



## 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 was unchanged last week at an extremely high level, likely including a jump in exports for the last 2-wks. The latest 4-wk was +218,000 bpd above a year ago.

Supplies increased +232,000 bpd, on a sharp jump in production. Production levels matched 5-year highs for the week. Imports fell to record lows for this time of year.

Stocks declined -2.6 million barrels on the week. Stock levels remain very high in the East and Gulf coast markets.

Basis levels trended higher in all regional markets last week. Higher seasonal demand and record stocks on the East Coast underlies the uptrend in basis across regional markets.

#### RBOB

**New York Harbor** basis to trend higher on lower imports and peak seasonal demand.

#### Conventional

**New York Harbor basis** to trend seasonally higher, driven by low imports and increased seasonal demand.

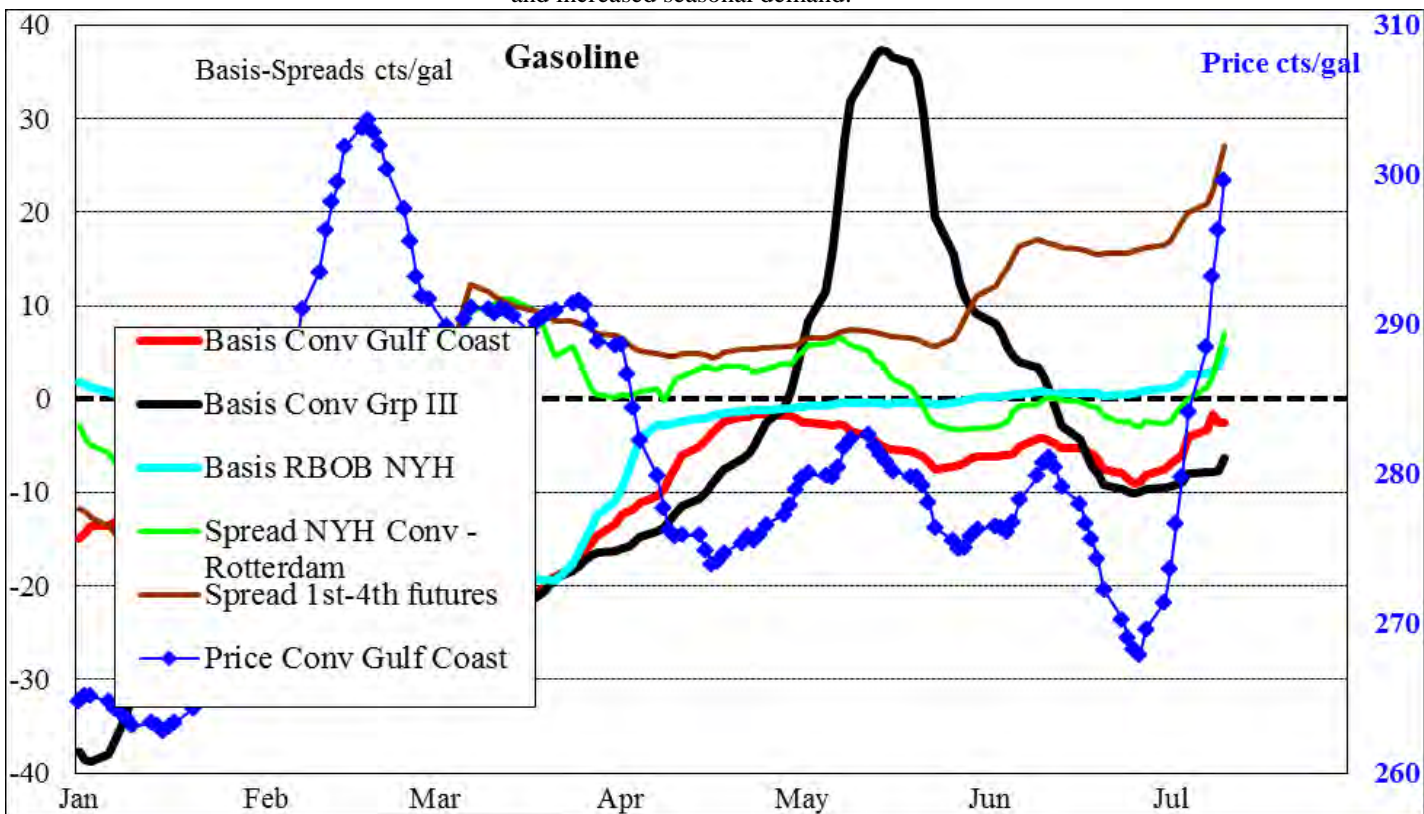
**Chicago** basis to trend higher on peak seasonal demand and unplanned FCCU maintenance.

**Group III** basis to trend higher on increased seasonal demand and low stock levels, limited by record production.

**Gulf Basis** to trade sideways on extremely high stock levels and excess supplies on the East Coast, the trend higher on peak seasonal demand.

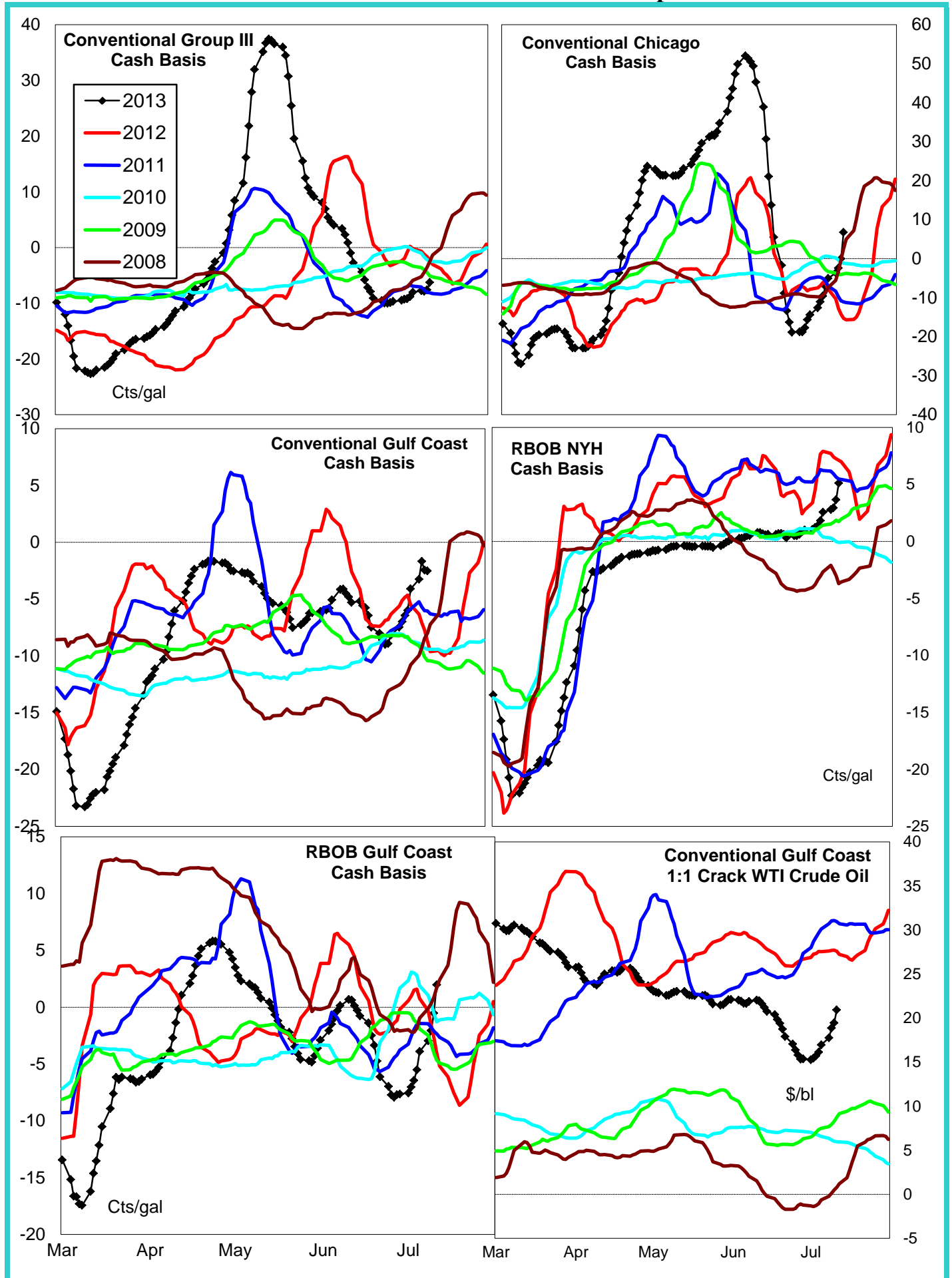
**West Coast (Los Angeles)** basis to trend higher on peak seasonal demand, limited by record production.

**Gulf Coast Price** The spike in wholesale demand likely includes a jump in exports that was driven by the recent weak U.S. prices compared to foreign markets. Concurrently imports have dropped to record low levels. The result is a tightening of supplies during peak season demand. Look for near term strength in gasoline prices and basis.

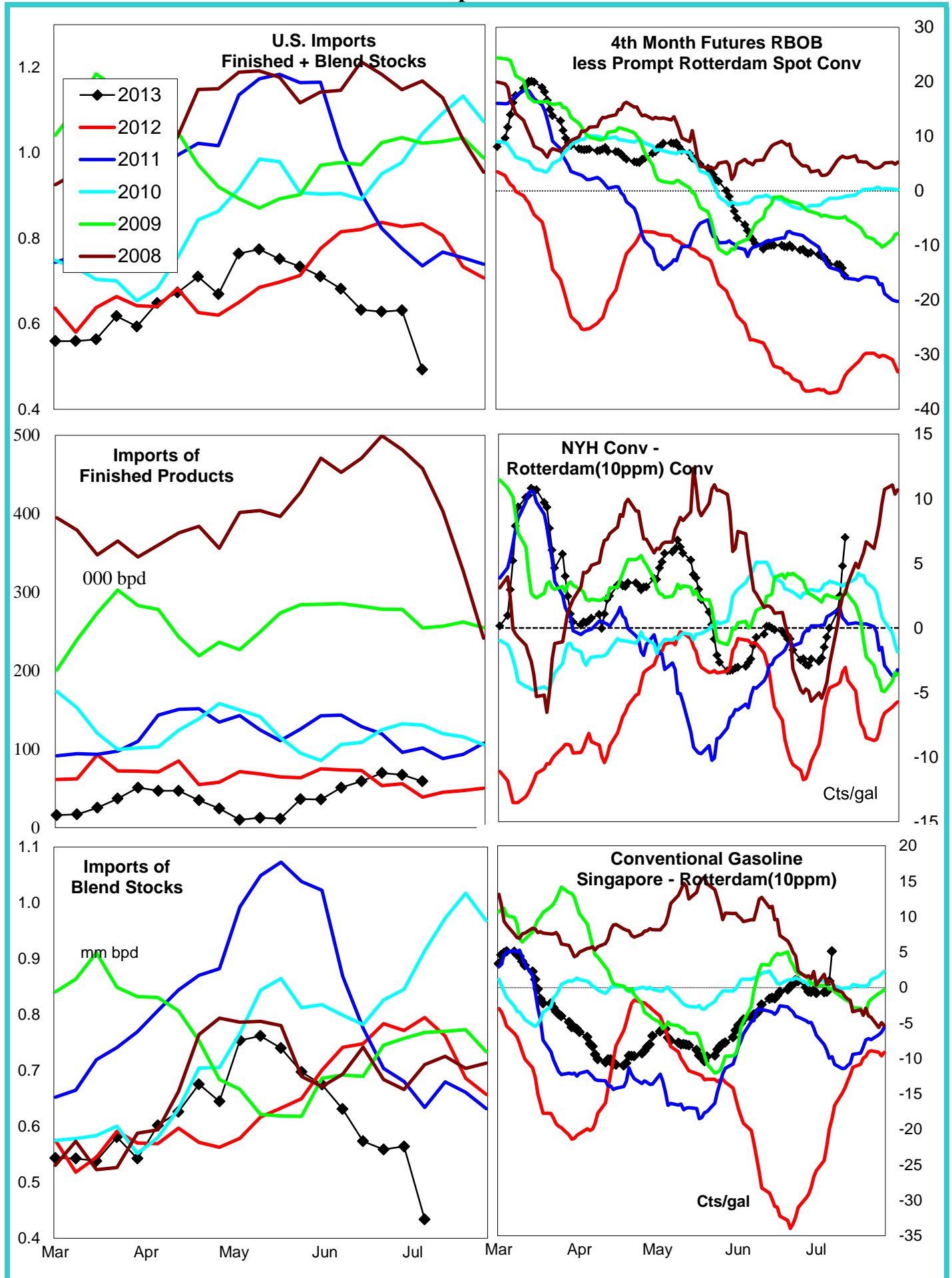


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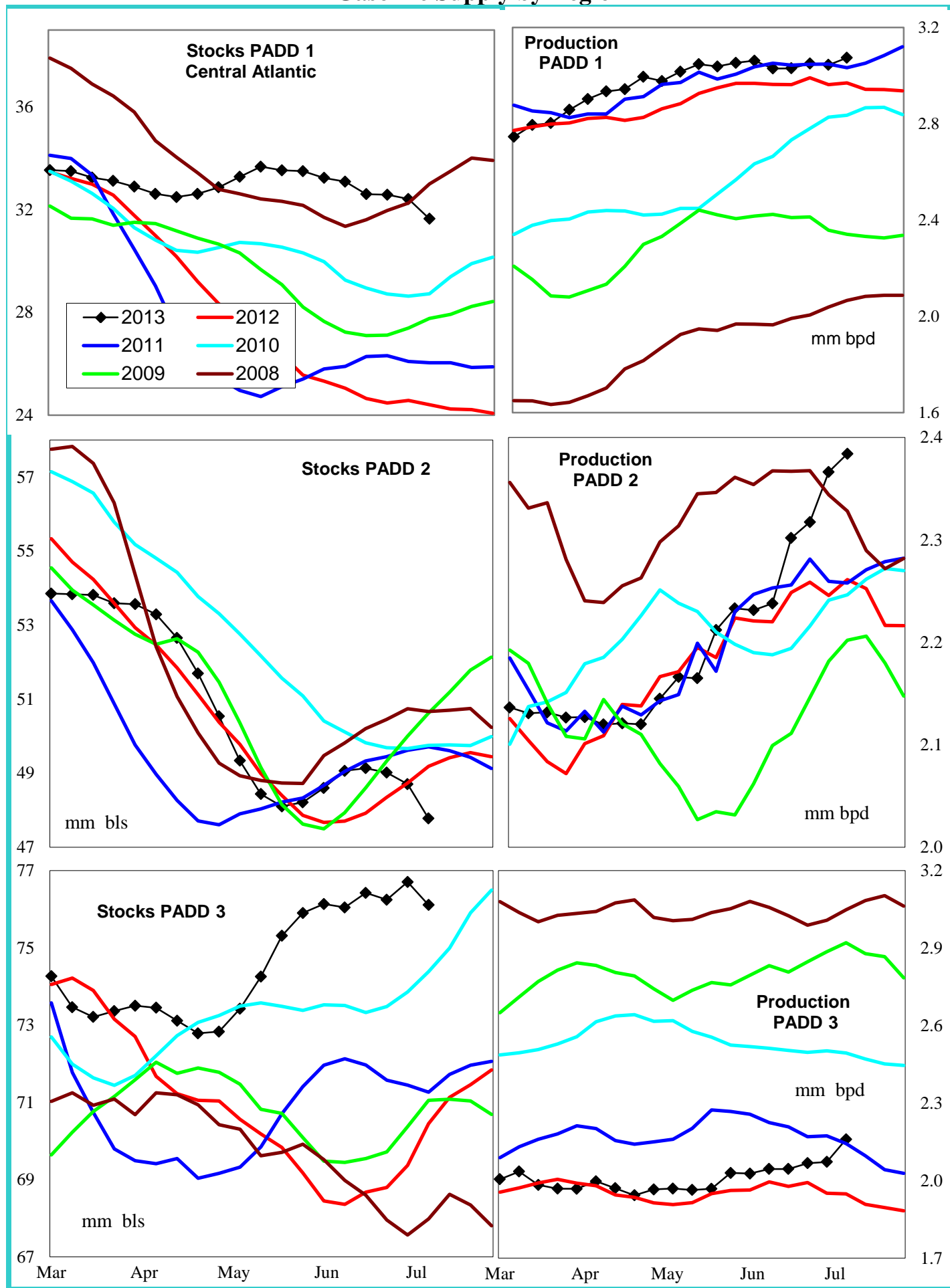
# Gasoline Cash Basis and Related Price Spreads



