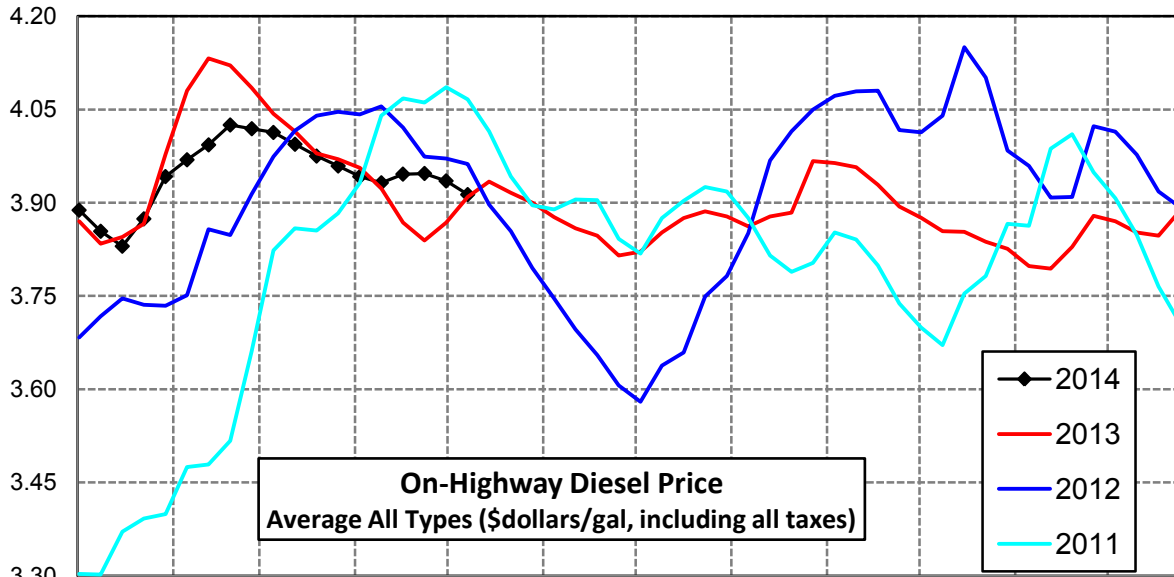
New England Region Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
New England	\$4.212	\$4.208	\$4.181	\$4.174	-\$0.007
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



