

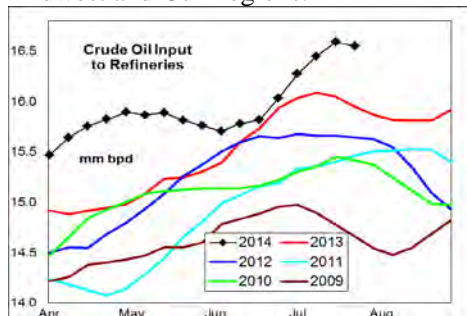


## WEEKLY CRUDE OIL FUNDAMENTAL - PRICE TRENDS

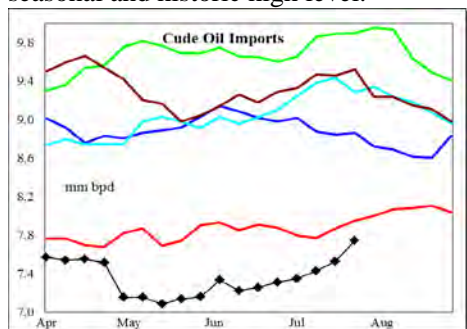
### A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com)

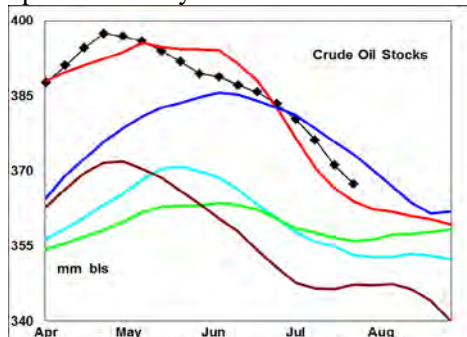
**Supply & Refinery Input** Crude oil refinery runs decreased -47,000 bpd last week, with small declines in the Midwest and Gulf regions.



Thru put for the latest 4-wk period was +419,000 bpd above a year ago, a seasonal and historic high level.



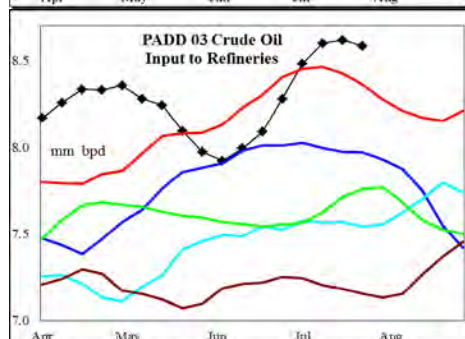
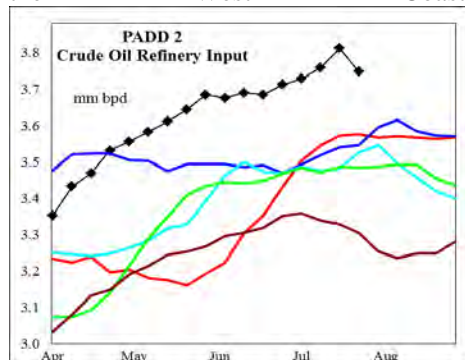
U.S. imports decreased -337,000 bpd last week, with the 4-wk average -0.4 million bpd below last year.



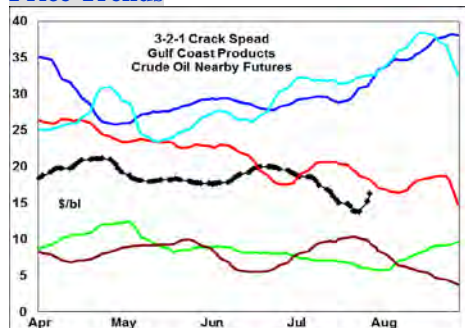
Crude oil stocks fell -3.7 million barrels last week, driven by season high refinery crude oil runs. Cushing saw a -0.9 million barrel draw, driving stock levels to a new record low.

**Regional Markets** Runs in the Midwest region decreased 828,000 bpd last week, but the level remains near an all time high. Runs for the most recent 4-wks were +204,000 bpd above a year ago in

the Midwest, +180,000 bpd on the Gulf, and +58,000 bpd on the East Coast. Runs decreased -26,000 bpd lower on the West Coast.

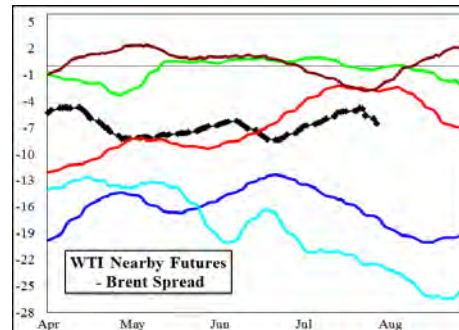


### Price Trends



WTI crude oil prices decreased -\$3/bbl for the week ending 29Jul14. Gulf Coast RBOB gasoline prices declined -\$1.25/bbl on the week while distillate prices were +\$2.25/bbl higher. Gulf refining margins increased last week on strength in distillate prices, ending at a level near a year ago (based on WTI crude oil prices).

The forward crude oil price curve (1<sup>st</sup> - 4<sup>th</sup> contract month) trended lower late last week, ending the week near last years' record high in favor of the prompt month.



The WTI - Brent crude oil price spread trended lower last week, ending at a level just below a year ago.

Prices for Canadian heavy crude grades compared to WTI futures traded on the week, ending at a level comparable to a year ago. Canadian light grades lost value compared to WTI futures, ending at a level well below the 5-yr range.

WTI Midland crude oil price relative to WTI futures traded sideways on the week, at a near -\$9/bbl discount. Gulf waterborne domestic crude oil grades relative to WTI trended lower on the week, ending at a level near a year ago.

### Refined Product Trends

Jet demand surged to record highs as airlines filled private storage on the recent price pull back. Gasoline demand remains lackluster, -1% below a year ago; while distillate demand was also lower compared to a year ago. Combined with season high refinery crude oil runs, markets east of the Rockies remain well supplied.

With peak season refinery crude oil runs now occurring, look for further improvement in the product supply balance for transport fuels during the next 60-days, in the absence of hurricane disruptions.

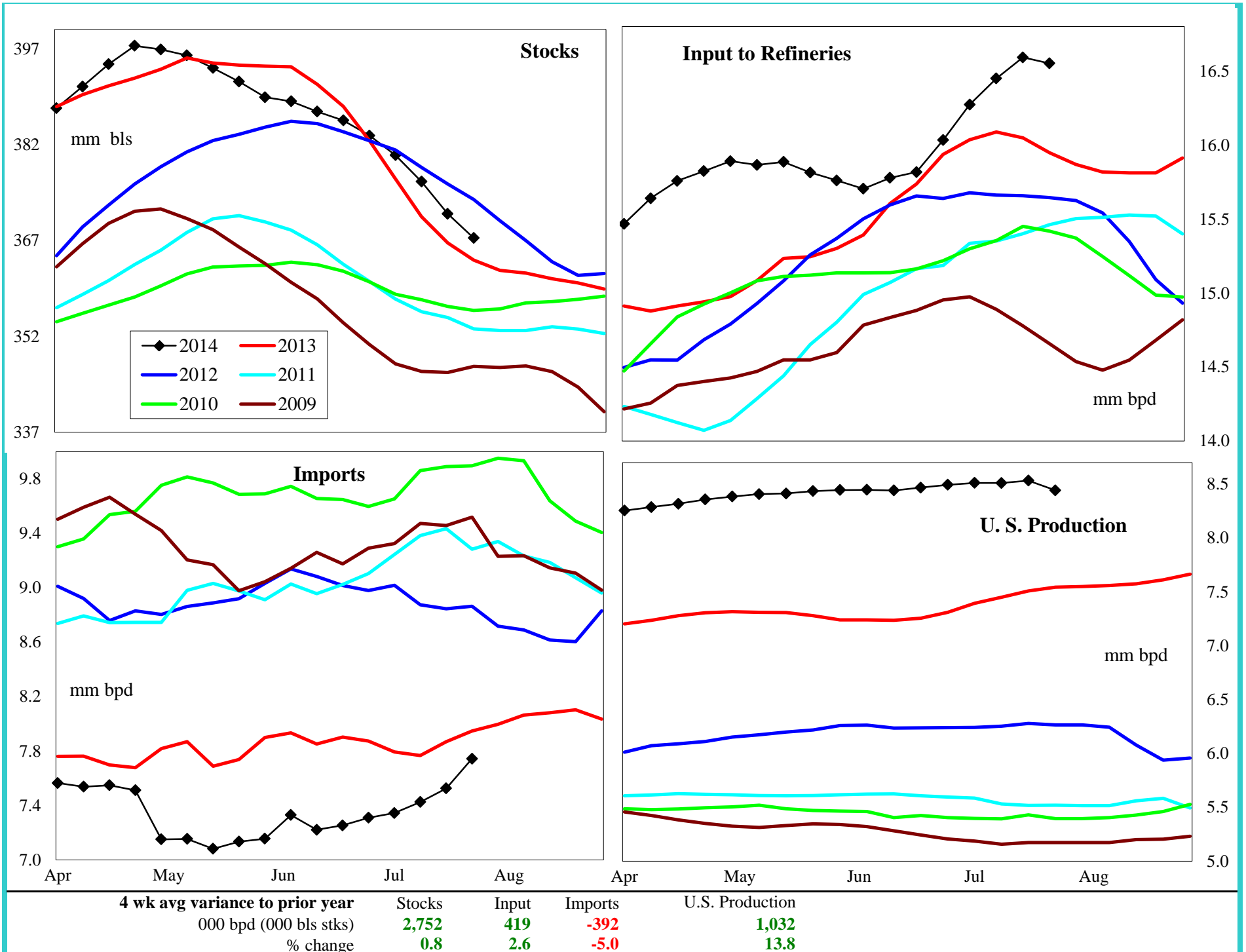
### Emerging Crude Oil Trends

Canadian and domestic cash crude oil markets remain very weak compared to WTI futures last week (driven by the draw down in Cushing stocks).

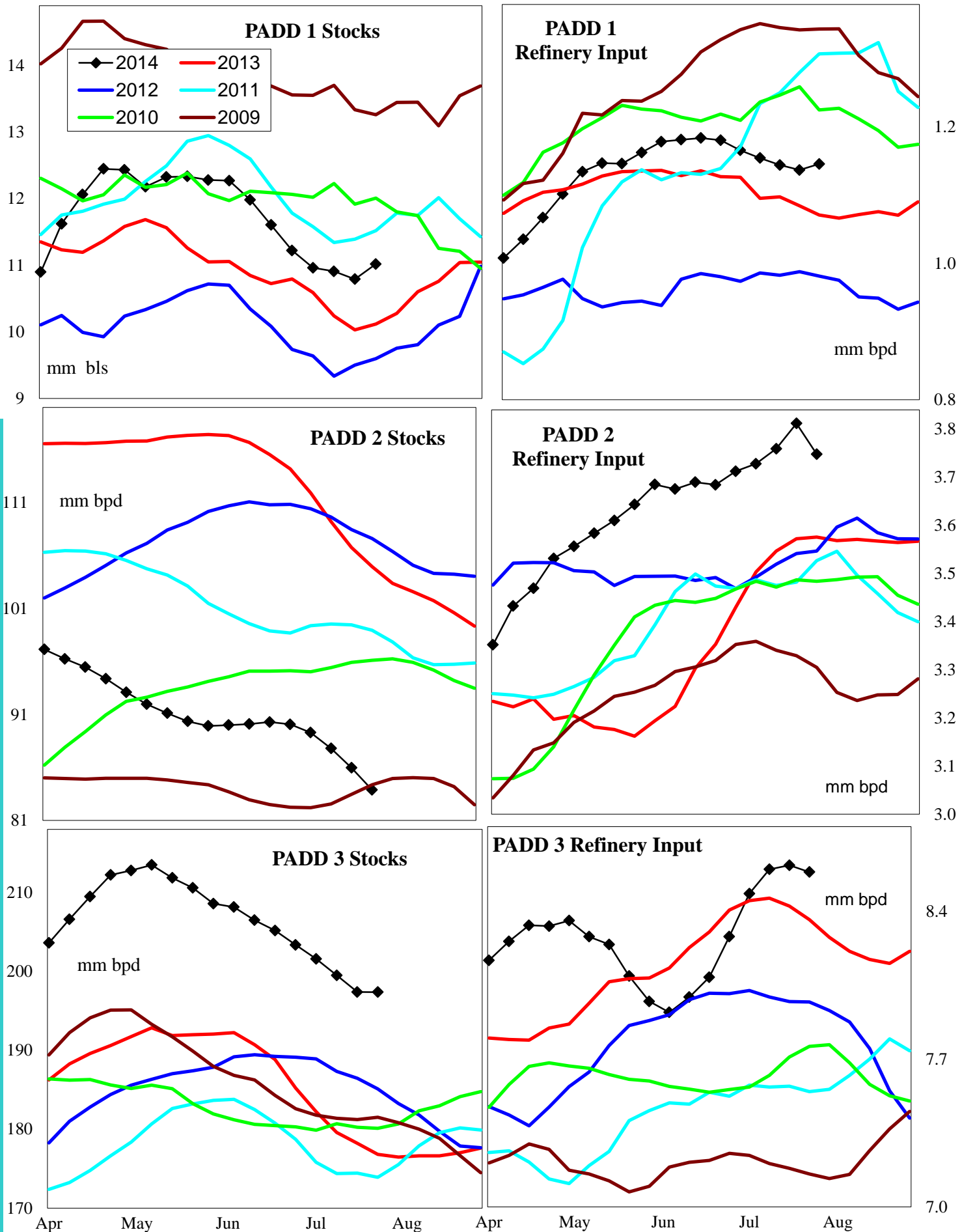
Very high crude oil runs should lead to further stock draws before fall maintenance begins.

**Disclaimer** - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and is intended for informational purposes and is not to be construed as a recommendation to sell or buy, or trade in any commodity mentioned herein. Information is obtained from sources believed reliable, but is in no way guaranteed. Opinions, market data and recommendations are subject to change at any time. Past results are not indicative of future results. Charts are developed by Fundamental Petroleum Trends from EIA, NWS, other public data and proprietary models unless otherwise noted and credited.

# United States Crude Oil Supply and Demand Balance



# Regional Crude Oil Supply / Demand



# Crude Oil Price and Margin Trends

