



## WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

### A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 [www.fundamentalpetroleumtrends.com](http://www.fundamentalpetroleumtrends.com) Thursday, November 20, 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 increased +189,000 bpd last week to level above the historic

range. The latest 4-wk average demand was -108,000 bpd below a year ago.

Supplies increased +210,000 bpd on the week, driven by higher production. Stocks increased +1 million barrels last week, concentrated in the Midwest and West Coast. Stock levels ended the week equal to historic lows.

Cash basis traded above the 5-yr range in NYH. Basis traded above the last 2-yr in most regions, due in part to low stock levels and low flat price.

Look for basis weakness across most regional markets on very high production and seasonal stock building.

A period of very high seasonal production in the Chicago area is likely following much above average maintenance in the region, which should pressure basis levels to near record lows over the next quarter.

#### RBOB

*New York Harbor* basis to trend seasonally lower on gas liquids blending and lower seasonal demand.

#### Conventional

*New York Harbor basis* to trade lower on gas liquids blending and lower seasonal demand.

*Chicago* basis to trend sharply lower as refiners return to a high rate of operation following much above average maintenance season.

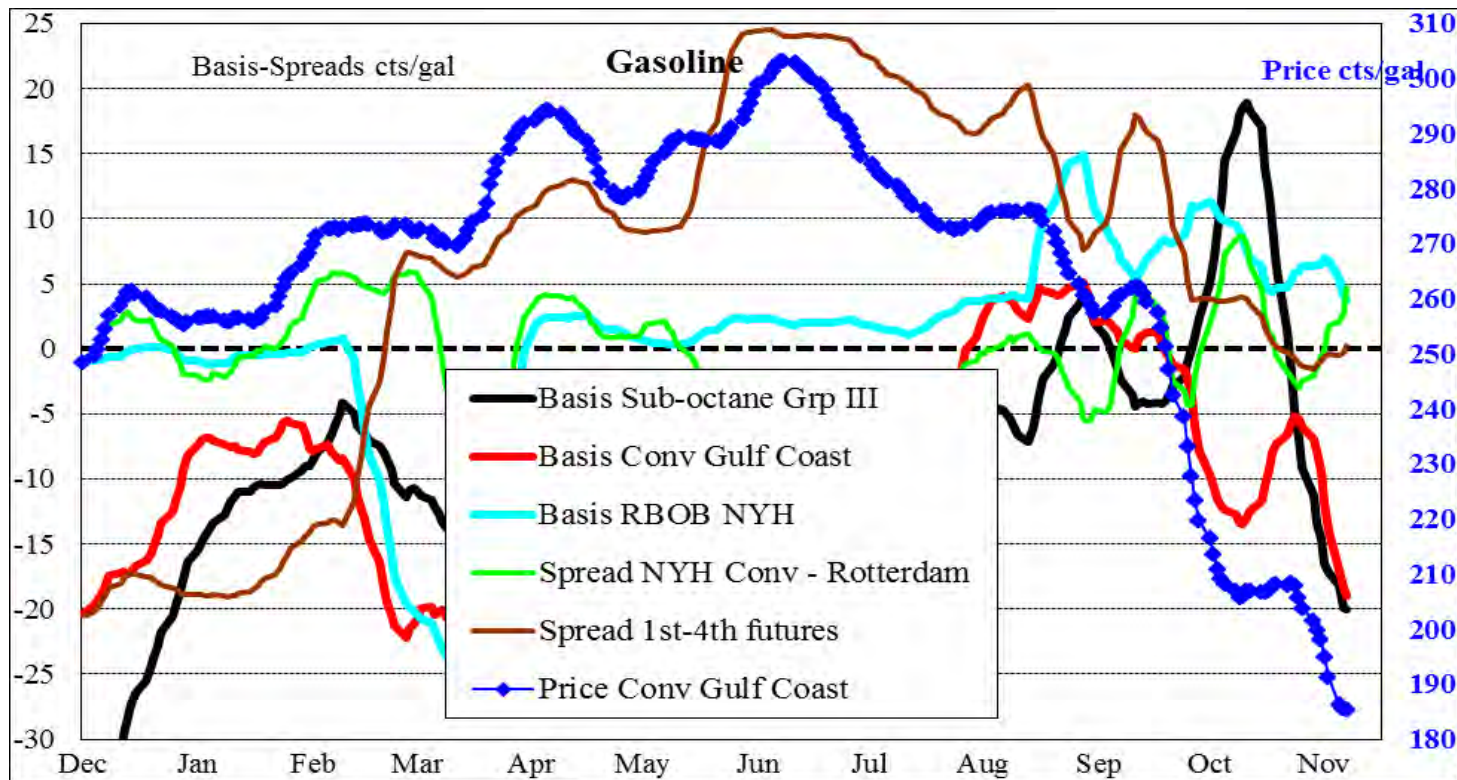
*Group III* basis to trend lower on stock building and lower seasonal demand.

*Gulf Basis* to trend lower on high production rates.

*West Coast (Los Angeles)* basis to trend lower on high production rates.

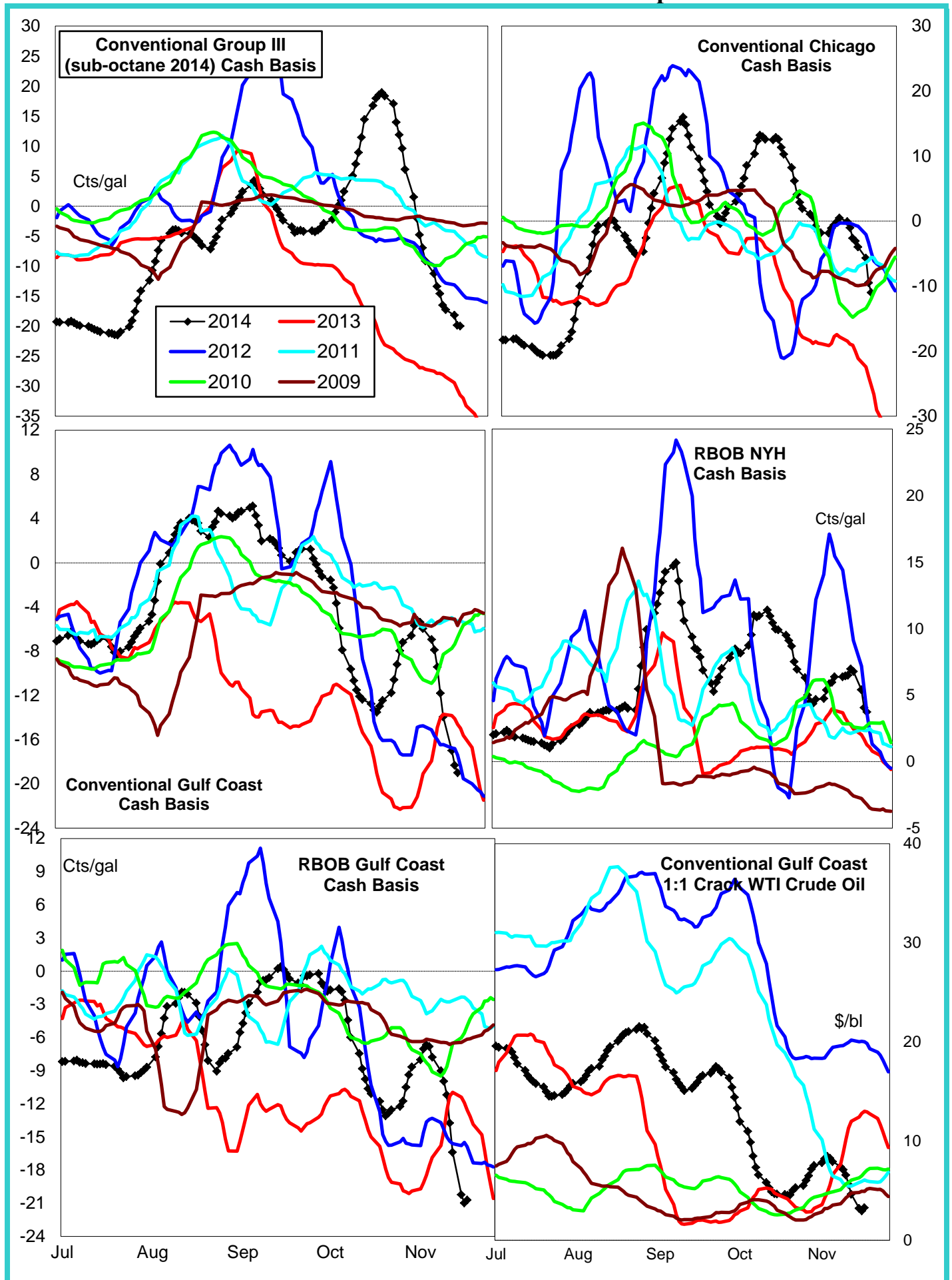
**Gulf Coast Price** Wholesale demand has been below last year even with much lower retail prices – driven by continued improvement in fleet mpg. Expect a period of very high production following an above average maintenance season for downstream process units.

Gulf gasoline prices are likely to remain weak on ample supplies and an over supplied global crude oil market.

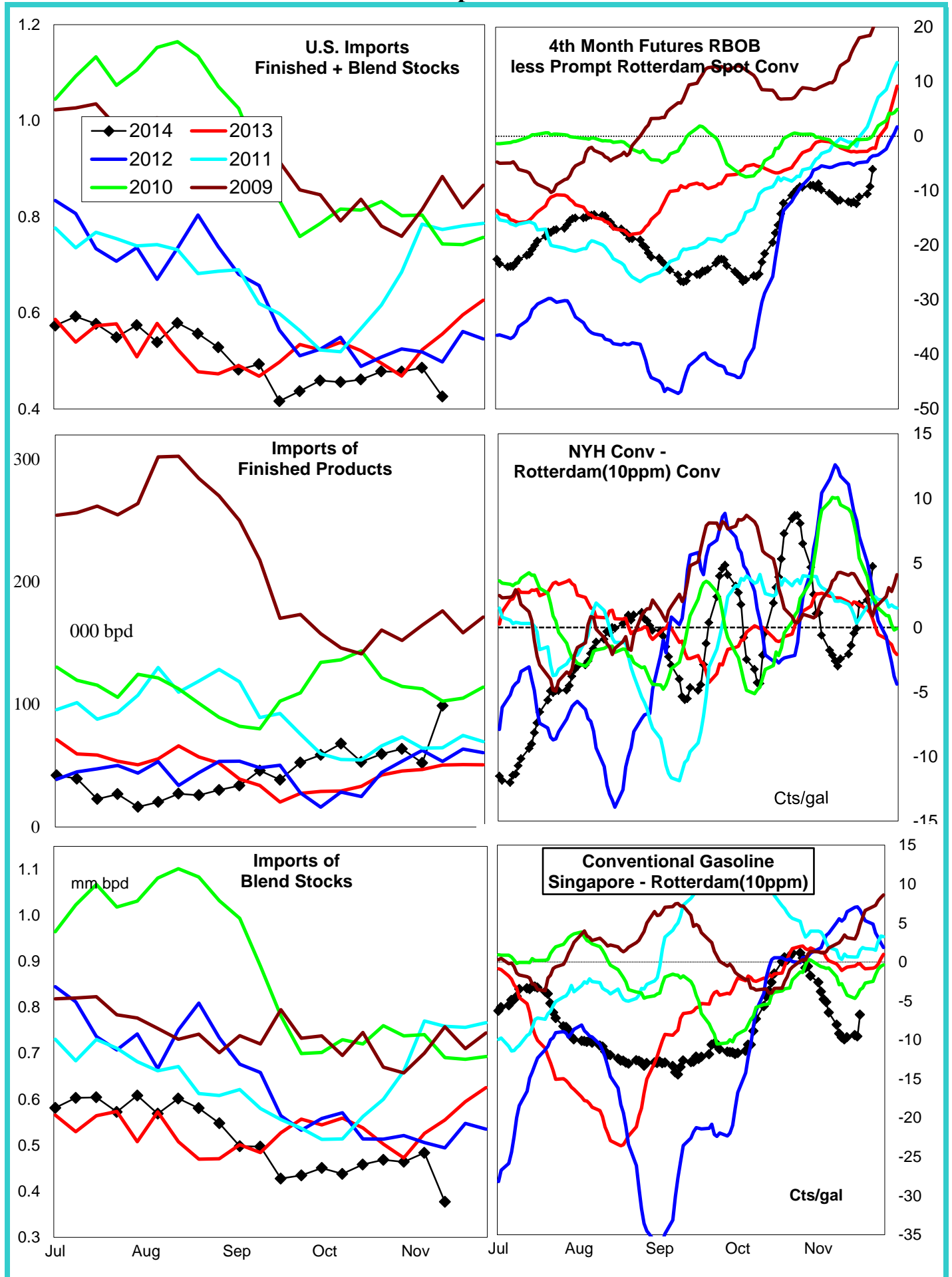


**Disclaimer** - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author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

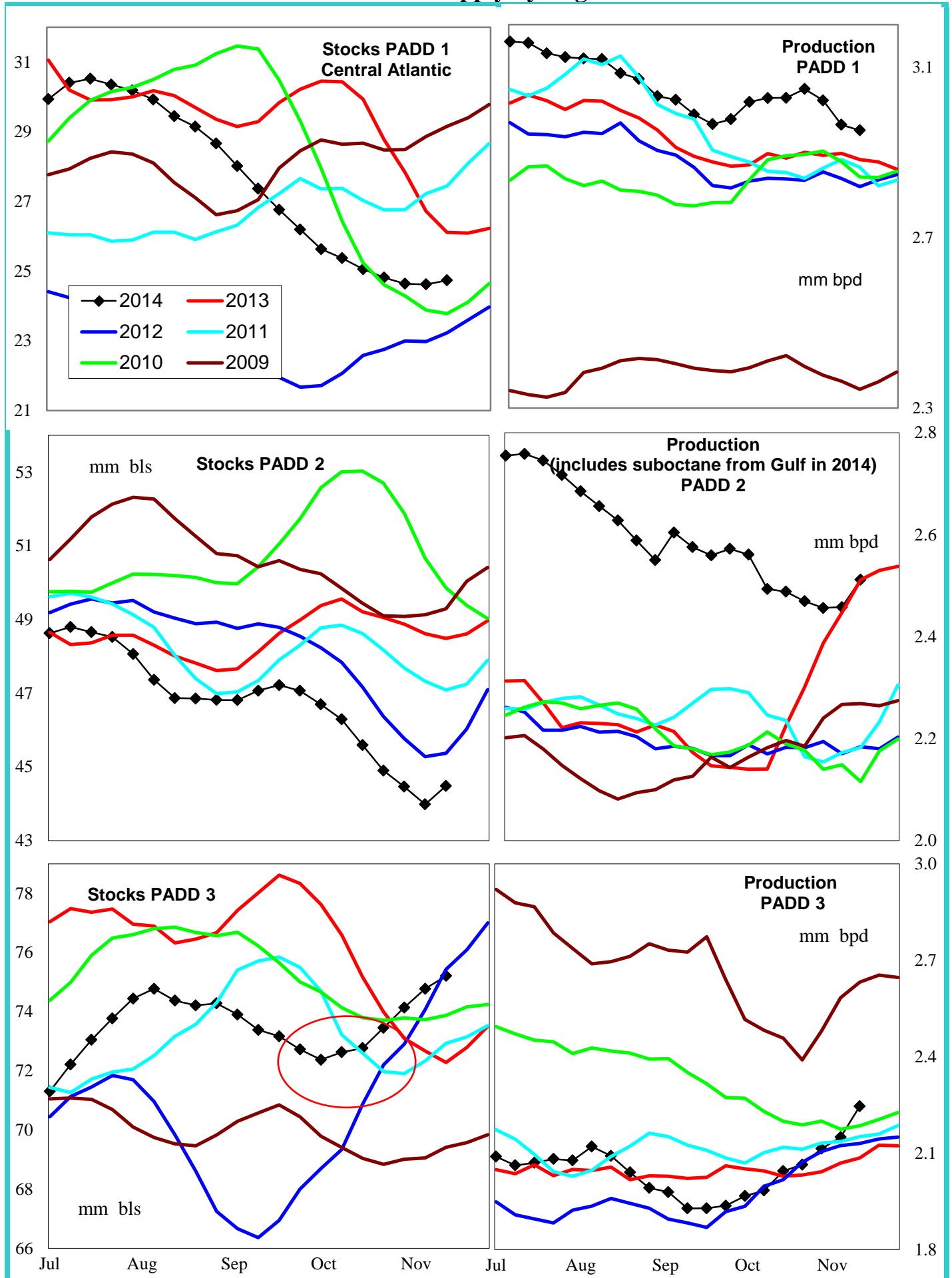
# Gasoline Cash Basis and Related Price Spreads



