



## WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

### A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com) Thursday, December 22, 2011

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 +213,000 bpd last week on downstream supply restocking ahead of increased holiday retail demand. The latest 4-wk average

demand was -428,000 bpd below a year ago.

Production decreased -154,000 bpd on the week, although the level remains above the 5-year range. Imports decreased -175,000 bpd to record lows for the period. Stocks decreased -0.4 million barrels. The latest 4-wk stock build East of the Rockies was at the upper end of the historic range.

Cash basis traded sideways to lower in markets East of the Rockies last week. Basis jumped sharply on the West Coast due to unplanned refinery maintenance.

Basis levels remain elevated in NYH while falling to record lows in the Midwest.

Exports continue to support NYH and Gulf basis, while short term refinery maintenance supported the West Coast, and record output is depressing the Midwest basis.

Expect basis to trade at the low end of the historic range in Midwest markets, fall sharply on the West Coast as production is restored. The East Coast should experience support on refinery capacity closures, low imports and robust exports.

**RBOB**

**New York Harbor** basis to trend seasonally lower on reduced demand, although at a level above the mid range.

#### Conventional

**New York Harbor** basis trend seasonally lower on reduced demand, although at a level above the mid range.

**Chicago** basis to trend lower on seasonal over supply

**Group III** basis to traded sideways at low levels on excess supply.

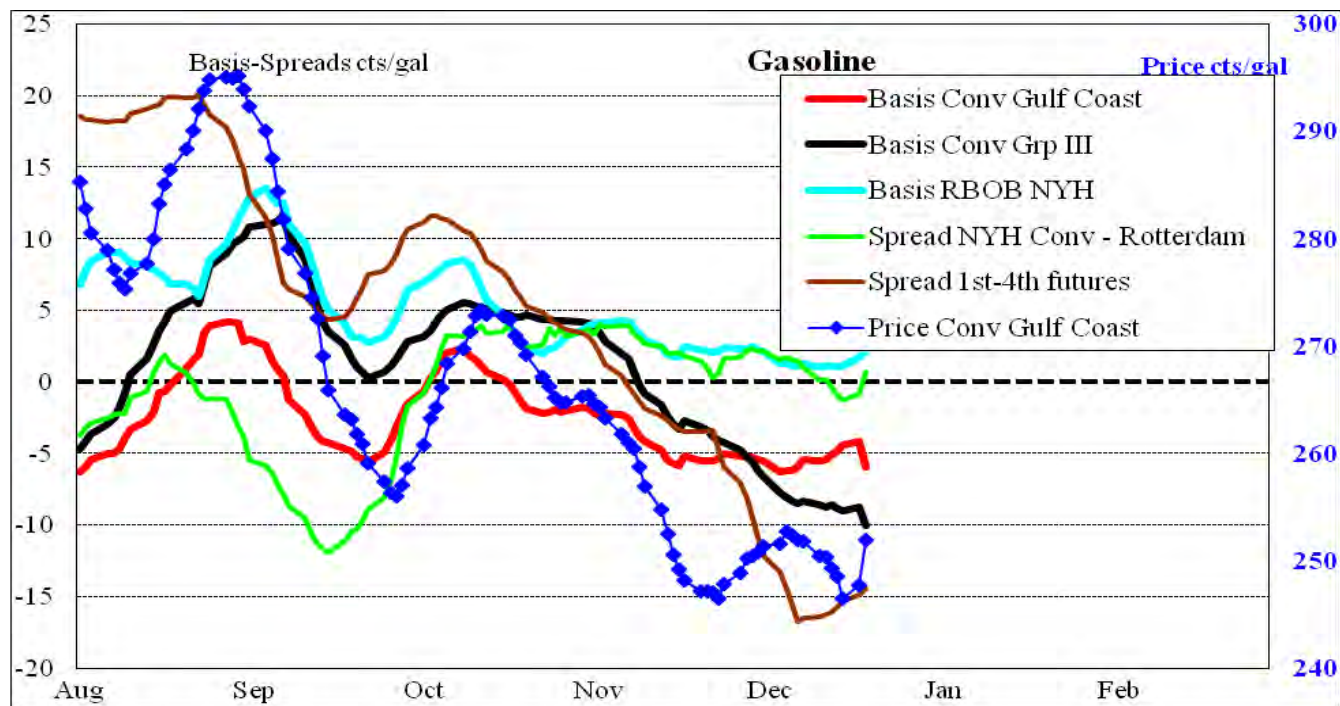
**Gulf Basis** to trade sideways at a level near the mid range on robust exports.

**West Coast (Los Angeles)** basis to trend sharply lower from elevated levels as refiners return to operation.

#### Gulf Coast Price

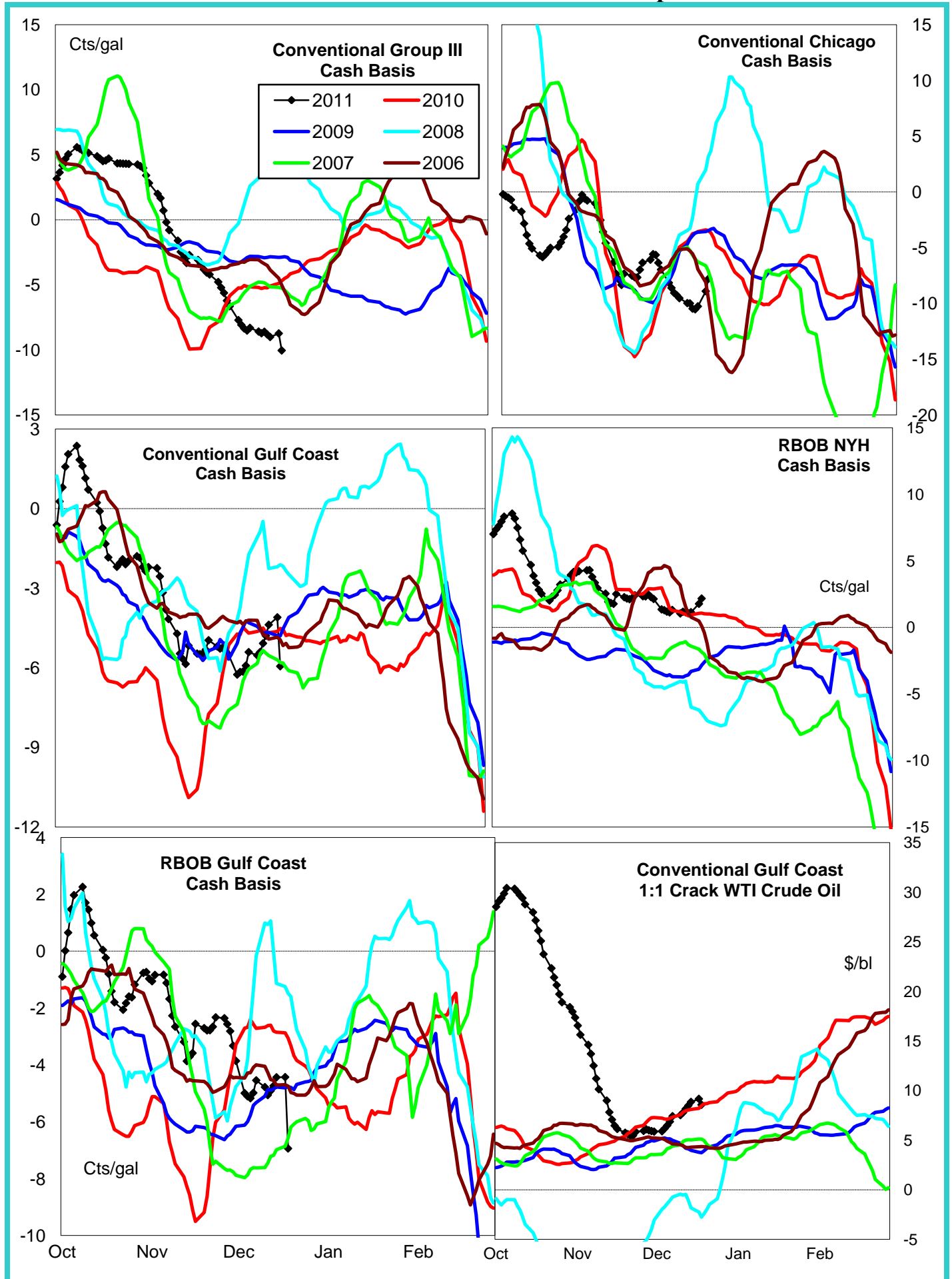
Global gasoline markets continue to trade at near record premiums to U.S. markets for this time of year. The spring forward price curve also trades at near record premiums for spring gasoline for this time of year.

Yet, U.S. gasoline year-on-year demand shows record declines. Very weak demand, record stock levels and slower global growth should pressure prices lower during the winter quarter.

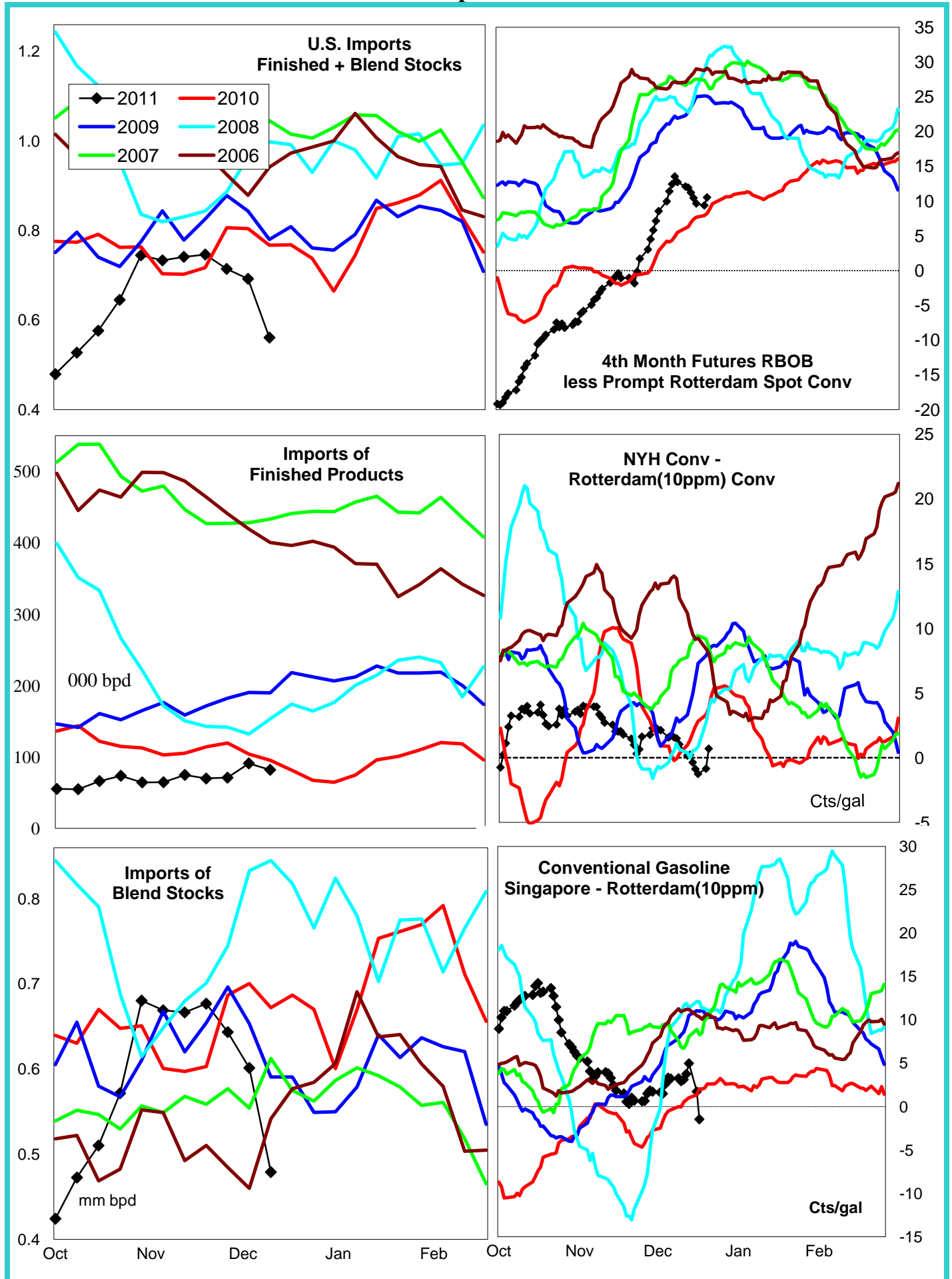


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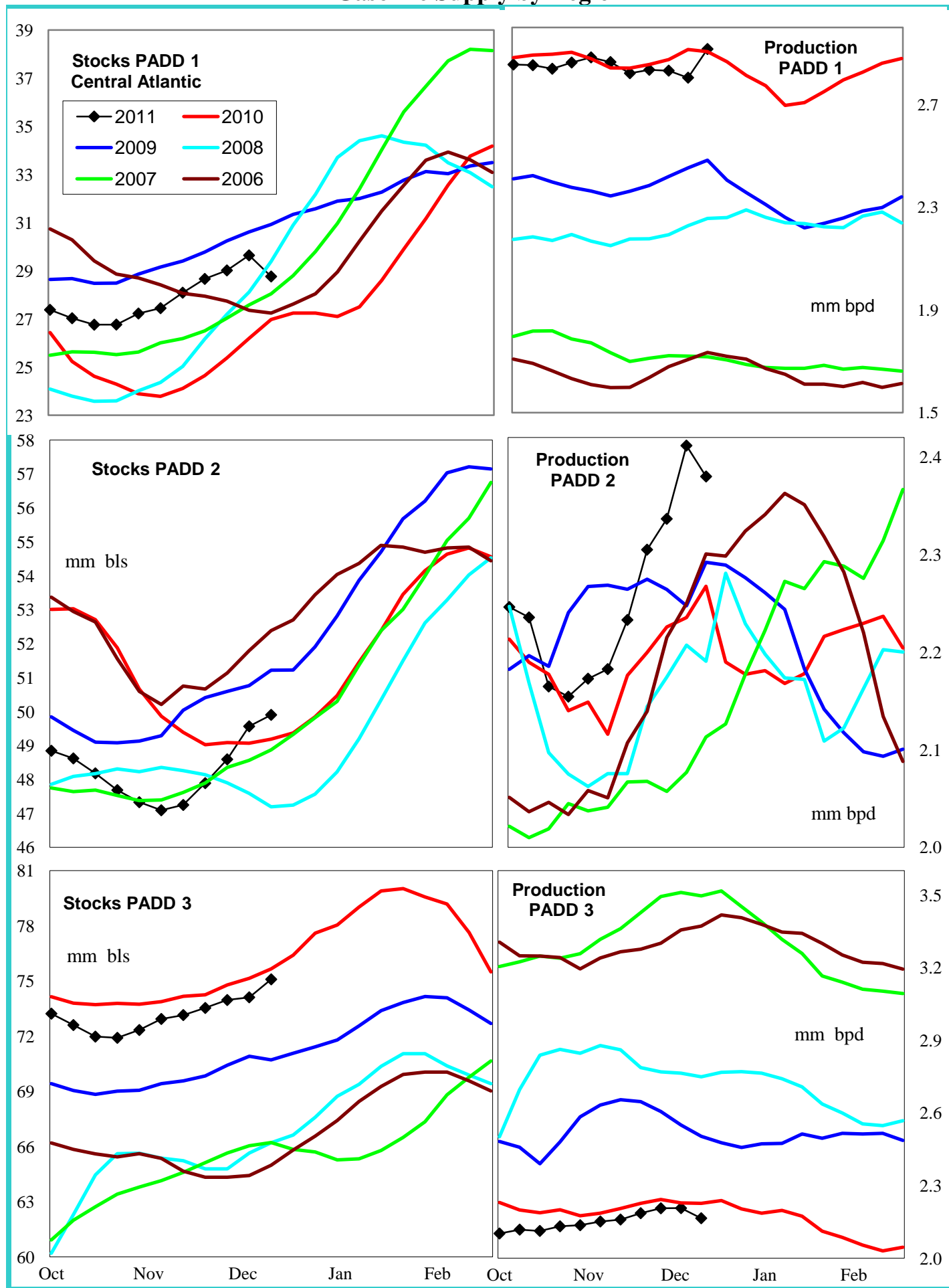
# Gasoline Cash Basis and Related Price Spreads



