



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 jumped +319,000 bpd last week, to a level slightly above the last 2-yrs. The latest 4-wk average demand was +156,000 bpd above a year ago.

Supplies increased +337,000 bpd on higher production and imports.

Stocks increased +0.1 million barrels last week. Stock levels ended the week equal to 5-yr highs with the East and Gulf Coasts' markets at record high levels.

Basis trended slightly higher in all regional markets last week, excluding the Northwest and G3 regions. Basis levels are comparable to most regional markets.

Look for basis to trade sideways in the near term for most regional markets; then trend seasonally lower on balanced to over supplied markets.

RBOB

New York Harbor basis to trade sideways on record stock levels offset by refinery maintenance.

Conventional

New York Harbor basis to trade sideways on record stock levels offset by refinery maintenance.

Chicago basis to trend seasonally lower on increased supplies and lower seasonal demand.

Group III basis to extend the seasonal downtrend on very high stock levels in the G3.

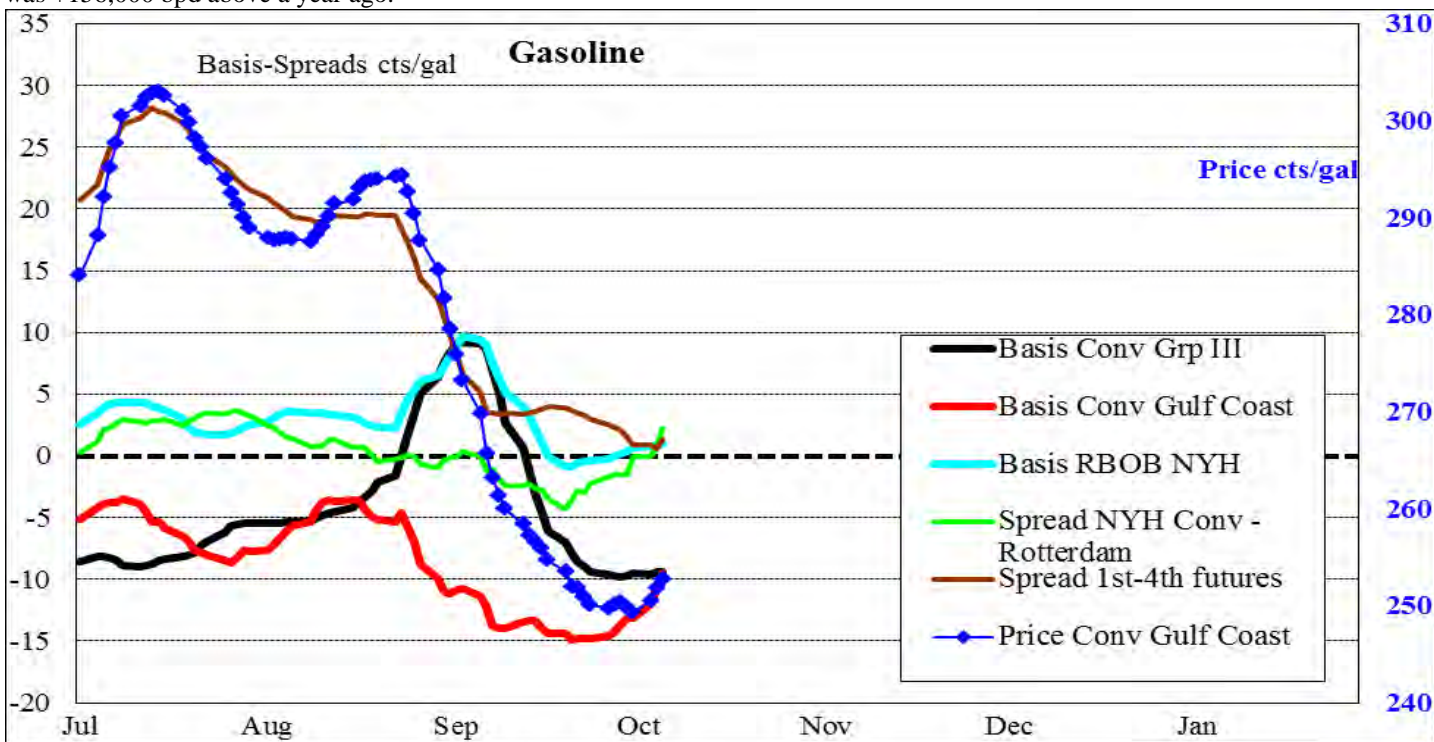
Gulf Basis to trend seasonally lower on extremely high stock levels, in the absence of weather related supply disruptions.

West Coast (Los Angeles) basis to trend seasonally lower on very high production.

Gulf Coast Price Gasoline stocks remain extremely high in the East and Gulf regional markets; due in part to the absence of weather supply disruptions on the Gulf. Poor refining margins and fall refinery maintenance should lead to a decline in production over the next 45-days.

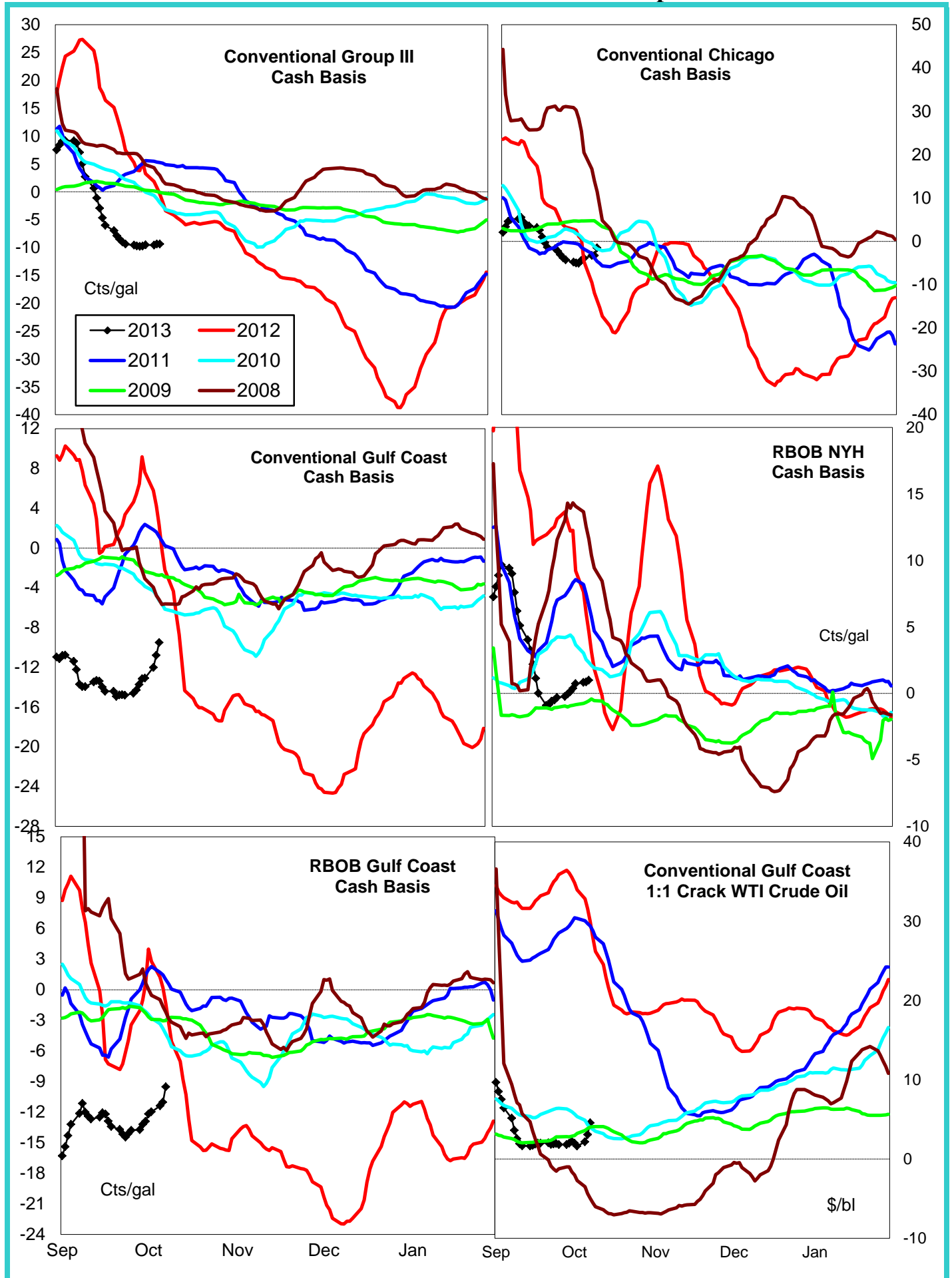
Crude oil runs fell -0.6 million bpd last week as maintenance increased in nearly all regions.

A short term increase in the U.S. government debt ceiling and continued high bond purchases by the Fed should support energy prices in the near term. Risk of gulf hurricane supply disruptions continue.

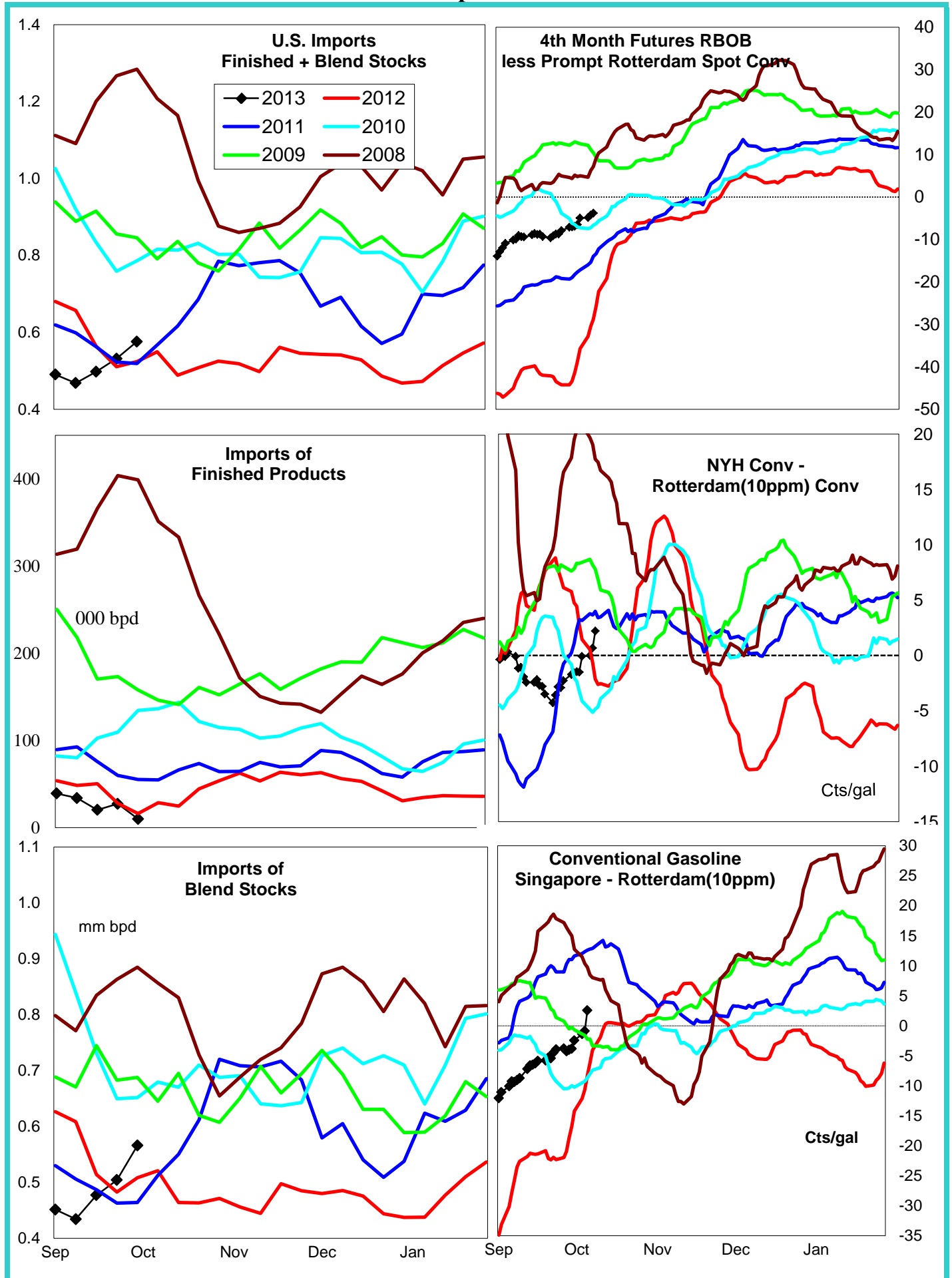


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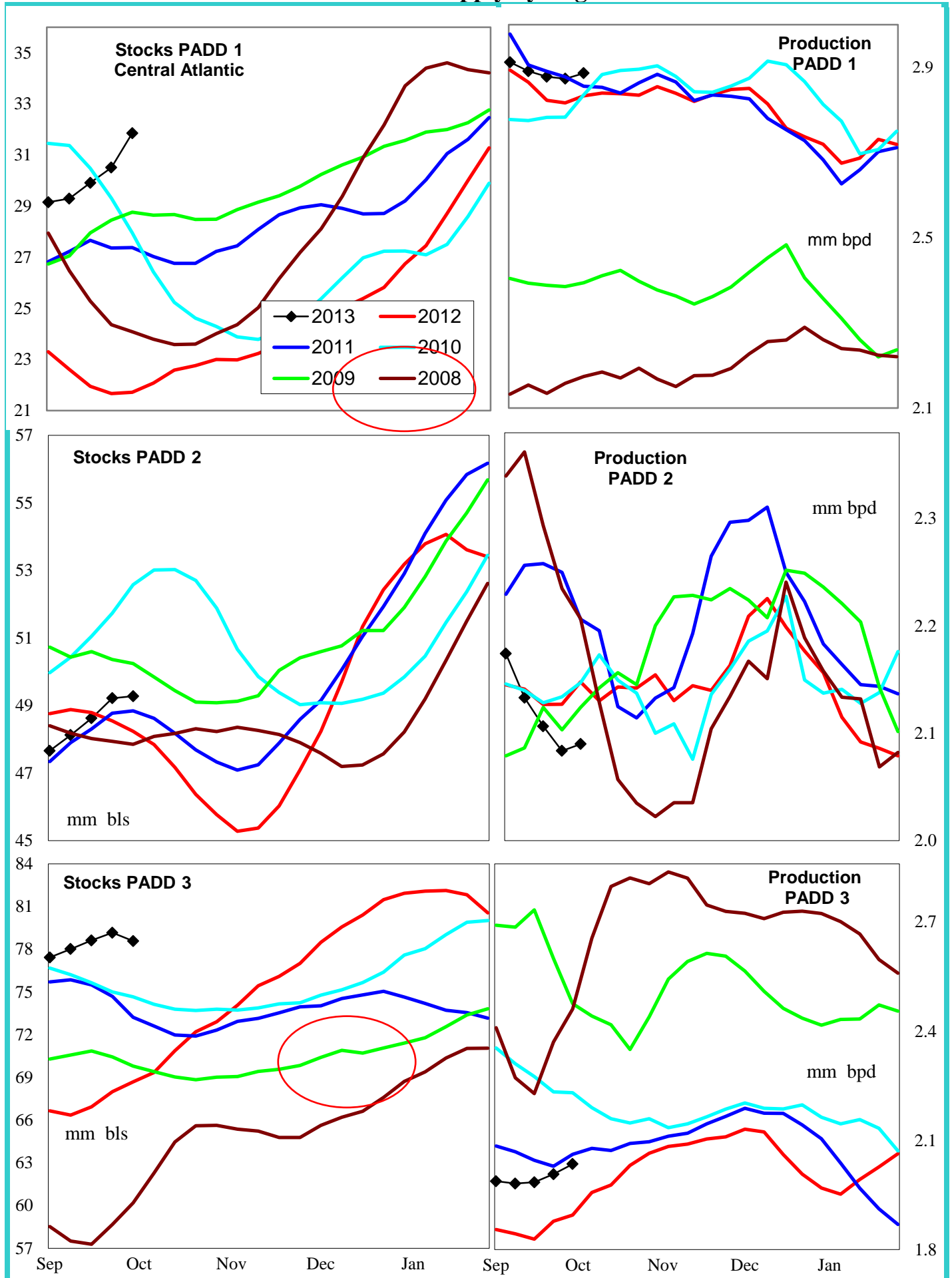
Gasoline Cash Basis and Related Price Spreads

