



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 decreased -619,000 bpd last week, a level comparable with the

last 2-yrs. The latest 4-wk average demand was +401,000 bpd above a year ago, and likely includes some export growth.

Supplies increased +174,000 bpd last week, on higher production and imports.

Stocks increased +6.2 million barrels last week to a level near historic highs.

Basis extended the uptrend in Midwest and Gulf markets last week on weather related refinery upsets in several markets and refiner buying ahead of winter maintenance. West Coast basis fell sharply on a +2 million barrel build in winter grade product.

RBOB

New York Harbor basis to trade sideways at the mid range on weak seasonal demand partially offset by low imports.

Conventional

New York Harbor basis to trade sideways at the mid range on weak seasonal demand partially offset by low imports.

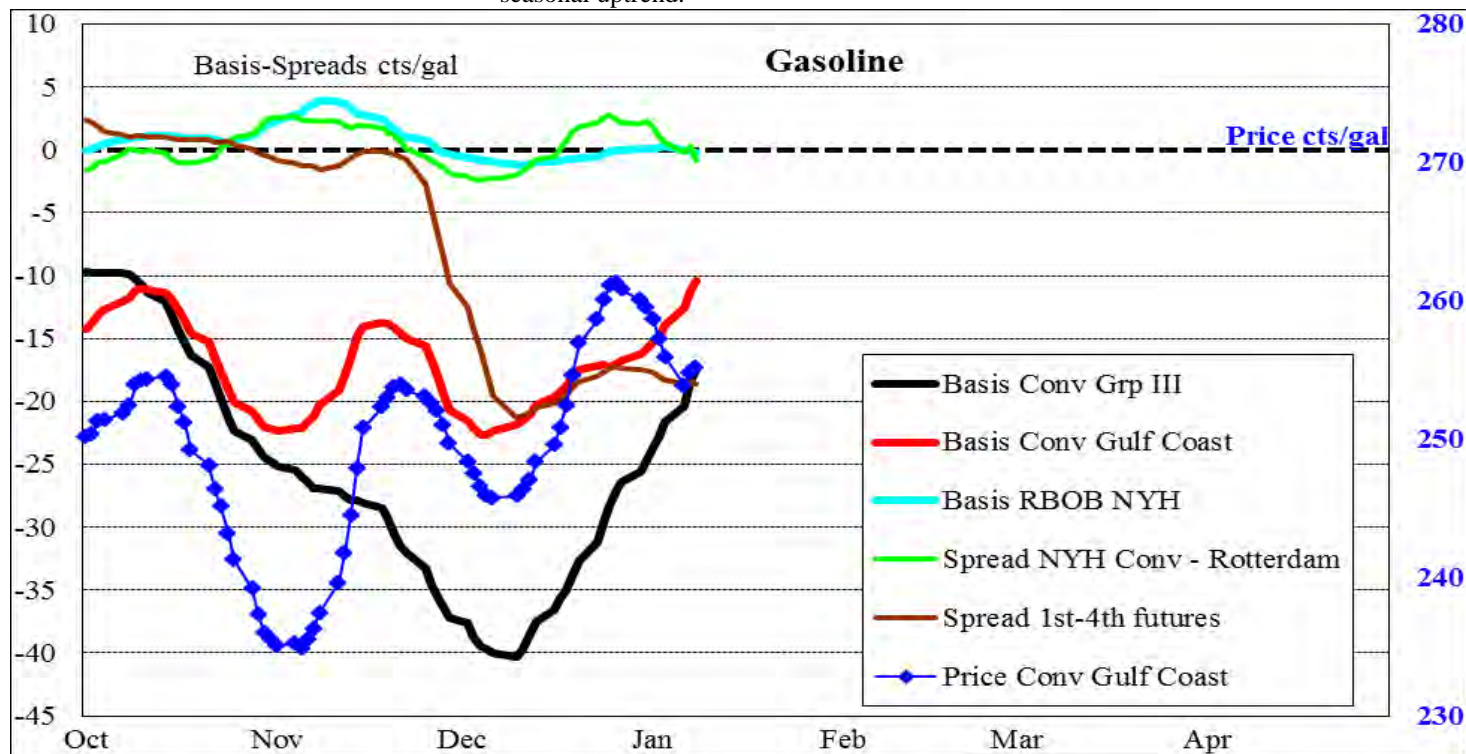
Chicago basis to trend higher on weather related refinery upsets, followed by a seasonal uptrend.

