



## 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		→	→

362,000 bpd below a year ago. Demand remains very weak.

Production increased +335,000 bpd on the week. Imports also increased, rising +194,000 bpd last week, to the highest level since June 2011. Sharply higher supply and weak demand led to a +4.5 million barrel stock build on the week.

Cash basis trended lower across all markets early in the week, then increased late in the week on holiday buying and limited liquidity in cash markets.

Basis levels ended the week above the mid range in all markets East of the Rockies. West Coast markets traded near the mid range, with Northwest regional markets at the low end of the 5-year range.

Rising stock levels and weak demand should push basis lower in all major markets over the next 30-days.

Higher imports to the East Coast may improve local supplies, limiting the level of basis decreases in other regional markets.

#### RBOB

**New York Harbor** basis to trend lower on seasonal stock builds and lower demand.

#### Conventional

**New York Harbor** basis to trend lower on seasonal stock building and reduced demand.

**Chicago & Group III** basis to see seasonal basis decline on rising stock levels and weak demand.

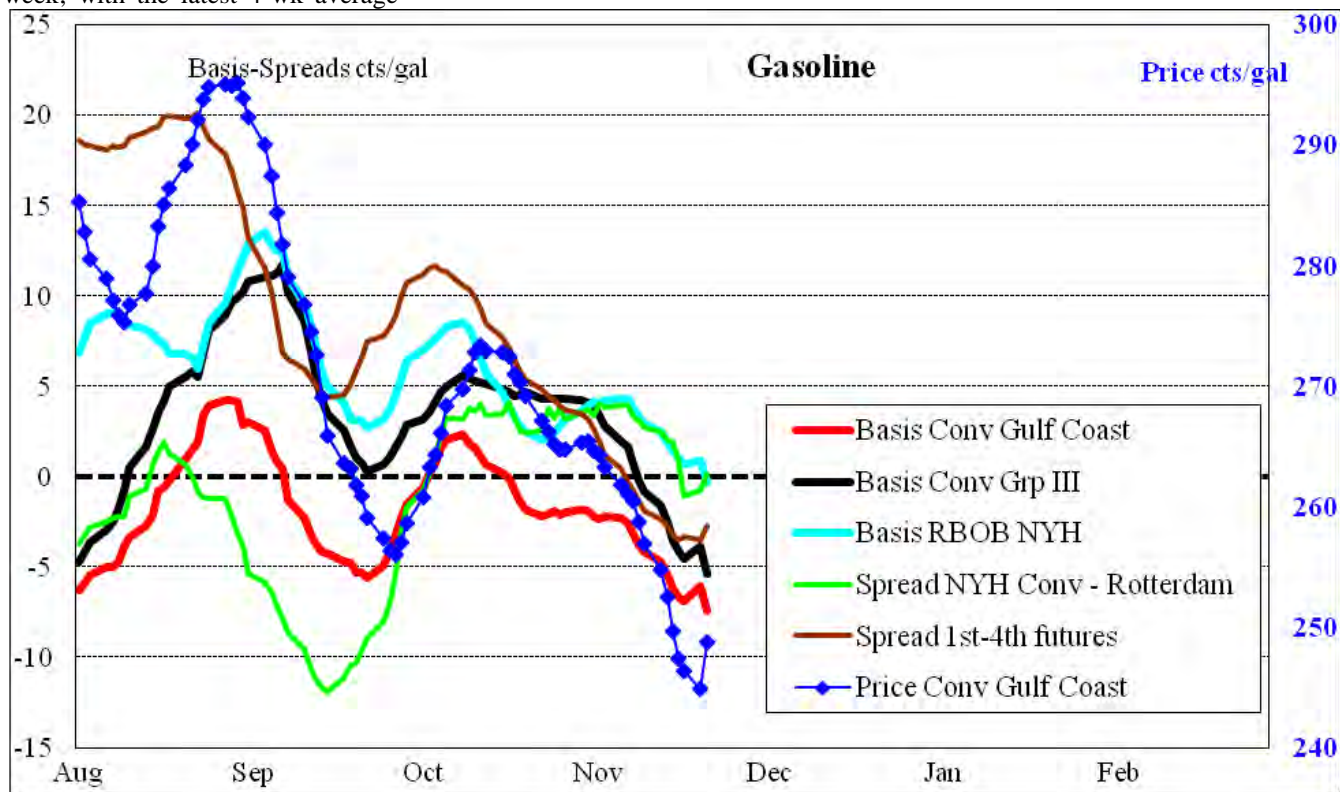
**Gulf Basis** to see to trade sideways at low end of historic range on record stock levels.

**West Coast (Los Angeles)** basis to trend lower on sharp increase in output and seasonal stock builds.

#### Gulf Coast Price

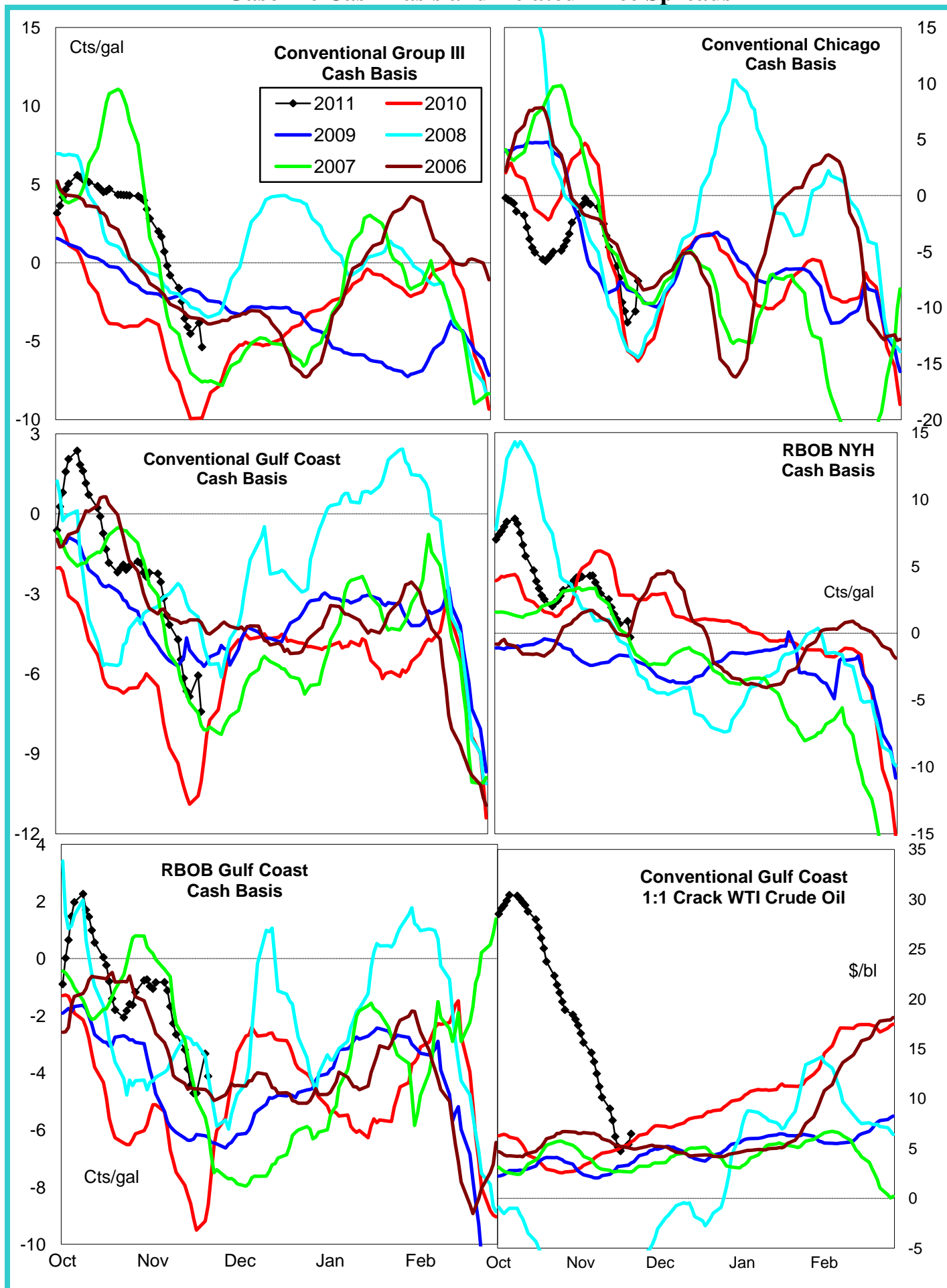
Weakness in gasoline demand and a seasonal increase in supplies should lead to above average stock builds and continued weakness in gasoline prices compared to the overall energy complex for the next 45-days.

Wholesale demand declined -33,000 bpd last week; with the latest 4-wk average -

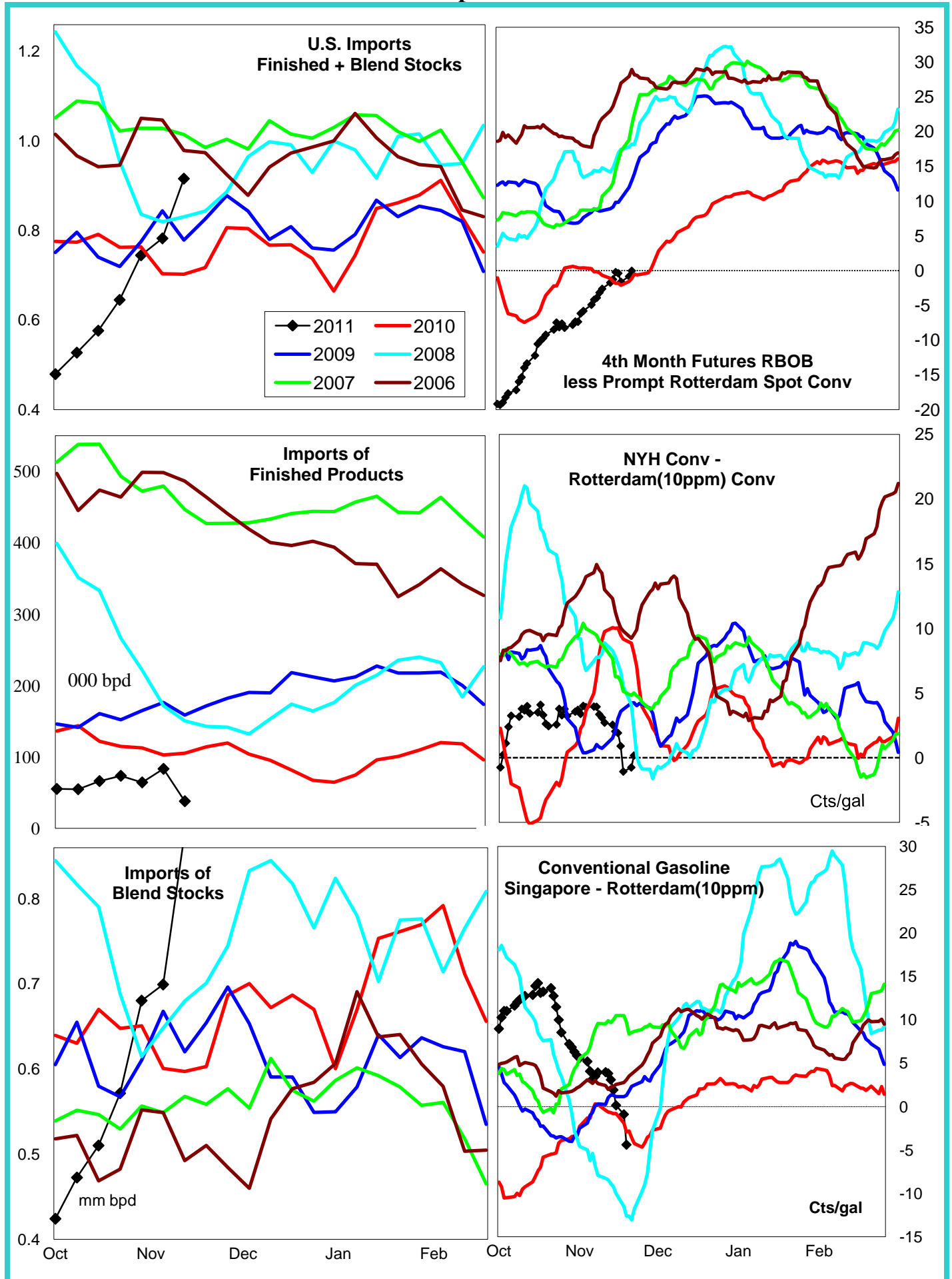


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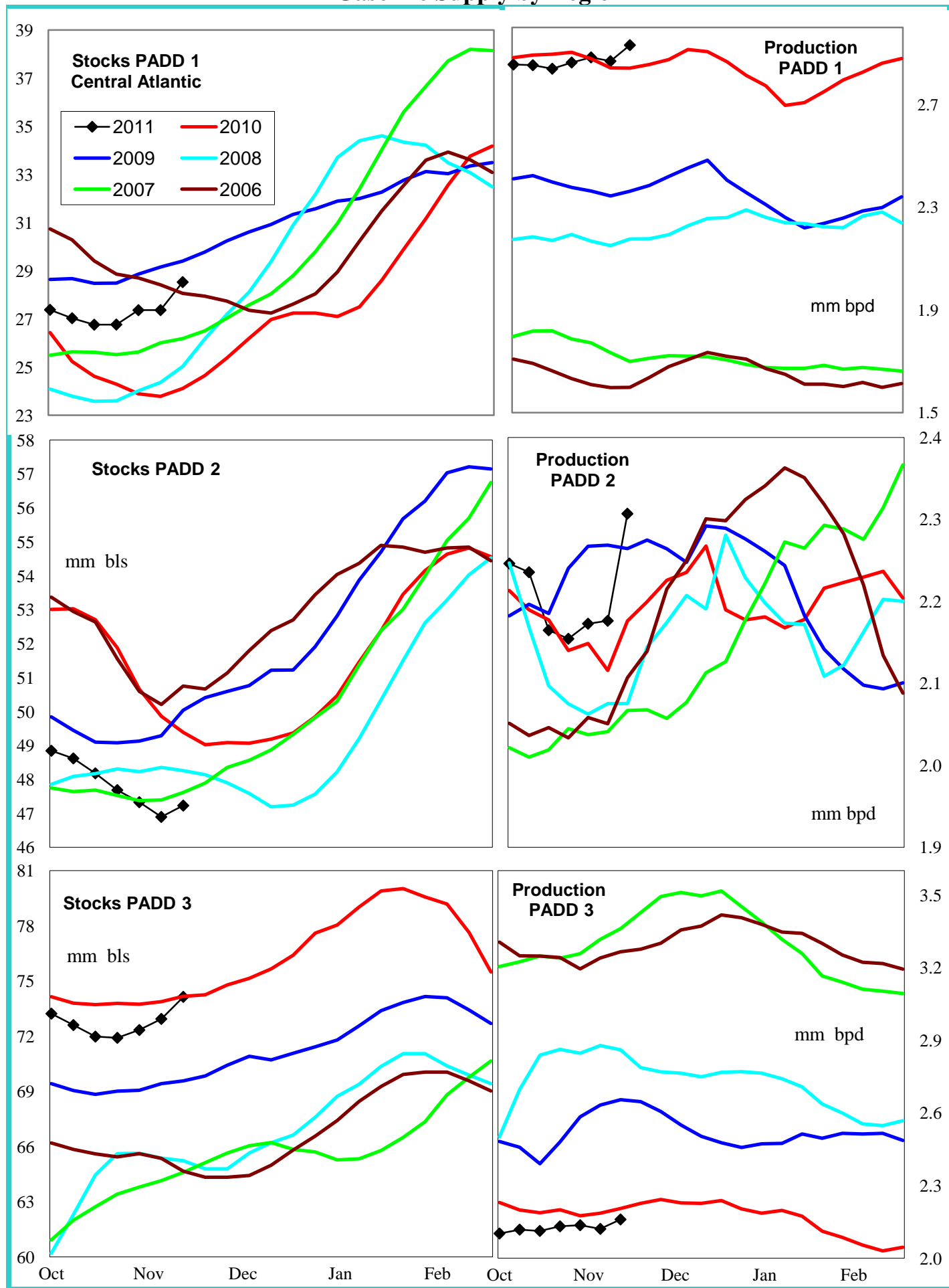
# Gasoline Cash Basis and Related Price Spreads



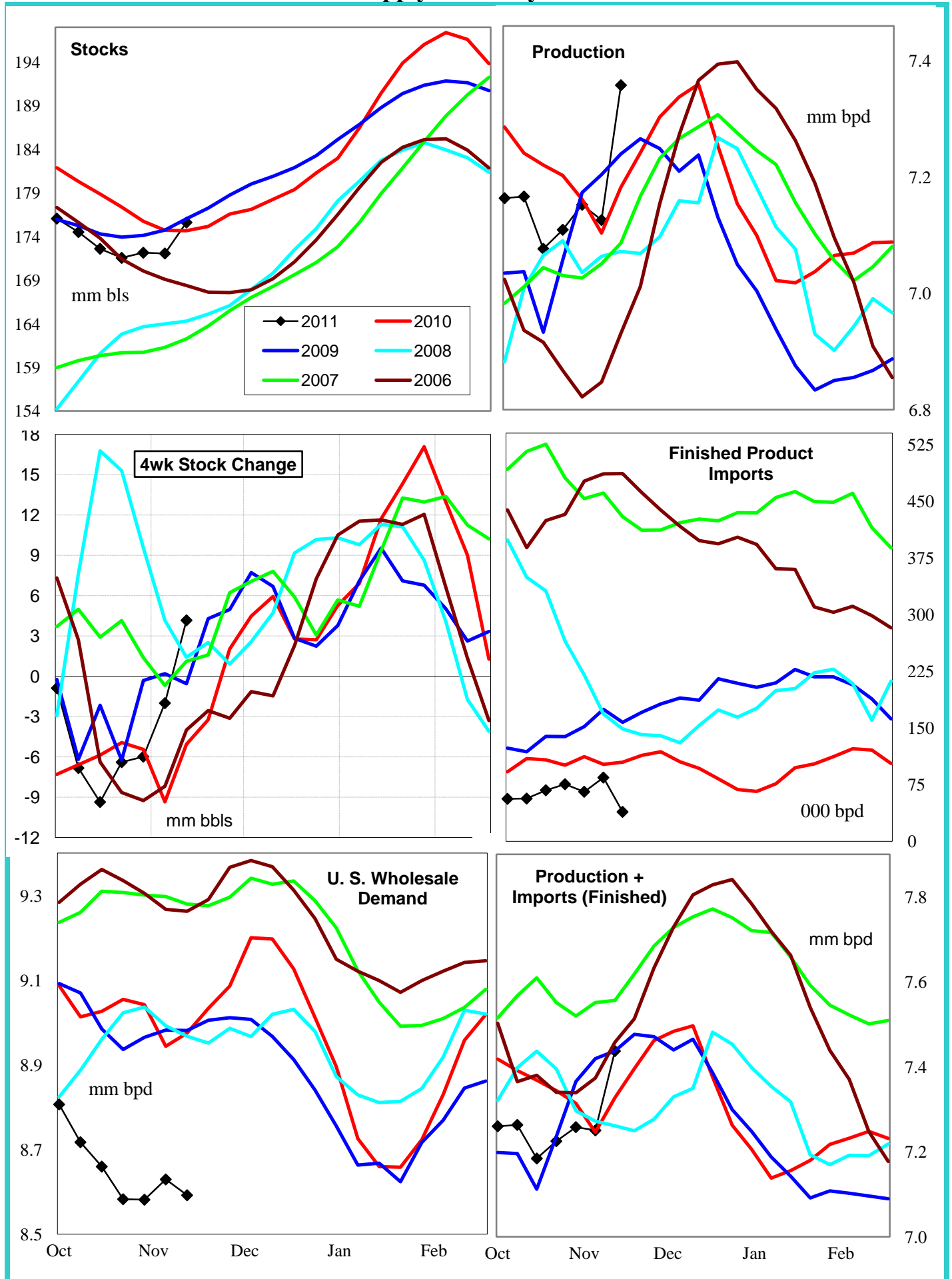
# Gasoline Import Economics



# Gasoline Supply by Region



# Gasoline Supply Summary PADDs 1+2+3



# PADD 5 Gasoline Supply

