



## 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 +0.4 million bpd last week. The latest 4-wk average

demand was +0.45 million bpd above last year.

Supplies increased +0.35 million bpd on the week, with the most recent 4-wk supply +0.36 million bpd above last year.

Stocks decreased -2.2 million barrels last week, the first decline in 2-months. Stocks ended the week +16.4 million barrels above prior 5-yr highs.

Cash basis extended the uptrend in Midwest markets on refinery crude oil run cuts due to poor refining margins. West Coast basis remains extremely week on over supplied winter grades.

Look for refinery run cuts and start of spring maintenance in the Midwest to support cash basis in the region. The switch to summer grades in Los Angeles should see a rebound in basis for that region. NYH risk a pull back in basis on over supplied winter grades.

#### RBOB

**New York Harbor basis** to trade within the 3-yr range on ample supplies, with risk of downside weakness on high stocks of winter grade product.

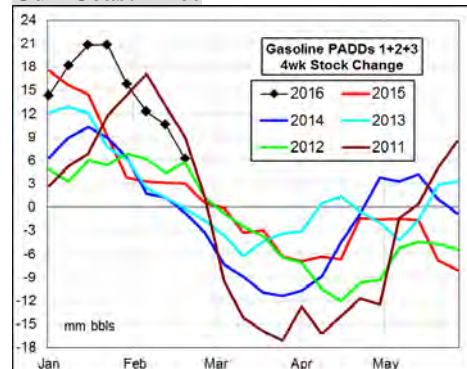
**Chicago** basis to trend higher on refinery cuts in crude oil thru put on poor margins and start of spring maintenance.

**Group III** basis to trend higher on refinery cuts in crude oil thru put due to very poor margins and start of spring maintenance.

**Gulf Basis** to remain weak on extremely high stocks and production; then trend higher on conversion to summer grades.

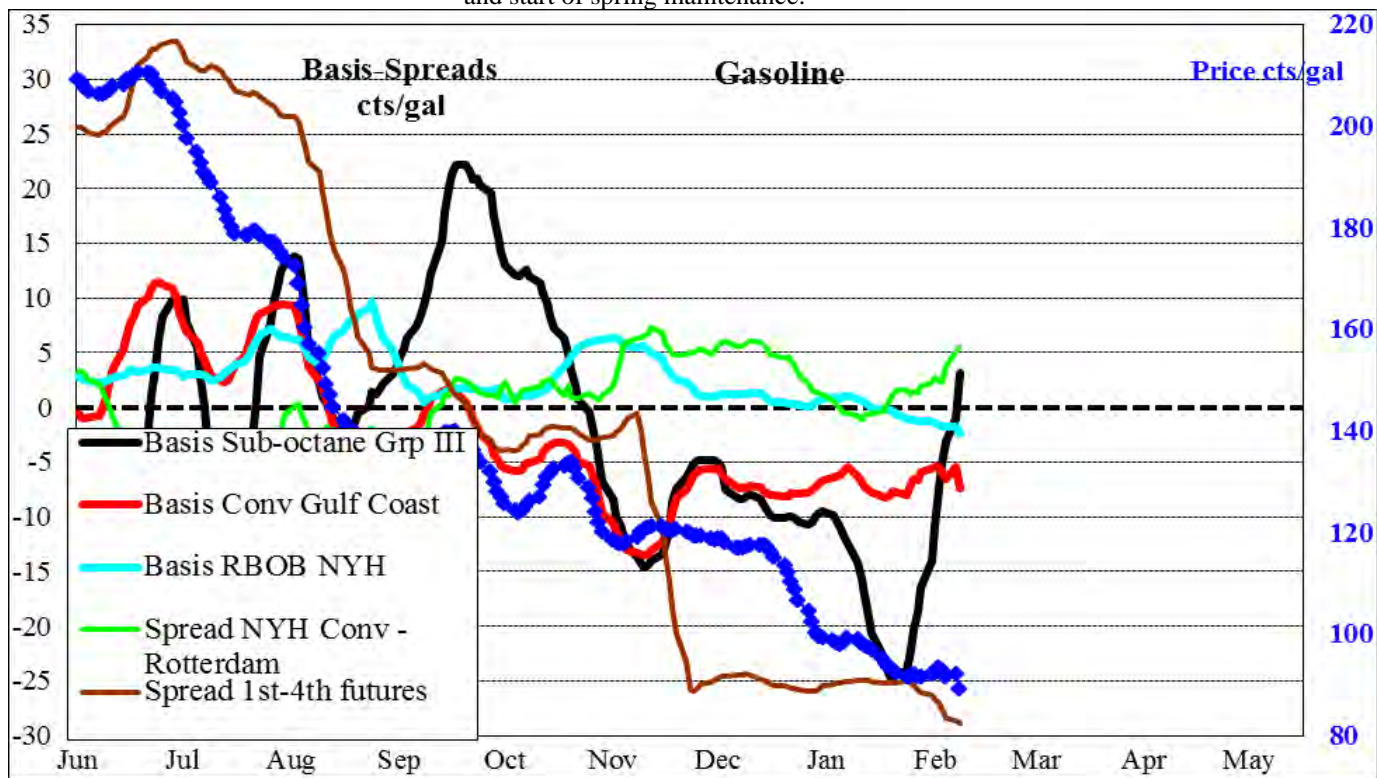
**West Coast (Los Angeles)** basis to rebound on conversion to spring grades.

#### Gulf Coast Price



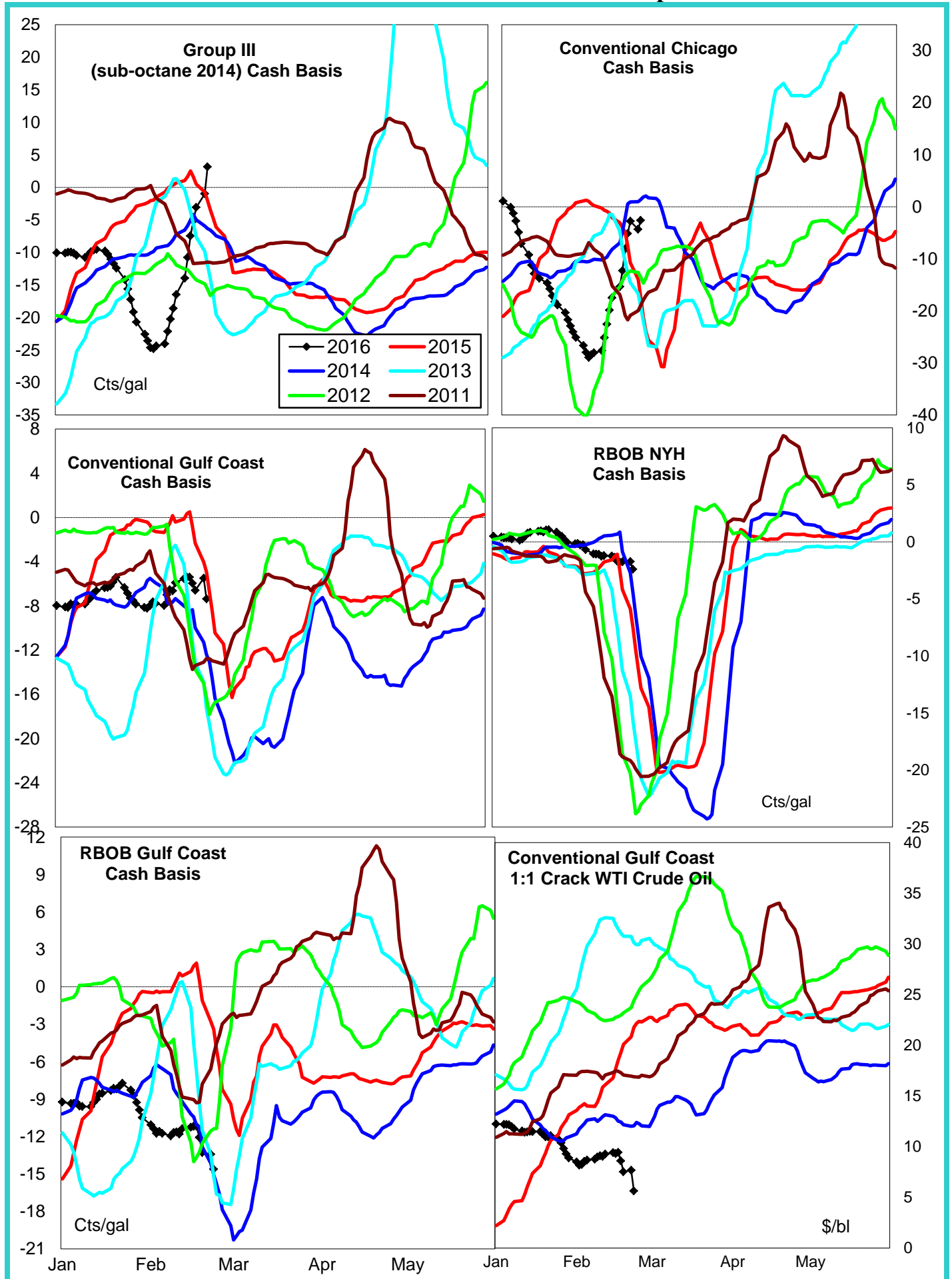
The latest 4-wk stock build East of the Rockies was near 5-yr highs for the 8<sup>th</sup> consecutive week.

Extremely high stocks, record production on below average refinery maintenance in the Gulf risk weak spring gasoline price uptrend.

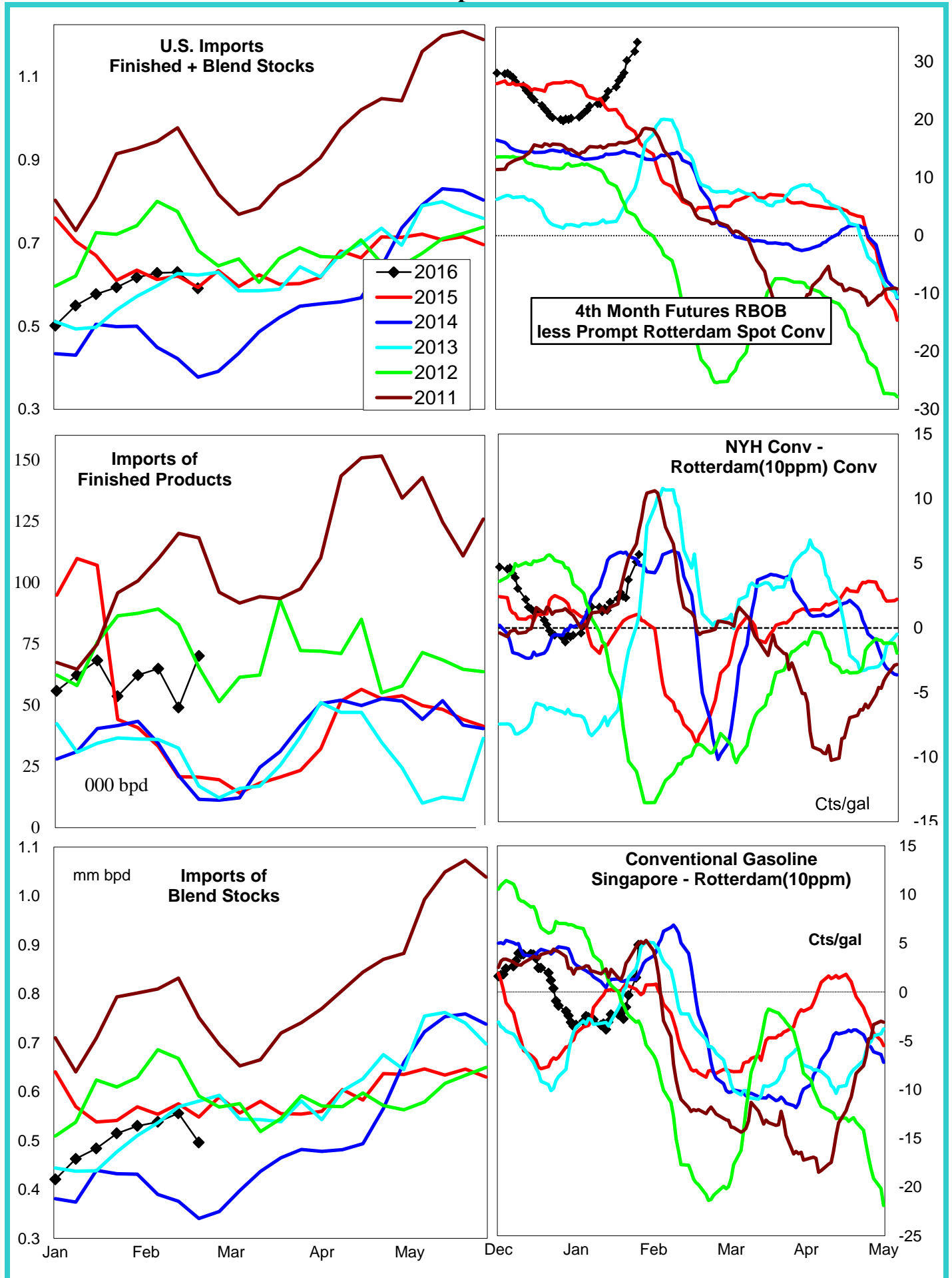


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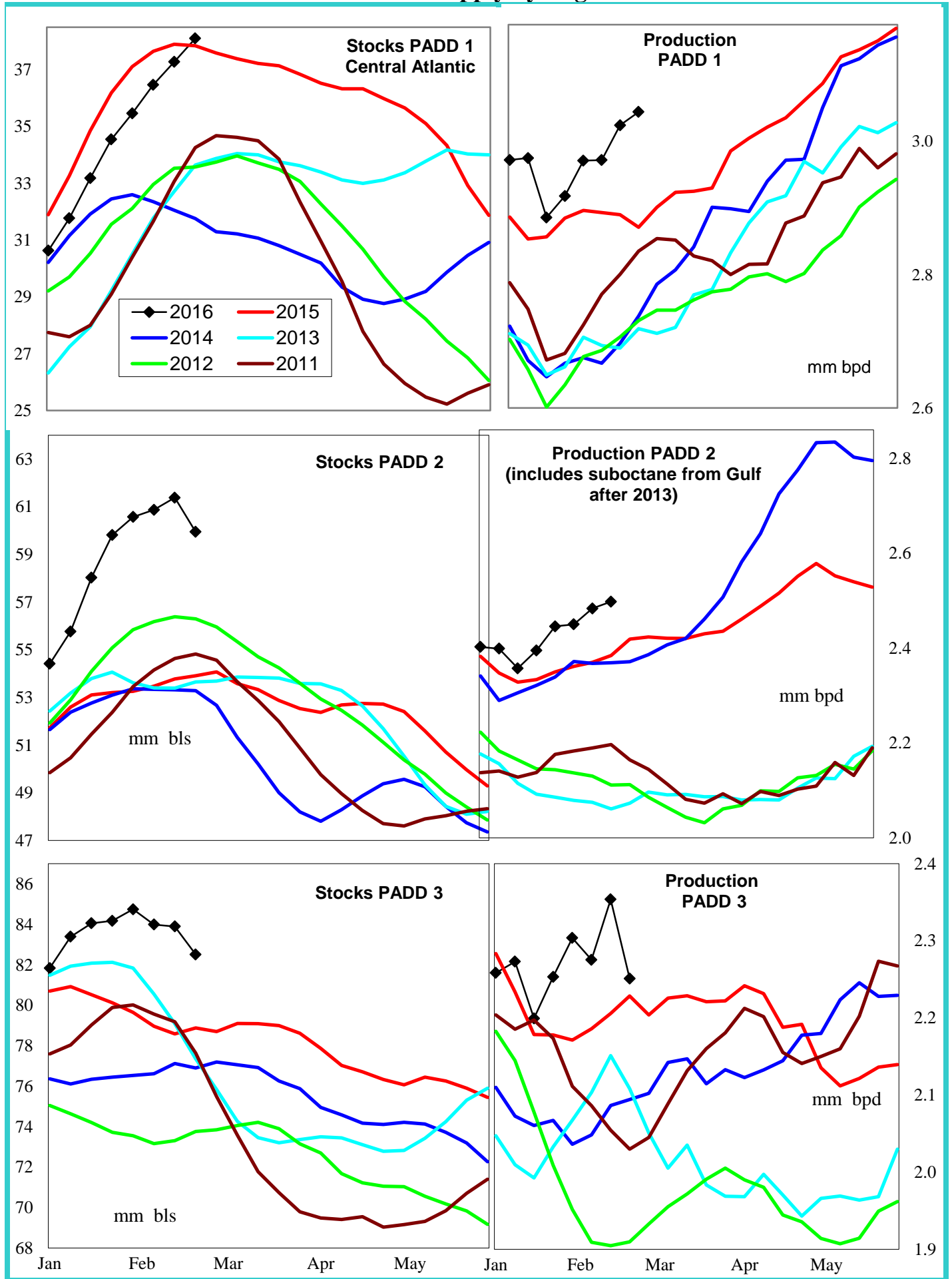
# Gasoline Cash Basis and Related Price Spreads



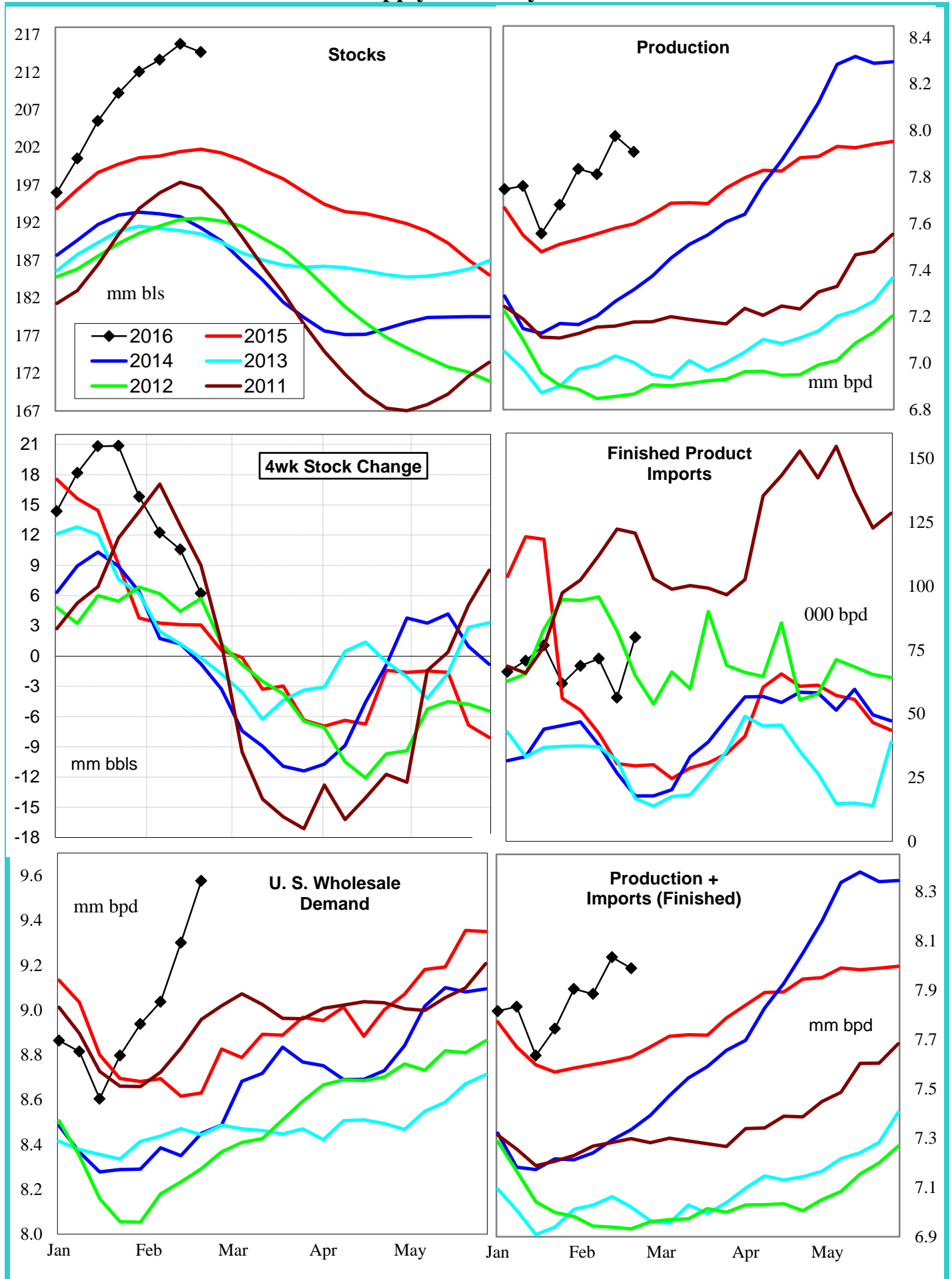
## Gasoline Import Economics



# Gasoline Supply by Region



# Gasoline Supply Summary PADDs 1+2+3





**PADD 5 Gasoline Supply**