



WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Friday, September 06, 2013

aash 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 +63,000 bpd last week with the level above the last 2-

years for the week. The latest 4-wk average demand was -29,000 bpd below a year ago.

Supplies fell -0.6 million bpd on lower production and imports.

Stocks declined -1.8 million barrels on the week. Stock levels remain high in the East, West and Gulf coast markets.

Basis increased in most markets on the roll from Sep to Oct NYMEX RBOB contract. Excluding the roll, basis strengthened in the West and Group markets last week, while plunging in the Gulf.

Look for basis to rebound in the Gulf as refiners begin fall maintenance. The tight Midwest market should see improvement as CBOB grades are received from the Gulf following the switch in Magellan system.

RBOB

New York Harbor basis to pull back following the roll from Sep to Oct contract on lower seasonal demand and an increase in imports.

Conventional

New York Harbor basis to pull back from the bounce due to the Sep to Oct roll, as

imports rebound and seasonal demand trends lower.

Chicago basis to trade sideways in the near term then trend seasonally lower.

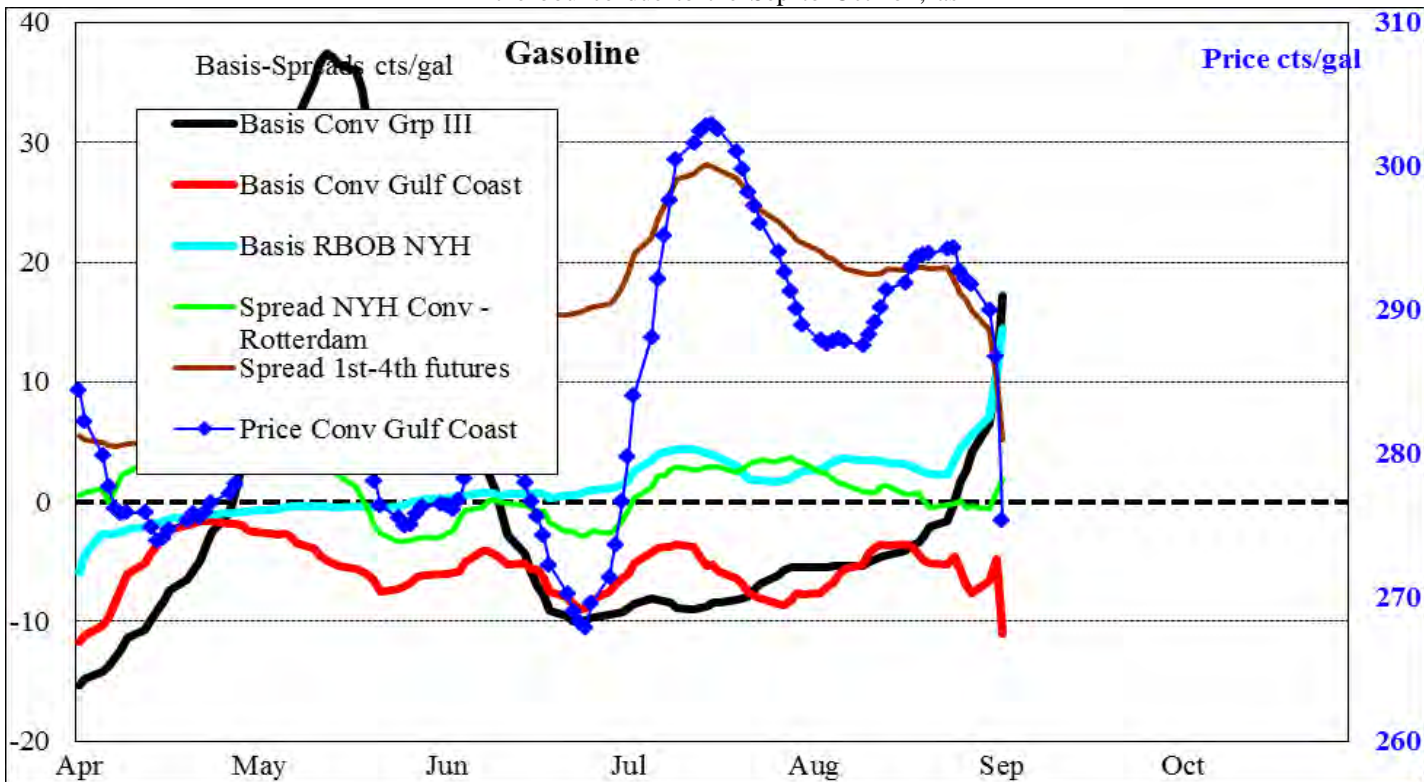
Group III basis to pull back as soon as refiners return from unplanned maintenance and CBOB grades arrive from the Gulf.

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 in the near term and start of refinery maintenance.

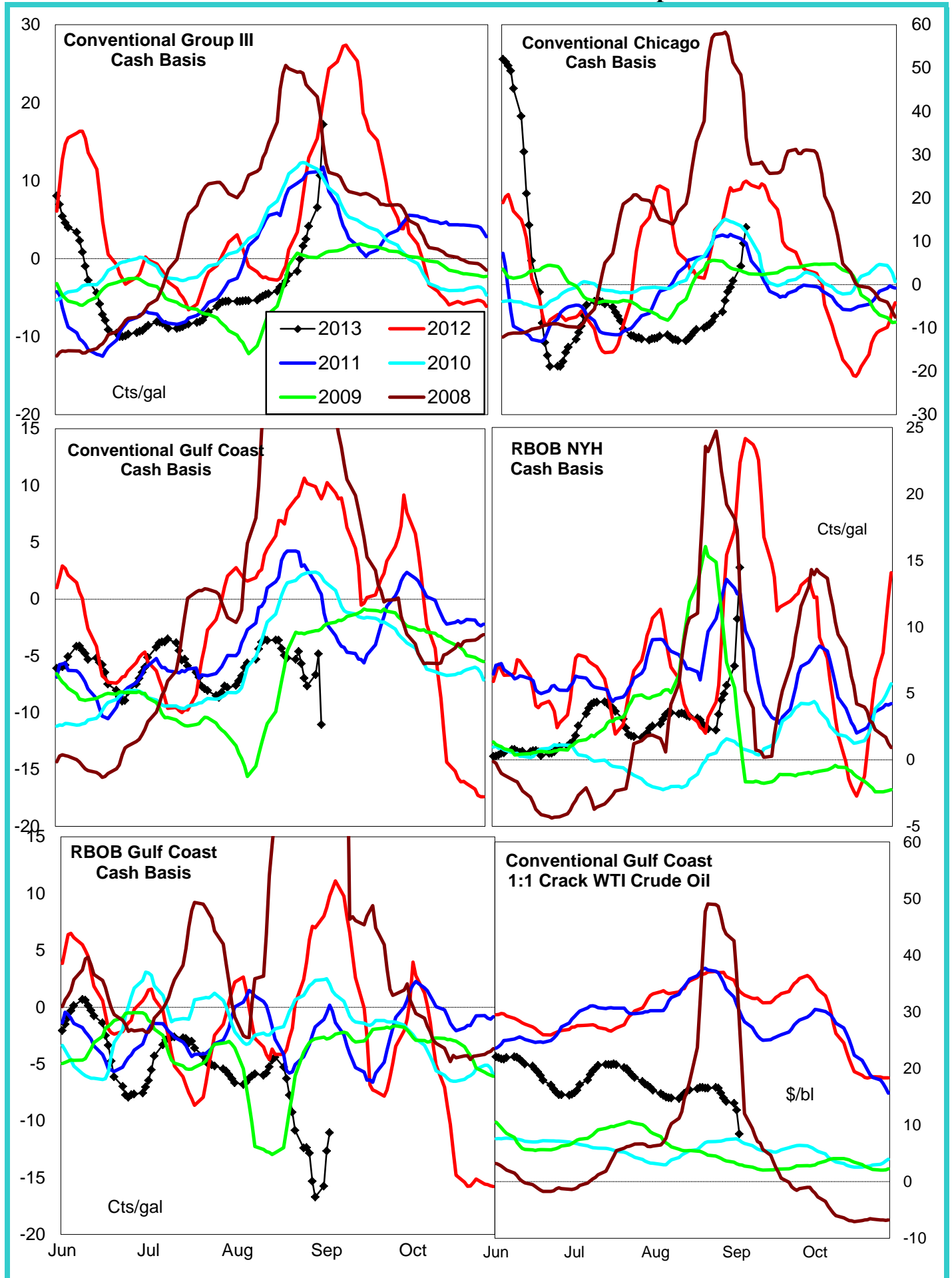
Gulf Coast Price Gasoline stocks are high in coastal markets, although record low imports and reduced refinery output has led to above average stock draws.

