



WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Thursday, July 25, 2013

ash 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 +0.3 million bpd last week to a level above last year.

The latest 4-wk average demand was +275,000 bpd above a year ago.

Supplies fell -229,000 bpd, on record low imports. Production levels matched the 3-year mid range for the week.

Stocks decreased -1.4 million barrels on the week. Stock levels are very high in the East, West and Gulf coast markets.

Basis levels trended lower in all regional markets last week, with the exception of the Group III.

Strength in the NYMEX RBOB contract has not been supported by domestic cash prices or international markets, where basis is record lows for this time of year.

RBOB

New York Harbor basis to trend higher on the sharp drop in imports and peak seasonal demand.

Conventional

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

Chicago basis to trend higher on peak seasonal demand.

Group III basis to trend higher on increased seasonal demand and low stock levels.

Gulf Basis to trend higher on increased exports and peak seasonal demand.

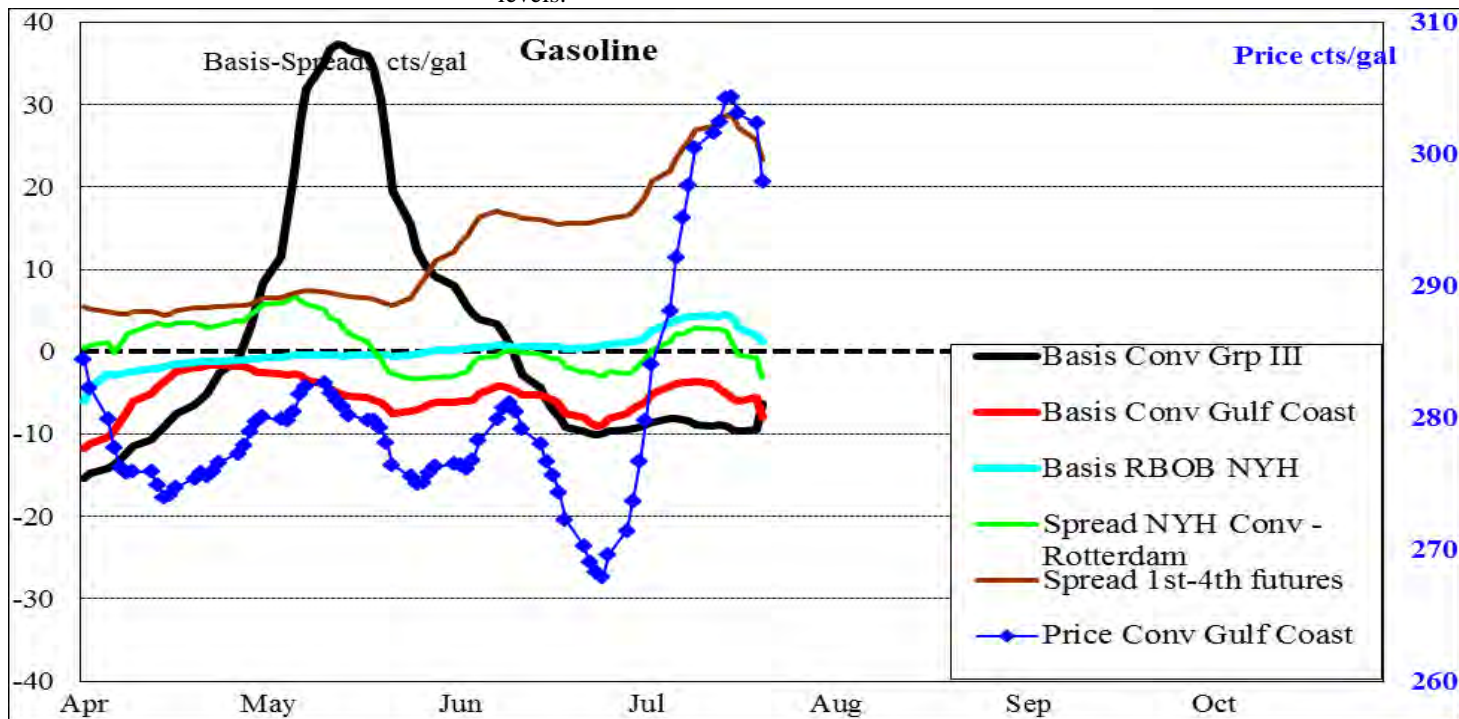
West Coast (Los Angeles) basis to trend higher on peak seasonal demand, limited by record production.

Gulf Coast Price NYMEX RBOB contract price strength has depressed cash basis across both U.S. domestic and international cash markets.

Year on year increased wholesale demand reflects exceptionally low demand during the same period last year.

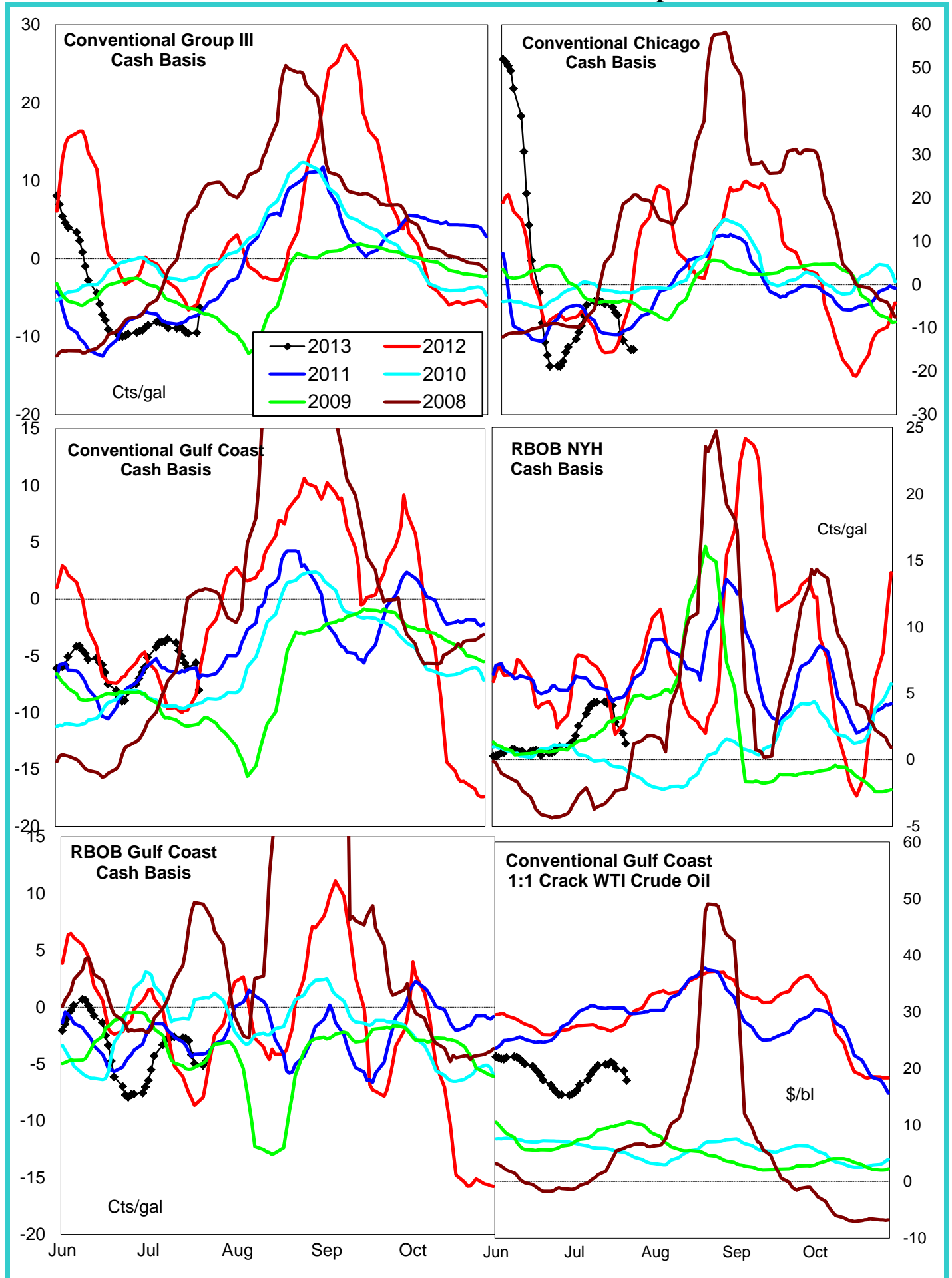
Stock levels are unusually high for peak season demand on the East, Gulf and West coasts. Expect stocks to decline significantly on the East Coast following the sharp drop in imports.

A seasonal pull back in prices is likely on an end to peak summer demand over the next 30-days.

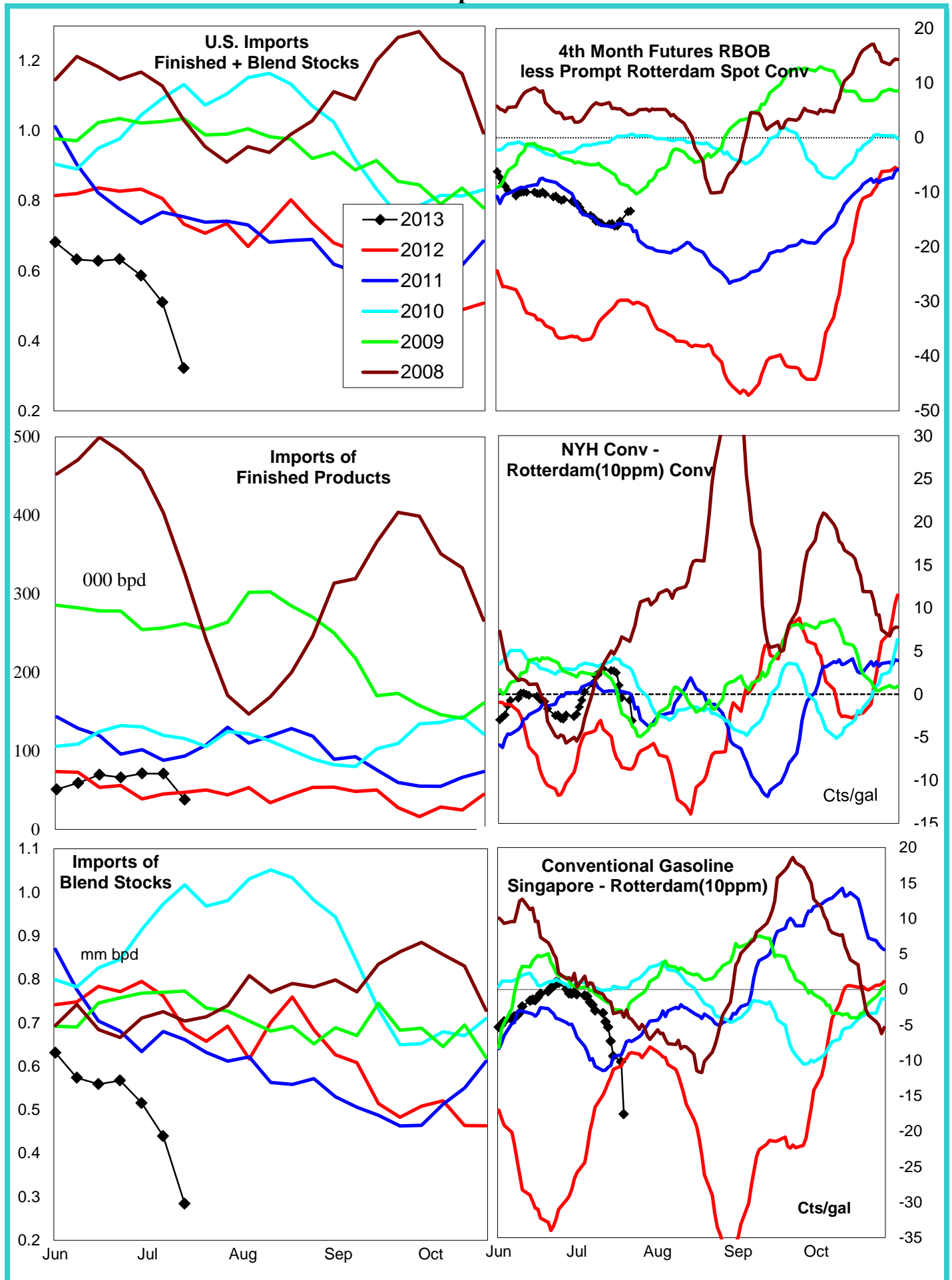


Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and 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.