Group III basis to trend higher on weather related refinery upsets, followed by a continued seasonally uptrend.

Gulf Basis to trend seasonally higher as refiners began winter maintenance.

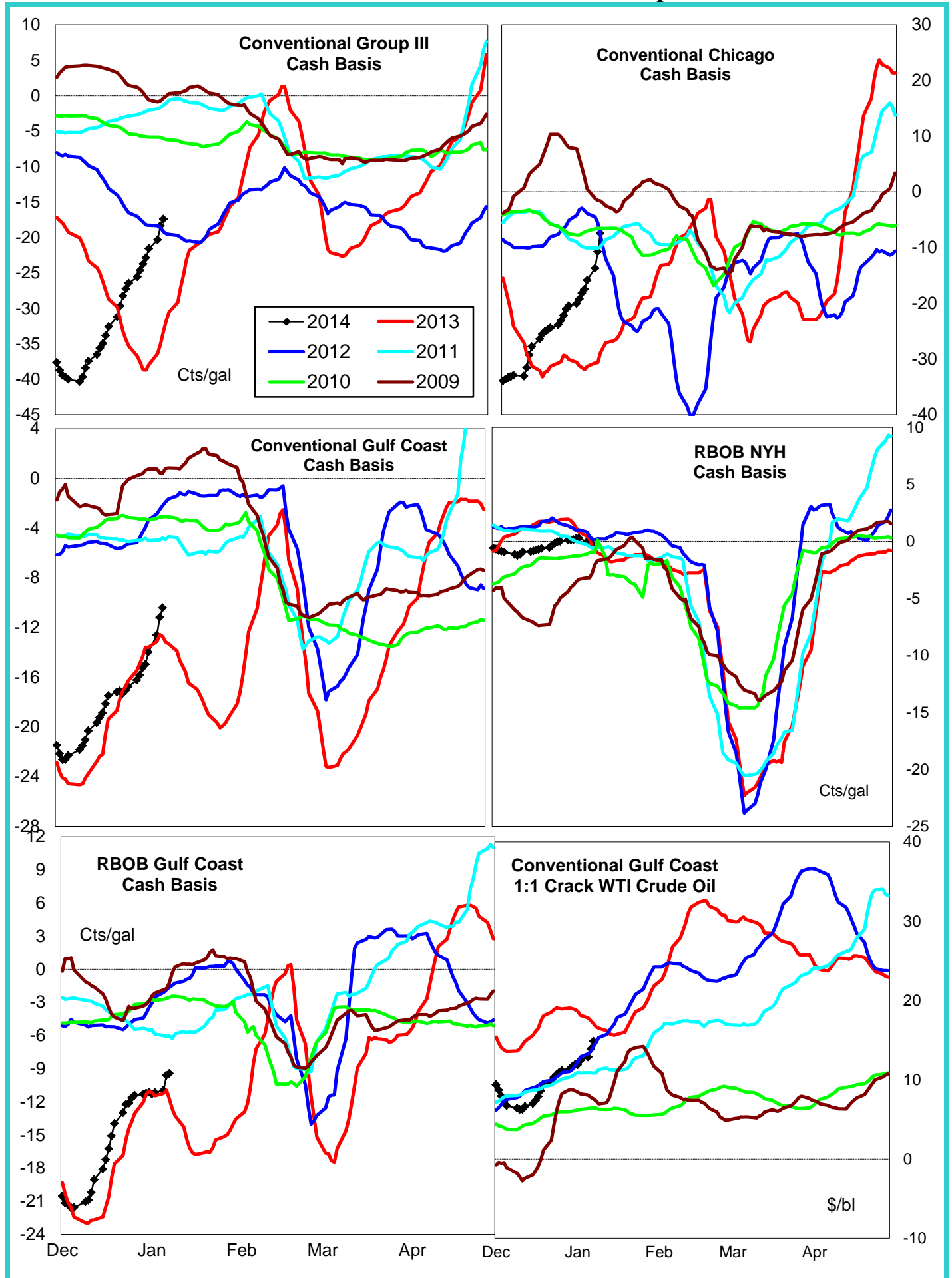
West Coast (Los Angeles) basis trade sideways at record lows due to high stock builds of winter grade product, then seasonally higher as refiners began winter maintenance.

Gulf Coast Price *Extreme cold temperatures are driving refinery disruptions which have led to an earlier than normal uptrend in cash basis for Midwest and gulf regions.* Demand continues to exhibit strong year-on-year growth, with volatility caused by weather and exports. Stock levels are at the upper end of the historic range. Look for price strength after mid month as Gulf refiners began winter maintenance.

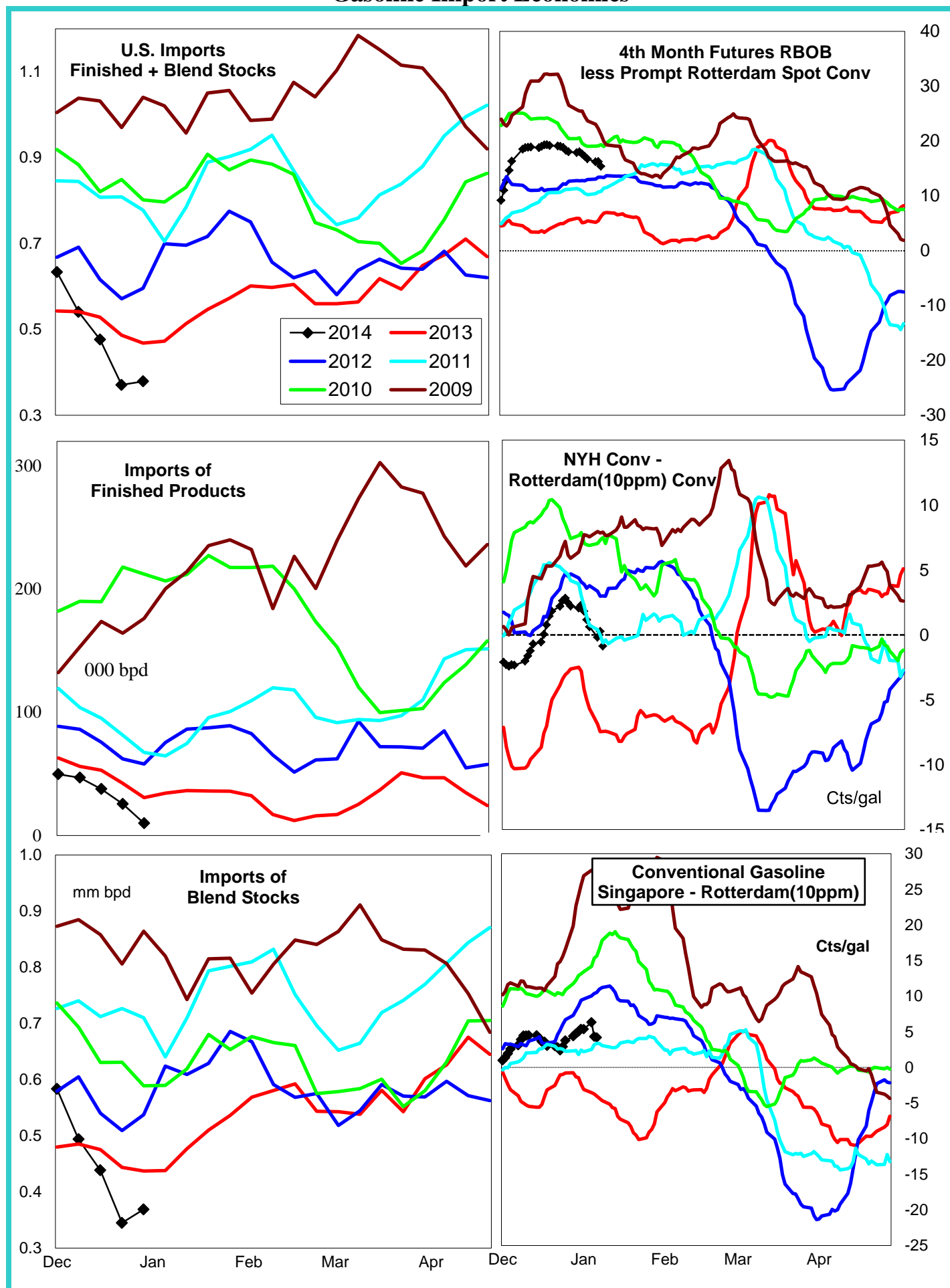


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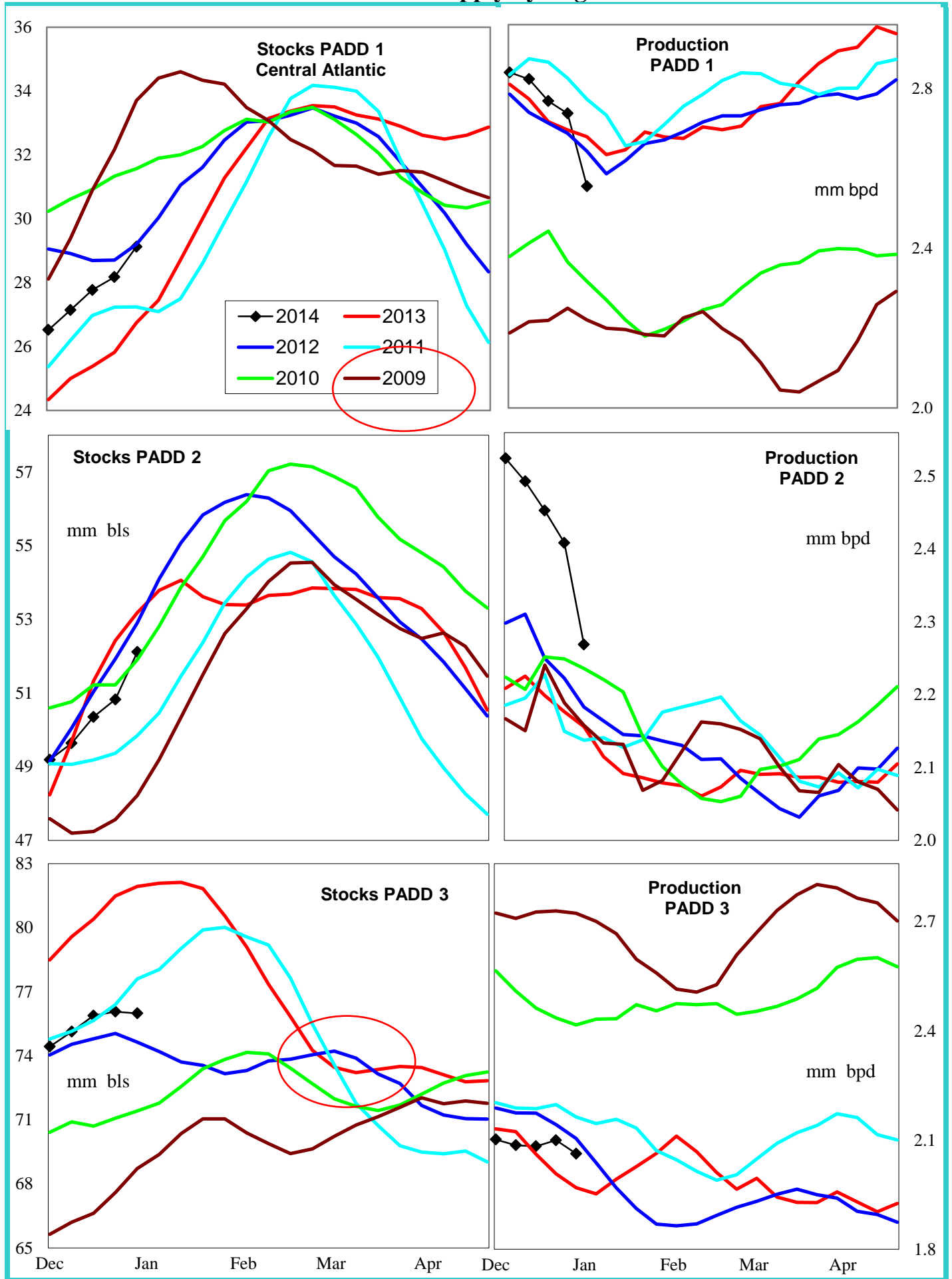
Gasoline Cash Basis and Related Price Spreads