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 lower seasonal demand and ample supply in coastal markets.

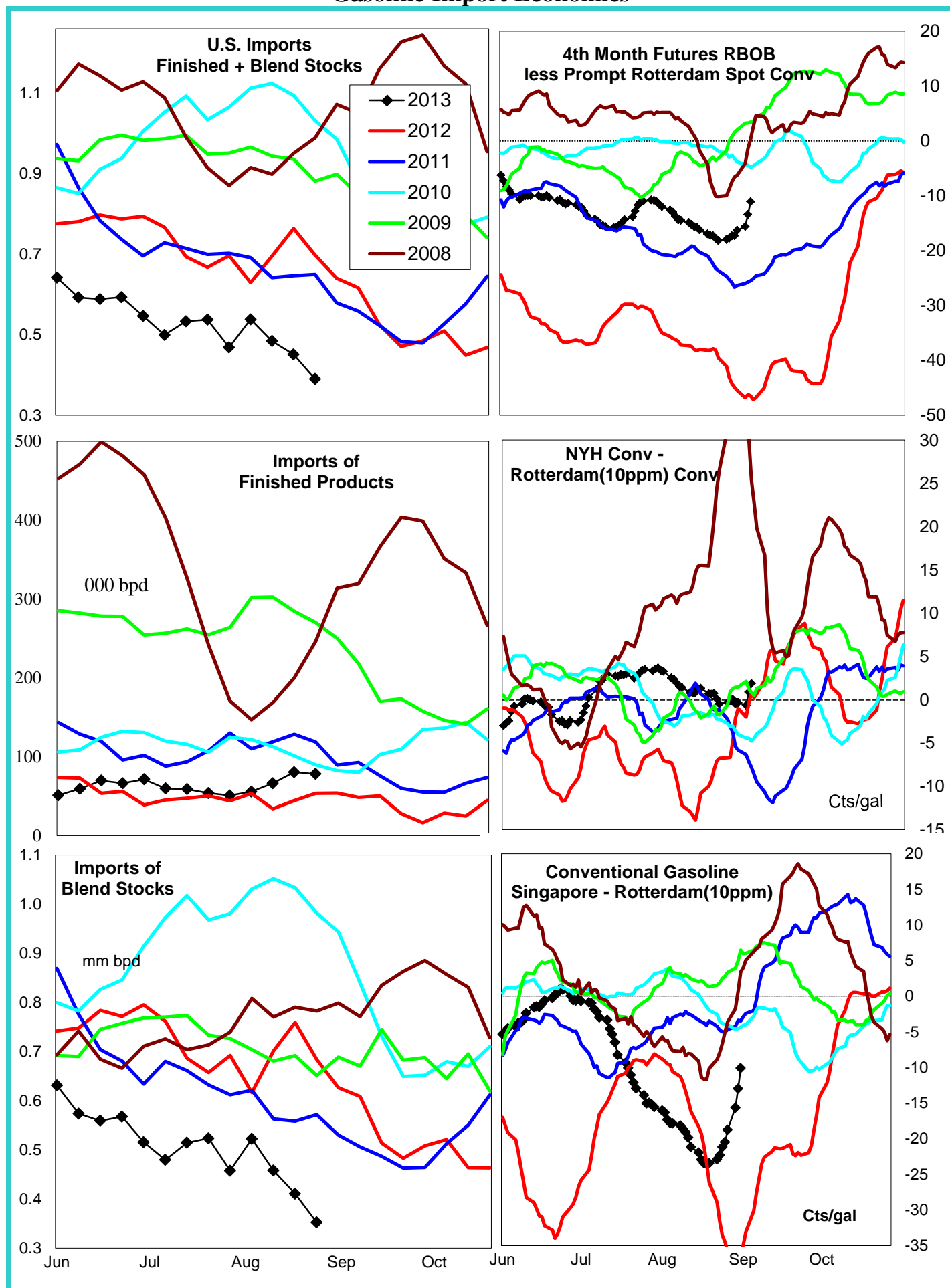


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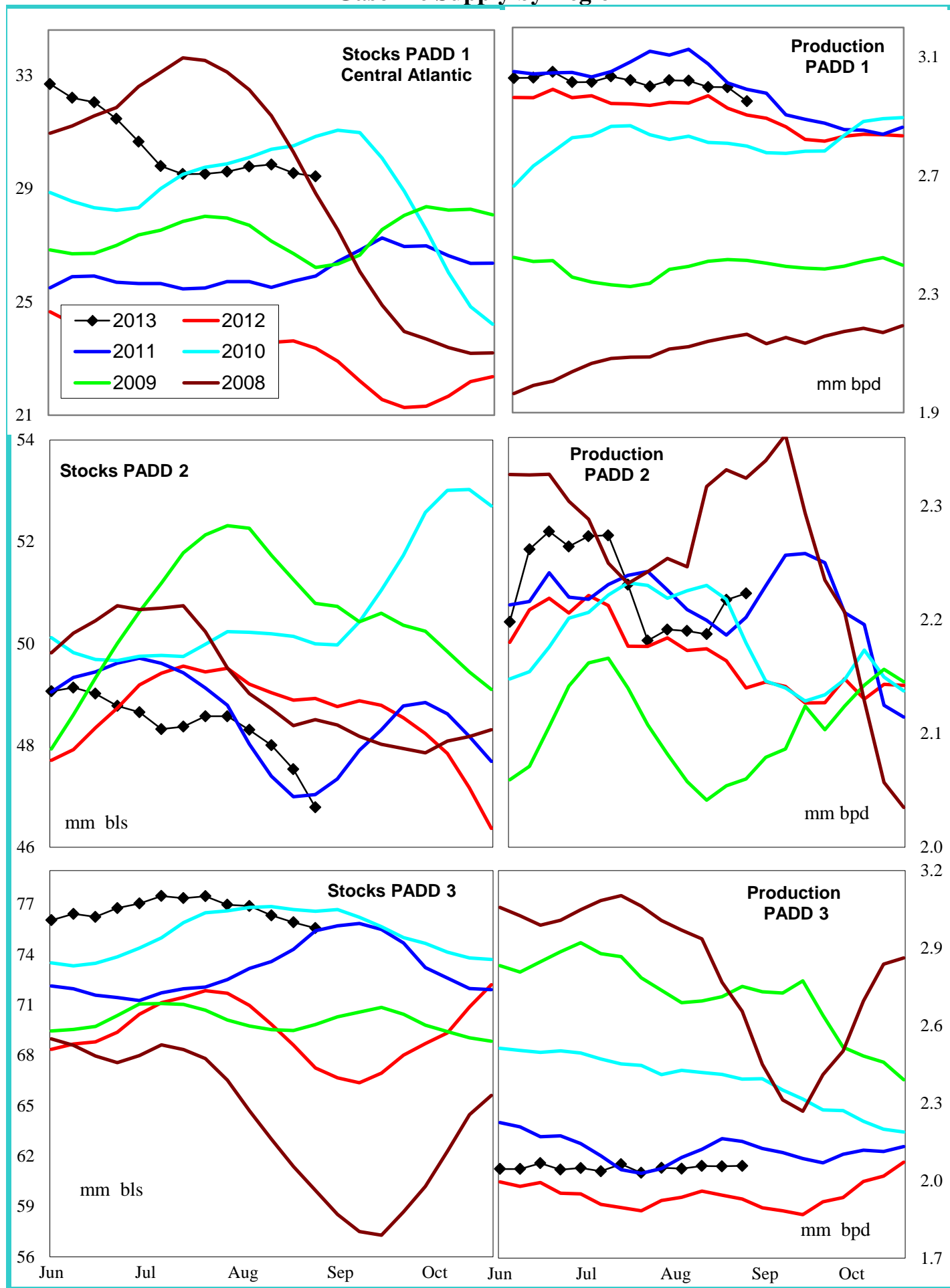
Gasoline Cash Basis and Related Price Spreads

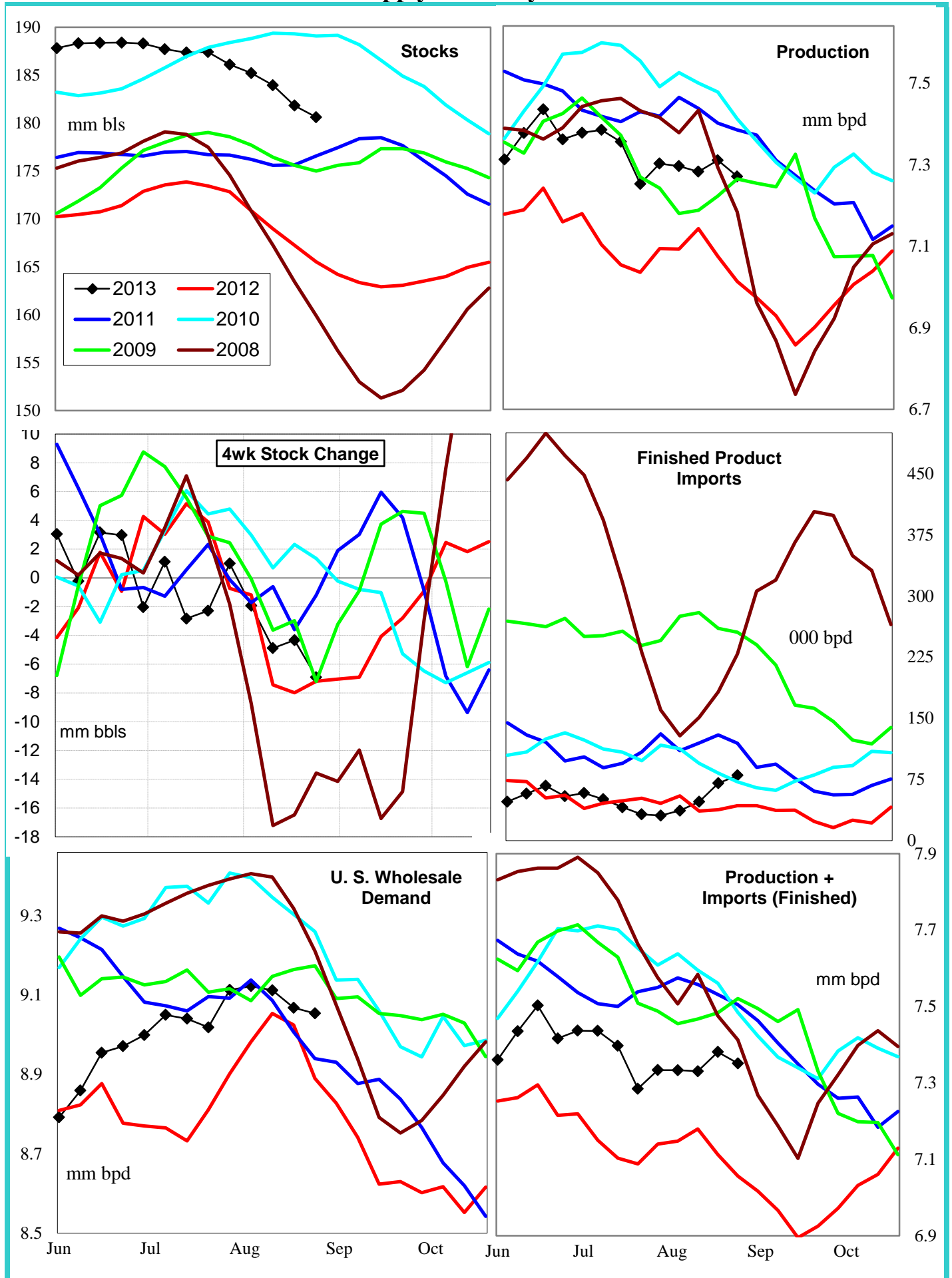


Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3

PADD 5 Gasoline Supply