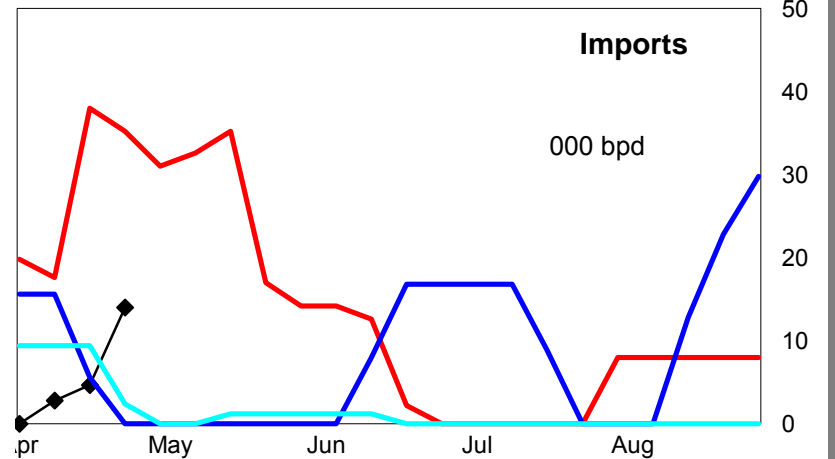
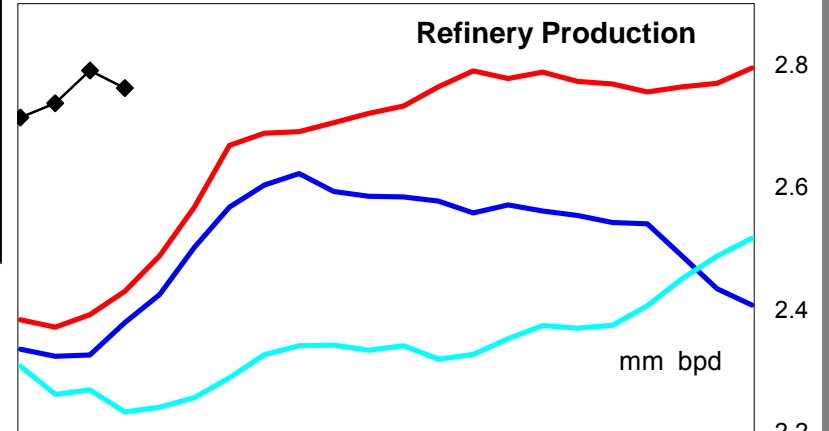
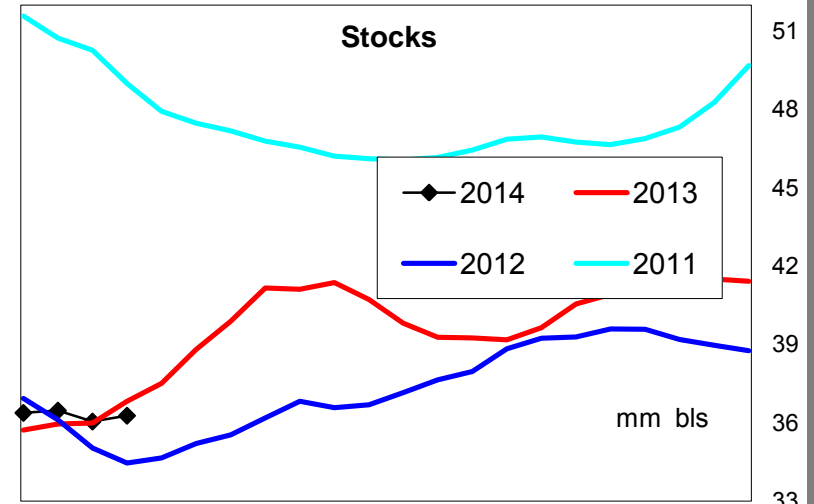
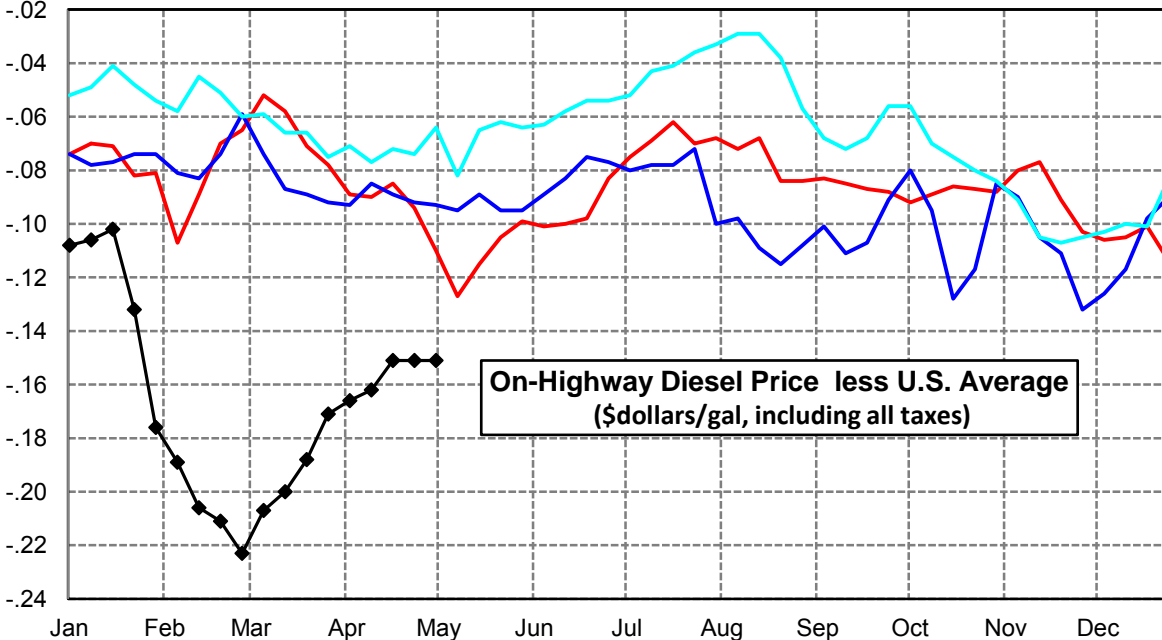
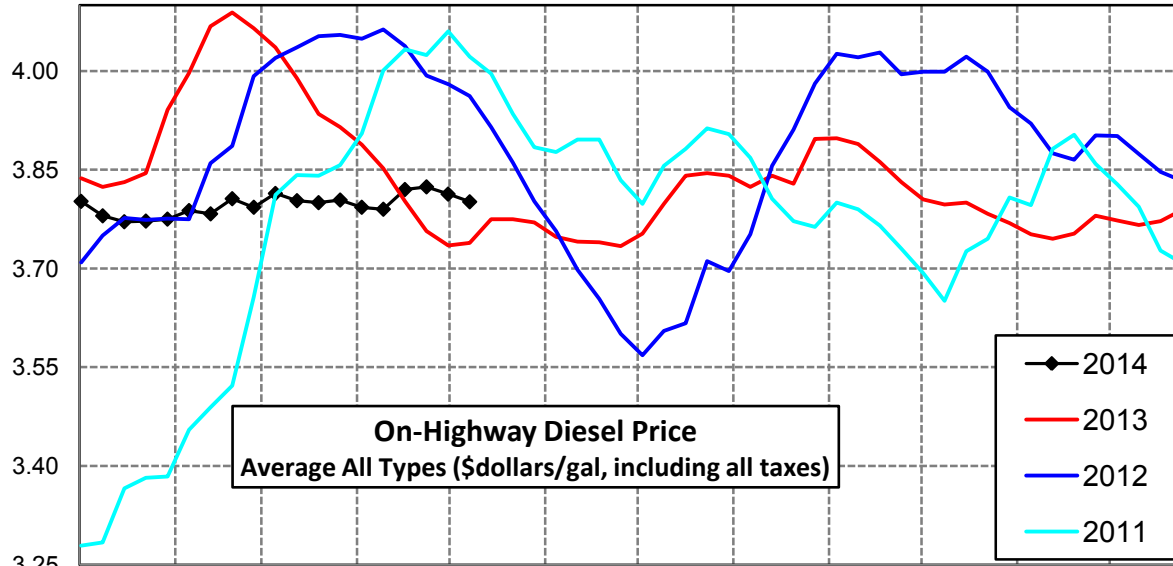
Midwest Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
Midwest	\$3.946	\$3.947	\$3.935	\$3.913	-\$0.022
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



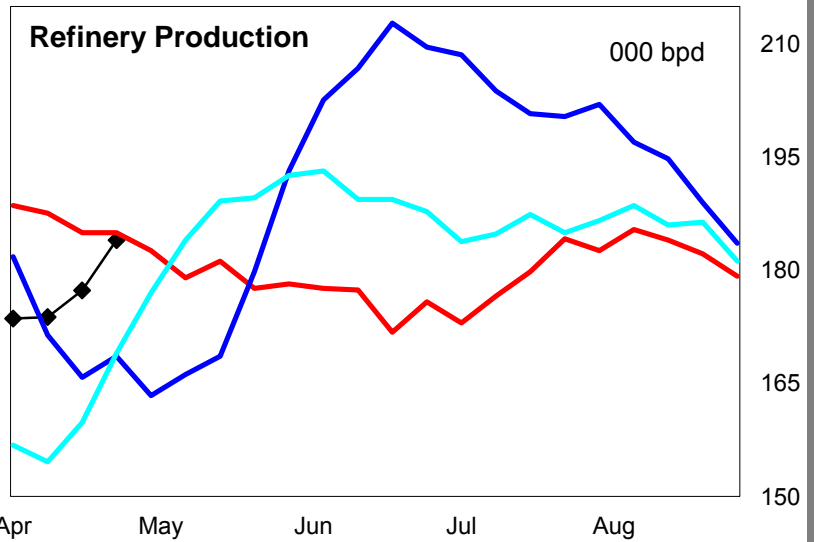
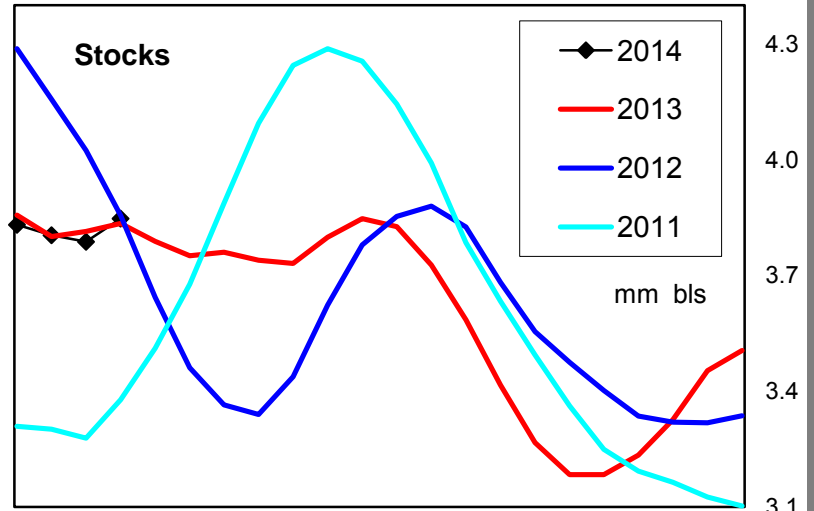
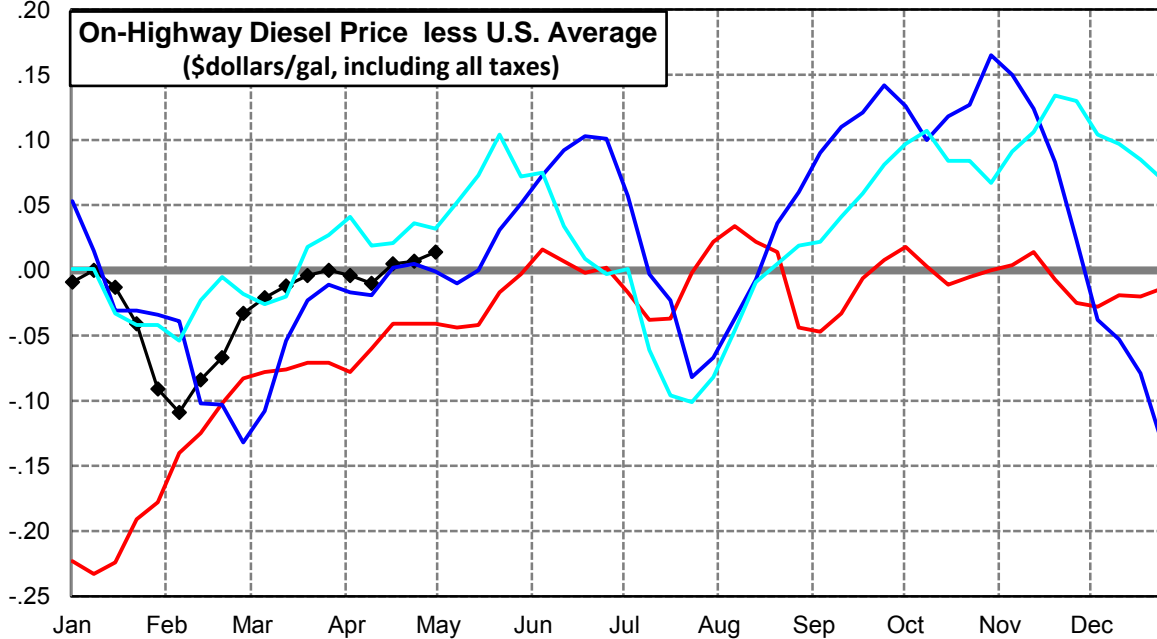
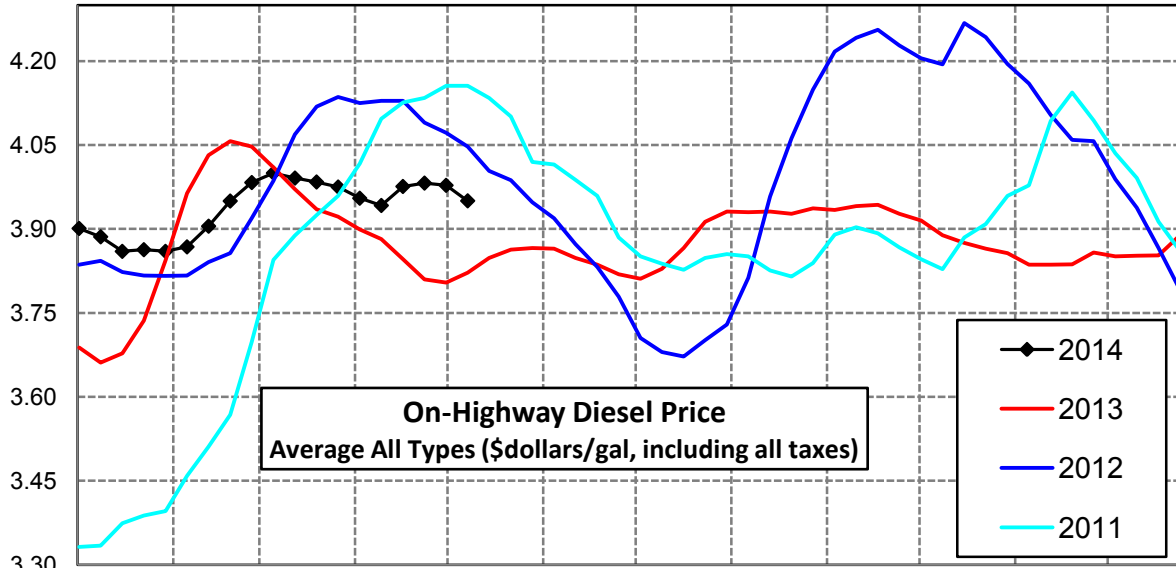
Gulf Coast Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
Gulf Coast	\$3.820	\$3.824	\$3.813	\$3.801	-\$0.012
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



