



## 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 declined -0.2 million bpd last week, to the mid range of the last 2-yrs. The latest 4-wk average demand was +156,000 bpd above a year ago, down sharply from last month.

Supplies decreased -132,000 bpd on lower imports and 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 +0.4 million barrel build in the Midwest. Relative stock levels are at the low end of the historic range on the East and West Coasts, and Midwest.

Unplanned maintenance on the West Coast has spiked California basis.

Cash basis trended higher in NYH while Midwest and Gulf markets remain below the historic range last week.

Look for renewed strength in cash basis for Midwest markets on higher seasonal demand, limited by high receipts from the Gulf region.

#### 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.

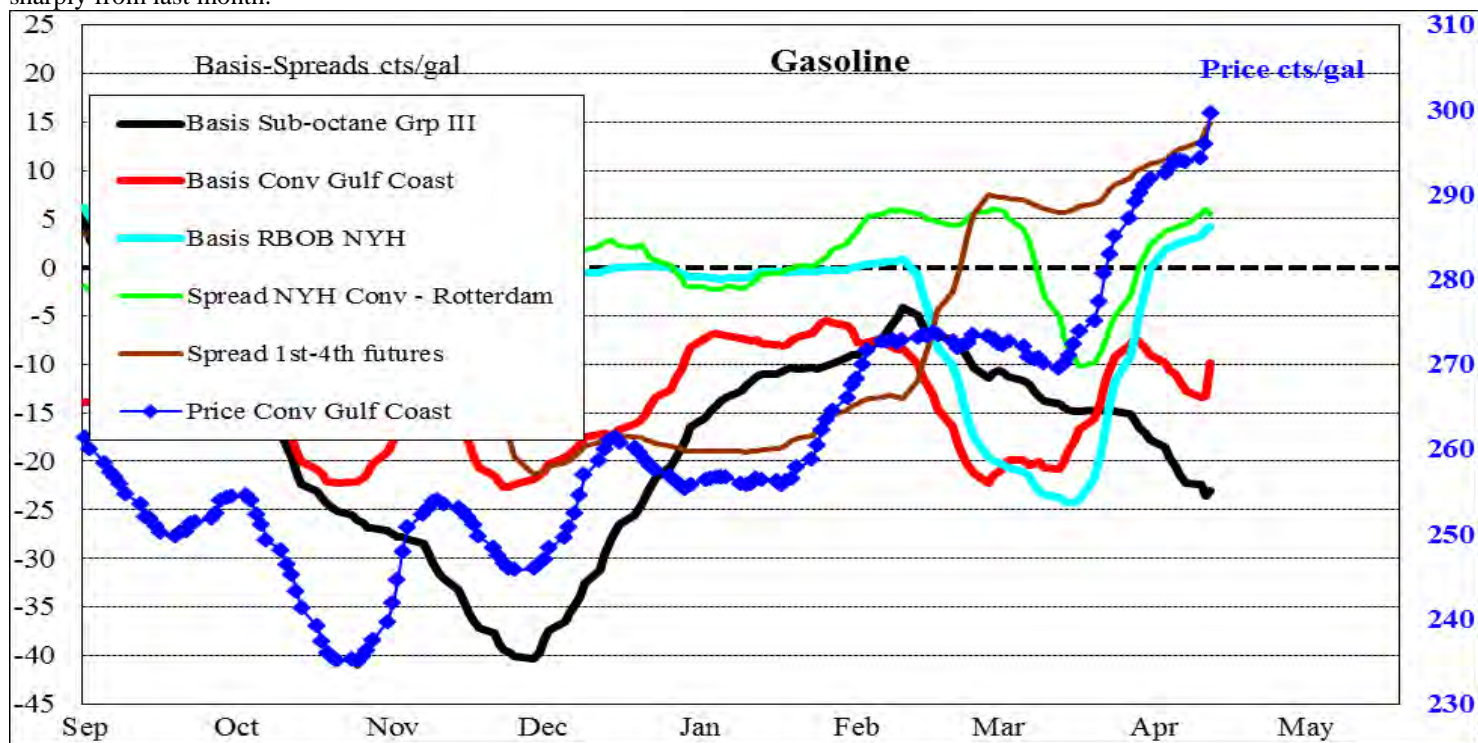
*Group III* basis to reverse the recent pull back on higher seasonal demand, limited by high receipts from the Gulf.

*Gulf Basis* to trade reverse the recent pull back, limited by high stock and production levels.

*West Coast (Los Angeles)* basis to trend higher on unplanned refinery maintenance, then pull back as refiners return to operation.

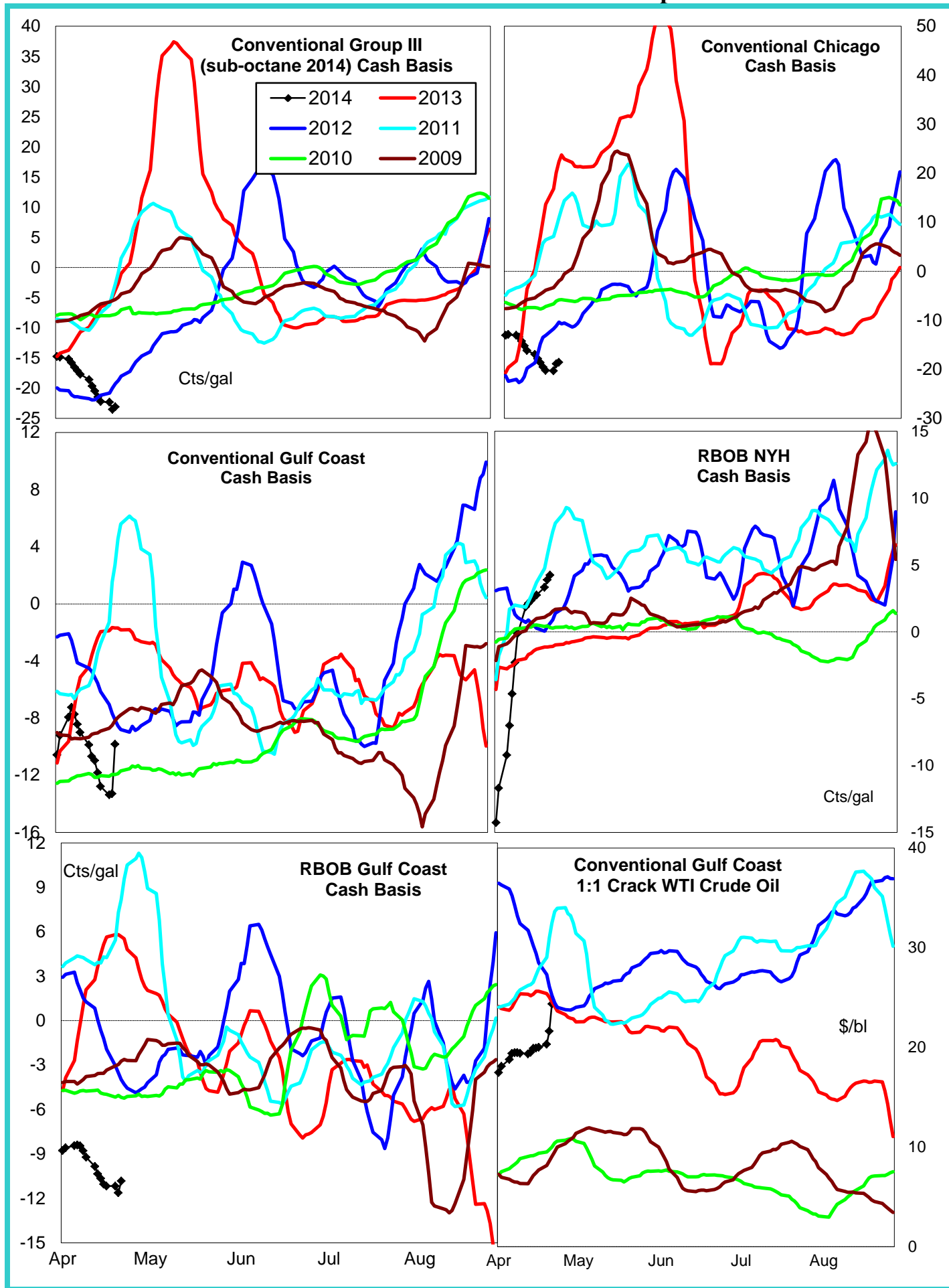
**Gulf Coast Price** Prices have increased to record highs of the last 12-months on Ukraine/Russian tensions and the seasonal stock draw down. Look for a pull back in prices during the next 45-days as refiners return to full operation and a seasonal stock build begins.

Slower economic growth in China may limit strength in global energy prices during the next quarter. The North American crude oil market remains extremely over supplied, another constraint on gasoline prices.

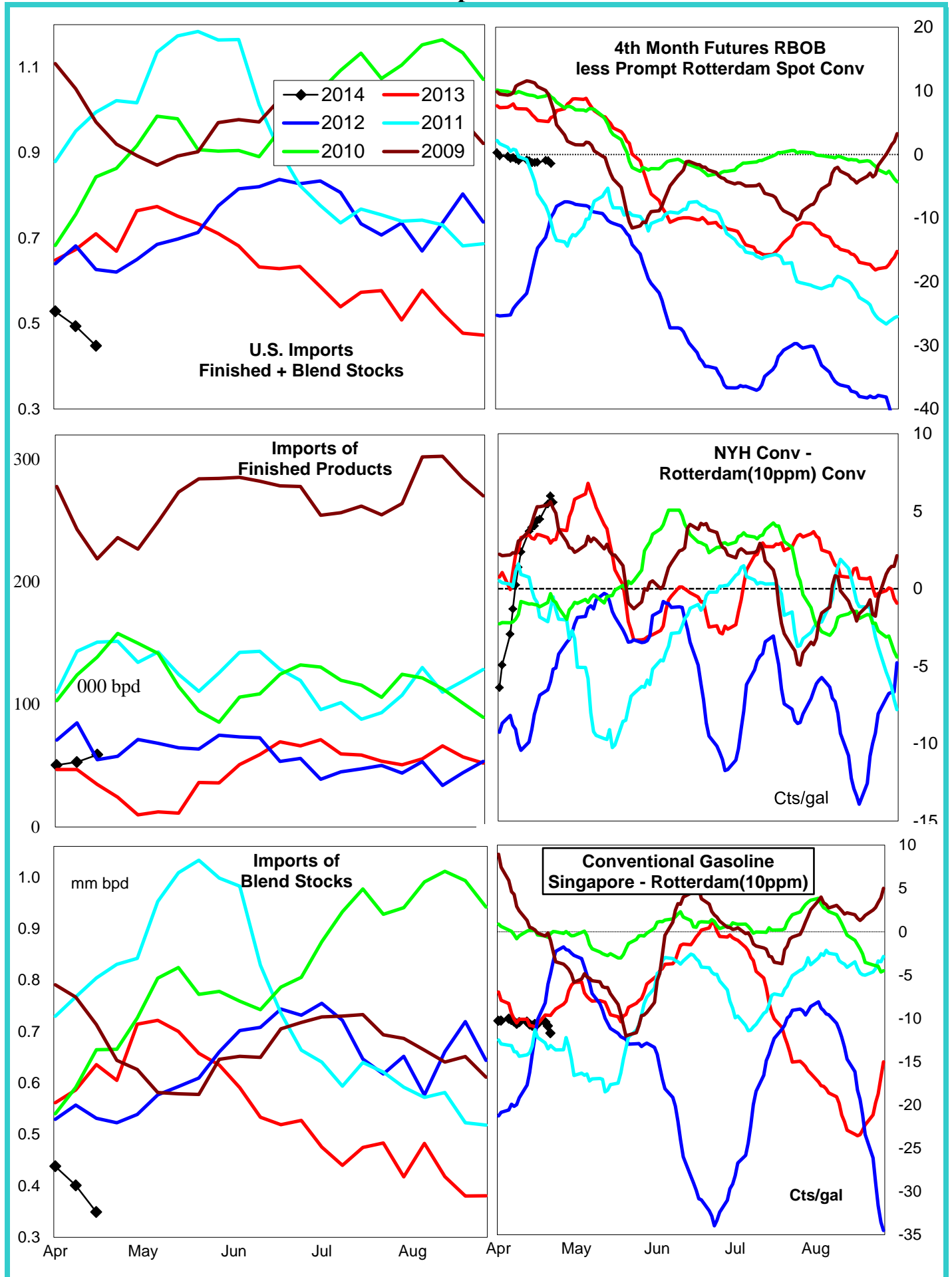


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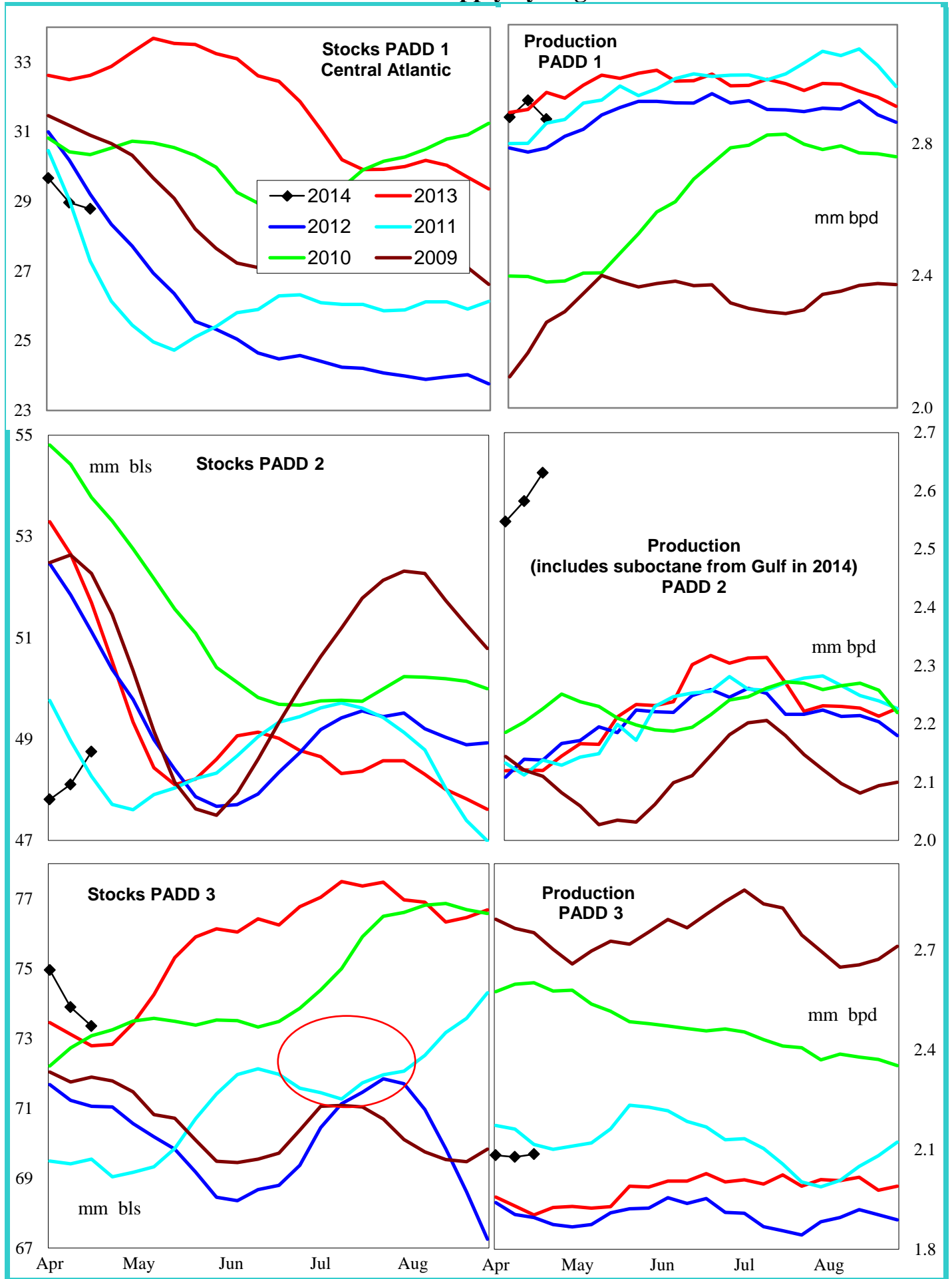
# Gasoline Cash Basis and Related Price Spreads



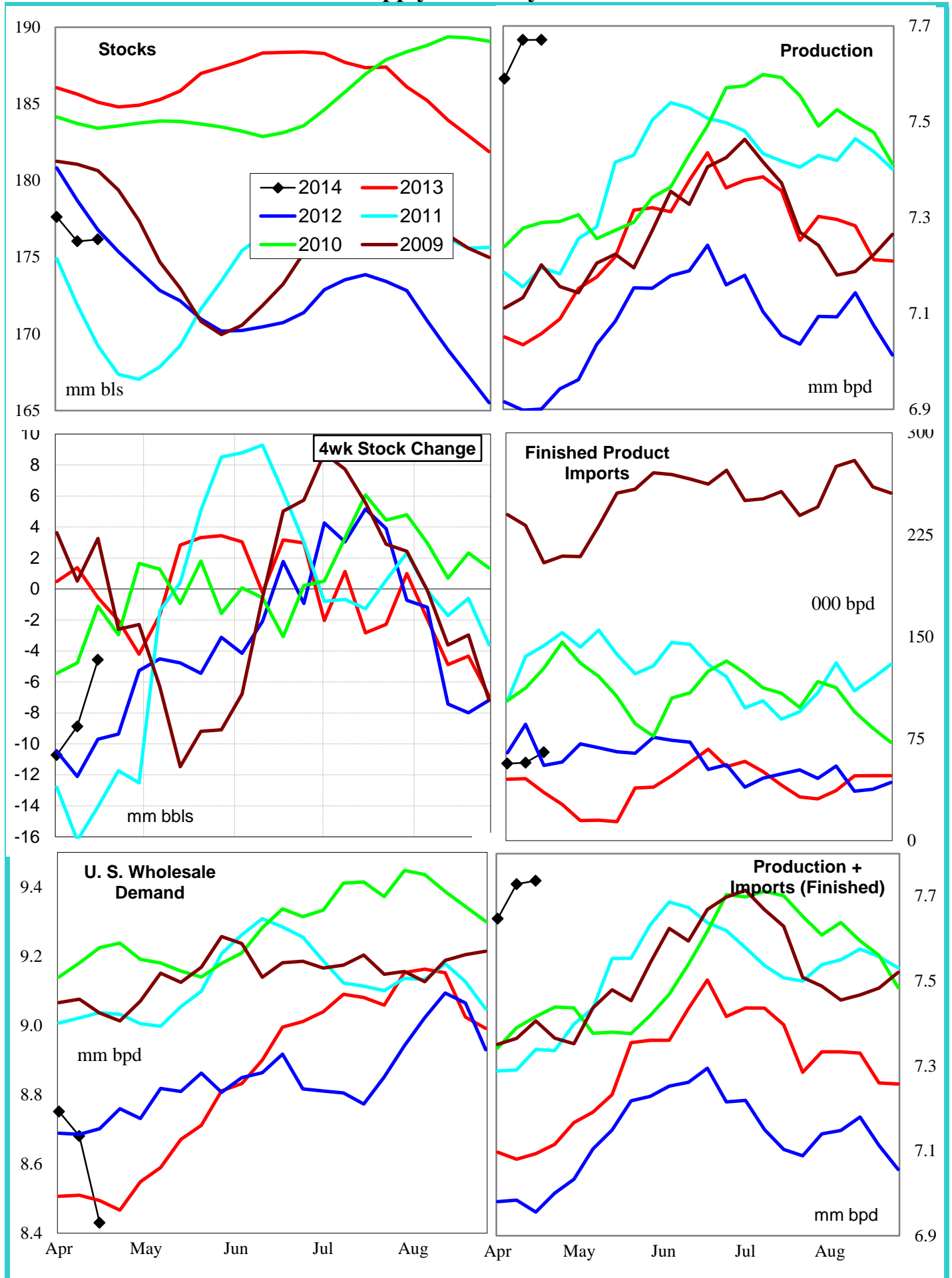
## Gasoline Import Economics



# Gasoline Supply by Region



## Gasoline Supply Summary PADDs 1+2+3



**PADD 5 Gasoline Supply**