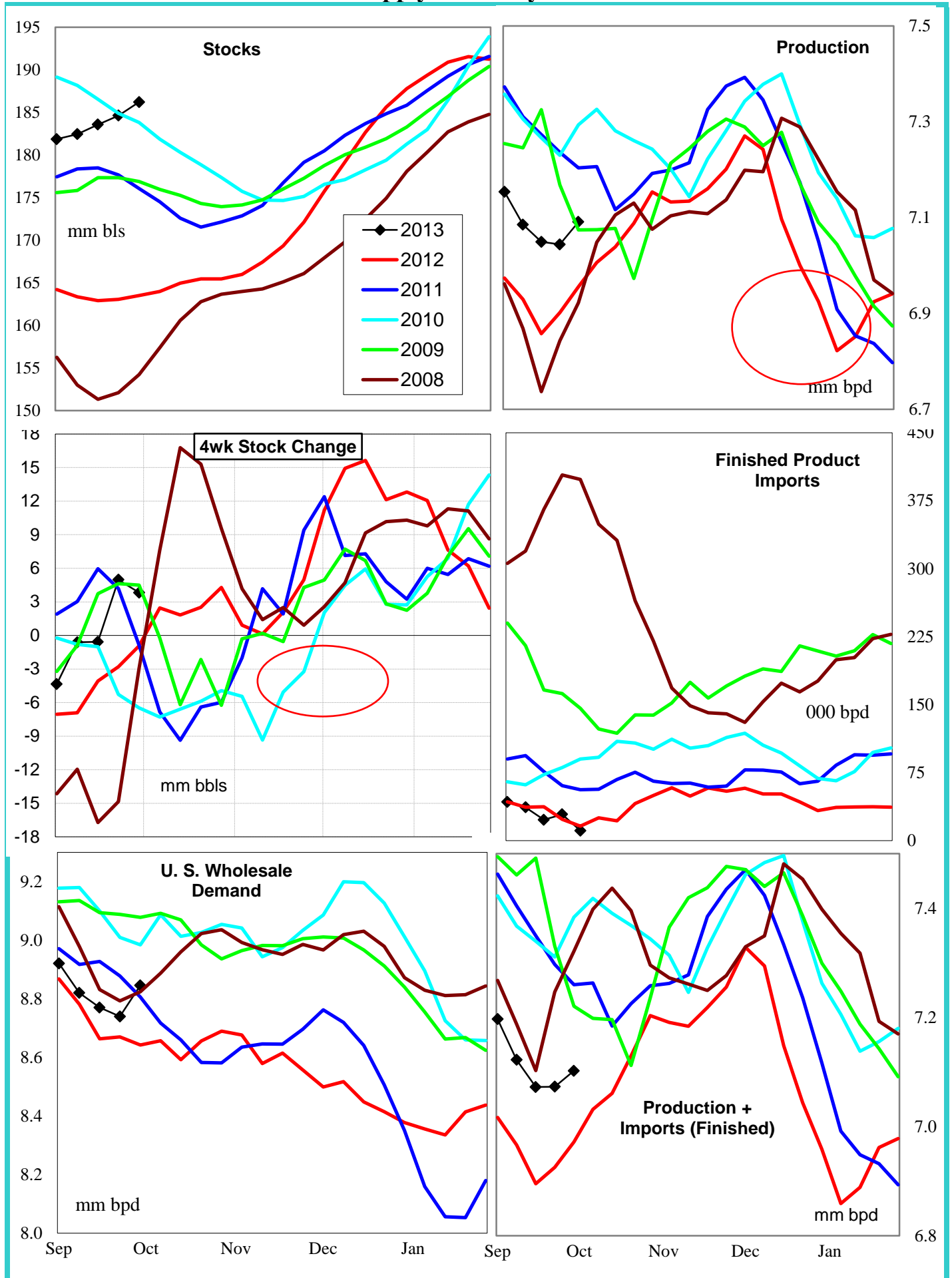


Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3

PADD 5 Gasoline Supply