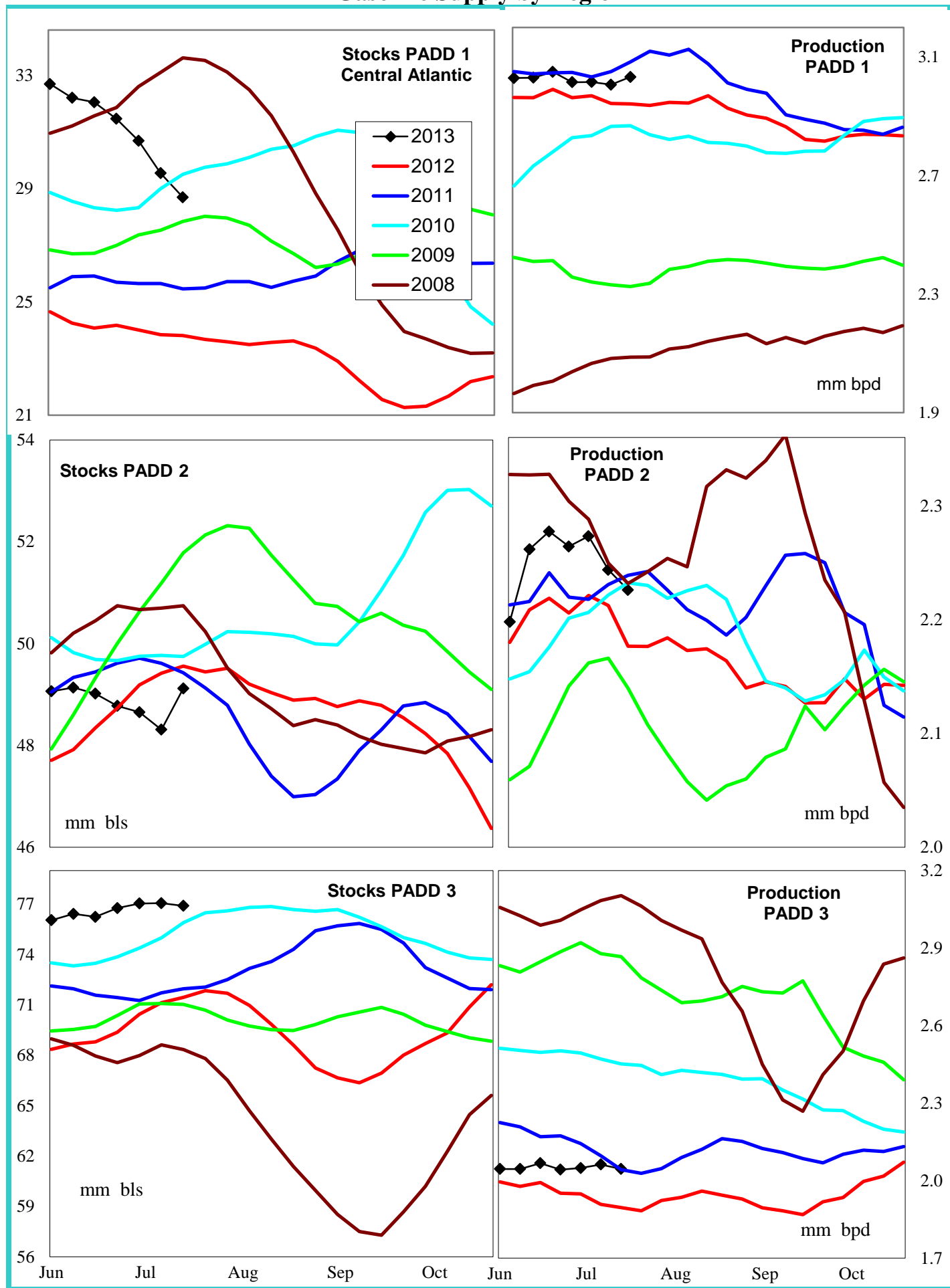
Gasoline Cash Basis and Related Price Spreads



