



## 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 +107,000 bpd last week, to a level only slightly below the 5-year range. The latest 4-wk year-on-year decline was -236,000 bpd (-2.6%).

Production was nearly unchanged on the week, at a level comparable to the last 2-years. Imports increased +68,000 bpd, although the level remains very low. Supplies were 440,000 bpd below last year in the combined markets East of the Rockies; but should trend higher as refiners return from maintenance.

Stocks declined -2.8 million barrels, although stocks in PADD 1 were nearly unchanged. *Stock levels in the key Central Atlantic Region of PADD 1 remain near the mid range of the last 3-years.*

*Stocks remain extremely low on the West Coast; although, the start of a collapse in basis points to anticipated improvement in supplies.*

Basis trended modestly higher in all markets East of the Rockies last week; supported by higher seasonal demand and the drop flat price.

The uptrend in basis within PADD 2 markets may slow as production climbed +172,000 bpd last week to match highs of the last 3-years.

#### RBOB

**New York Harbor** basis to trade sideways at levels near historic highs on increased dependence for Gulf supplies.

#### Conventional

**New York Harbor** basis to trade sideways on modest tightness, at levels above the last 3-years.

**Chicago** basis to trend modestly higher on increased seasonal demand, partially offset by increased production.

**Group III** basis to trend modestly higher on increased seasonal demand, limited by increased production.

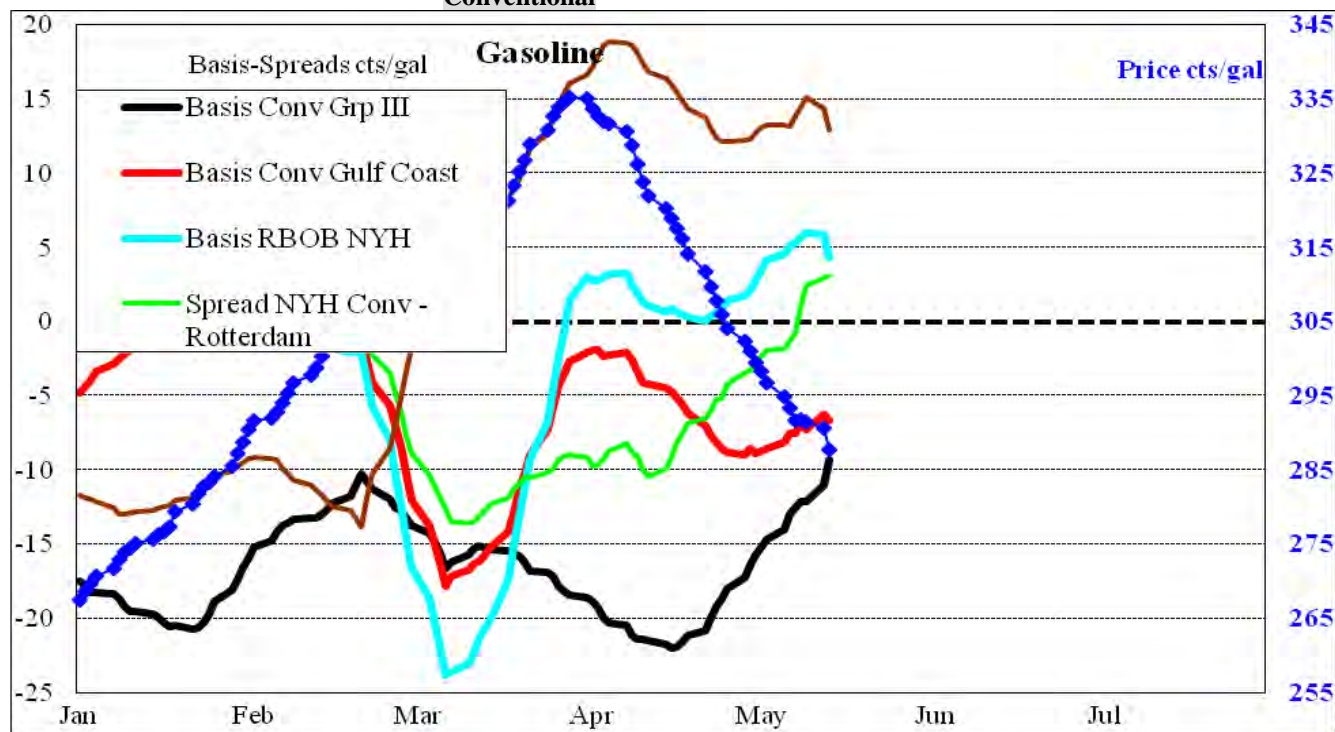
**Gulf Basis** Conventional grade to trade sideways on higher seasonal demand, offset by higher production.

**West Coast (Los Angeles)** basis to trend sharply lower as refiners complete maintenance.

#### Gulf Coast Price

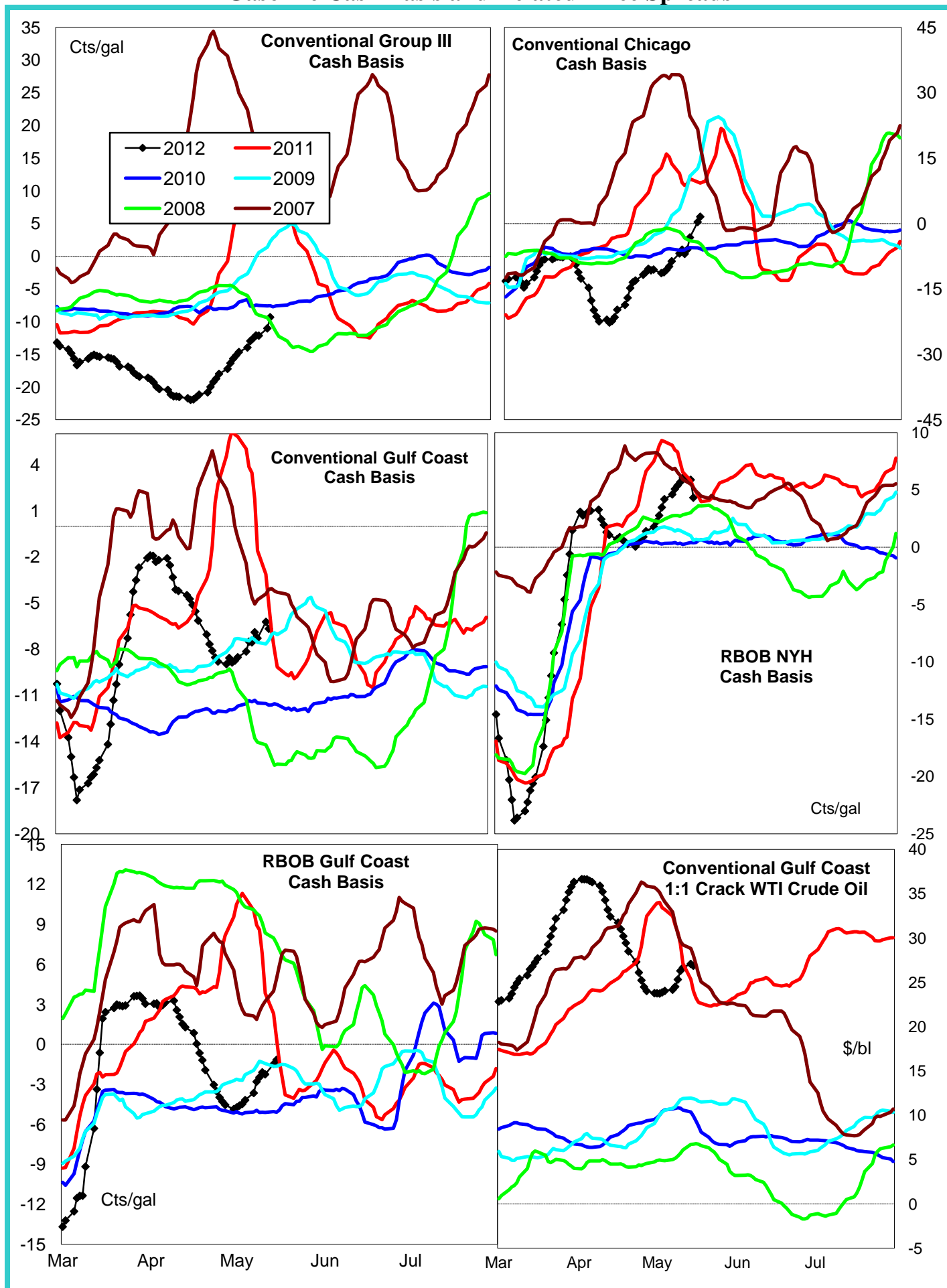
Gasoline supplies in markets East of the Rockies should trend significantly higher on increased production as refiners complete maintenance of gasoline process units. A narrowing of the year-on-year demand decline, and lower flat price should support improved basis levels in most markets East of the Rockies by early summer.

Look for higher seasonal demand, continued low imports and strength in the Pacific Basin markets to support a bounce in prices following the current global decline in energy prices.

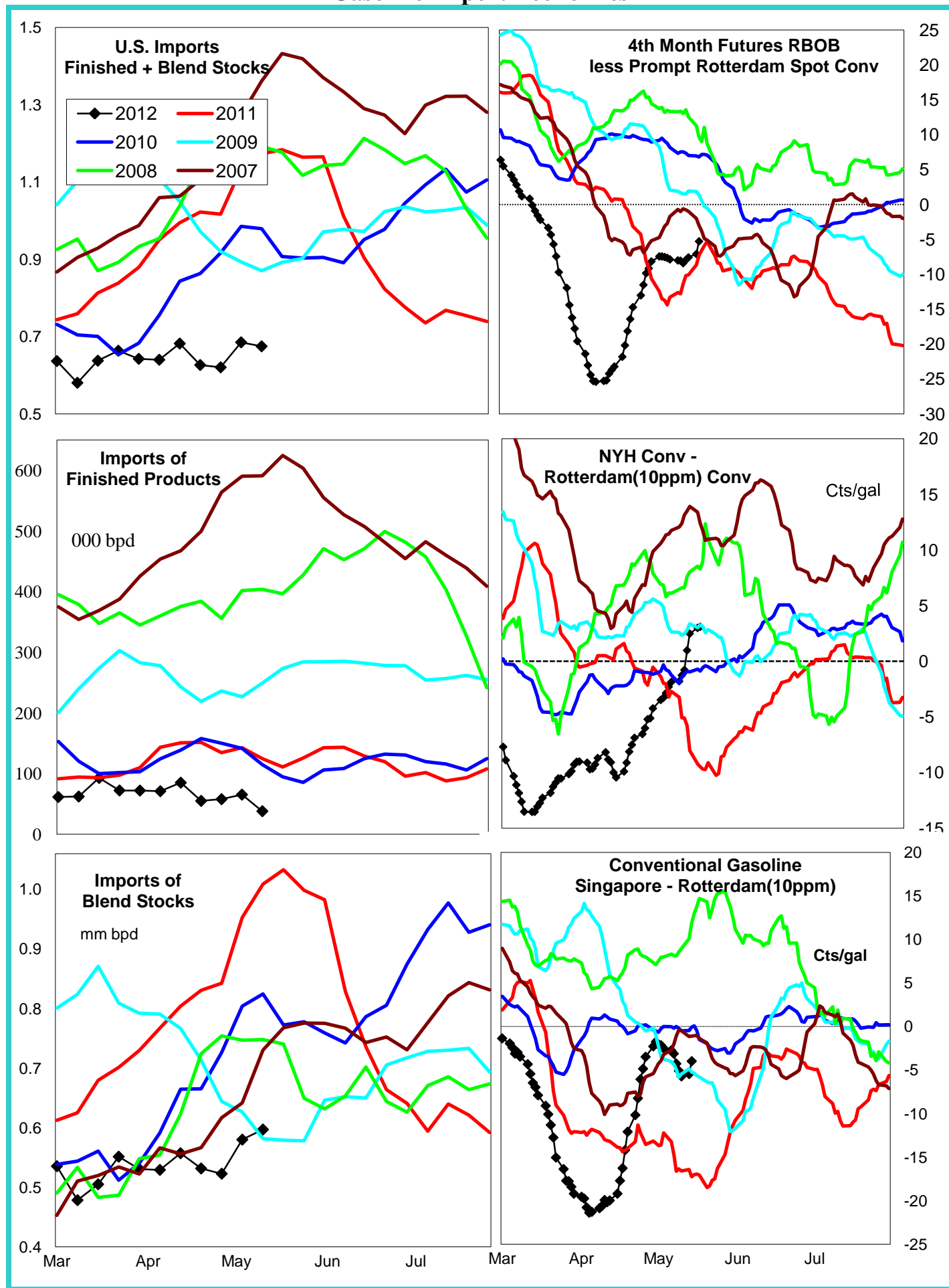


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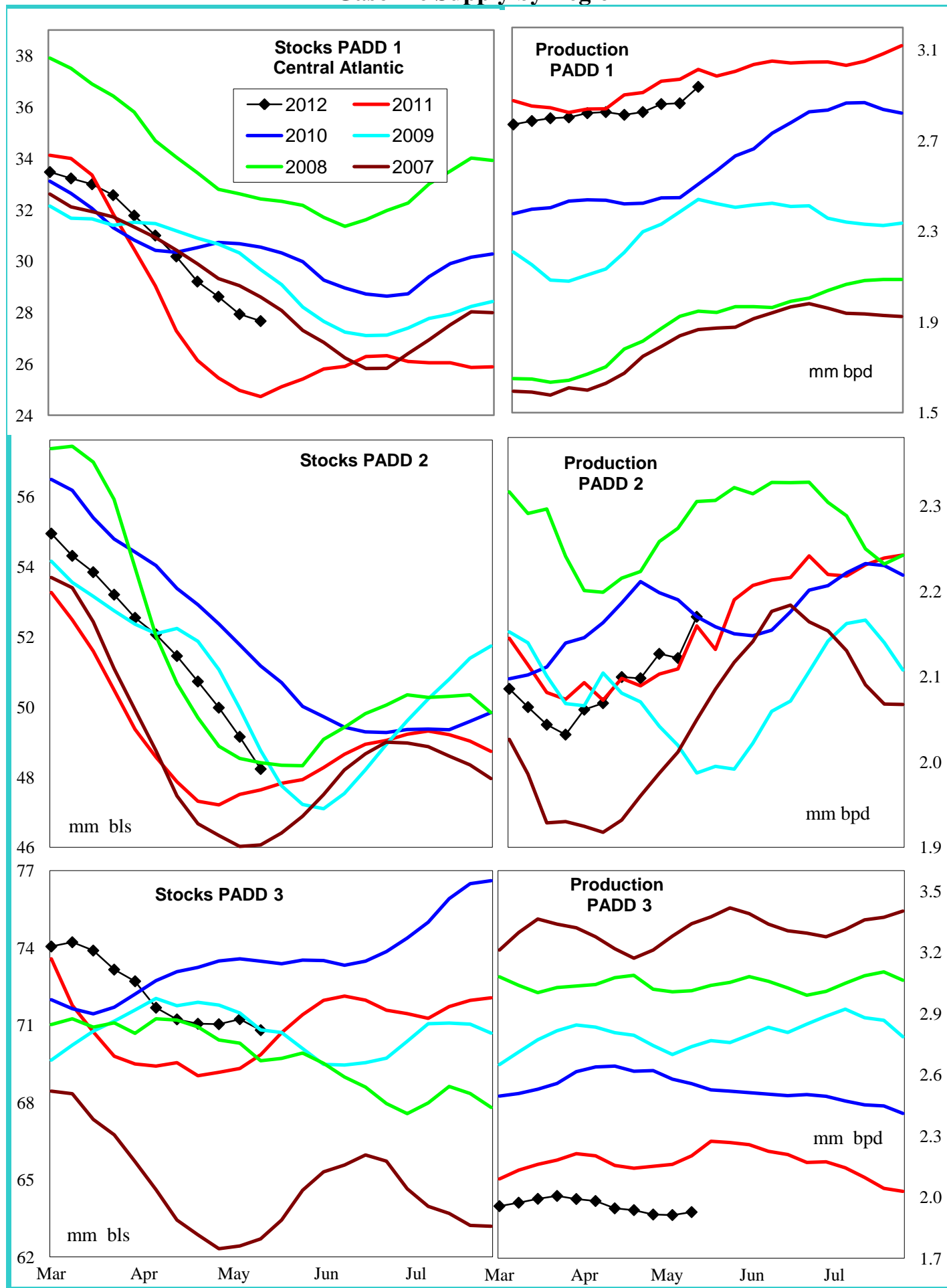
# Gasoline Cash Basis and Related Price Spreads



