



WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Thursday, August 29, 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		→	→

week. The latest 4-wk average demand was +94,000 bpd above a year ago.

Supplies increased +264,000 bpd on higher imports.

Stocks declined -0.6 million barrels on the week. Stock levels remain very high in the East, West and Gulf coast markets.

Basis remains exceptionally low on the West Coast; driven by high stock levels. Basis collapsed in the Gulf region last week to record lows for the period as refiners began producing fall grades.

Basis in the Pacific region *declined last week to fresh record lows. Basis levels in Europe remain at the low end of the historic range. This weakness is due in part to the steeply inverted NYMEX RBOB contract.*

RBOB

New York Harbor basis to trade sideways on very high stock levels.

Conventional

New York Harbor basis to trend seasonally higher on start of fall refinery maintenance.

Chicago basis to trend higher in the near term on low stock levels, then decline on lower seasonal demand.

Group III basis to trend higher in the near term on low stock levels, then decline on lower seasonal demand.

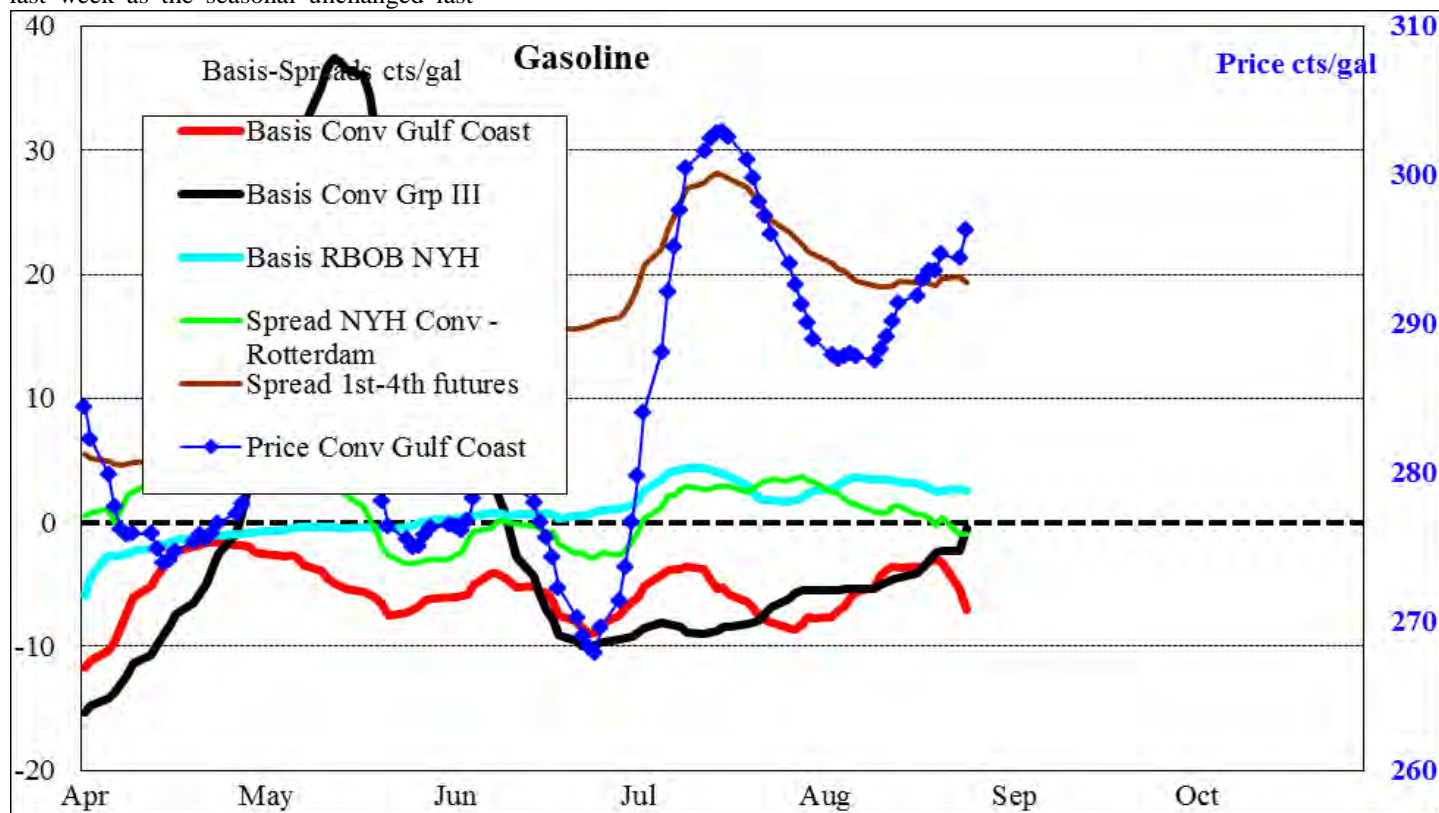
Gulf Basis to rebound from recent collapse, then trend seasonally lower on high stock levels.

West Coast (Los Angeles) basis to trend higher on increased exports (due to extremely over supplied market) refinery maintenance and a seasonal draw down in stocks.

Gulf Coast Price Gasoline stocks are high in all coastal markets, which combined with refiners beginning to produce fall grades should keep the market well supplied.

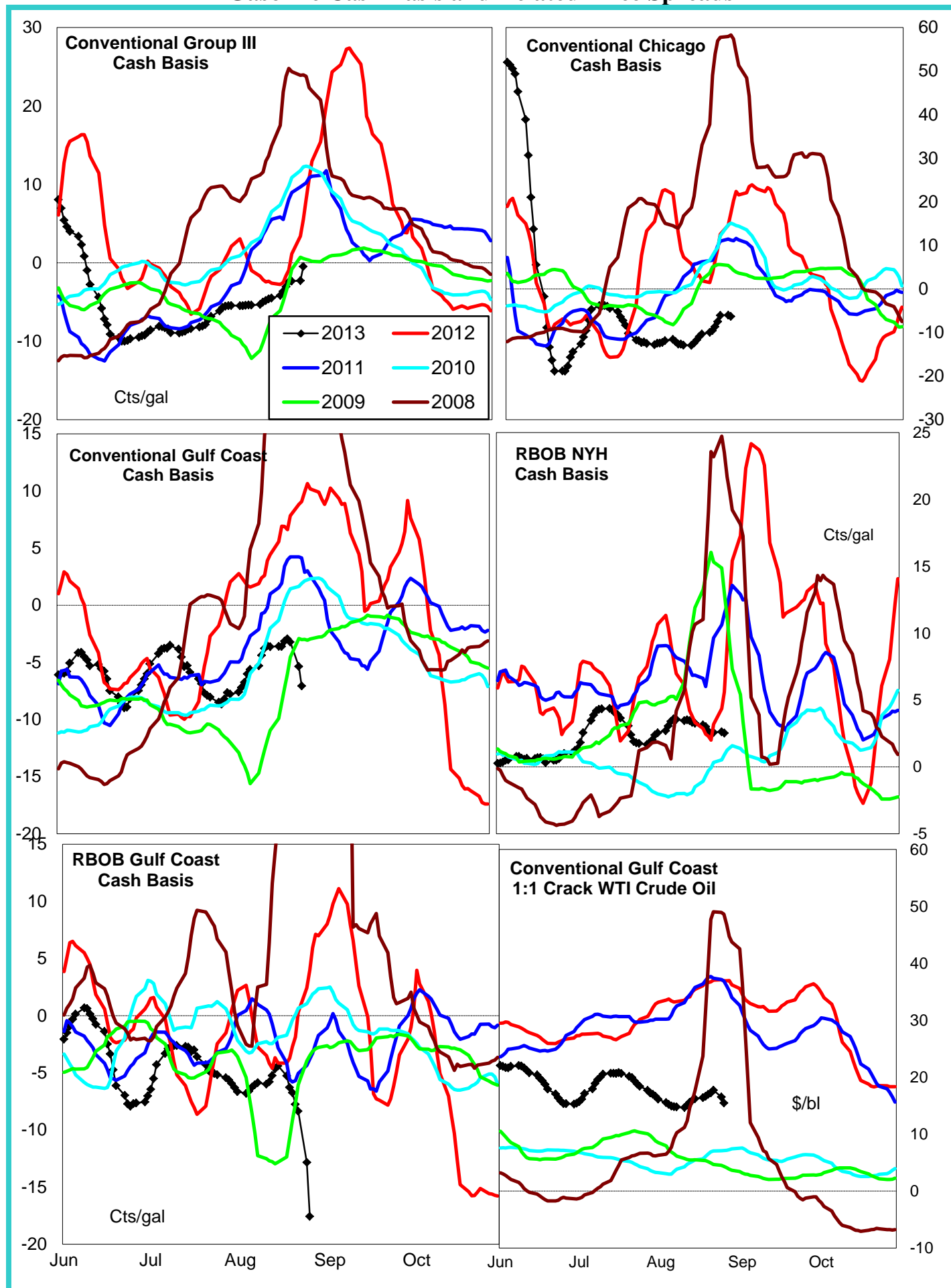
Risk of a U.S. military strike in Syria has temporarily lifted the global energy market. Over the next several weeks, look for a pull back in gasoline prices on very ample supply in coastal markets.

Wholesale demand declined -169,000 bpd last week as the seasonal unchanged last

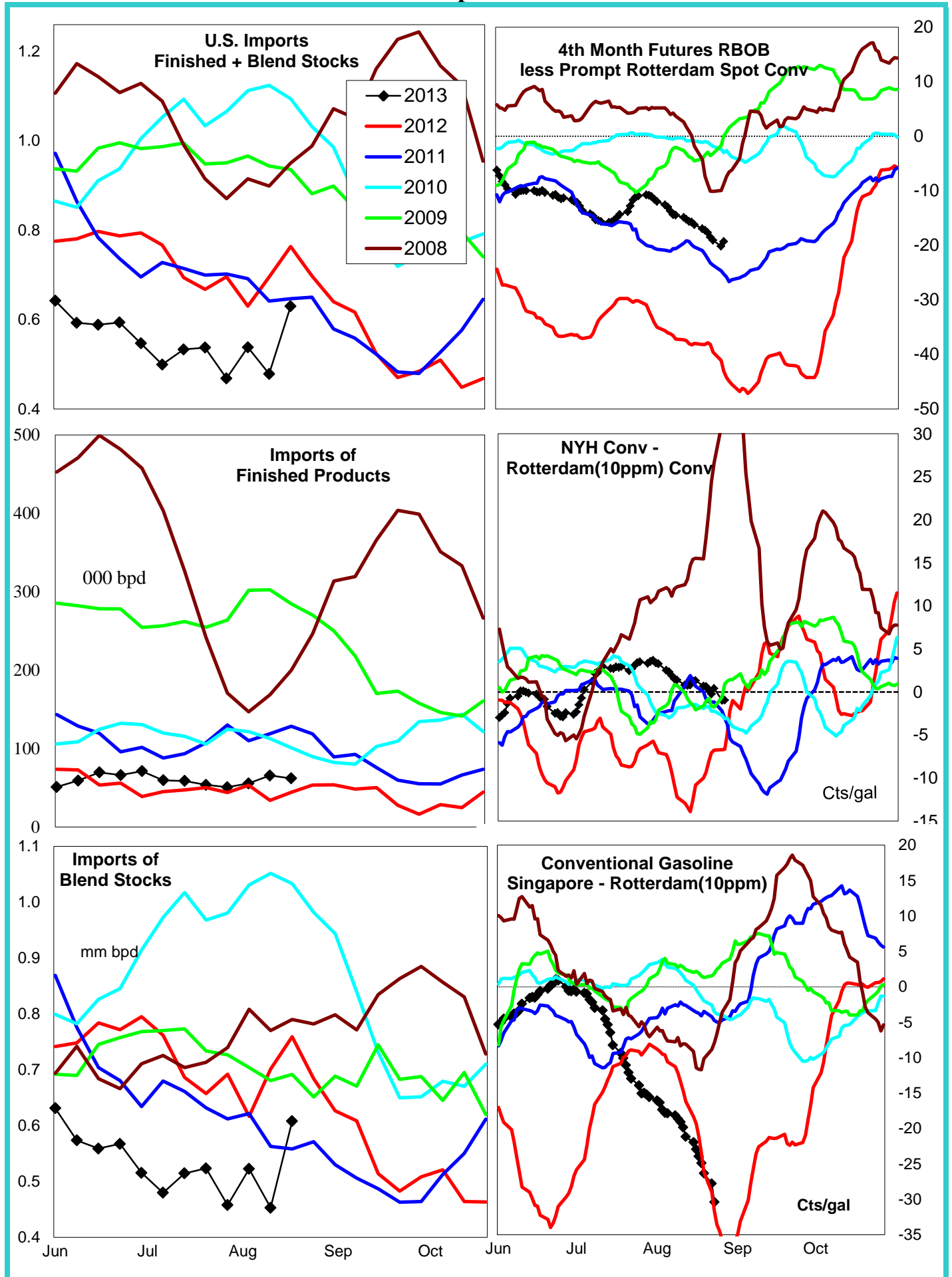


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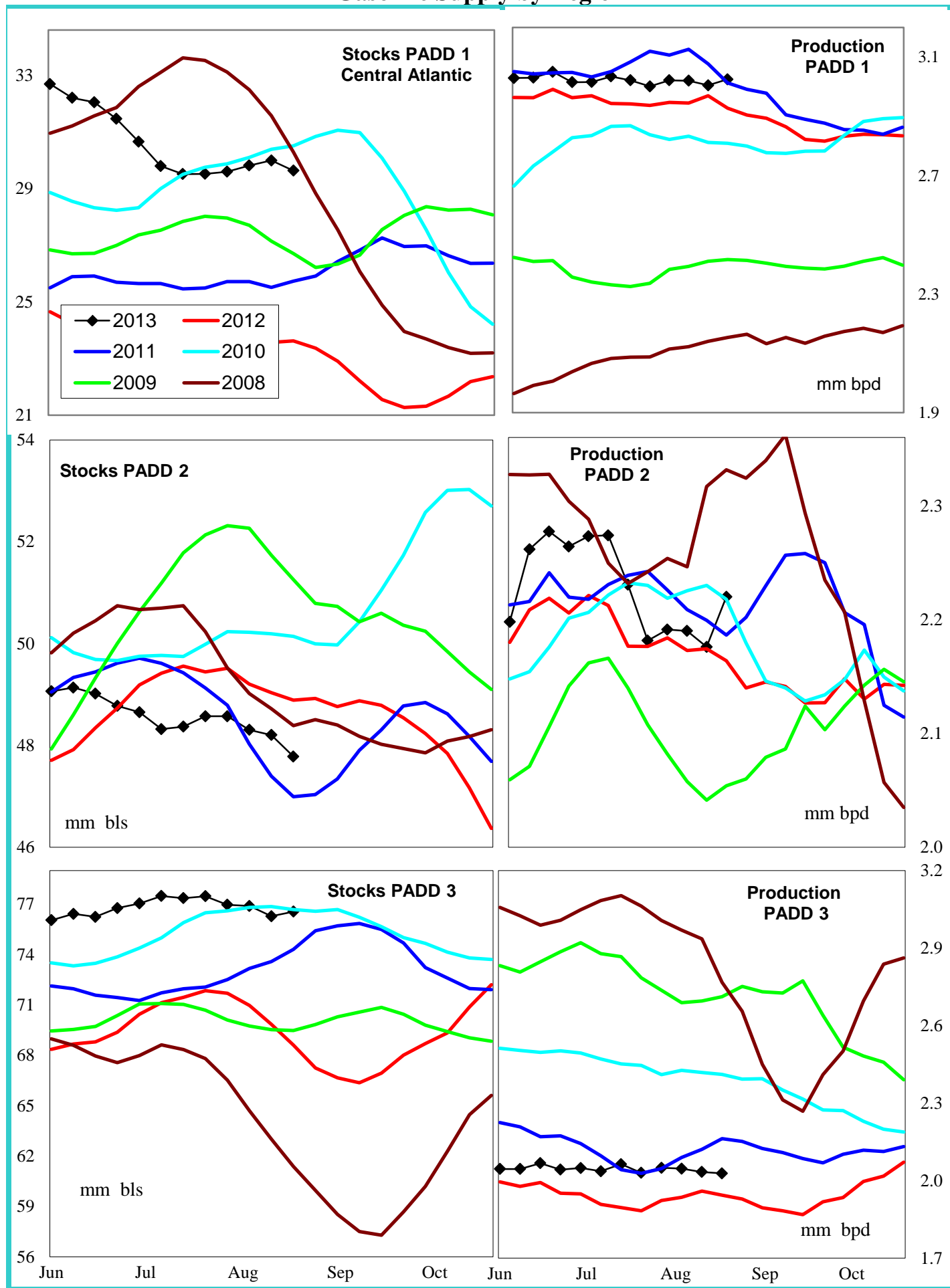
Gasoline Cash Basis and Related Price Spreads



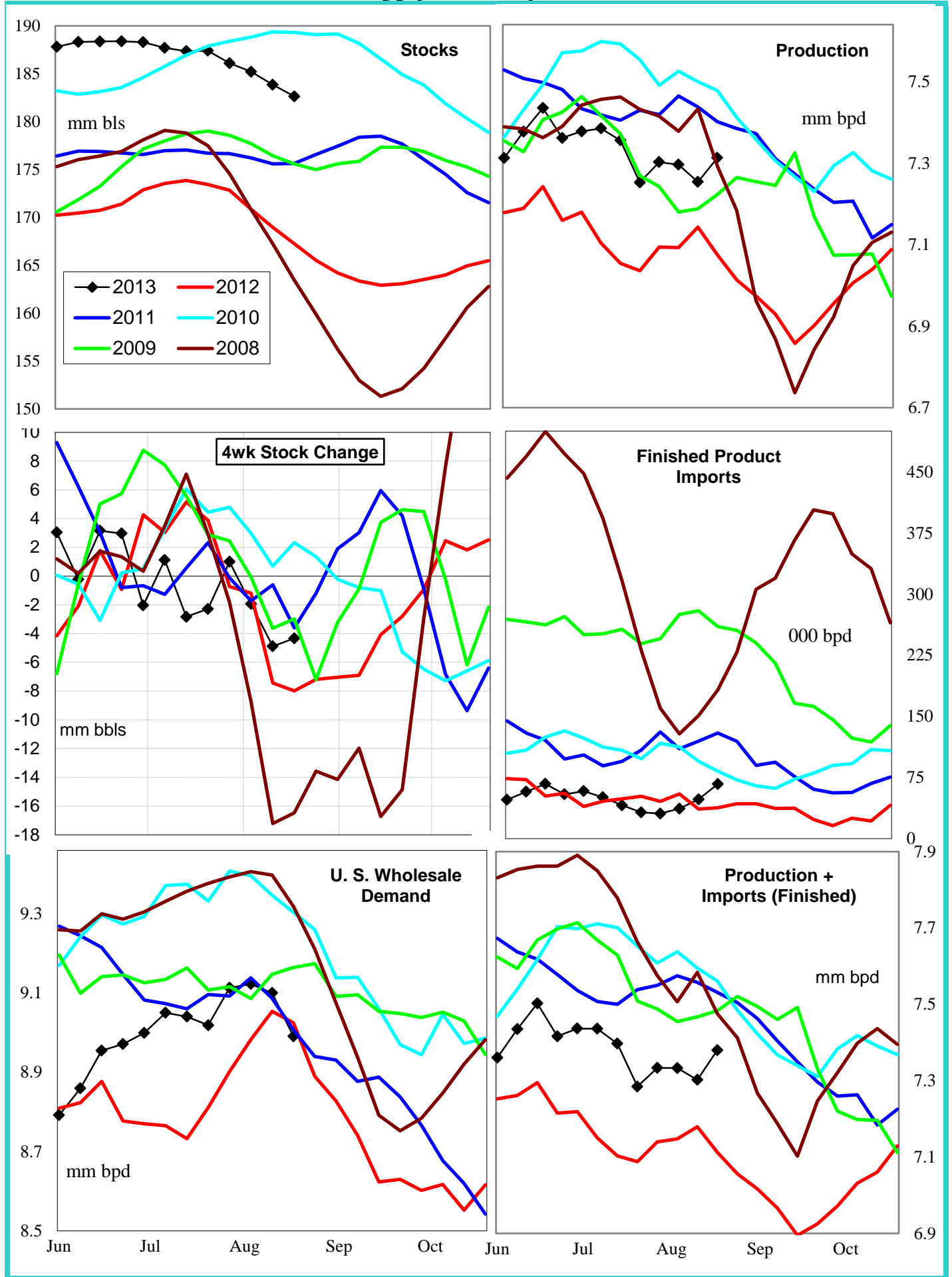
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply