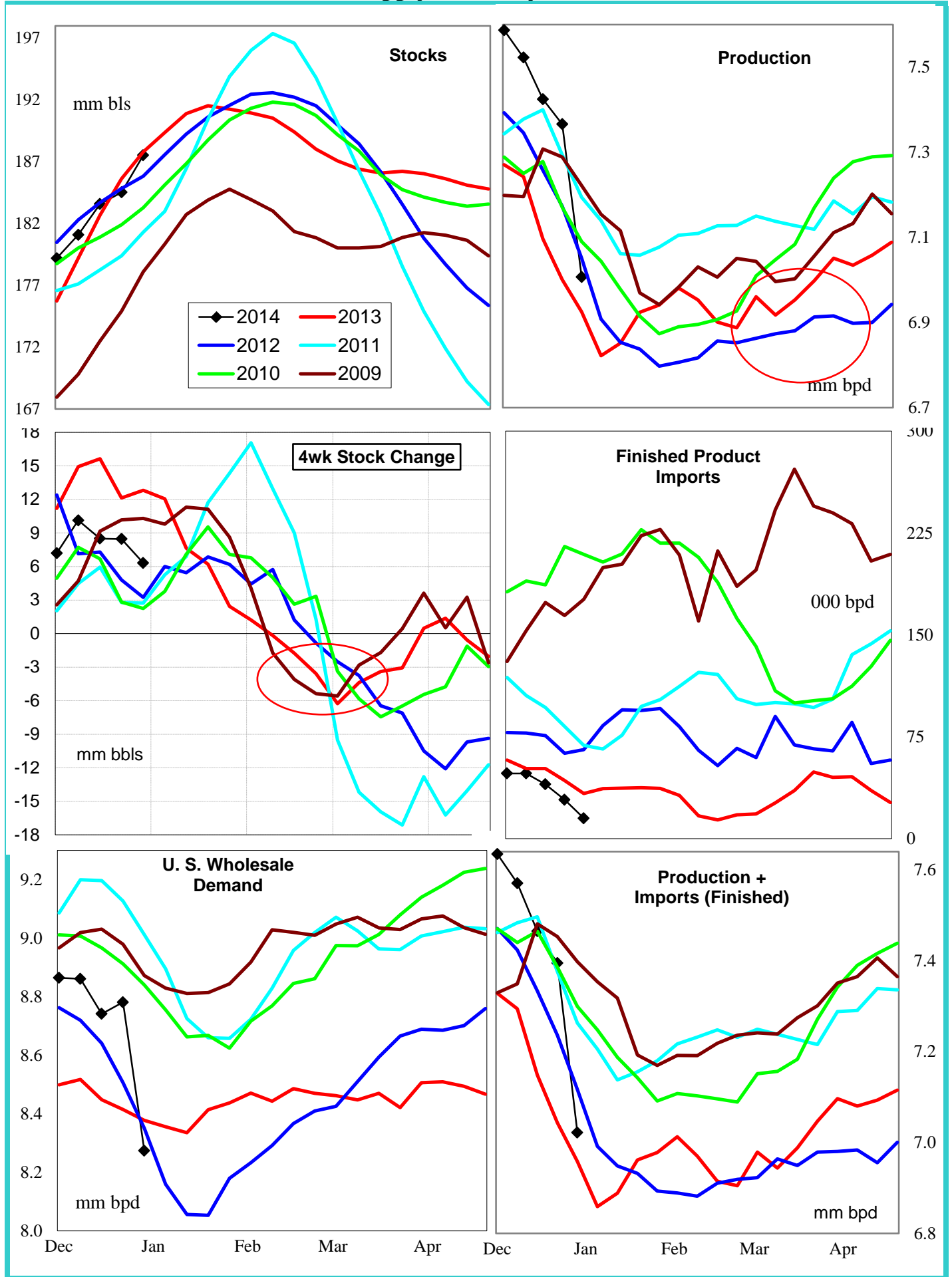
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply