



WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Monday, April 21, 2014

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 fell -0.4 million bpd last week, to the mid range of the last 2-yrs. The latest 4-wk average demand was +386,000 bpd above a year ago, the

highest year-on-year growth rate since last fall.

Supplies fell -0.4 million bpd on lower production last week. However the substitution of domestic shale crude for heavy gravity imports may support higher gasoline output going forward.

Stocks were nearly unchanged last week, with a +1.1 million barrel build in the Midwest. *Stock levels are near historic lows on the East and West Coasts, and Midwest.*

Cash basis trended higher in NYH and west coast regional markets, other than LA, last week. Midwest and Gulf markets fell below the historic range last week.

Basis levels are very weak in Midwest and Gulf regional markets.

Very high levels of production have offset the recent surge in wholesale demand, so that seasonal stock draws are less than the 3-yr mid range. Look for renewed strength in cash basis for Midwest markets on higher seasonal demand and refinery maintenance.

RBOB

New York Harbor basis to trade sideways on increased supplies.

Conventional

New York Harbor basis to trade sideways on increased supplies.

Chicago basis to reverse the recent pull back on higher seasonal demand and refinery maintenance.

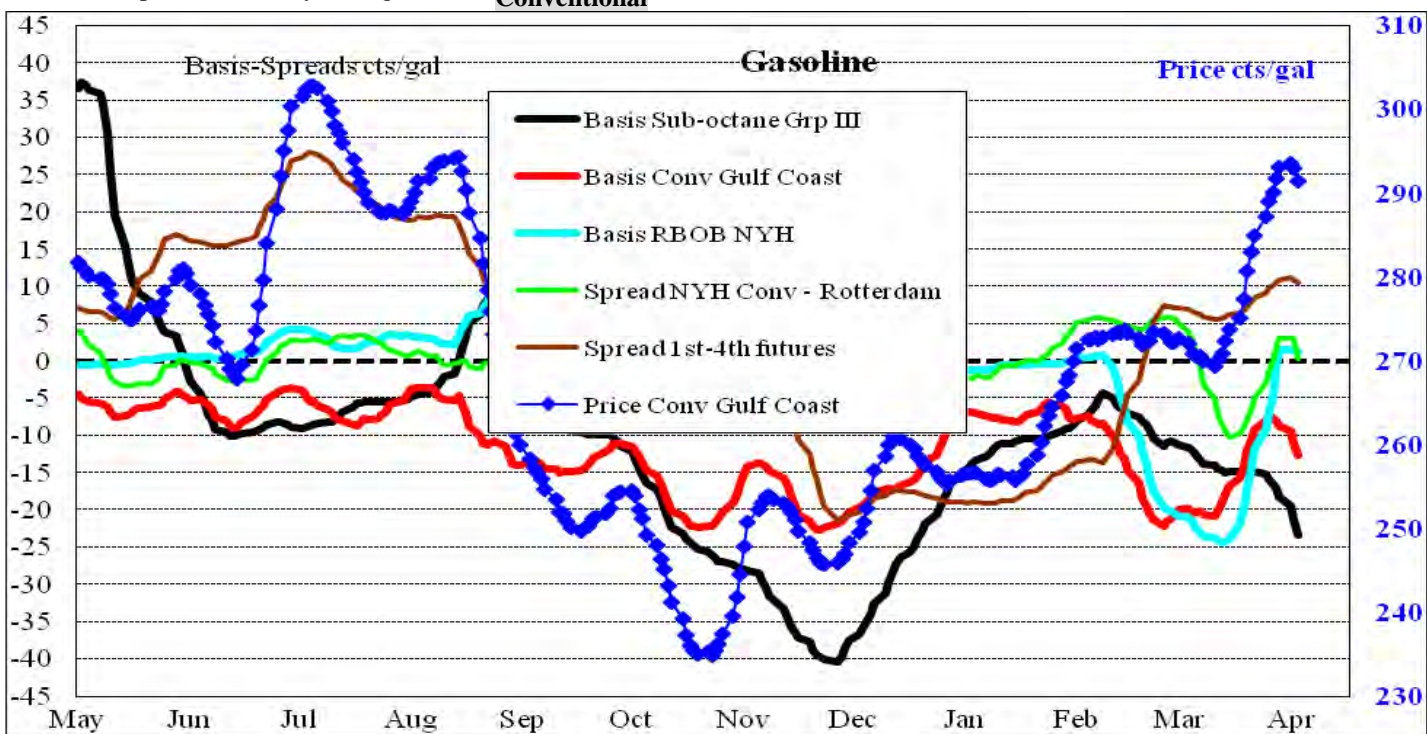
Group III basis to reverse the recent pull back on higher seasonal demand and spring refinery maintenance.