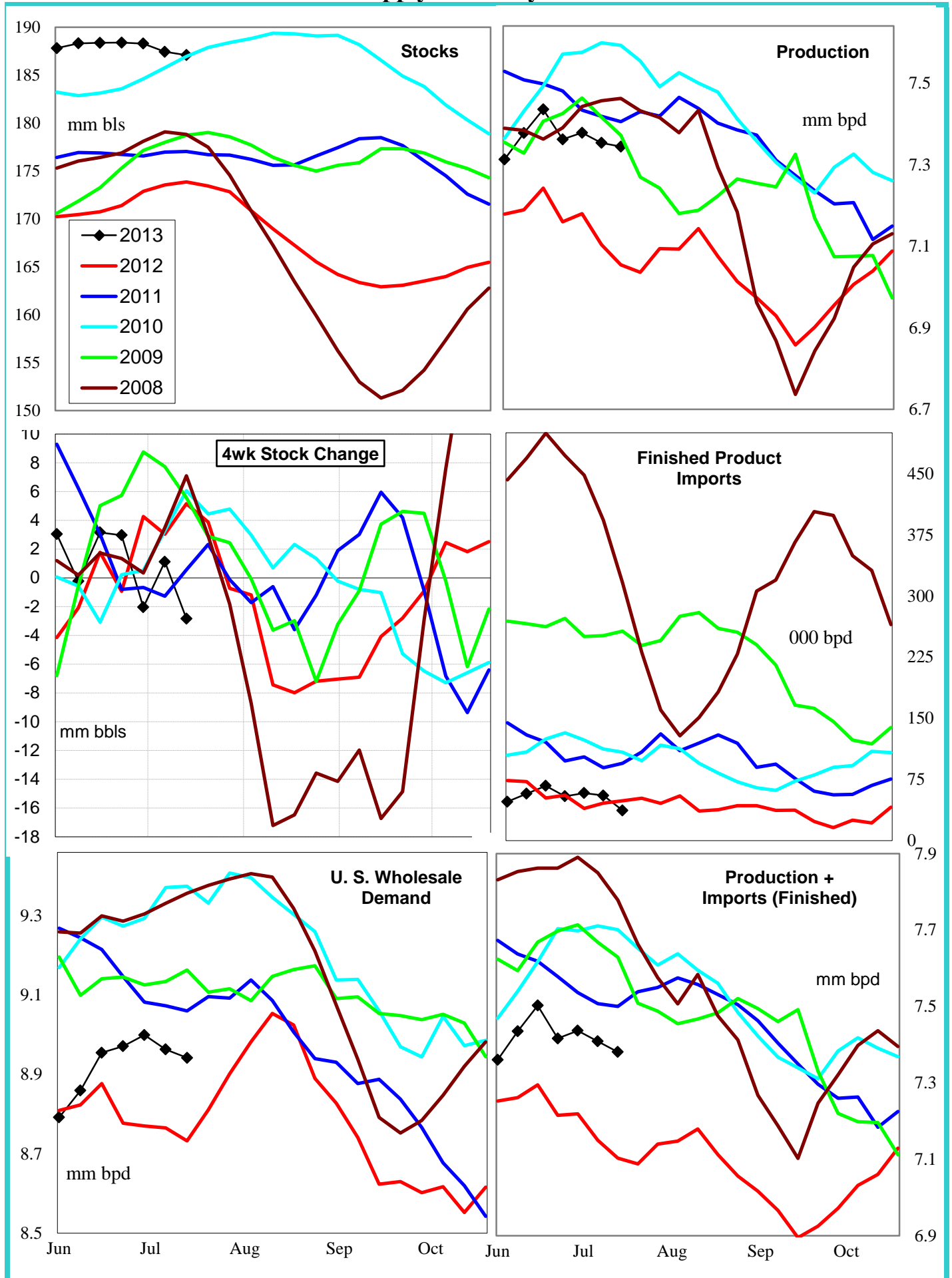
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply