



## 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 -121,000 bpd last week to level that matched 5-yr lows. The latest 4-wk average demand was -62,000 bpd below a year ago.

Supplies decreased -96,000 bpd on the week, driven by the start of fall refinery maintenance. Stocks decreased -1.8 million barrels last week, concentrated on the East Coast. Stock levels have dropped below the 3-yr mid range in major markets.

Cash basis traded above the 5-yr range for this time of year in all regional markets following the roll to Nov futures contact which was steeply inverted. Above average maintenance of FCCU's in the Chicago - Ohio region and Gulf has supported basis levels in these regions.

Look for lower seasonal demand and blending of gas liquids to benefit from winter RVP levels to offset refinery maintenance so that cash basis levels pull back from current highs.

#### RBOB

**New York Harbor** basis to trend seasonally lower on blending to winter grade RVP and lower seasonal demand.

#### Conventional

**New York Harbor basis** to trade lower on blending to winter grade RVP and lower seasonal demand.

**Chicago** basis to trade at elevated levels on a high level of FCCU maintenance in the area.

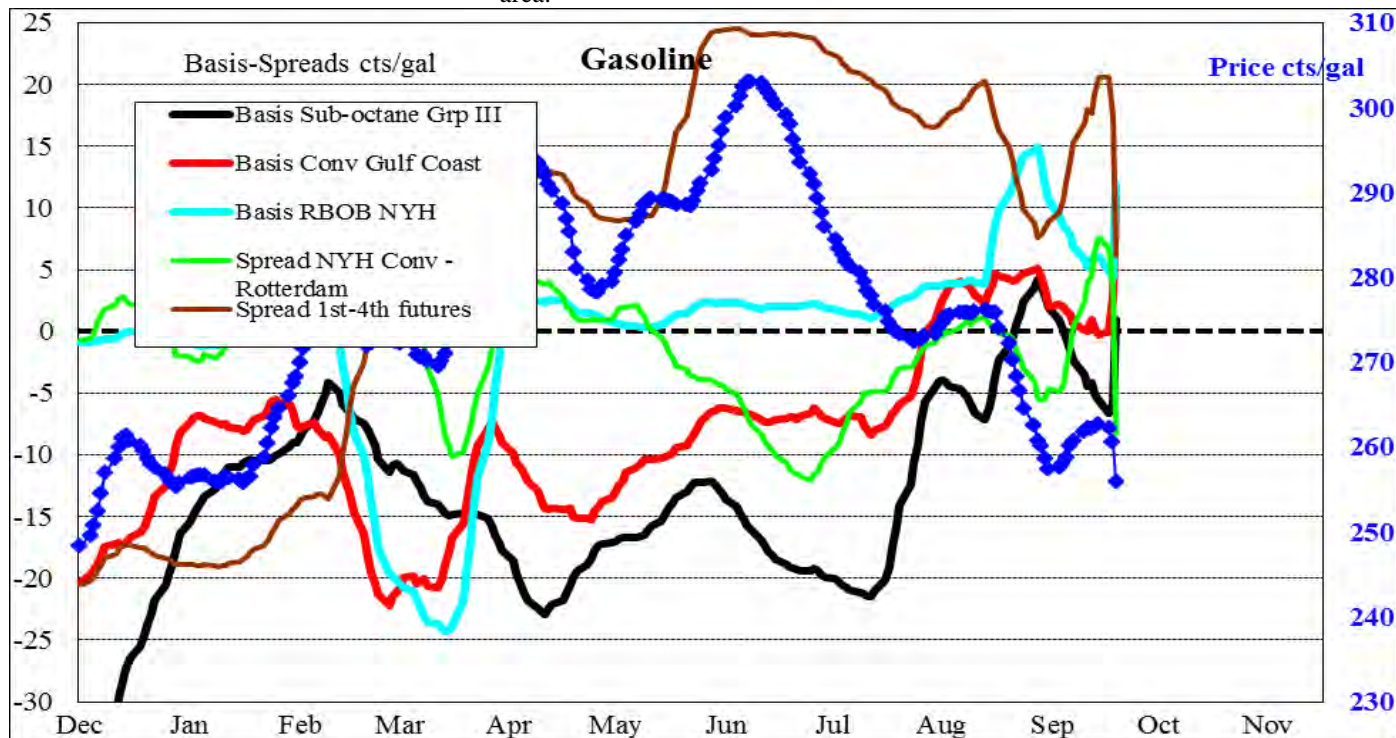
**Group III** basis to trend lower on lack of fall refinery maintenance, ample stocks and reduced seasonal demand.

**Gulf Basis** to trade at an elevated level on above average FCCU maintenance in the region.

**West Coast (Los Angeles)** basis to trade at an elevated level on unplanned process unit maintenance, then trend seasonally lower.

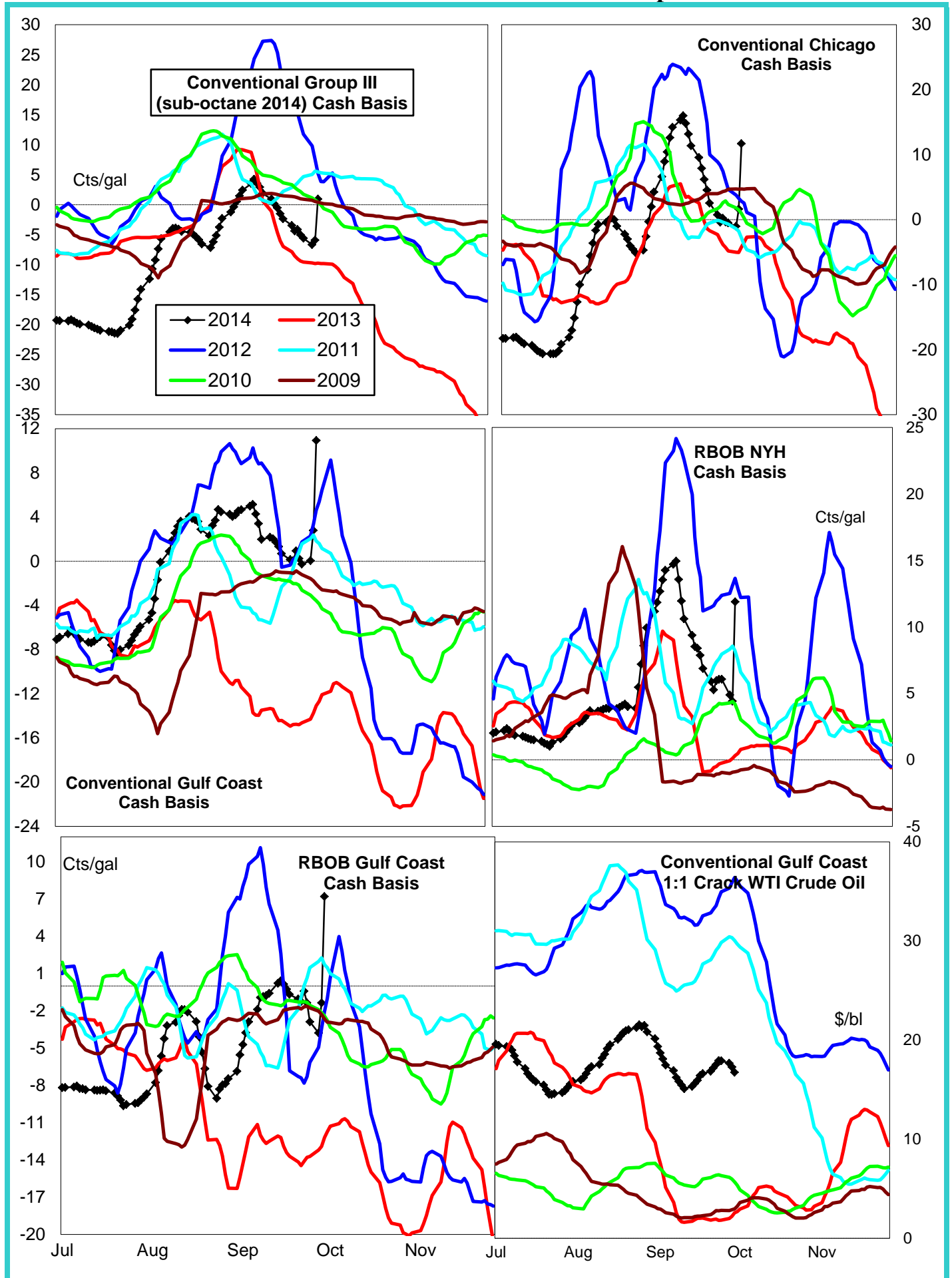
**Gulf Coast Price** The switch to winter RVP grades, abundant supplies of competitive cost gas liquids and ethanol point to increased gasoline blending which should partially offset above average refinery maintenance in the Chicago-Ohio region and the Gulf.

A seasonal rebound in wholesale demand and relatively low stock levels on the East and Gulf regions has potential for a modest price rebound during the next quarter; although, limited by an oversupplied global crude oil market.

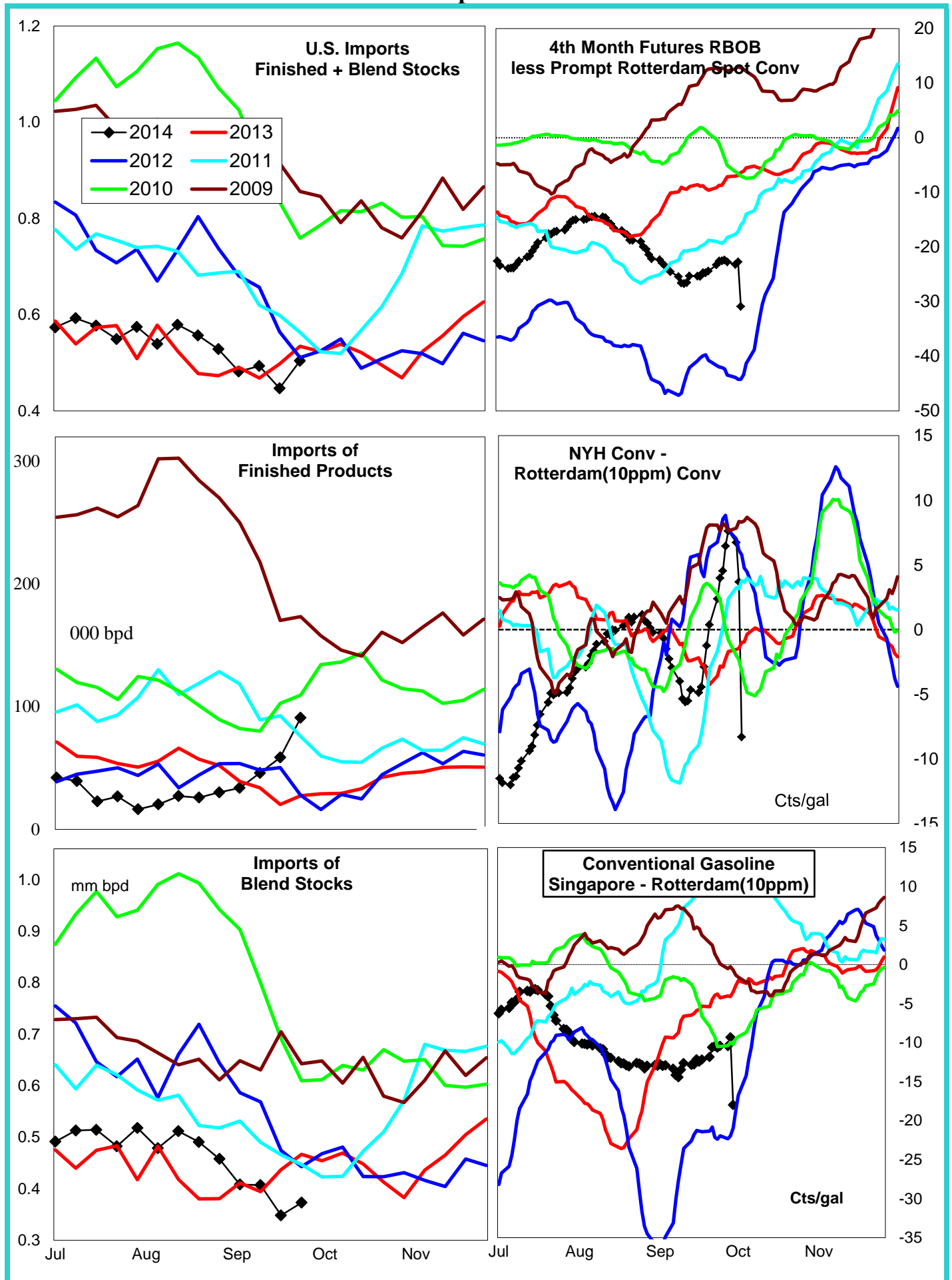


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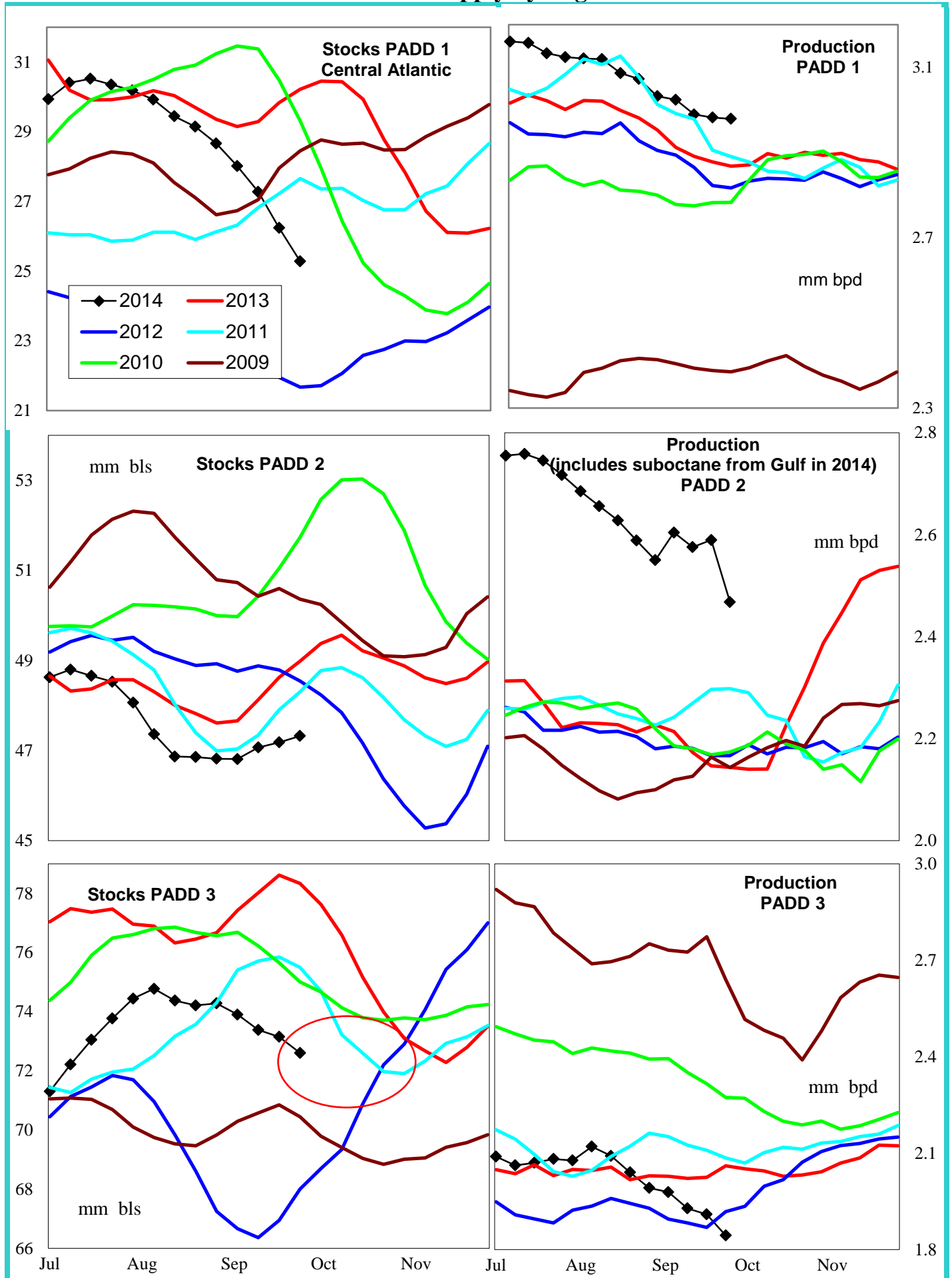
# Gasoline Cash Basis and Related Price Spreads



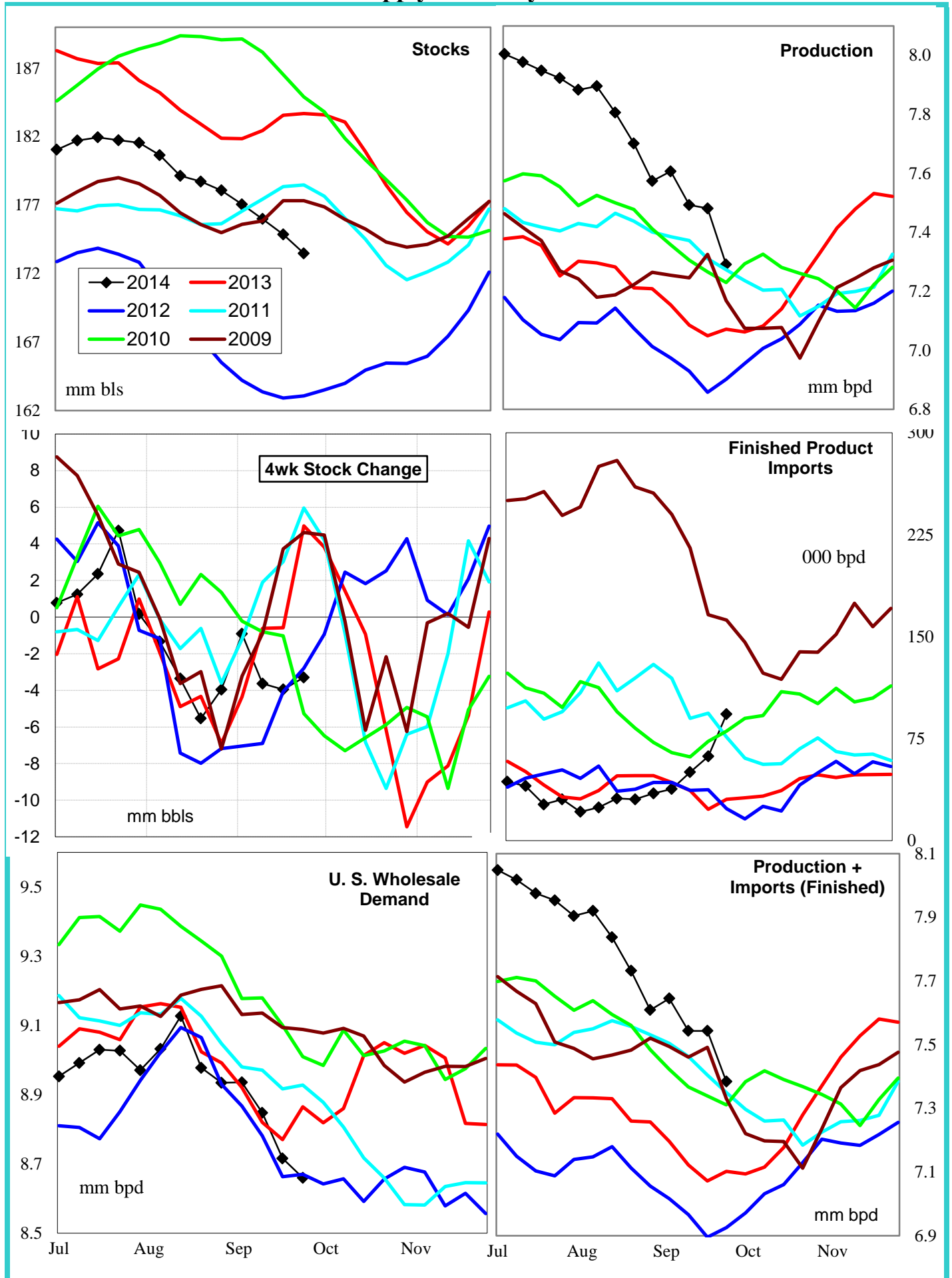
# Gasoline Import Economics



# Gasoline Supply by Region



## Gasoline Supply Summary PADDs 1+2+3





**PADD 5 Gasoline Supply**