



## 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 increased +0.1 million bpd last week to a level comparable with a year ago. The latest 4-wk average demand was -61,000 bpd below a year ago.

Supplies fell -280,000 bpd on the week, due to lower production. The latest 4-wk supply was -59,000 bpd below a year ago.

Stocks increased +0.2 million barrels last week, concentrated in the Midwest and Gulf. Stock levels on the East coast fell -1.4 million barrels on the week, but remain at the upper end of the historic range. With builds in the Midwest, all regional markets are well supplied on high production and/or above average stock levels.

Cash basis trended lower in most regional markets last week, with markets in the Midwest, Gulf and West each trading at the low end of the historic range.

Look for basis to trade sideways in most markets East of the Rockies on ample supplies in the near term, with risk of further weakness if there are no hurricane disruptions.

#### RBOB

*New York Harbor* basis to trade sideways on very ample supply.

#### Conventional

*New York Harbor basis* to trend higher from extremely low levels.

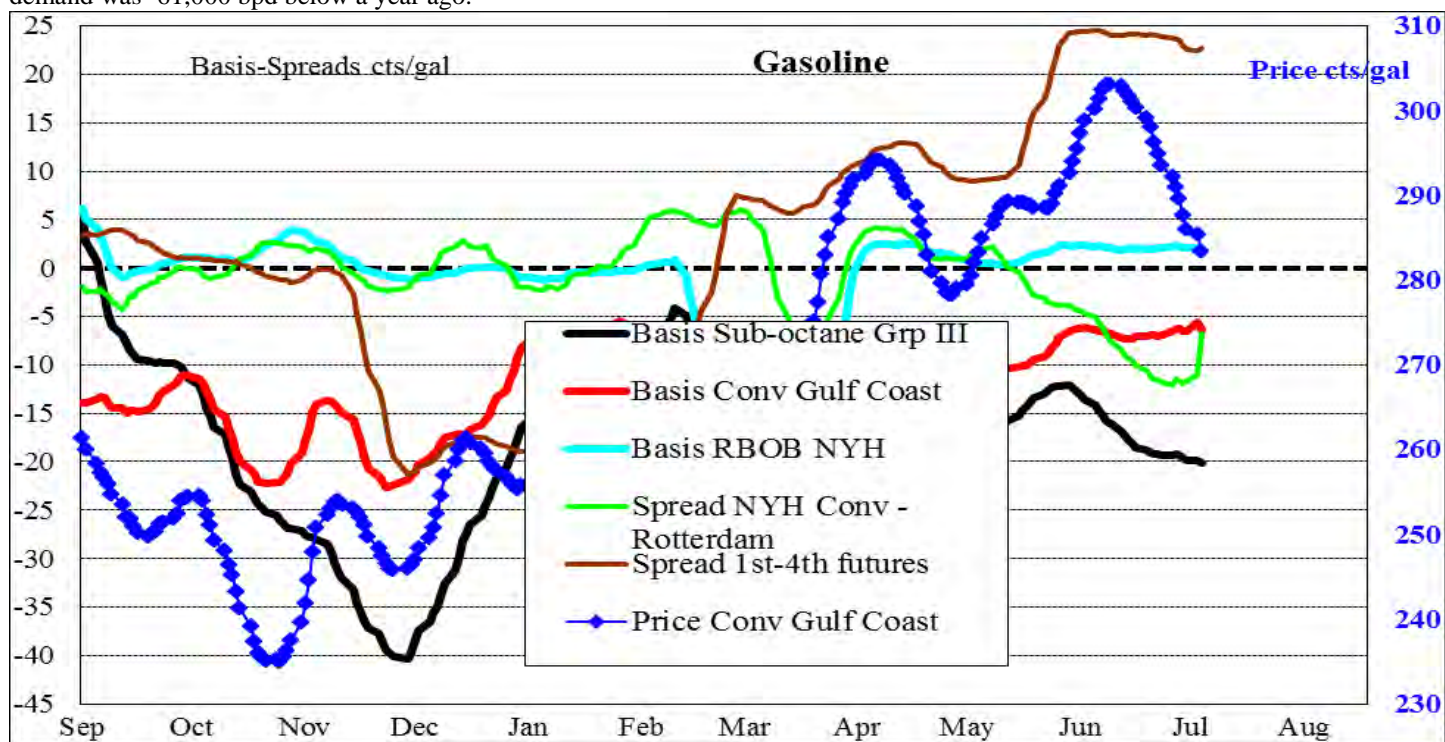
*Chicago* basis to trade sideways on very high production and ample stock levels.

*Group III* basis to trade sideways at depressed levels on very high stocks and production.

*Gulf Basis* to trade sideways in the near term, then trend seasonally lower on high refinery production.

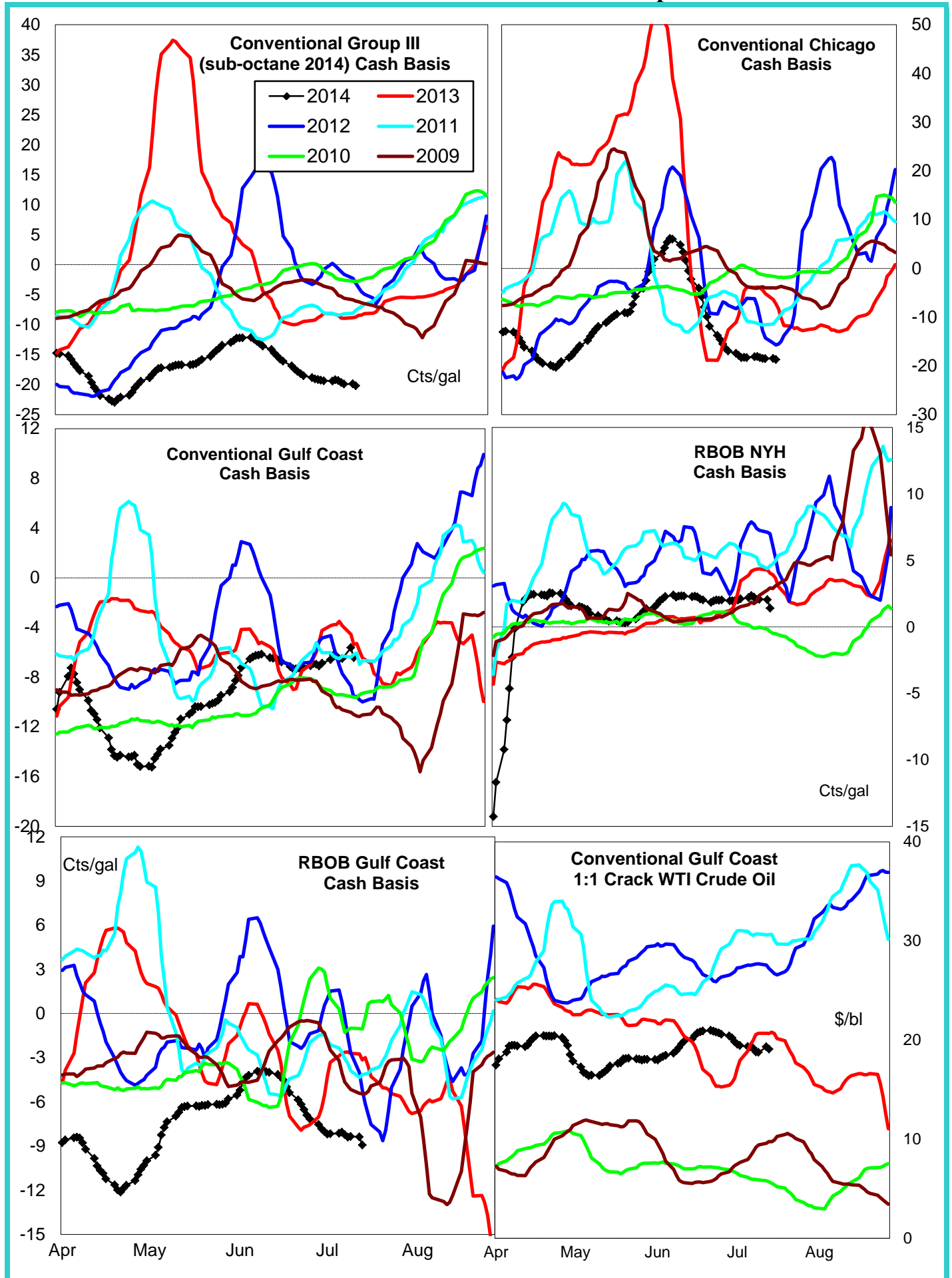
*West Coast (Los Angeles)* basis to trend lower in the near term on increased production and stock building.

**Gulf Coast Price** Gulf refiners have returned to peak season crude oil runs following unplanned maintenance due to storms in mid June. In the absence of hurricane disruptions and with refiners running at seasonal peak levels in major refining centers, gasoline markets are very well supplied. Risk of price weakness continues.

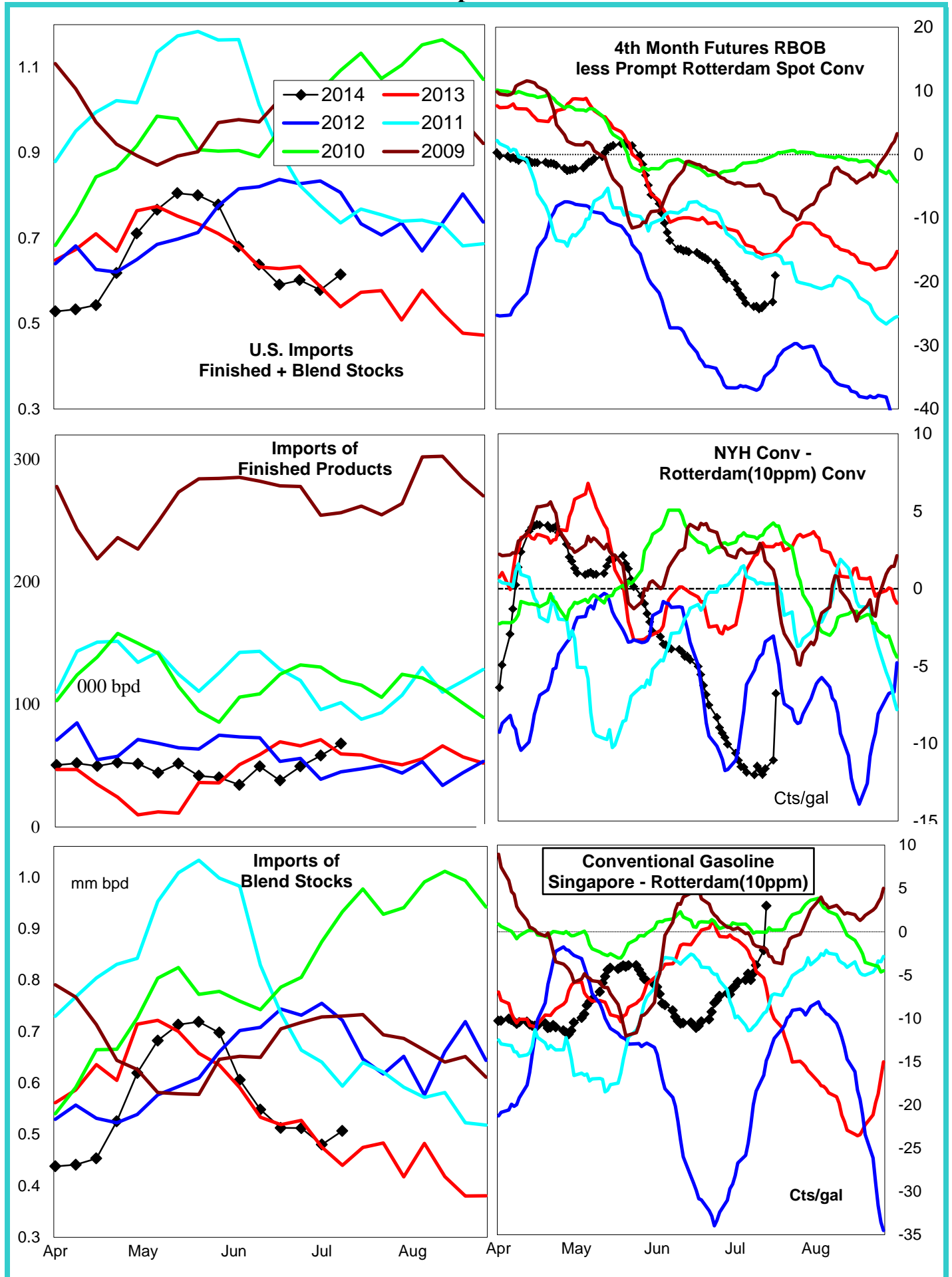


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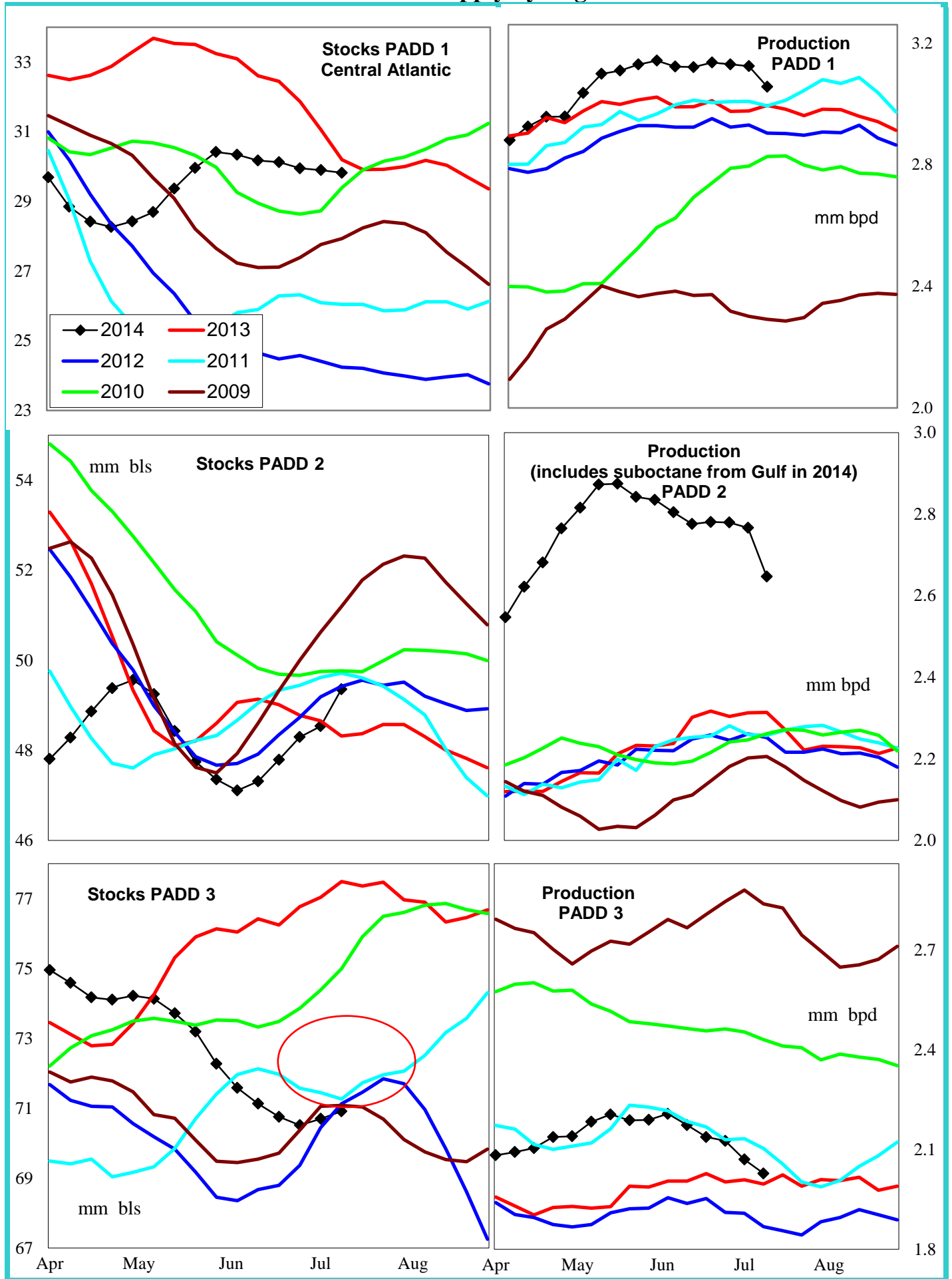
# Gasoline Cash Basis and Related Price Spreads



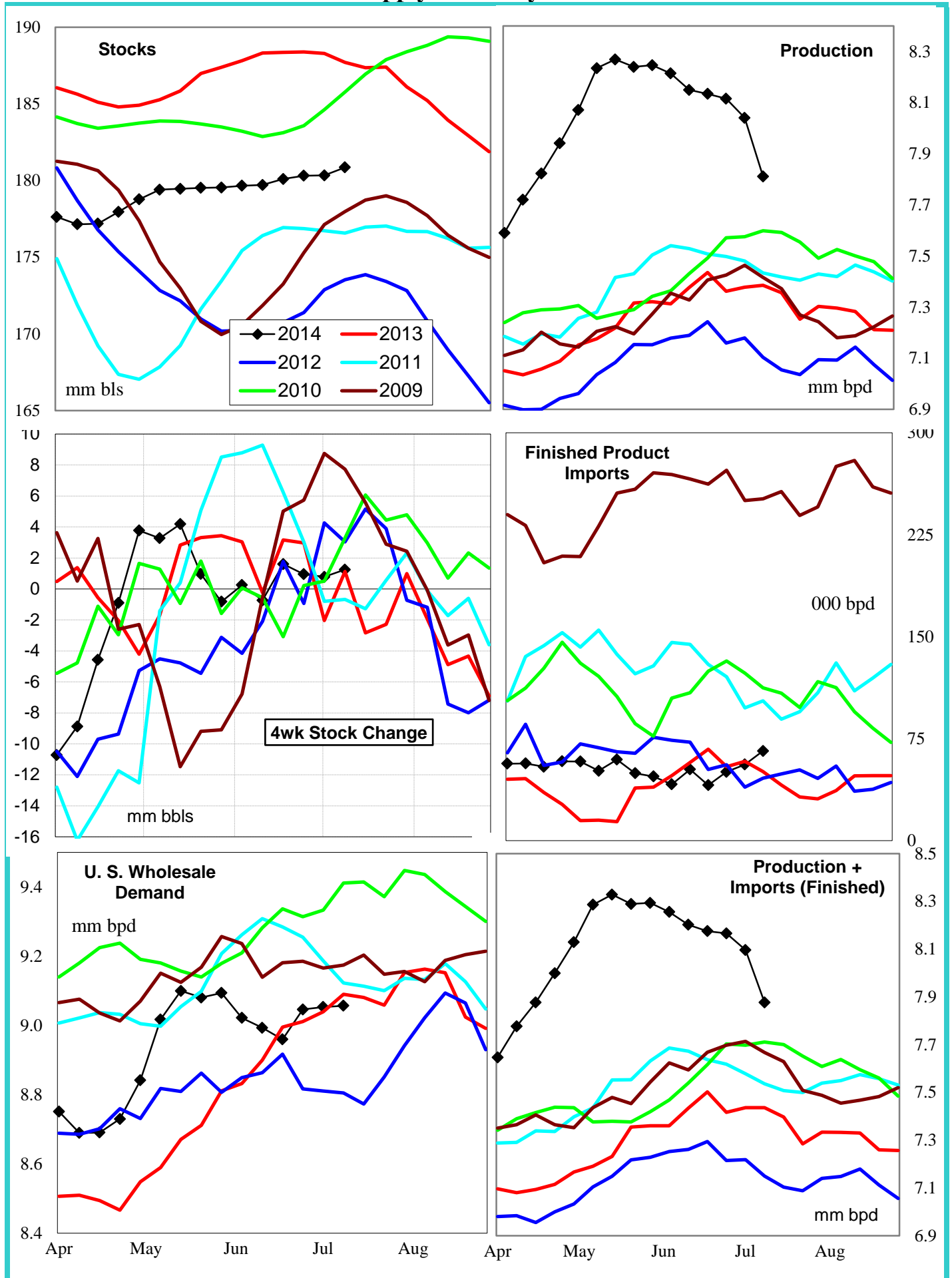
# Gasoline Import Economics



# Gasoline Supply by Region



## Gasoline Supply Summary PADDs 1+2+3





**PADD 5 Gasoline Supply**