


**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 decreased -25,000 bpd last week, on the continued seasonal downturn. Demand should trend higher in the near term on improved weather and

seasonal trends. The latest 4-wk average demand was -30,000 bpd below last year.

Imports decreased -136,000 bpd, but remain at the upper end of the historic range. Elevated import levels point to an improvement in import economics. Low seasonal demand led to a +4.7 million barrel stock build, concentrated in regions East of the Rockies. Stock levels reached a record high.

Basis jumped significantly late in the week on the West and Gulf Coasts. The Midwest and East Coast markets saw basis nearly unchanged from the prior week.

Basis levels ended the week near the mid range in most markets.

Expect basis weakness in NYH and on improved supply and low seasonal demand. The surge in stocks on the East Coast should allow improvement in basis for other regional markets.

**RBOB**

*New York Harbor* basis to trend lower on improved supplies and low seasonal demand.

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

**Conventional**

*New York Harbor* basis trend lower on improved supplies and low seasonal demand.

*Chicago basis* to trend higher on the improvement in PADD 1 supply; limited by weak seasonal demand in Chicago.

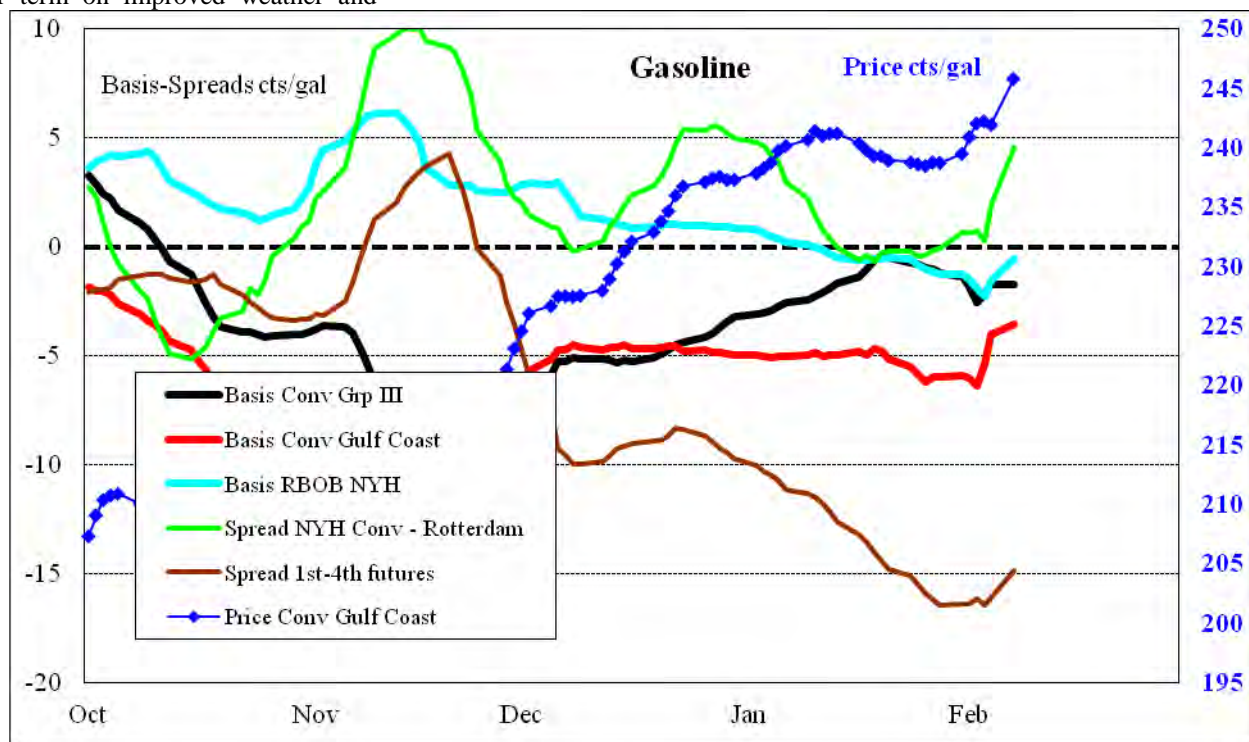
*Group III* to trend higher on the improvement in PADD 1 supply, limited by weak seasonal demand.

*Gulf Basis* to improve modestly on higher supplies in PADD 1, partially offset by excess supply in the Gulf.

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

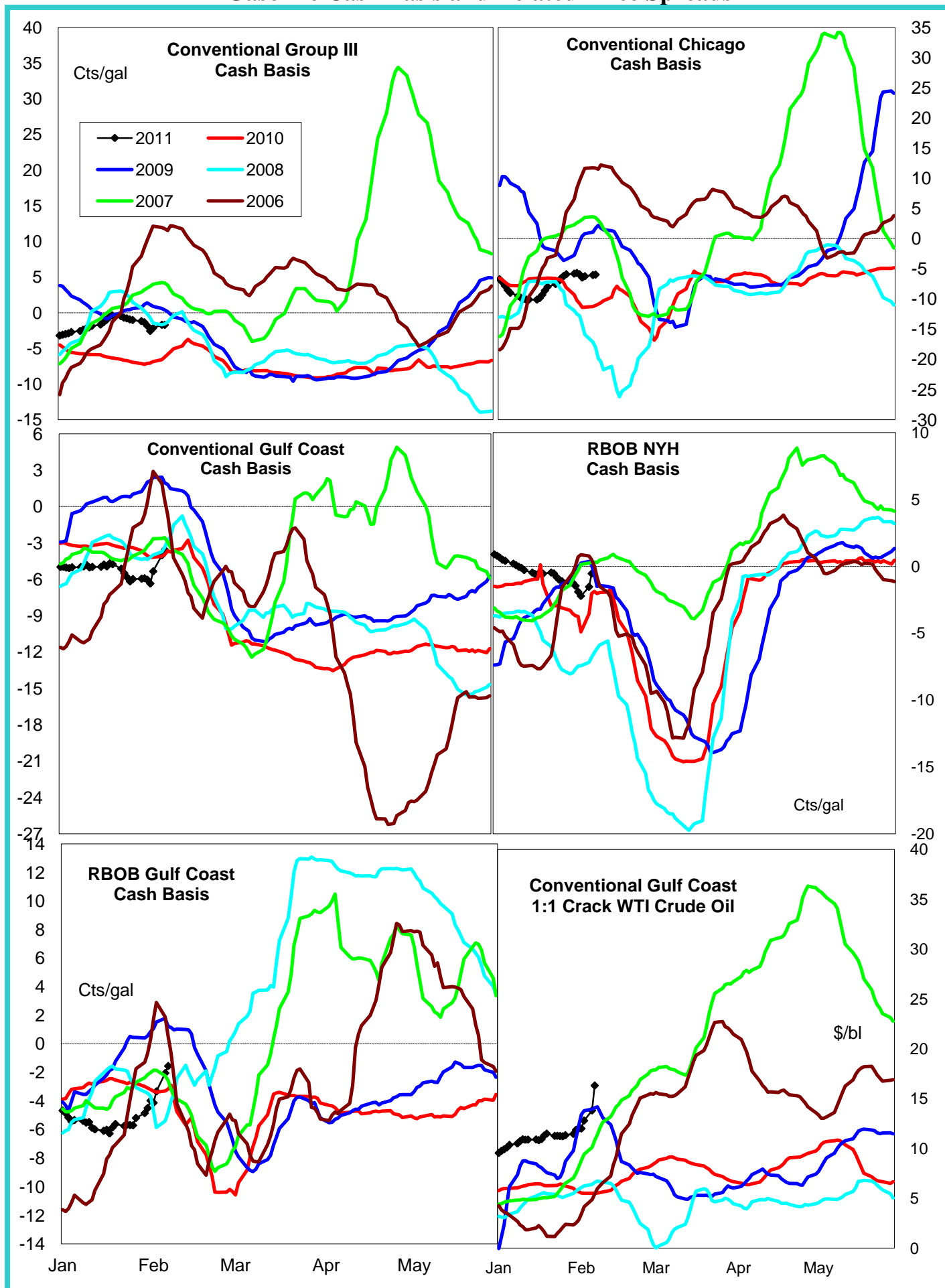
**Gulf Coast Price**

Gasoline supplies have improved significantly in PADD 1, particularly the New England and Southeast Regions. Stock levels remain at the low end of the historic range in the Central Atlantic Region. Expect further improvement in supplies for PADD 1 on favorable import economics. Record high stocks on the East and Gulf Coast markets point to risk of a late winter price pull back.

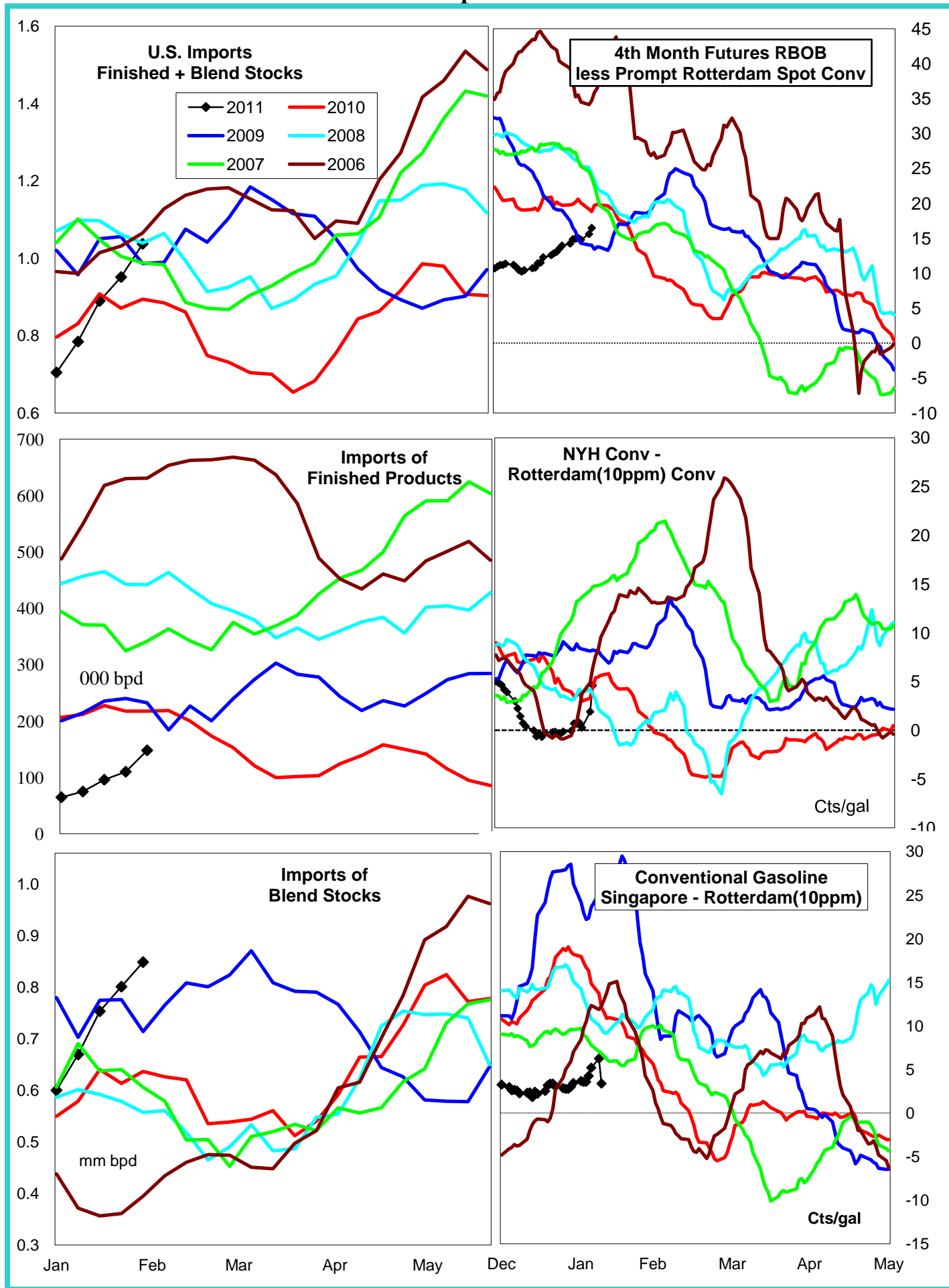


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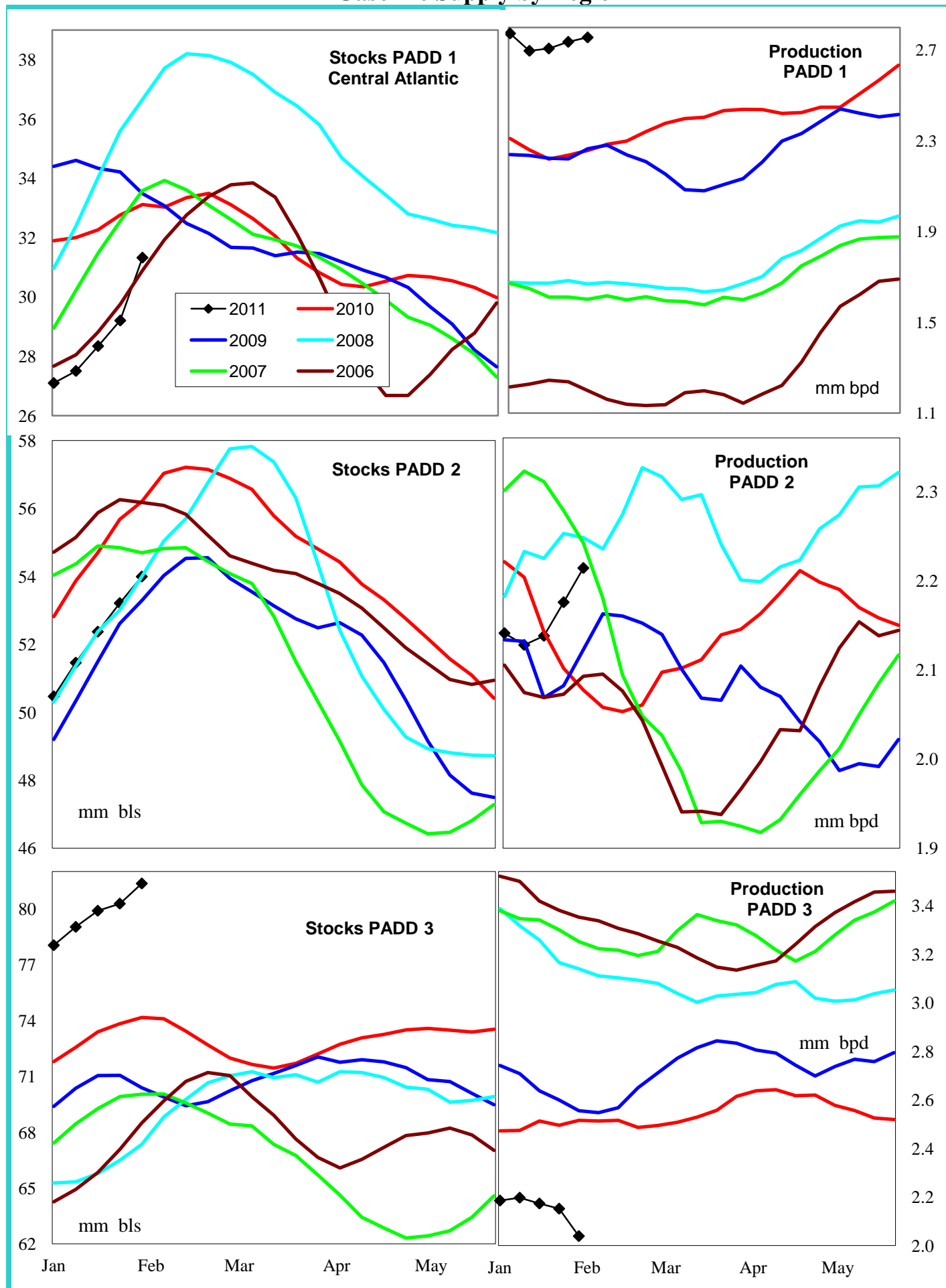
# Gasoline Cash Basis and Related Price Spreads



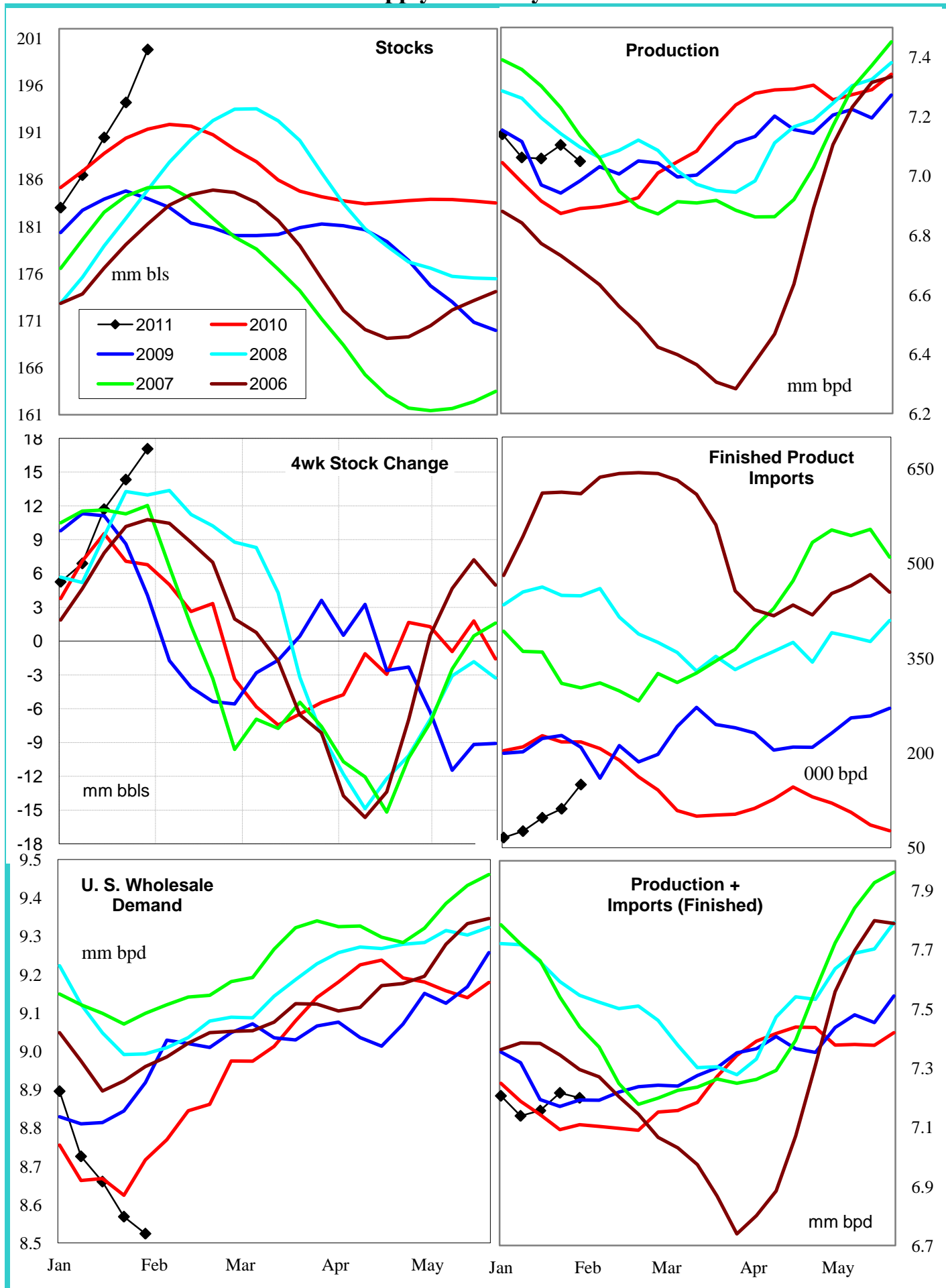
# Gasoline Import Economics



# Gasoline Supply by Region



# Gasoline Supply Summary PADDs 1+2+3



# PADD 5 Gasoline Supply