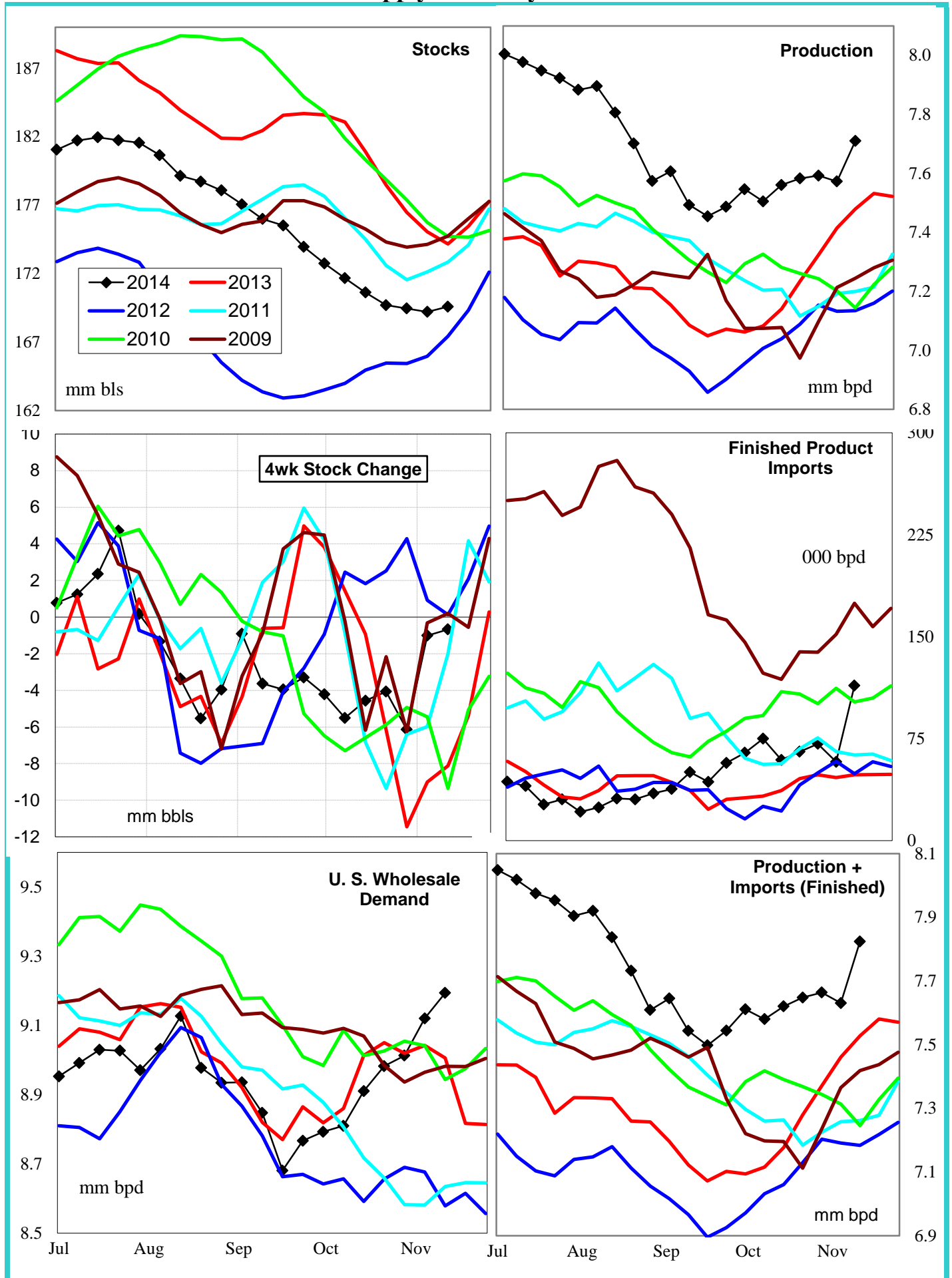
## Gasoline Import Economics



# Gasoline Supply by Region



## Gasoline Supply Summary PADDs 1+2+3





# PADD 5 Gasoline Supply