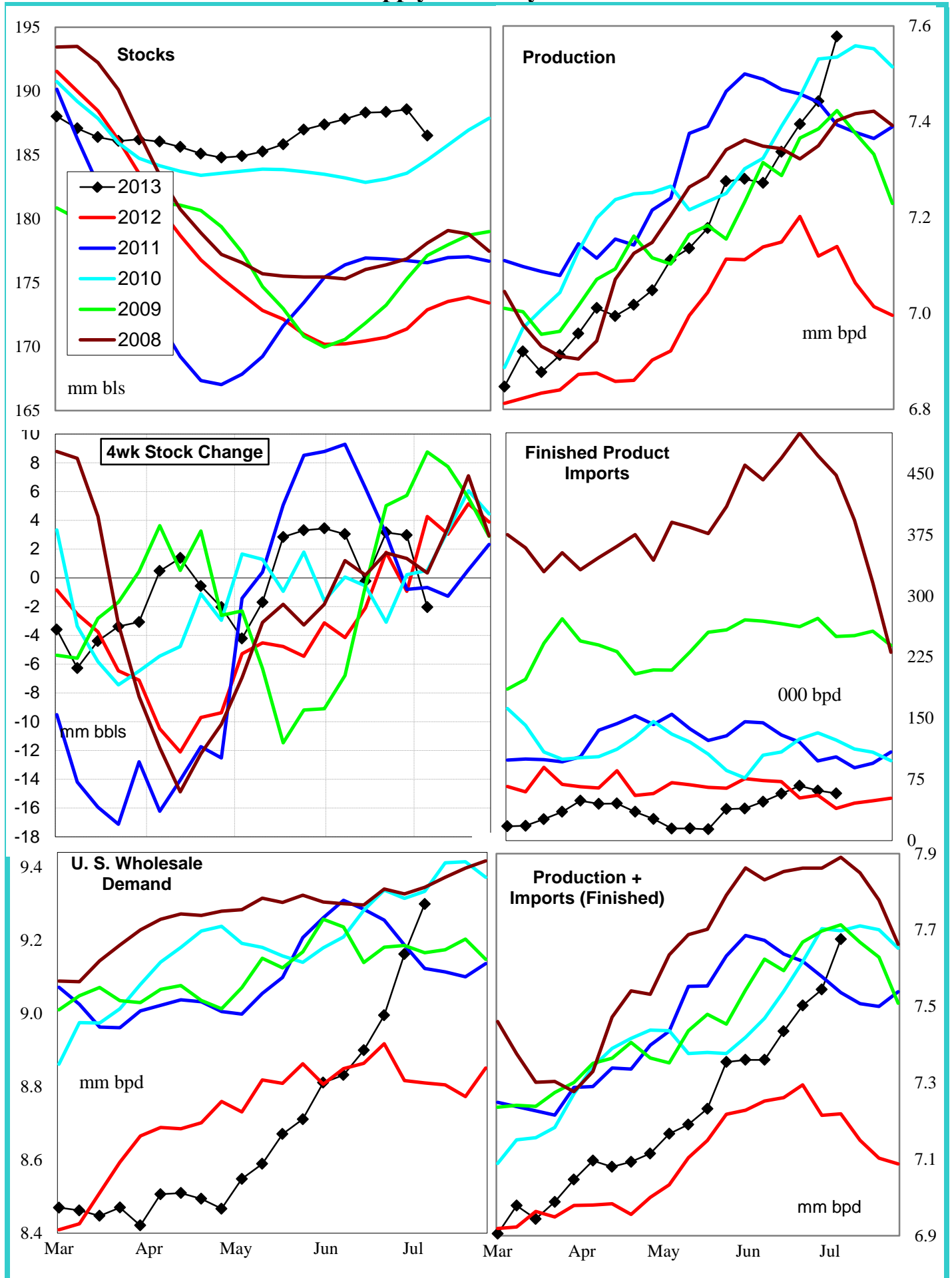
## Gasoline Import Economics



## Gasoline Supply by Region



## Gasoline Supply Summary PADDs 1+2+3





# PADD 5 Gasoline Supply