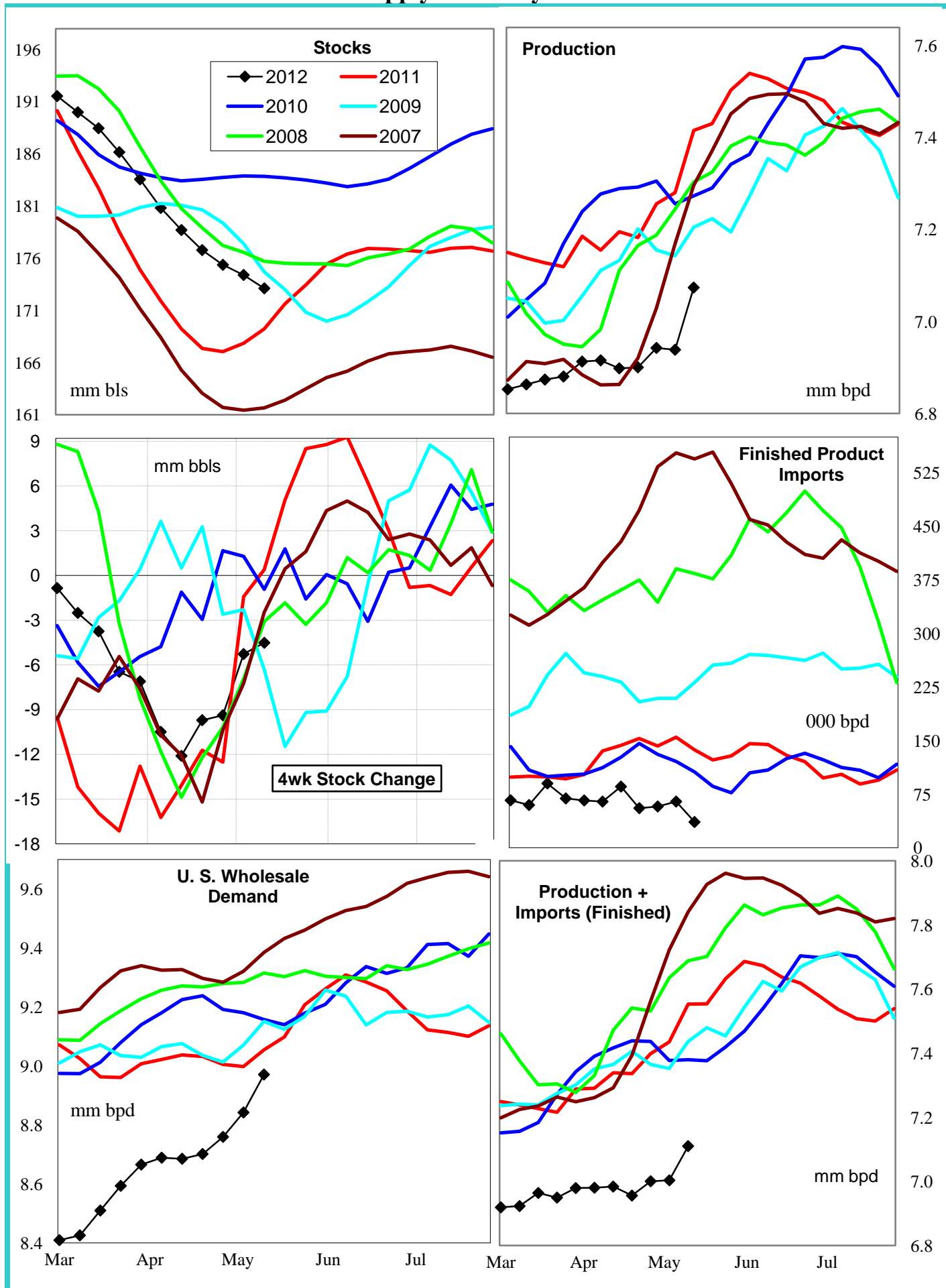
## Gasoline Import Economics



# Gasoline Supply by Region



# Gasoline Supply Summary PADDs 1+2+3



# PADD 5 Gasoline Supply