Gulf Basis to trade sideways on high production and stock levels.

West Coast (Los Angeles) basis to trade sideways in the near term then trend higher on increased seasonal demand.

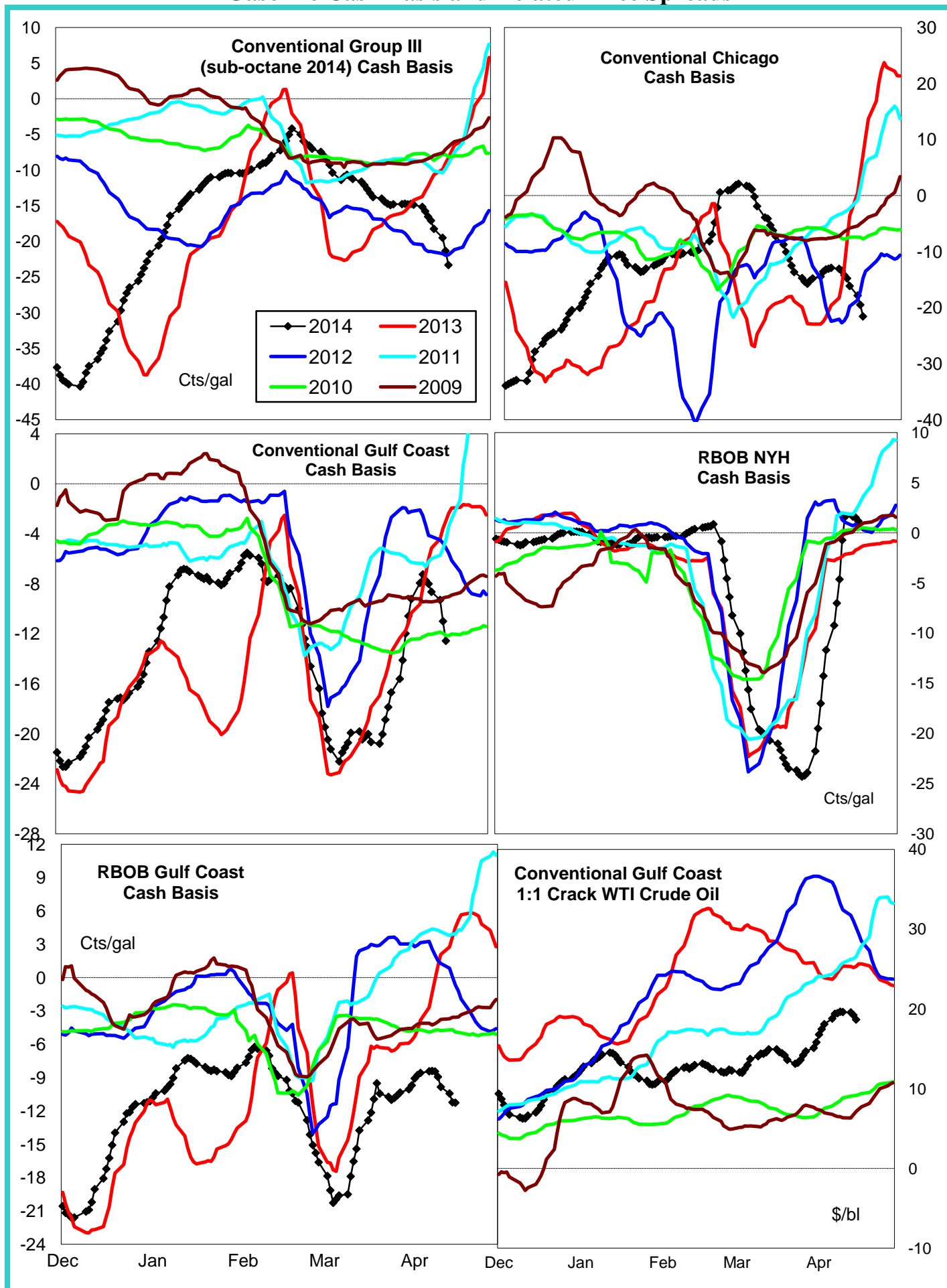
Gulf Coast Price Prices have increased to near highs of the last year on Ukraine/Russian tensions and the seasonal stock draw down. Look for a pull back in prices during the next 45-days as refiners return to full operation and a seasonal stock build begins.

Slower economic growth in China may limit strength in global energy prices during the next quarter.

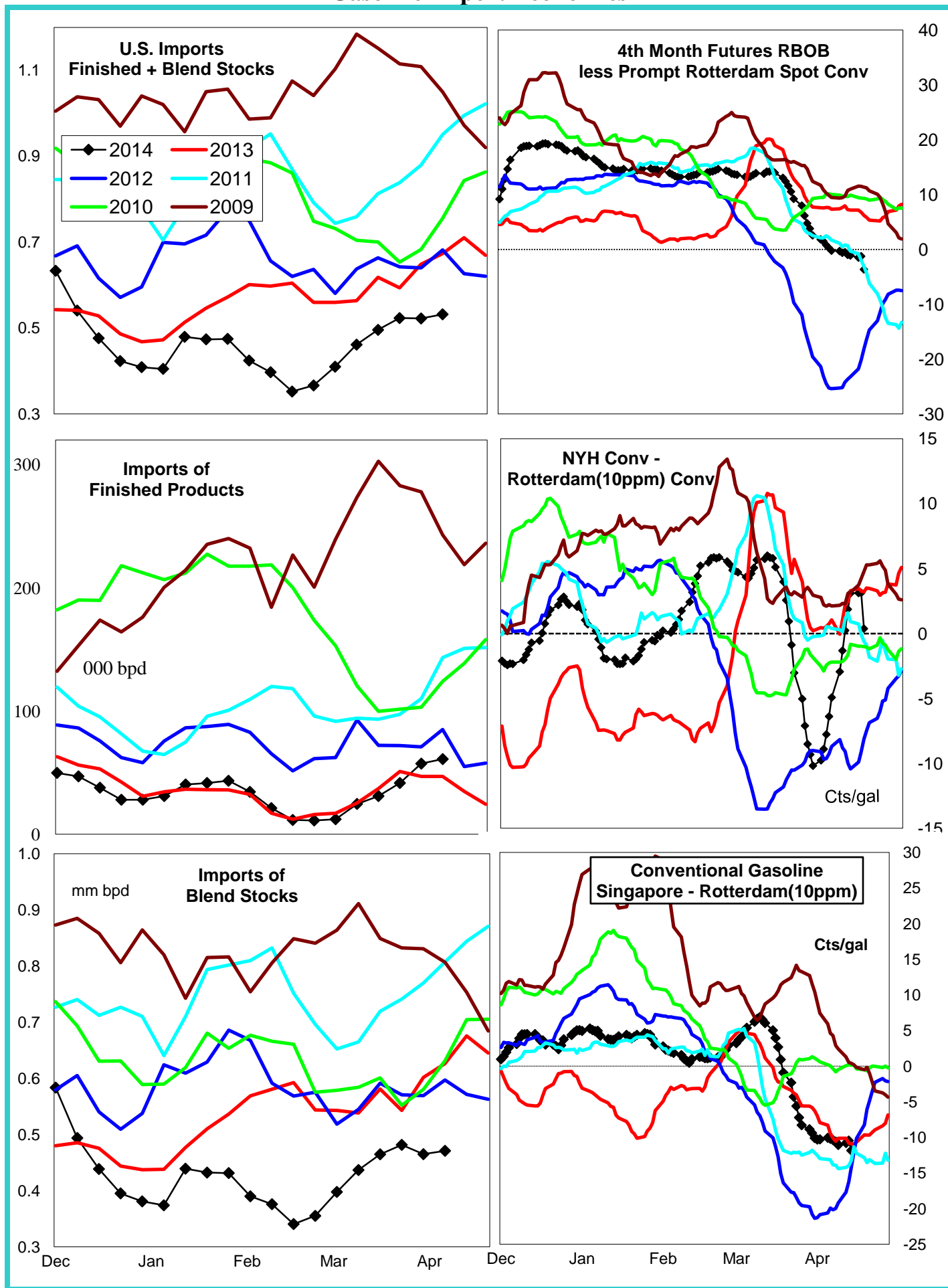


Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and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