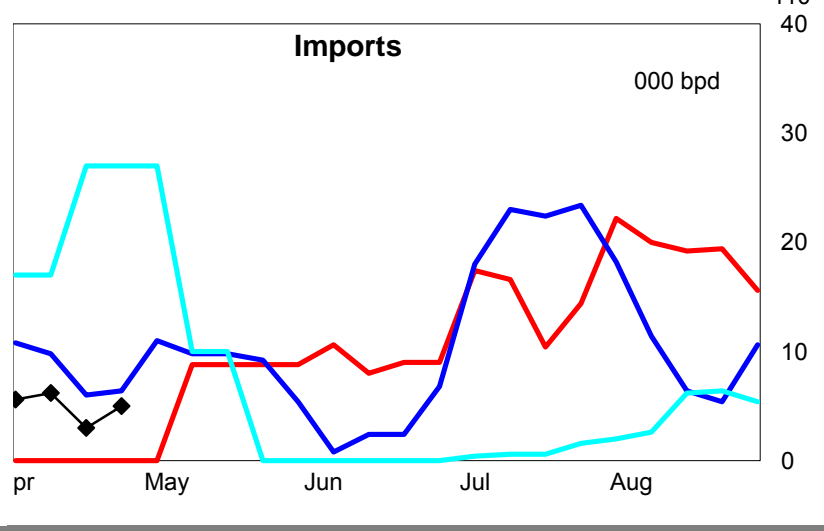
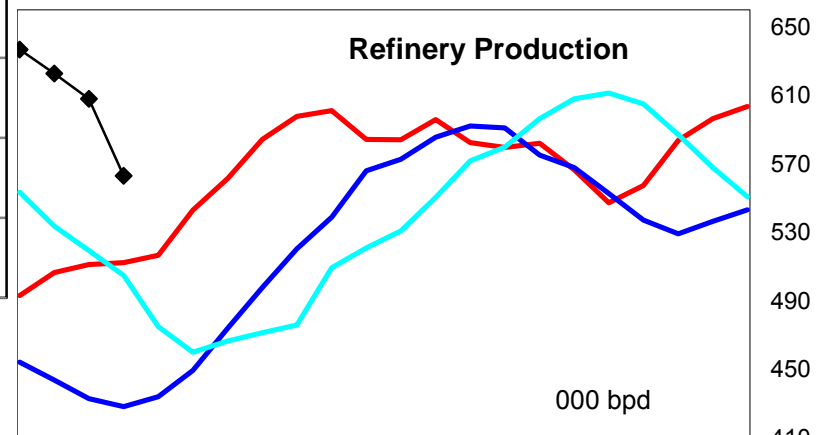
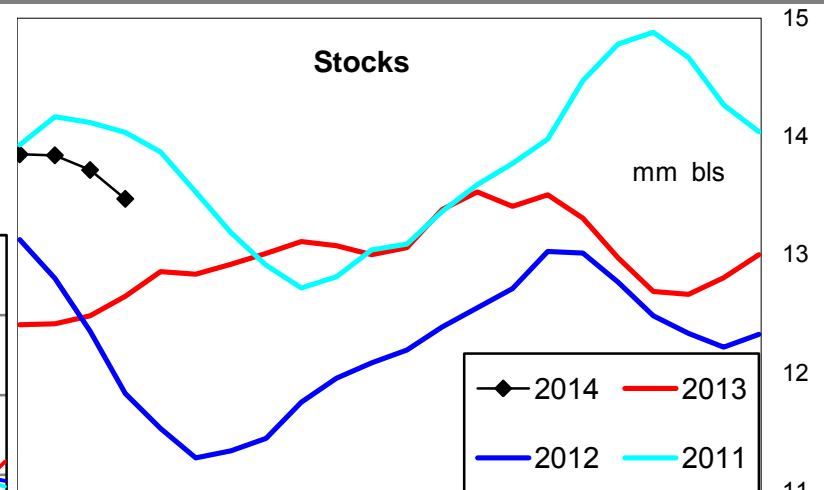
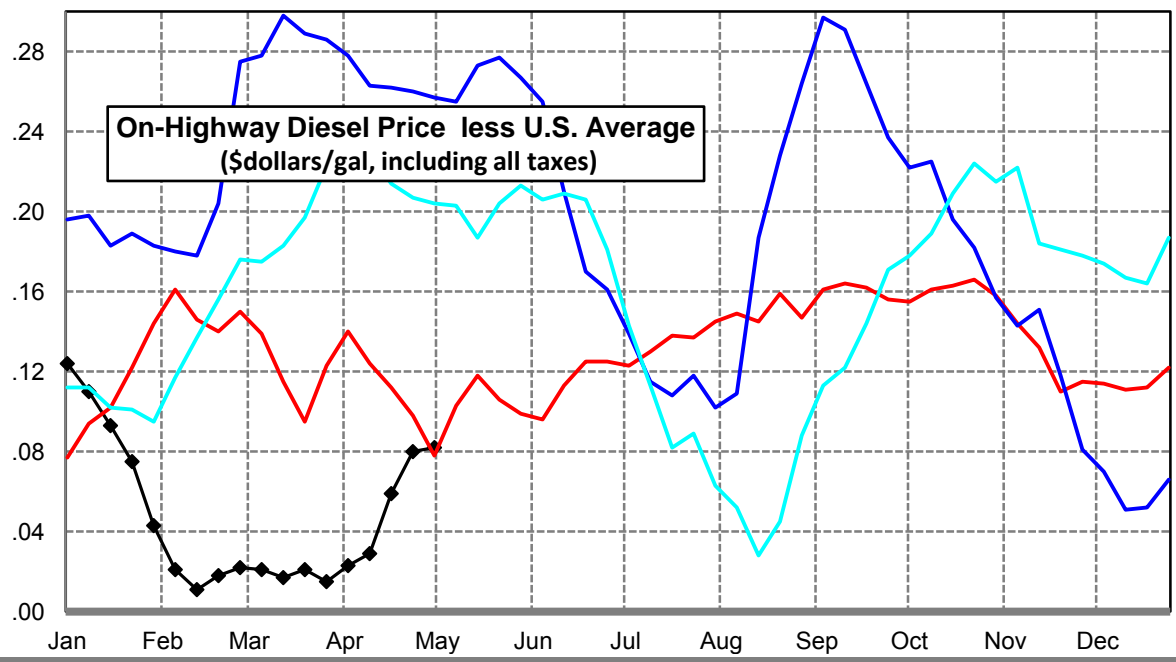
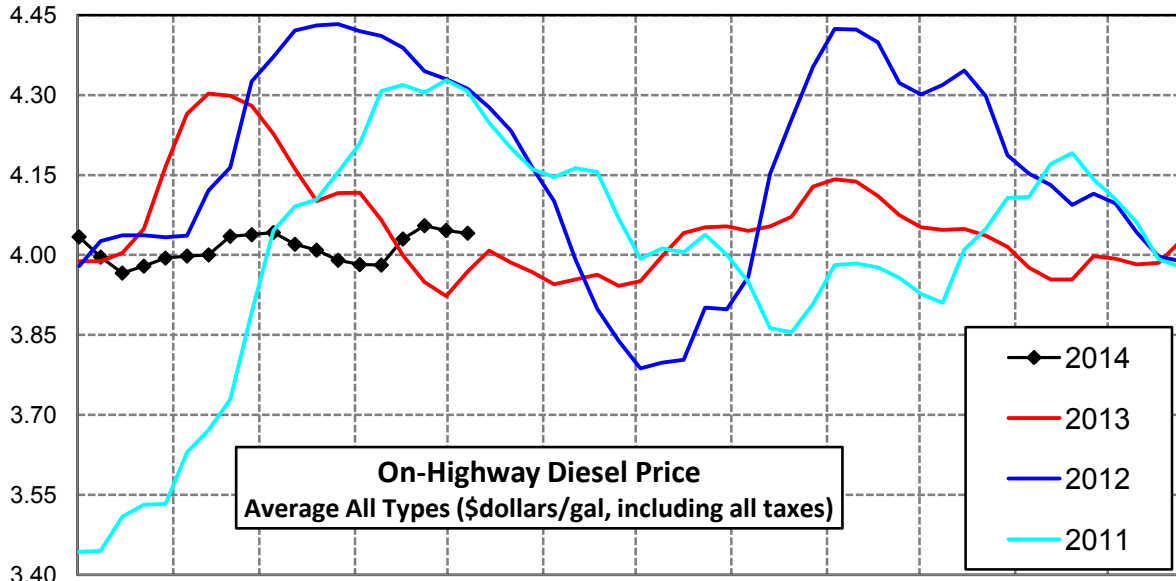
Rocky Mountain Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
Rocky Mountain	\$3.976	\$3.982	\$3.978	\$3.950	-\$0.028
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



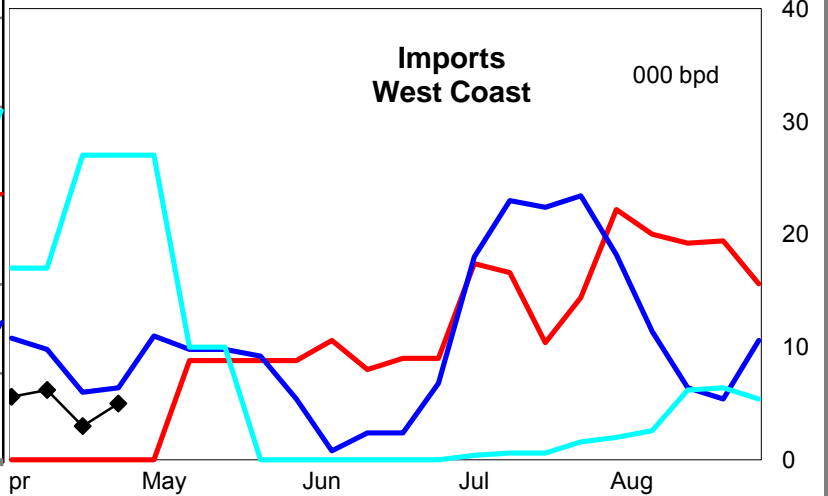
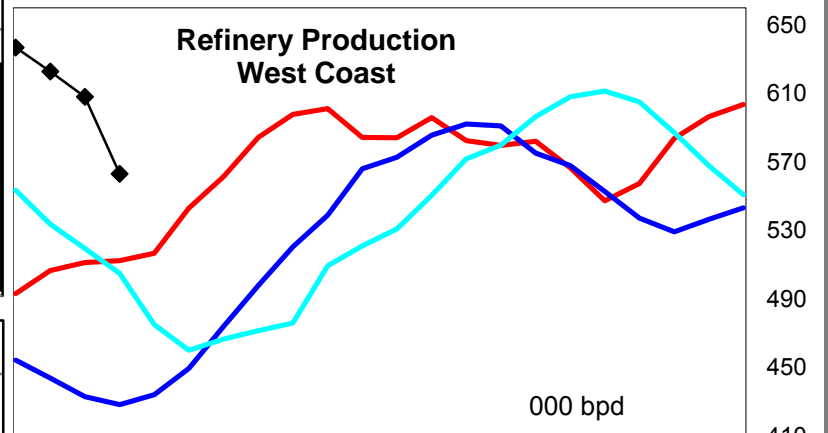
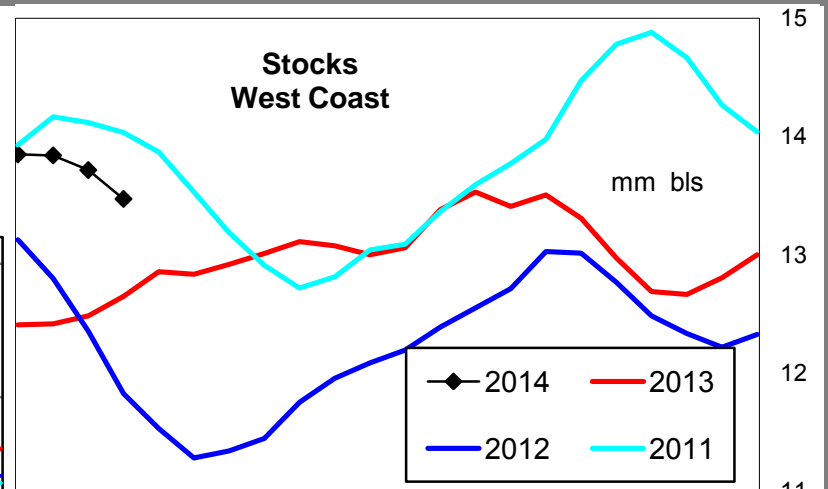
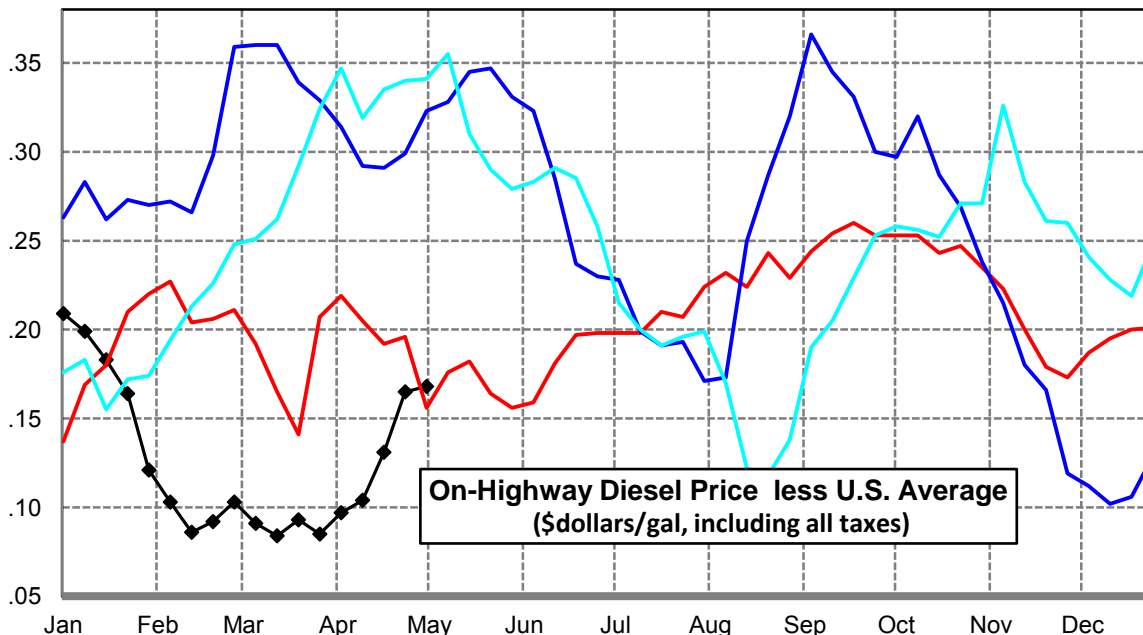
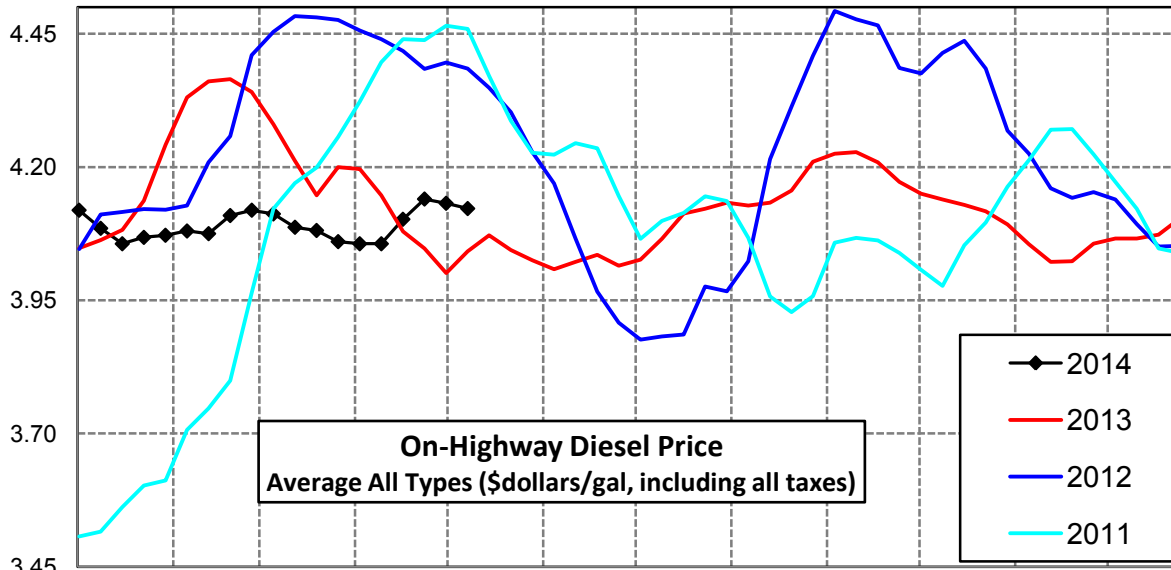
West Coast Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
West Coast	\$4.030	\$4.055	\$4.046	\$4.041	-\$0.005
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



California Diesel Supply Fundamentals and On-Highway Price Trends

Weekly Retail On-Highway Diesel Prices					
Region	Actual Price week ending 1/			Forecast 2/	Change from week
	21Apr14	28Apr14	05May14	12May14	
California	\$4.102	\$4.140	\$4.132	\$4.122	-\$0.010
1/ Source: U.S. Energy Information Administration					
2/ Source: Fundamental Petroleum Trends Reports					



Glossary and Definitions Weekly Diesel Price -Fundamental Trends Report

U.S. Energy Information Administration: Source of weekly supply -demand diesel (distillate) fundamental data gathered through weekly survey of refiners, blenders, marketers, distributors.

Weekly Retail On-Highway Diesel Prices: Prepared by the EIA through a weekly survey of retail diesel marketers conducted each Monday. Many transportation firms use this data source to set fuel surcharge rates.

Gulf Coast ULSD (ultra low sulfur distillate) Spot Market Prices: Daily price data provided to the EIA by Thomson Reuters. Weekly data is an un weighted average of the daily prices.

Regional Markets: The EIA has defined five regions called PADD's for Petroleum Administration for Defense Districts which are used to aggregate weekly supply demand fundamental statistics as well as retail On-Highway diesel prices. Those regions are illustrated on the U.S. Map, Page 2 of this report. In addition the EIA provides prices for the state of California, and three sub regions of PADD 1; New England, Central Atlantic and Lower Atlantic.

On-Highway Diesel Price less U.S. Average: This is the difference between the specific regional market and the U.S. Average price. The variance reflects differences in refining cost, wholesale distribution cost, product grade specifications, taxes, and market power by marketers to set prices.

Temporary variations also reflect the relative supply -demand balance; for example during periods that Eastern Canadian refiners are down for maintenance diesel supplies in the New England Region may become very tight, thus driving up the premium that New England prices have over the U.S. average price.

This difference also reflects the '**basis risk**' which a transport firm operating in a specific region experiences if using the U.S. Average price to hedge fuel cost or set fuel surcharge rates.

Week ahead On-Highway Retail Diesel Price Forecast: Prepared by Fundamental Petroleum Trends Reports using spot and futures market prices as reported by the EIA, and seasonal indices in proprietary statistical models.