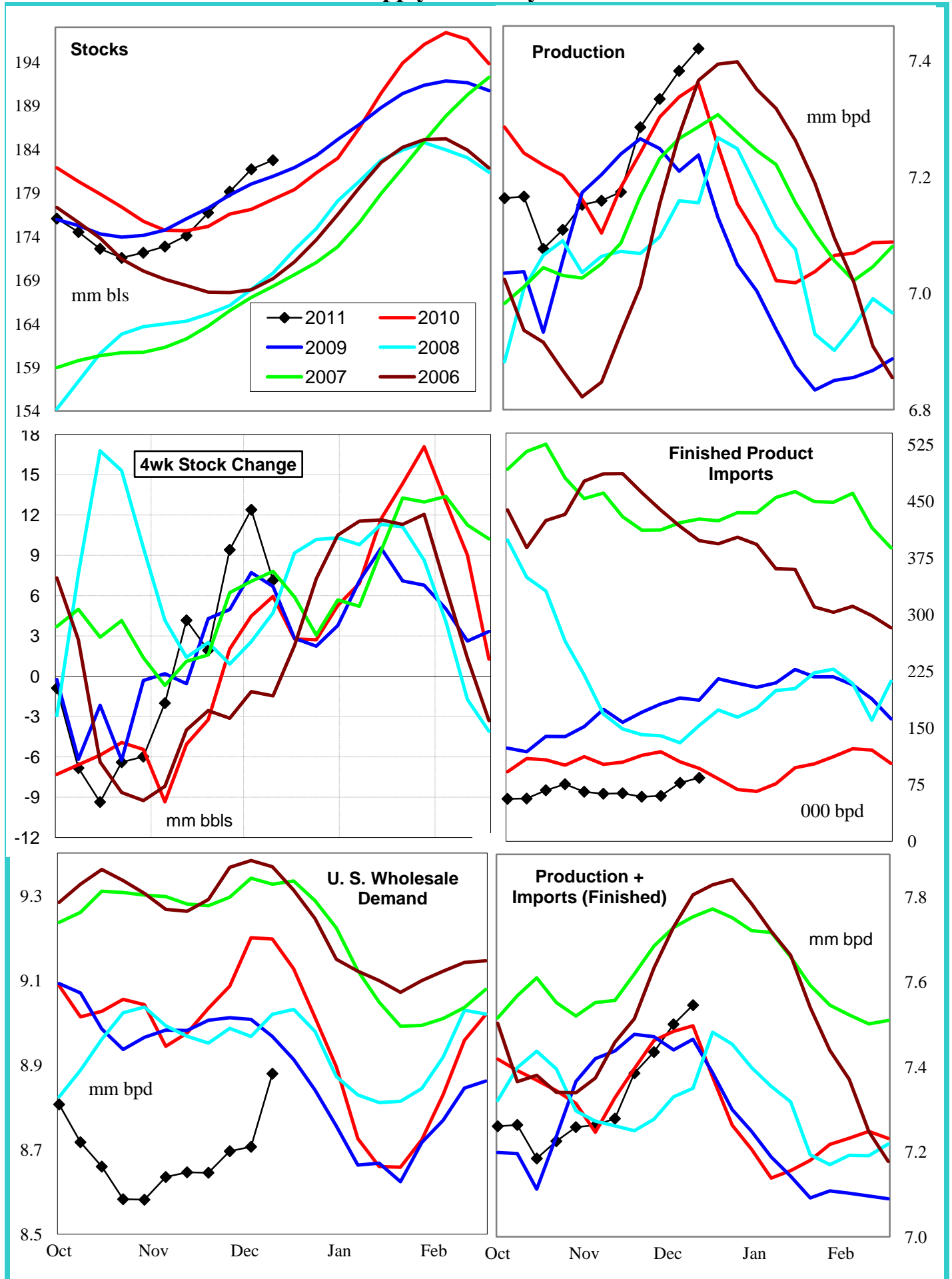
# Gasoline Import Economics



# Gasoline Supply by Region



# Gasoline Supply Summary PADDs 1+2+3



# PADD 5 Gasoline Supply