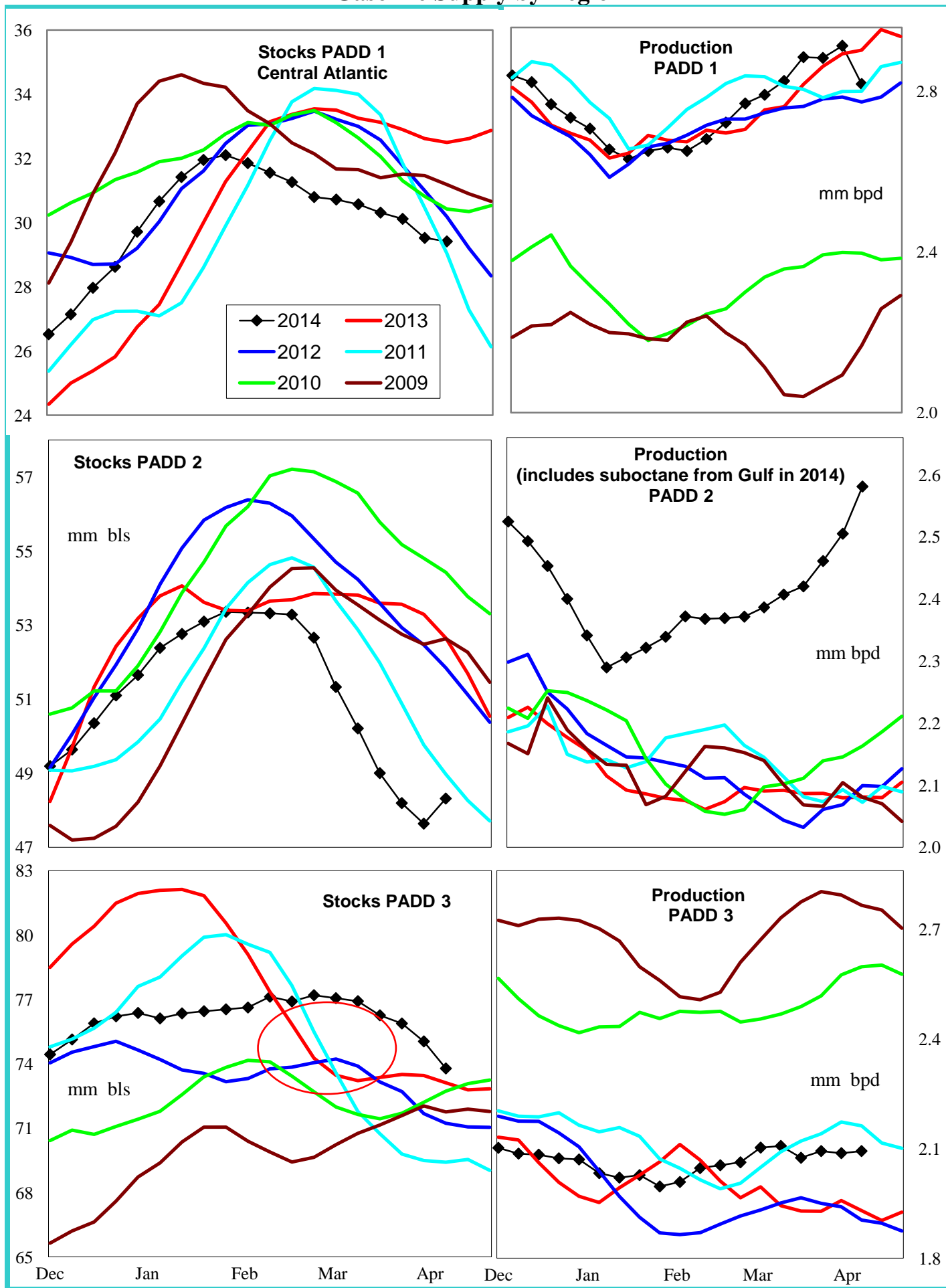
Gasoline Cash Basis and Related Price Spreads



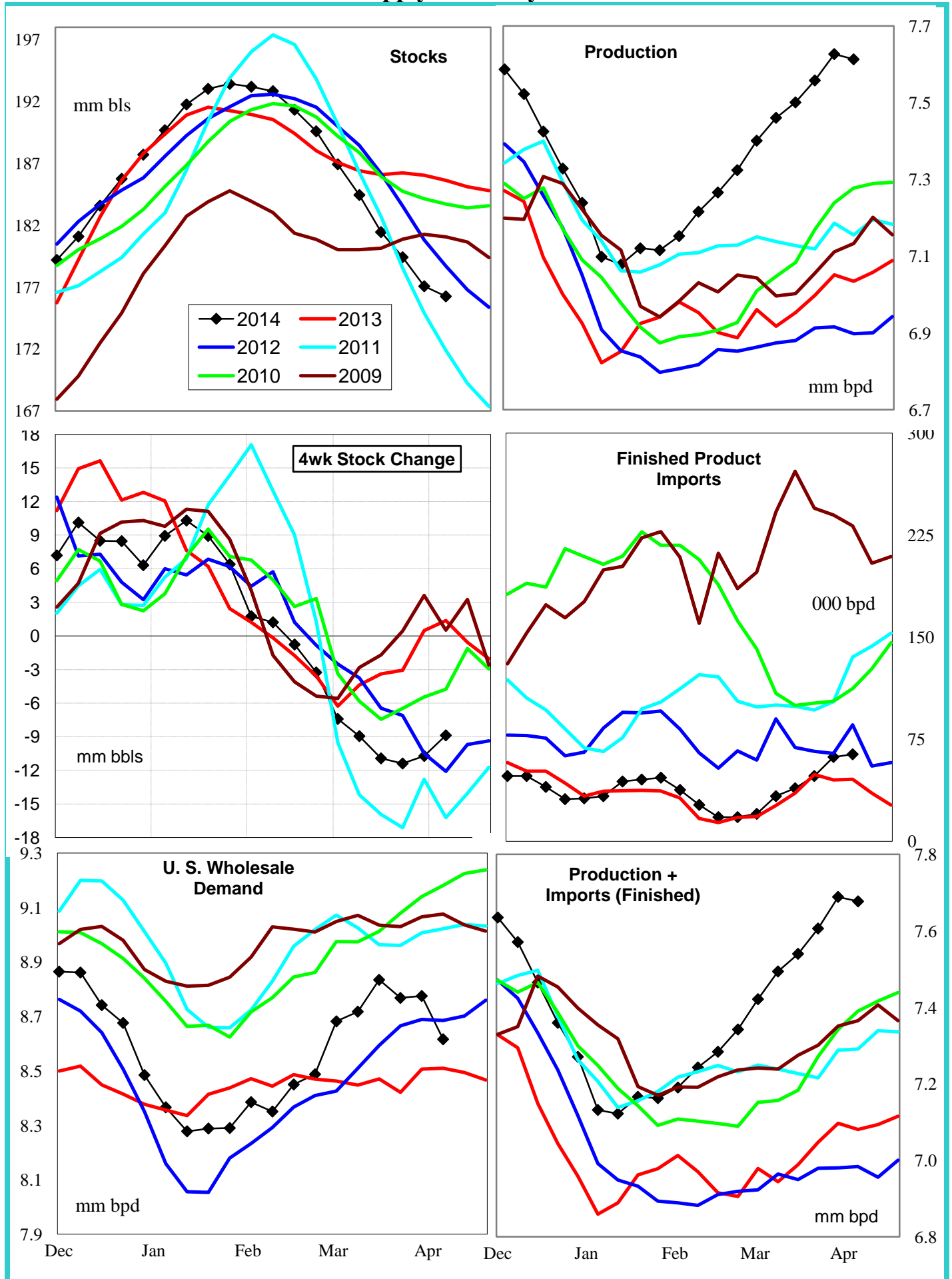
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply

