


**FUNDAMENTAL  
PETROLEUM  
TRENDS?**
**WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK**
**A Fundamental Petroleum Trends Weekly Report**

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Cash Basis Outlook			
Product	Market	Weeks Forward	
		1 - 2	3 - 6
RBOB	NYH	➡	➡
	Gulf	➡	➡
	W Coast	➡	➡
Conventional	NYH	➡	➡
	Gulf	➡	➡
	Grp III	➡	➡
	Chicago	➡	➡
	W Coast	➡	➡
Gulf Coast Price Outlook		➡	➡

Wholesale demand increased +17,000 bpd last week, at a level within the 'mid winter lows'.

Production increased +71,000 bpd on the week, and remains at the low end of the historic range. Imports increased +93,000

bpd, but remain well below the last 4-years.

The latest 4-wk average supply was - 128,000 bpd below a year ago. This compares to the latest demand that was - 84,000 bpd below last year.

Seasonally low demand led to a +2 million barrel stock build. The latest 4-wk stock build East of the Rockies was +9.5 million barrels, below the mid range for the period.

Stock levels are very high in all areas of the country except PADD 4, New England and the Central Atlantic Regions of PADD 1.

Cash basis trended slightly higher across all markets East of the Rockies late in the week. Basis levels in the Group III remain very weak while NYH was at the upper end of the historic range. The West Coast saw a strong bounce higher off record lows.

Looking forward, demand should increase immediately from the winter lows. Refinery maintenance should limit production. Low run rates in Europe should continue to limit imports. These fundamentals should support an uptrend in basis for all markets in the near term.

However, the risk of a decline during the changeover to spring gasoline remains; particularly in the Midwest and Gulf regions where stocks are extremely high.

**RBOB**

*New York Harbor* basis to strengthen in the near term on higher seasonal demand and low imports.

*Gulf Coast* basis to trend higher on improving demand, with risk of downtrend on change over from winter grade product.

*West Coast (Los Angeles)* basis to trend seasonally higher on lower output as winter maintenance begins.

**Conventional**

*New York Harbor* basis to strengthen in the near term on higher seasonal demand and low imports.

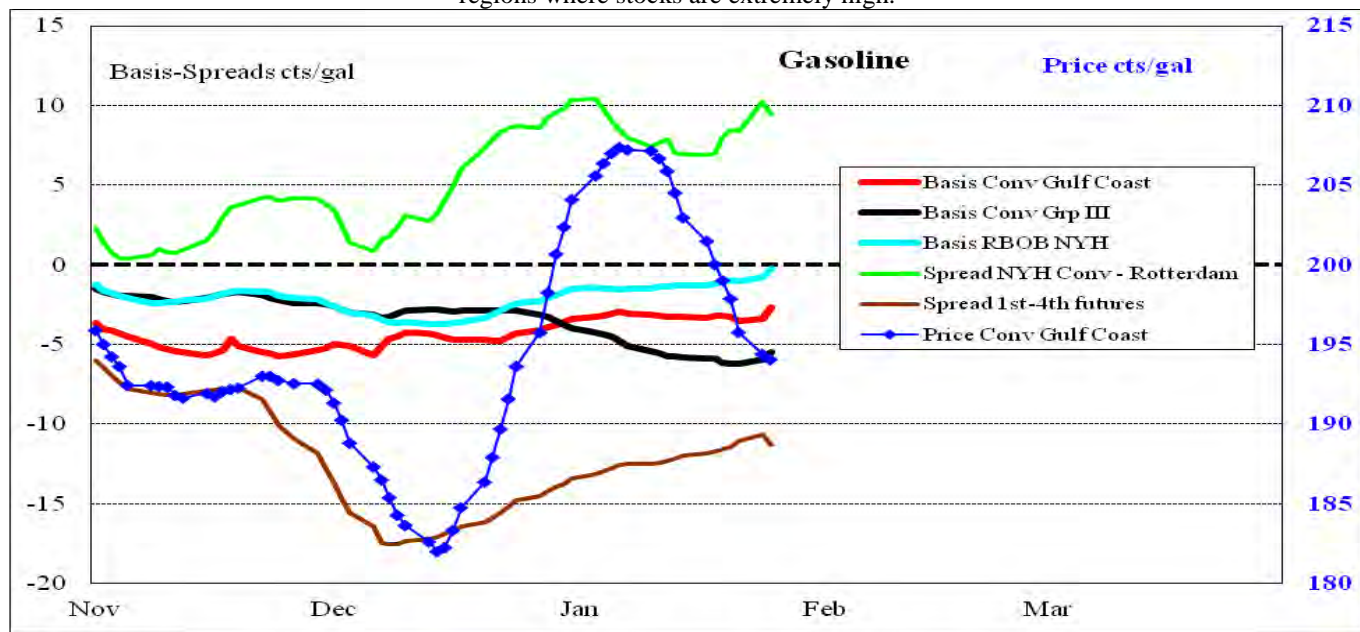
*Chicago basis* to peak in the near term then trend lower on change over from winter grades.

*Gulf Basis* to trend higher on improving demand, with risk of downtrend on change over from winter grade product.

*West Coast (Los Angeles)* basis to trend seasonally higher on lower output due to winter refinery maintenance.

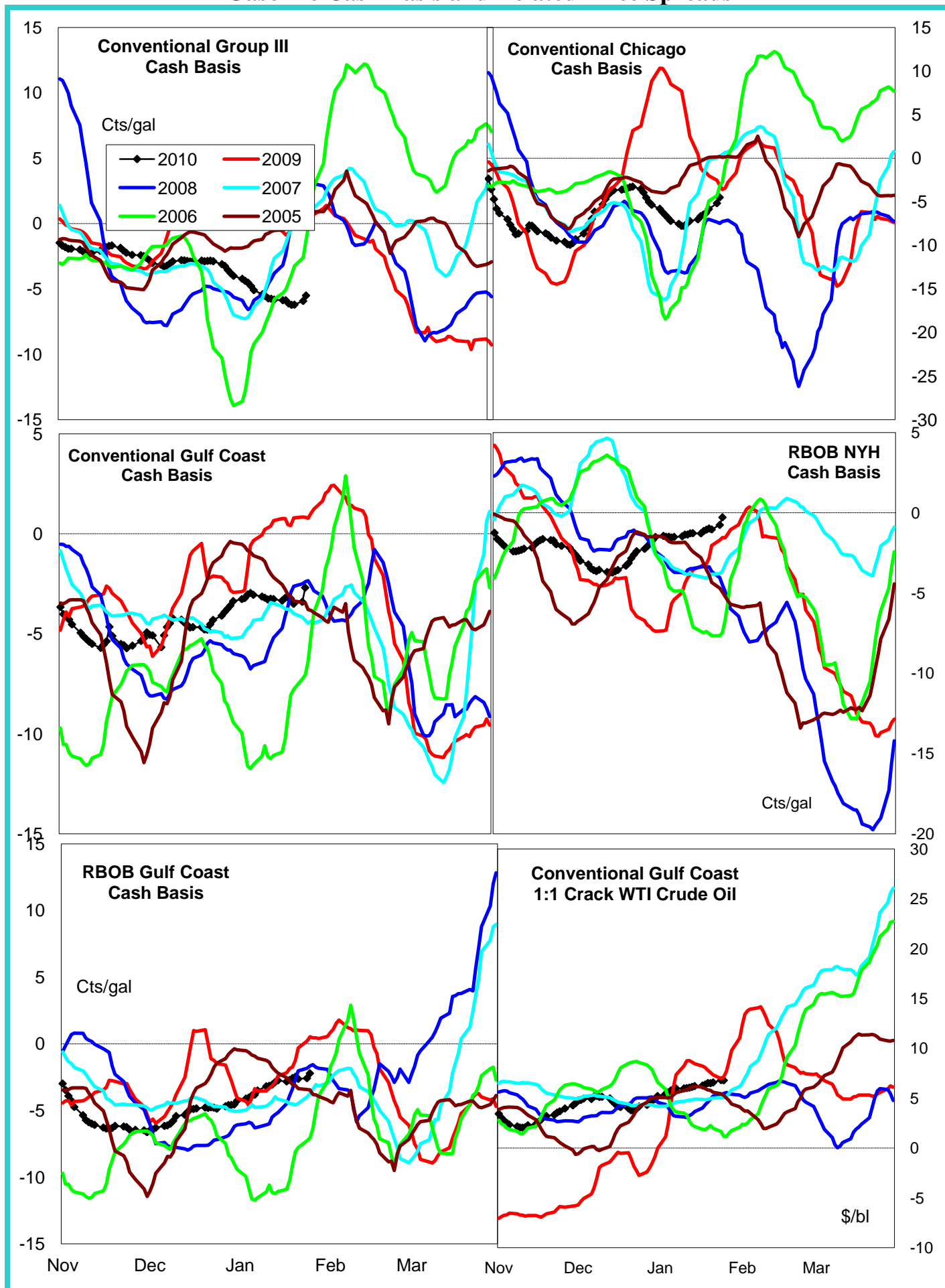
**Gulf Coast Price**

Demand should trend seasonally higher in the very near term. Low imports should lead to stock draws in the Gulf while refinery maintenance limits output. These trends should provide price support for gasoline relative to the energy complex.

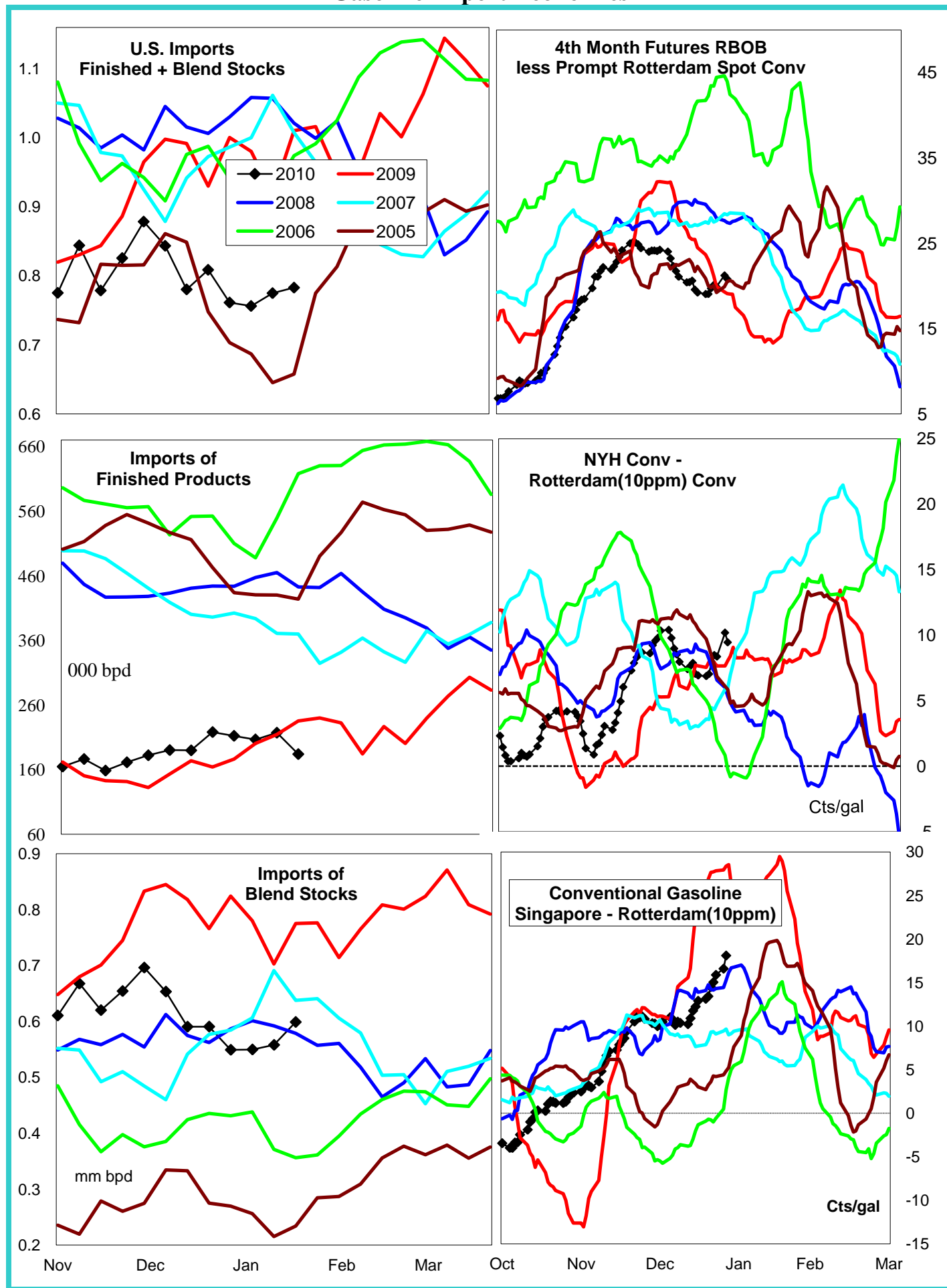


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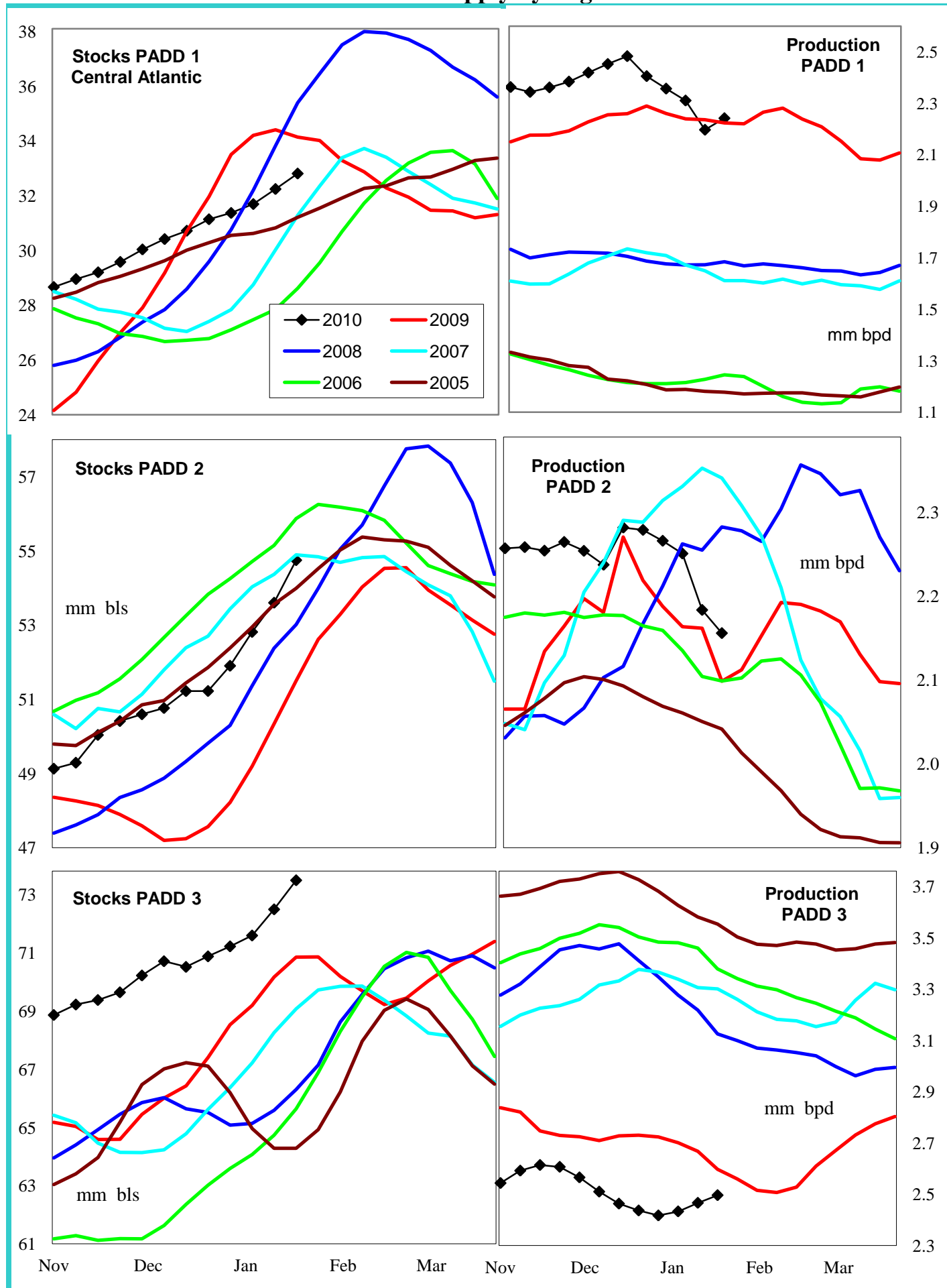
# Gasoline Cash Basis and Related Price Spreads



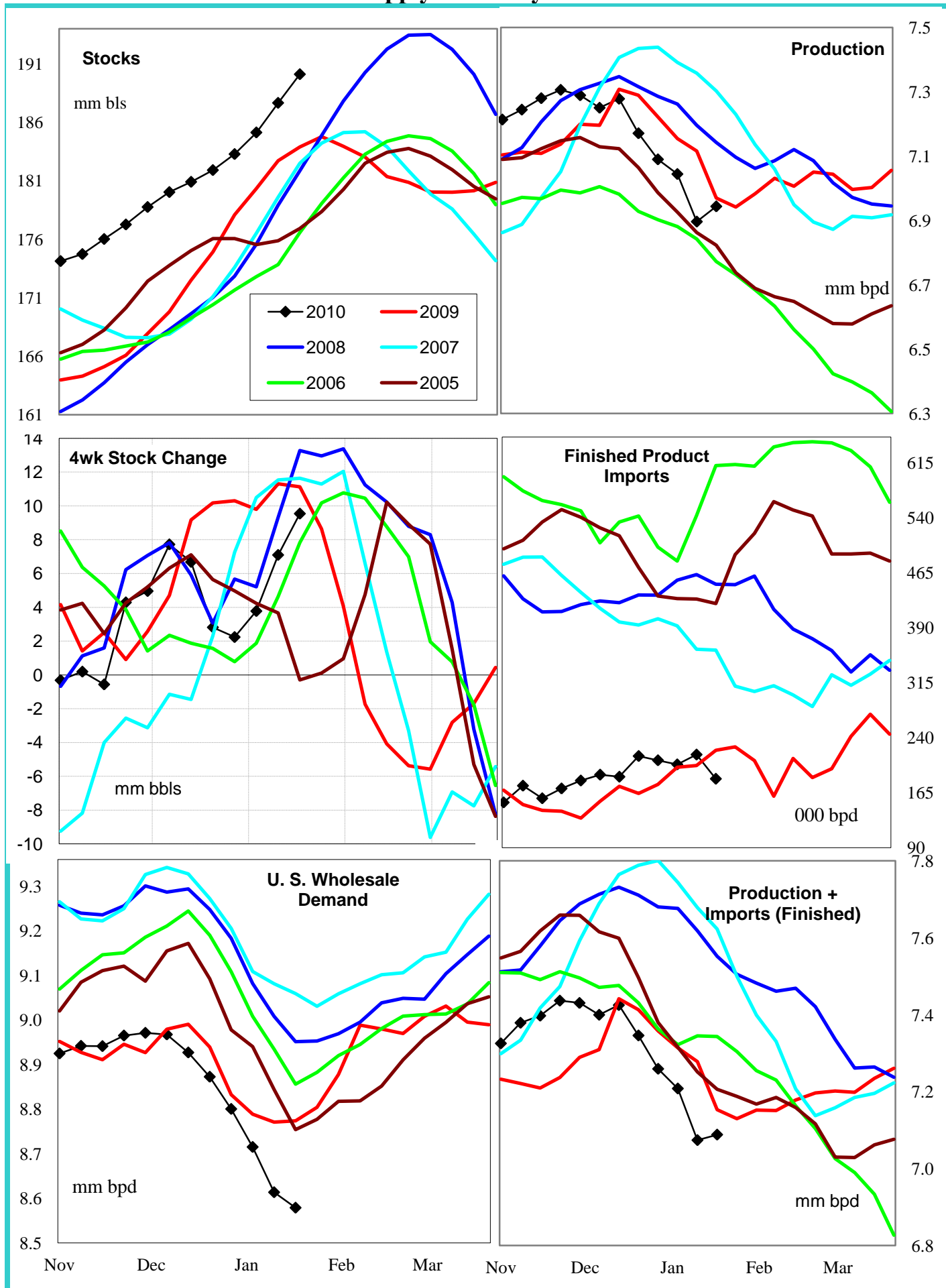
## Gasoline Import Economics



# Gasoline Supply by Region



# Gasoline Supply Summary PADDs 1+2+3



# PADD 5 Gasoline Supply

