

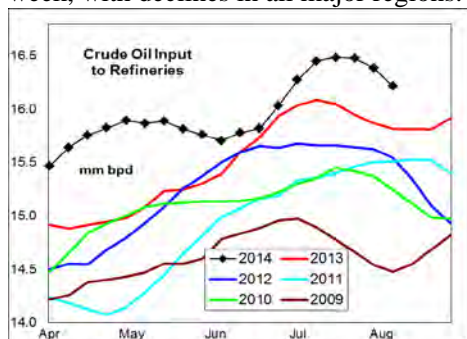


WEEKLY CRUDE OIL FUNDAMENTAL - PRICE TRENDS

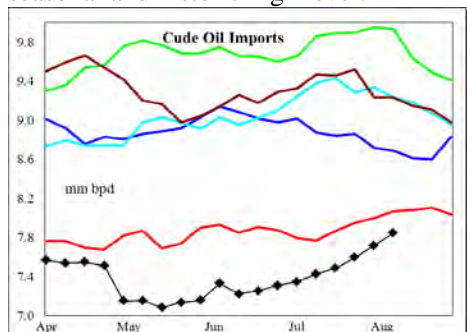
A Fundamental Petroleum Trends Weekly Report

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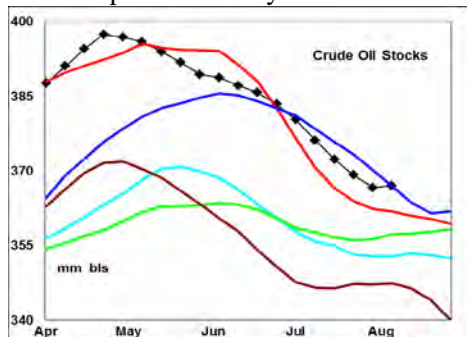
Supply & Refinery Input Crude oil refinery runs decreased -179,000 bpd last week, with declines in all major regions.



Thru put for the latest 4-wk period was +564,000 bpd above a year ago, a seasonal and historic high level.



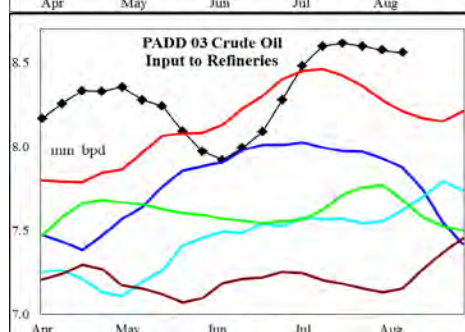
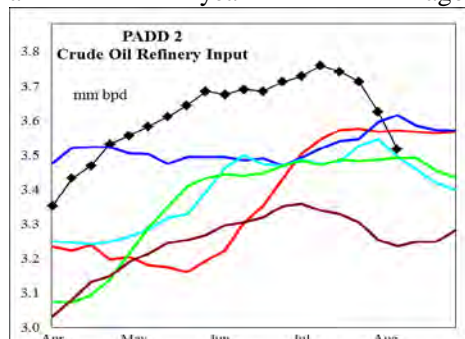
U.S. imports increased +0.3 million bpd last week, with the 4-wk average -0.4 million bpd below last year.



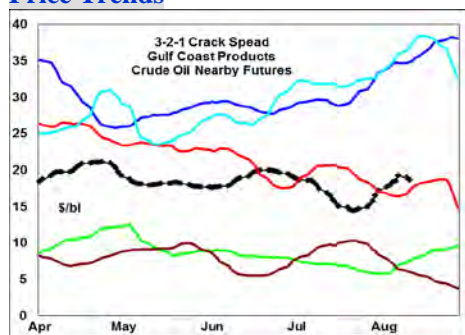
Crude oil stocks increased +1.4 million barrels last week, driven by higher imports and a declined in refinery thru put. Cushing saw a +0.4 million barrel build, although stock levels remain extremely low.

Regional Markets Runs in the Midwest region decreased -94,000 bpd last week, to a level below the last 2-yr, due in part to the fire at CVR. Runs for the most

recent 4-wks were above a year ago in all regions. The Gulf was +267,000 bpd higher, Midwest +107,000 bpd, East Coast +87,000, West Coast +83,000 bpd and the Rockies were +20,000 bpd above a year ago.



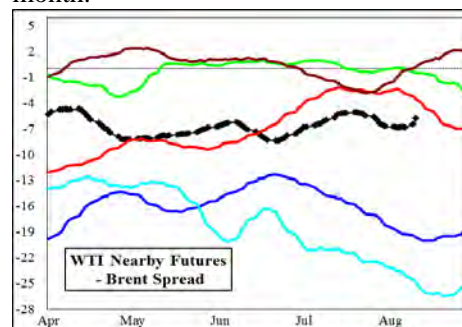
Price Trends



WTI crude oil prices were unchanged for the week ending 12Aug14. Gulf Coast RBOB gasoline prices increased +\$.25/bbl on the week while distillate prices were nearly unchanged. Gulf refining margins increased last week on strength in gasoline prices, ending at a level above last year (based on WTI crude oil prices).

The forward crude oil price curve (1st - 4th contract month) traded sideways last week, ending the week below last years' record high in favor of the prompt

month.



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

Prices for Canadian heavy crude grades compared to WTI futures trended higher last week ending at a level above a year ago. Canadian light grades also increased in value compared to WTI futures, ending at a level at the low end of the 5-yr range.

WTI Midland crude oil price relative to WTI futures fell sharply on the week to a new record low on distribution constraints. Gulf waterborne domestic crude oil grades relative to WTI trended higher on the week, ending at a level well above last year.

Refined Product Trends

Gasoline and jet fuel wholesale demand each fell sharply last week, while distillate remains above the 5-yr range. A drop in refinery production led to stock draws for both gasoline and distillate fuels on the week.

With peak season refinery crude oil runs now occurring, and an end to peak summer gasoline demand, recent tightness in gasoline markets should improve during the next 30-days.

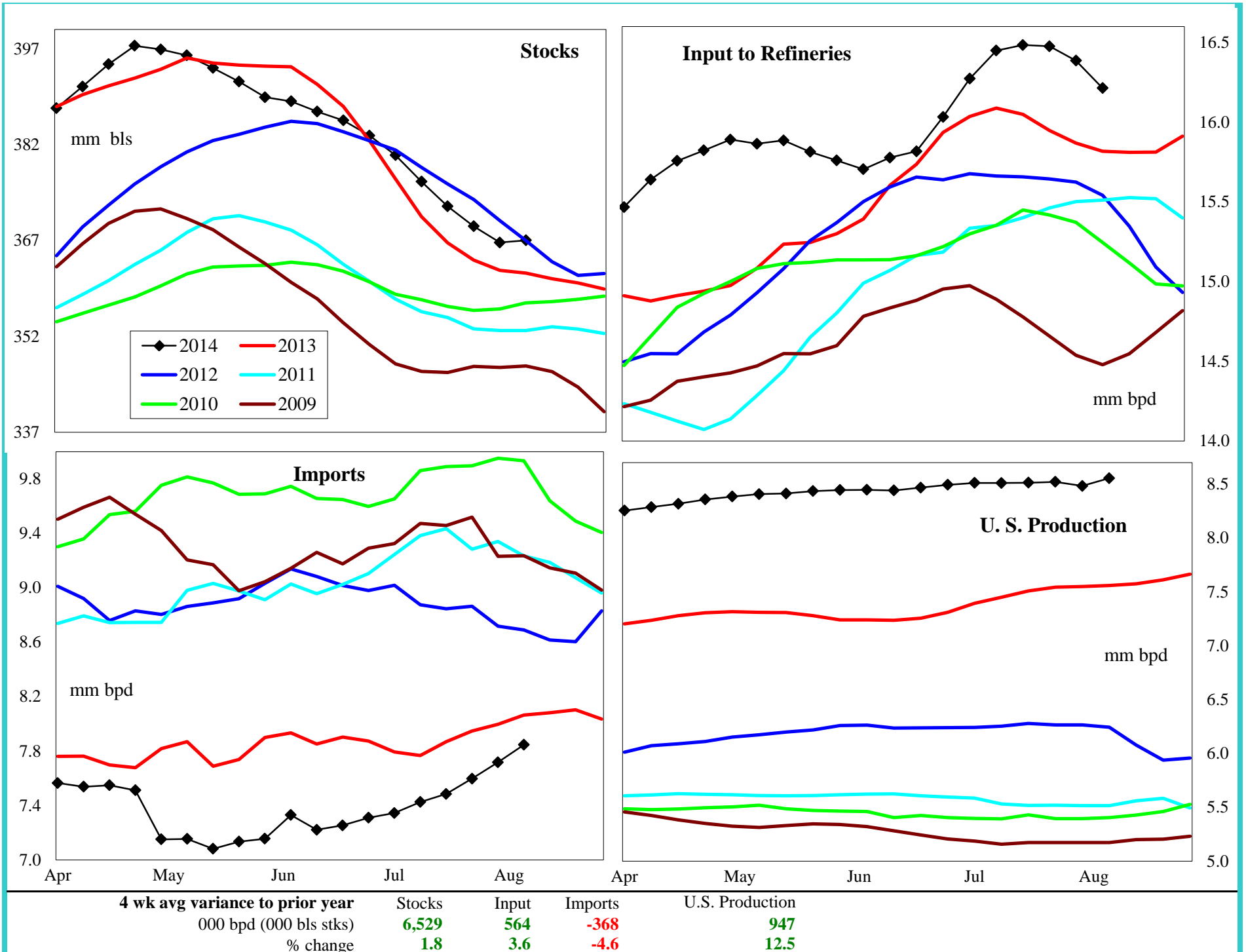
Emerging Crude Oil Trends

Canadian cash crude oil markets have recently tightened, due in part to the pull back in WTI futures. However domestic domestic inland cash crude oil markets remain very weak compared to WTI futures last week.

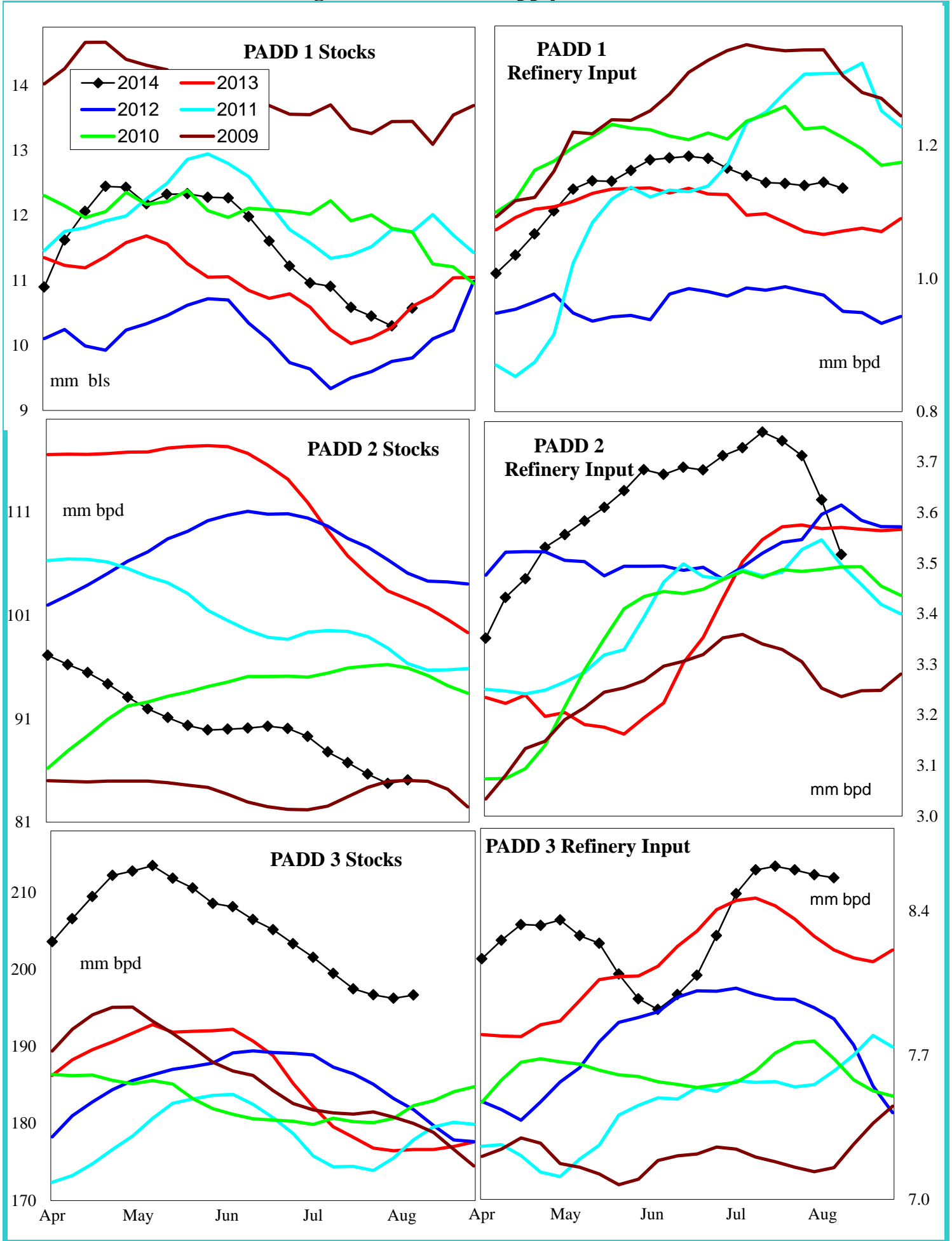
Very high crude oil runs should lead to further stock draws before fall maintenance begins.

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United States Crude Oil Supply and Demand Balance



Regional Crude Oil Supply / Demand



Crude Oil Price and Margin Trends

