



WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Sunday, December 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 spiked +0.8 million bpd last week as deliveries increased following the decline during the prior

holiday shortened week. The latest 4-wk average demand was +364,000 bpd above last year.

Supplies jumped +0.7 million bpd on the week as downstream process units reached peak winter thrupt. Stocks increased +5.3 million with significant increases in all regions. Stock levels ended the week above the 5-yr range.

Cash basis trended lower in Midwest and southern California markets last week. Basis traded sideways or higher in other regional markets.

Look for widespread basis strength early next month on improved supplies in the Northeast from a higher level of imports and start of winter maintenance in the Gulf region.

Risk of near term weakness continues in Midwest markets on peak winter thrupt after the high level of maintenance last fall.

RBOB

New York Harbor basis to trend seasonally lower on increased imports and lower winter quarter demand.

Conventional

New York Harbor basis to trade lower on increased imports and lower winter quarter

demand.

Chicago basis risk near term weakness on peak refinery operations, then trend higher on improved supplies in the Northeast and start of Gulf winter maintenance.

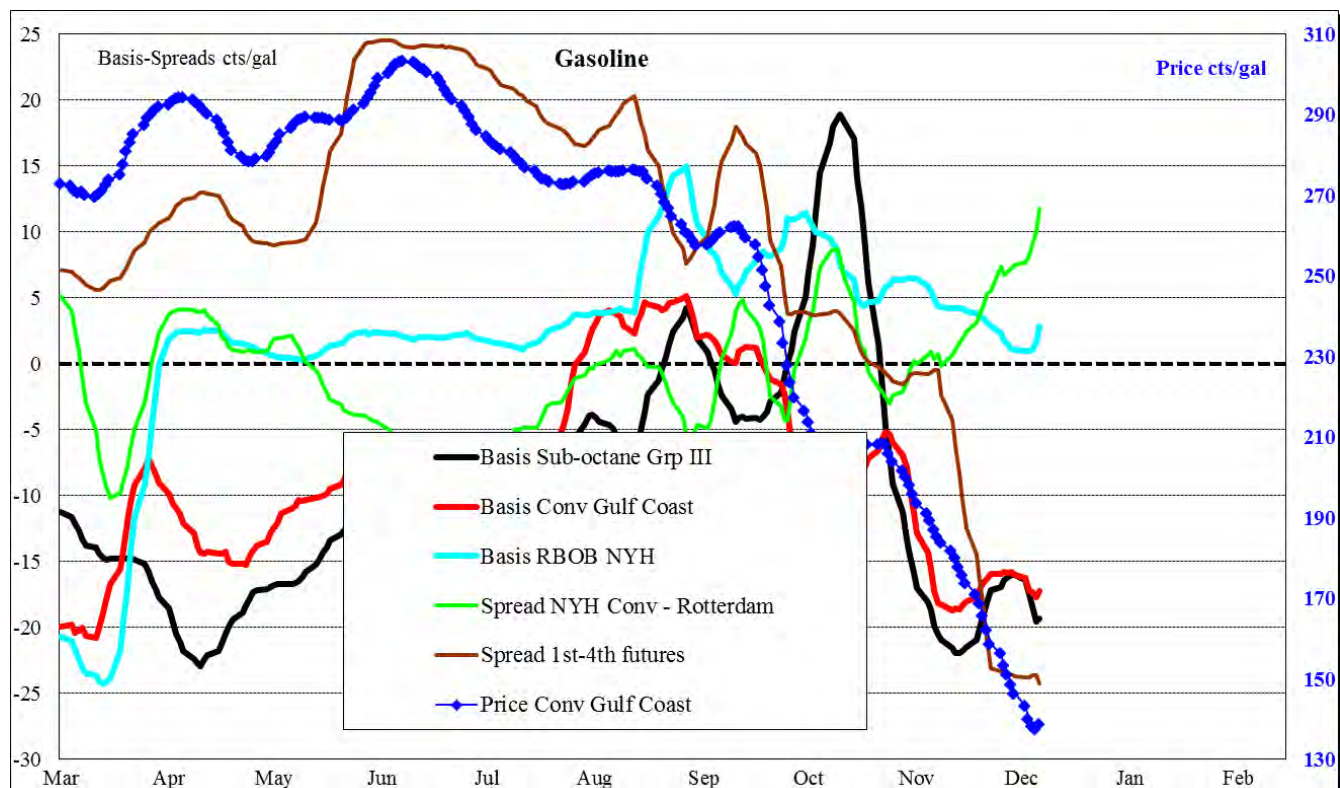
Group III basis risk near term weakness on peak refinery operations, then trend higher on improved supplies in the Northeast and start of Gulf winter maintenance.

Gulf Basis to trade sideways in the near term, then higher on start of winter maintenance.

West Coast (Los Angeles) basis to trade sideways on peak winter production then trend lower on start of refinery maintenance.

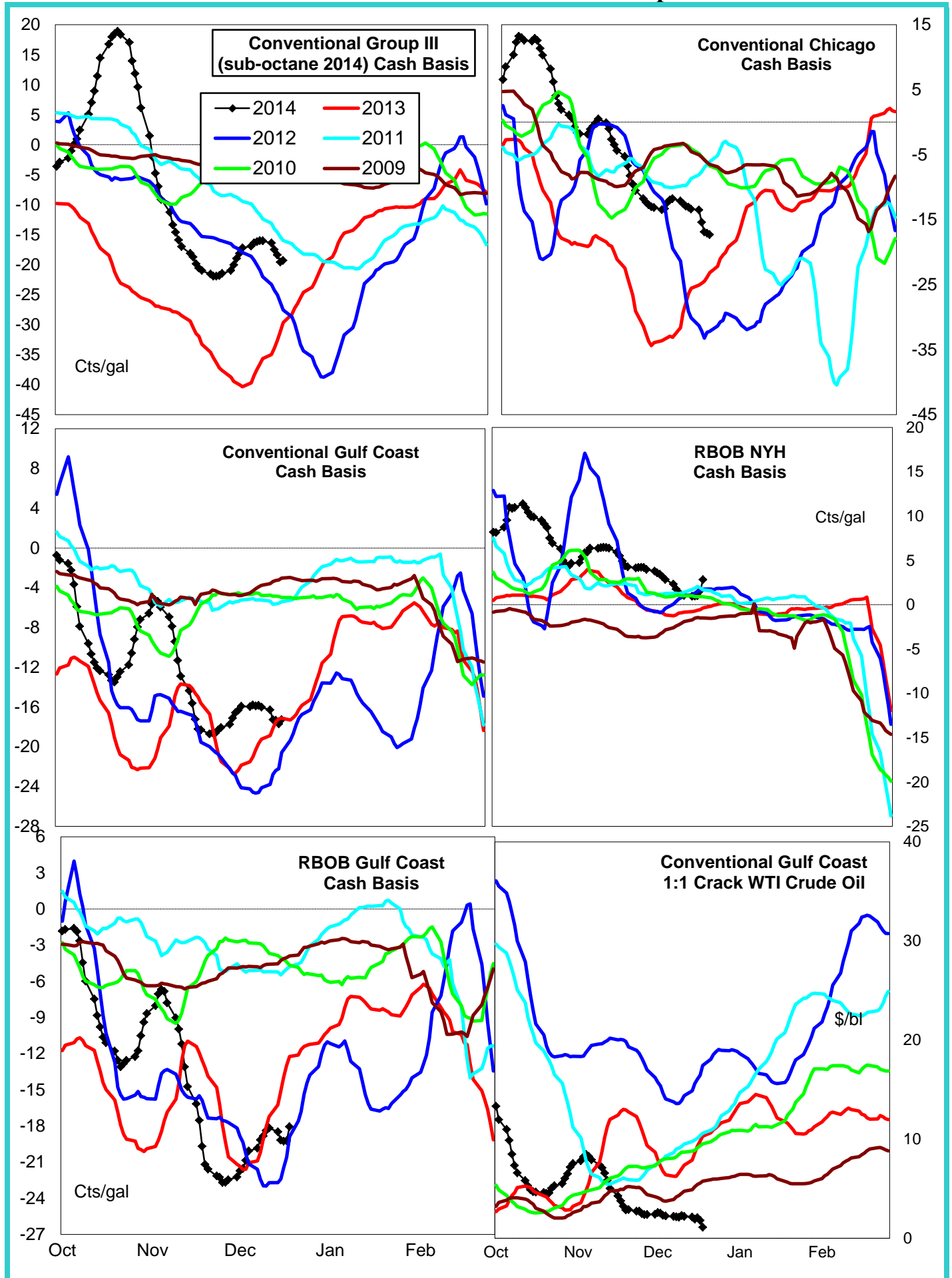
Gulf Coast Price Robust wholesale demand is currently being offset by higher imports and peak winter production.

With the start of winter refining maintenance in the Gulf region, look for strength in gasoline prices, limited by the global over supply of crude oil.

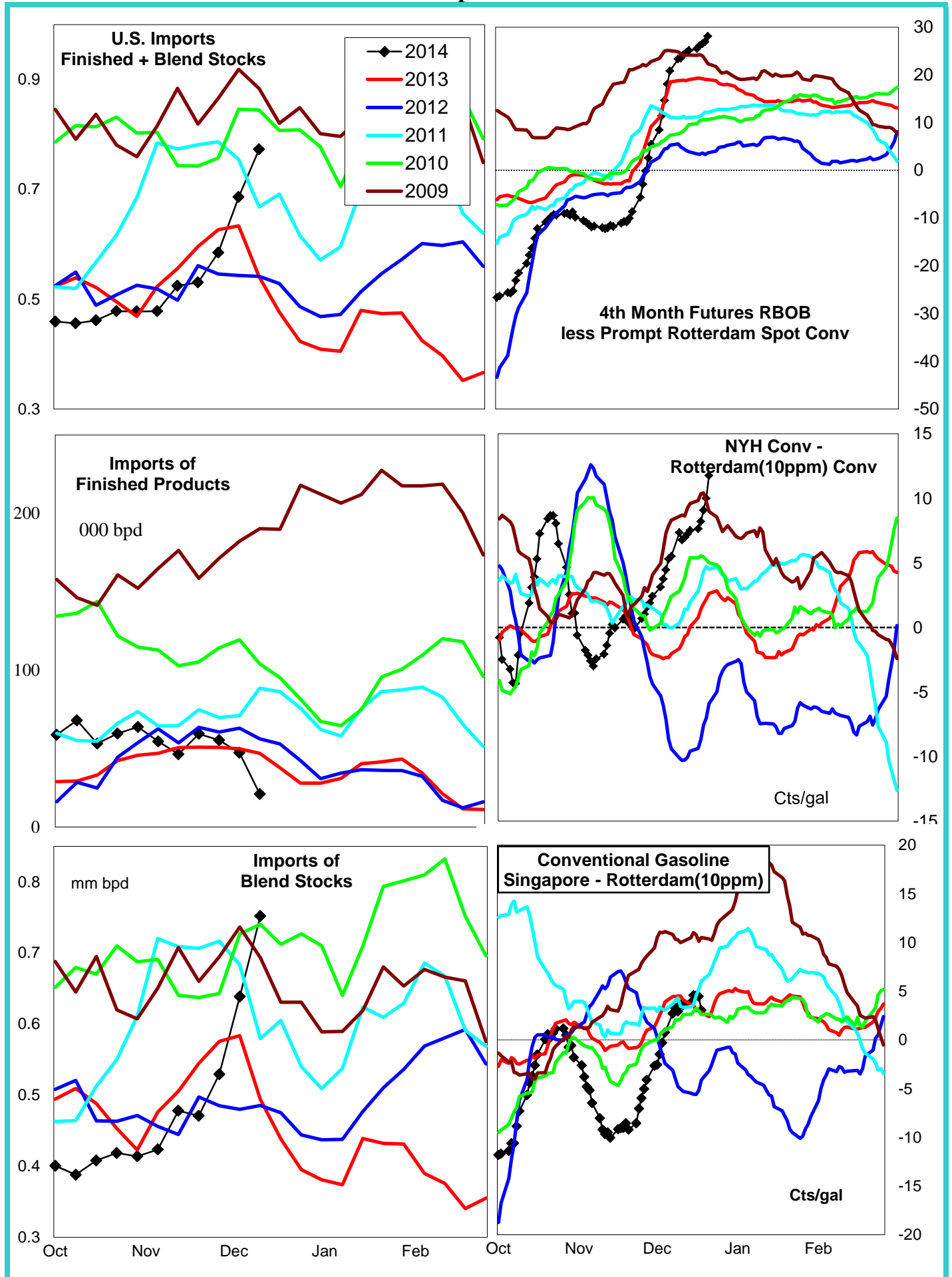


Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and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

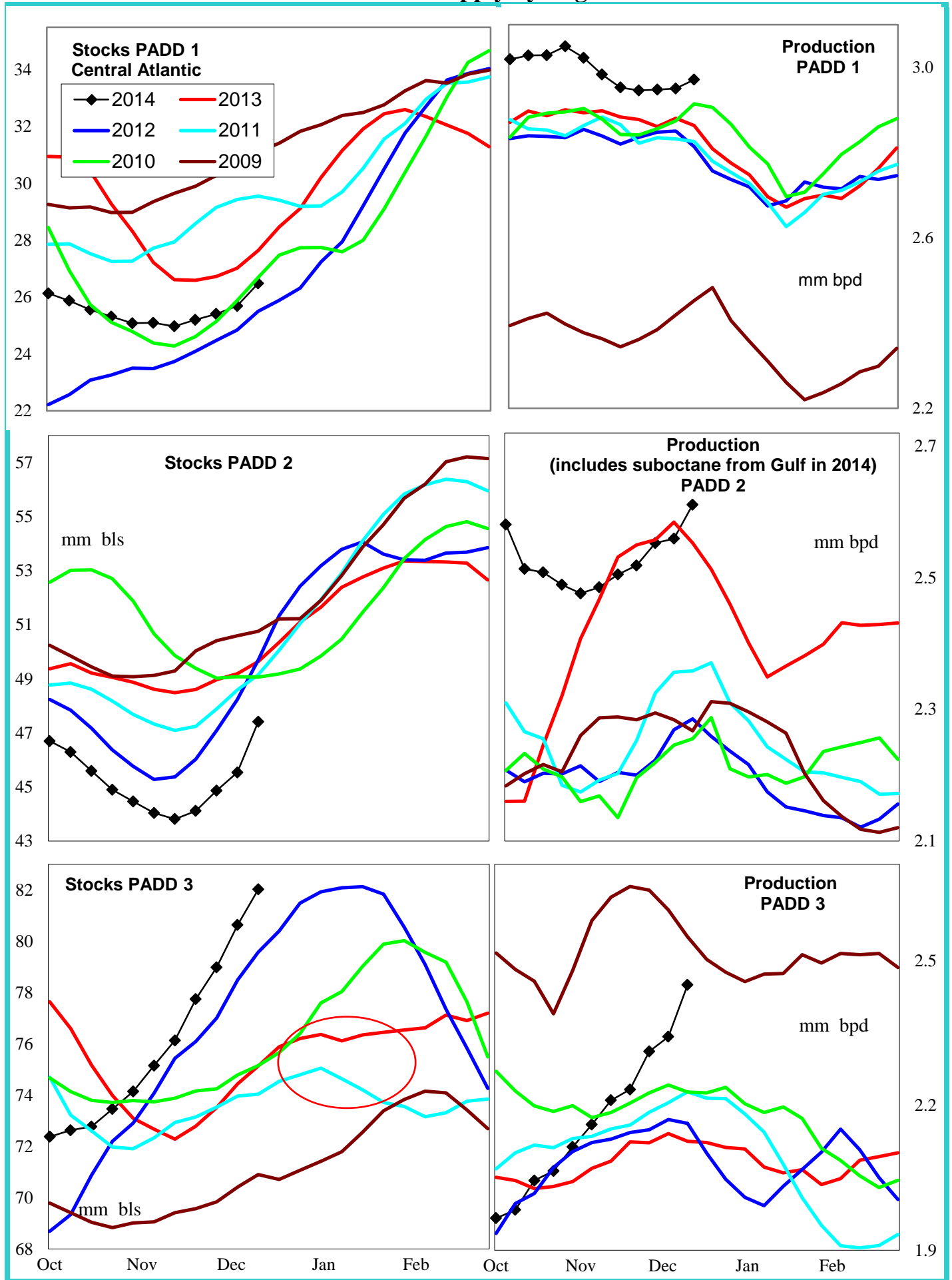
Gasoline Cash Basis and Related Price Spreads



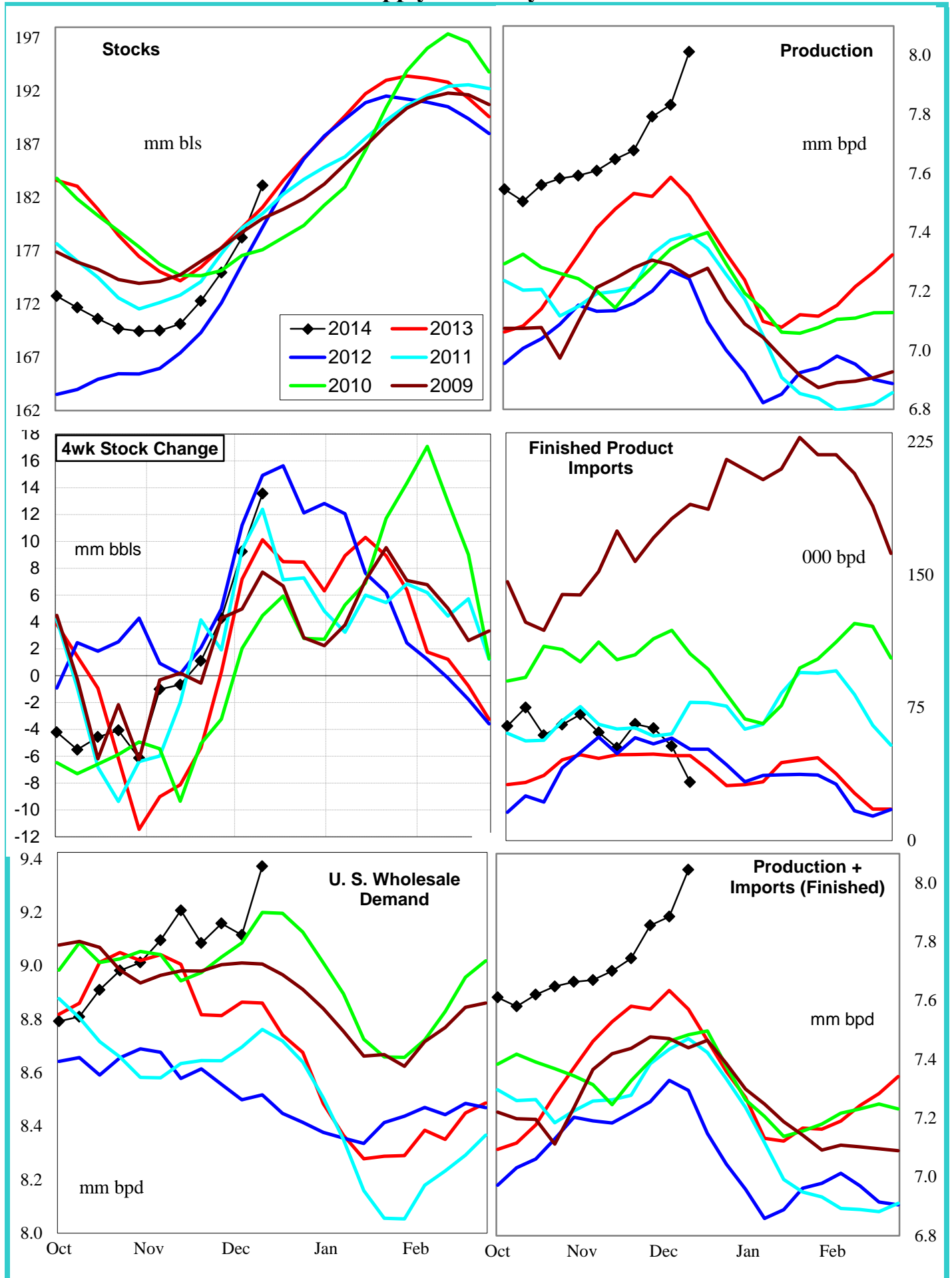
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply