



WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, November 26, 2012

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 was nearly unchanged last week, at a level well above a year ago. The latest 4-wk year-on-year change in demand was a +138,000 bpd increase (+1.6%).

Supplies increased +108,000 bpd on higher production and imports.

Stocks decreased -1.5 million barrels last week, including a +1 million barrel build on the East Coast.

Basis fell sharply in NYH to a level near the average of the last 2-years on improved supplies. Gulf, Group III and the Northwest basis levels continued to trade well below the 5-year range. Extended refinery maintenance in the Chicago region has supported basis levels above the 5-year mid range for the period.

Look for basis to trend higher from the record lows in the Gulf on improving supply in the Northeast. Group III basis should trend seasonally lower.

RBOB

New York Harbor basis to trade at levels marginally above the historic range on low levels of refinery output in the region.

Conventional

New York Harbor basis to trade slightly above the average of the last 3-years on production in the region.

Chicago basis to trade at the upper end of the historic range, with extended refinery maintenance in the winter quarter providing support.

Group III basis to trend seasonally lower on reduced demand and start of winter quarter stock builds.

Gulf Basis to trend higher from depressed levels as shipments to the northeast return to normal rates.

West Coast (Los Angeles) basis to trade at the low end of the historic range on seasonal stock builds.

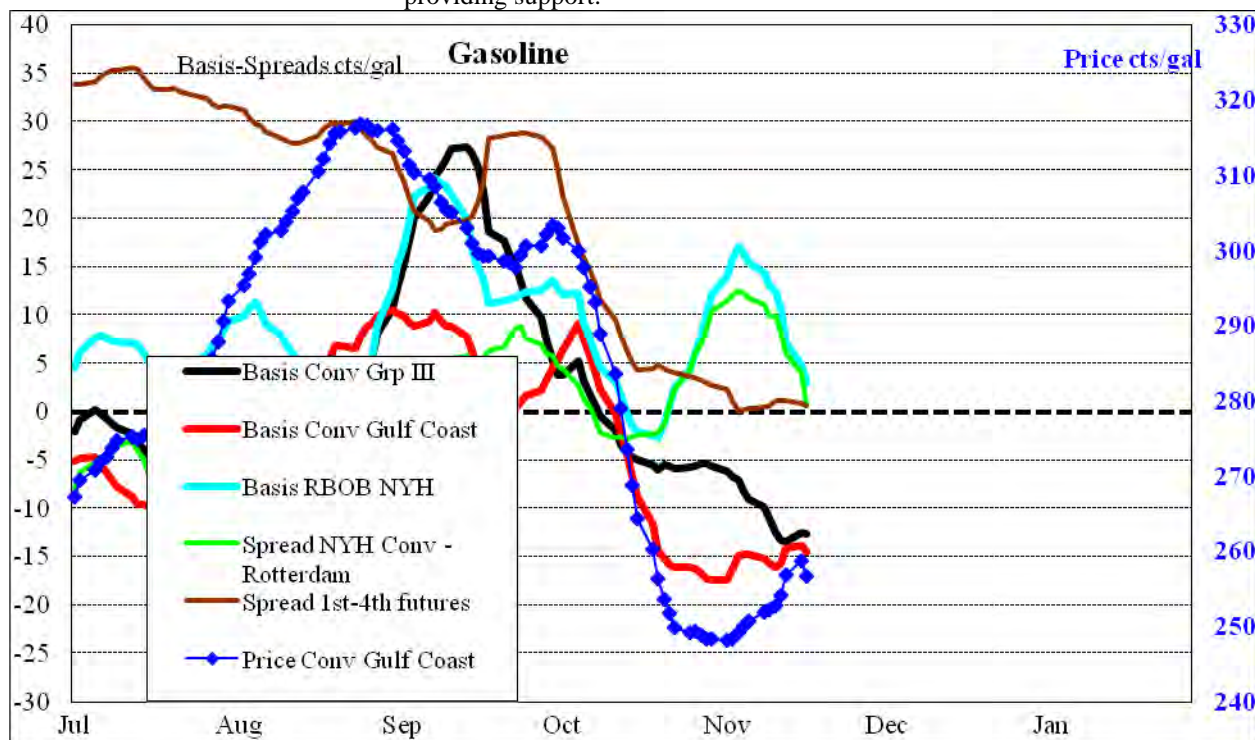
Gulf Coast Price

Supplies have improved in the Northeast, and should continue to experience stock builds. However, low refinery production in the Central Atlantic Region should limit stock levels to the low end of the historic range.

A modest seasonal uptrend in demand through mid December should partially offset season high production during the same period. Expect stock building to lag the average of the last 3-years as a result.

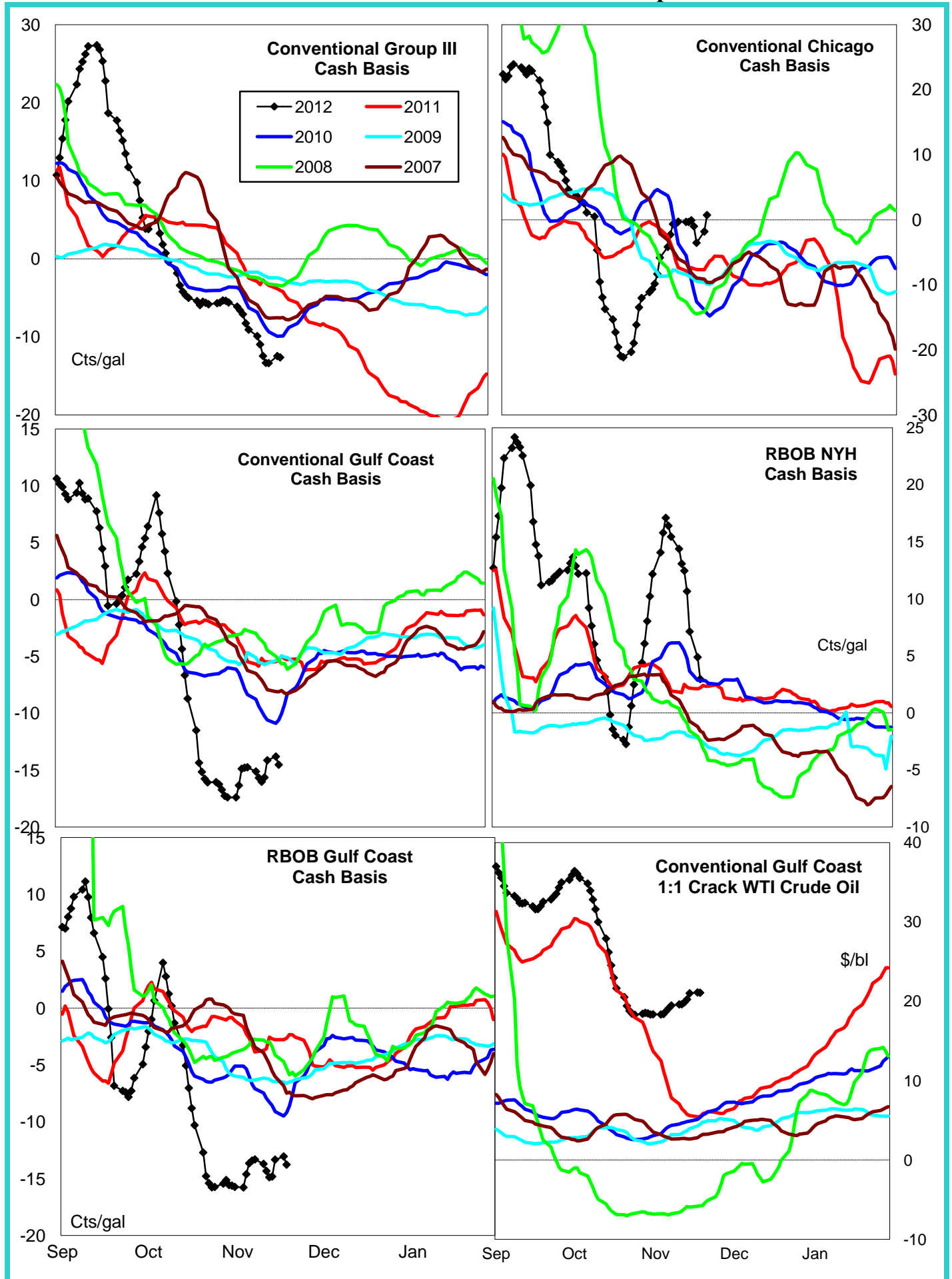
The deep recession in Europe and slow economic growth in Asia should lead to slower demand growth for energy during the 1st half of 2013.

Look for volatile energy prices with downside risk due to slow global economic growth.

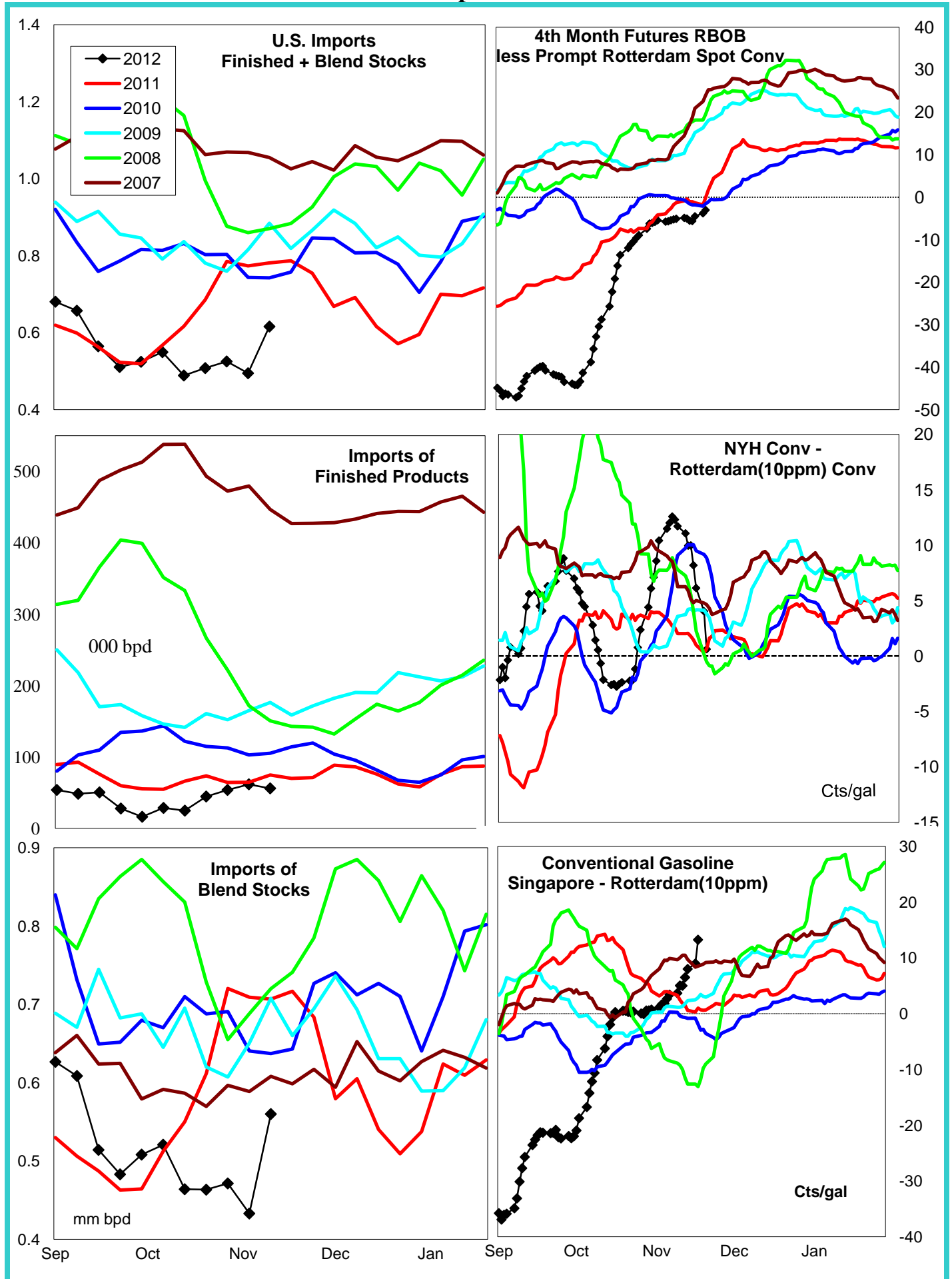


Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and is intended for informational purposes and is not to be construed as a recommendation to sell or buy, or trade in any commodity mentioned herein. Information is obtained from sources believed reliable, but is in no way guaranteed. Opinions, market data and recommendations are subject to change at any time. Past results are not indicative of future results. Charts are developed by Fundamental Petroleum Trends from EIA, NWS, other public data and proprietary models unless otherwise noted and credited.

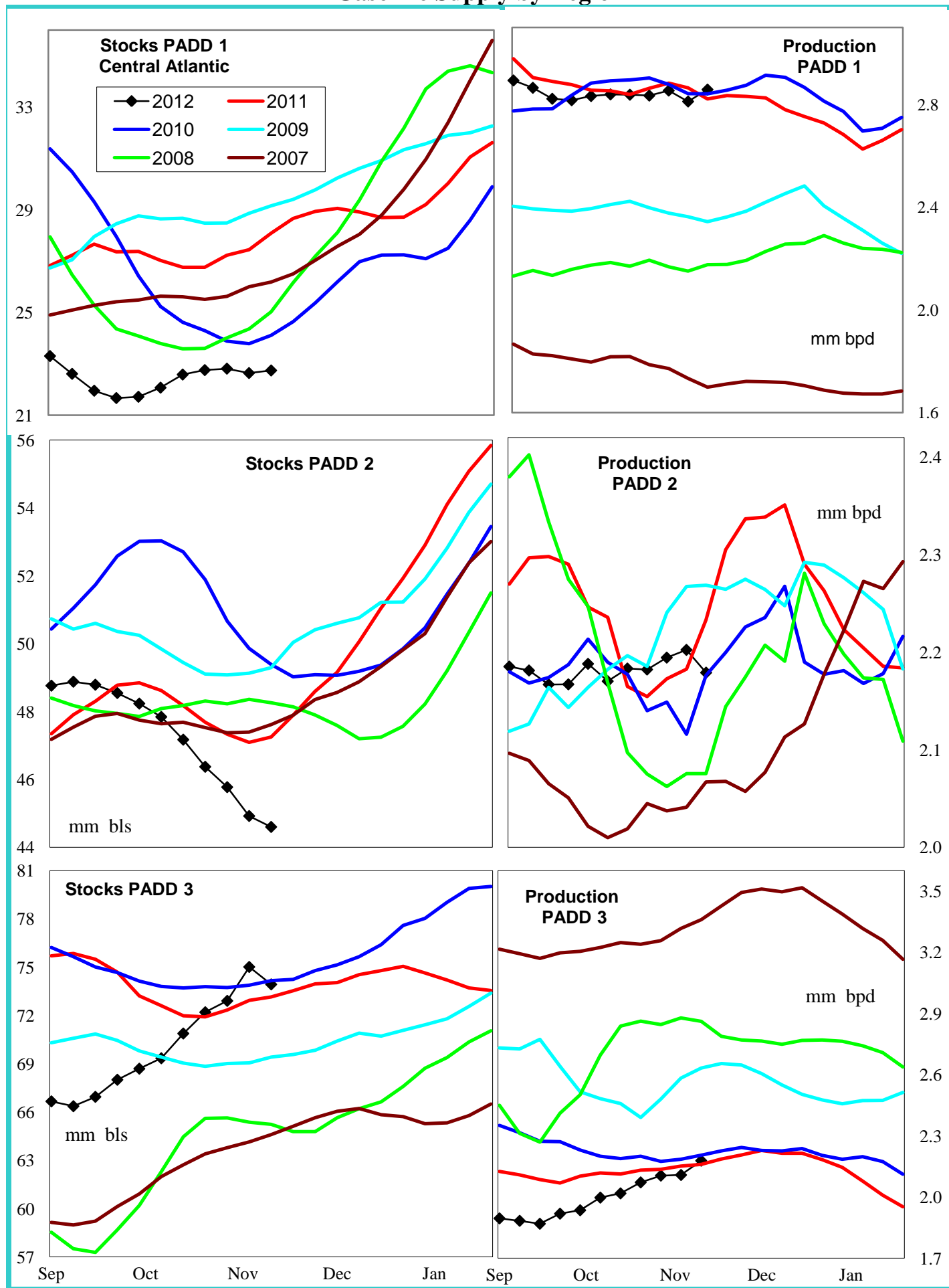
Gasoline Cash Basis and Related Price Spreads



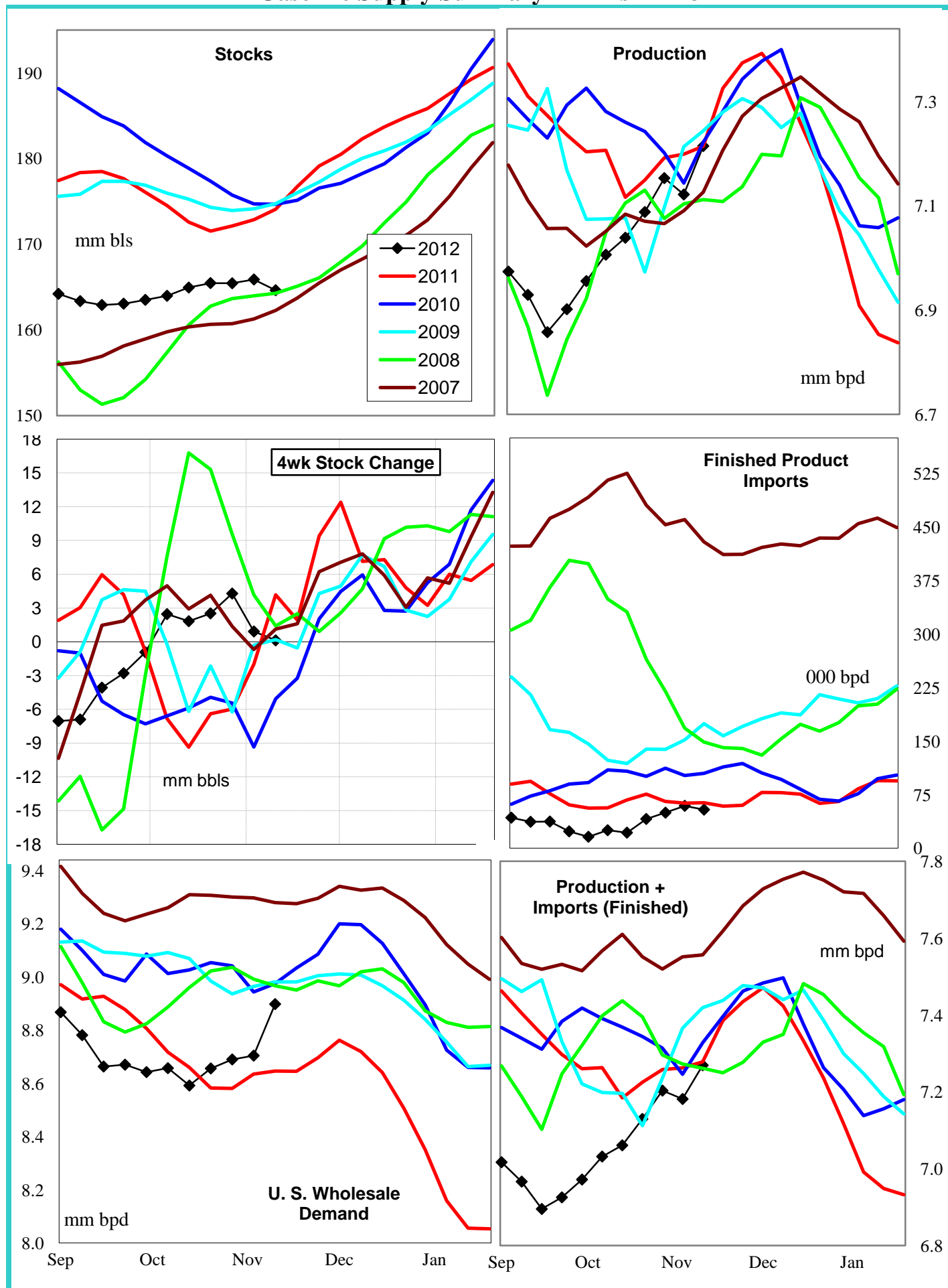
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply

