



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 fell -0.5 million bpd last week. The latest 4-wk average demand was +0.6 million bpd above last year.

Supplies fell -0.8 million bpd on the week, with the most recent 4-wk supply +0.4 million bpd above last year.

Stocks decreased -1.5 million barrels last week, less than the average for this time of year. Stocks ended the week +15 million barrels above prior 5-yr highs.

Cash basis extended the uptrend in Midwest markets to the 3-yr mid range; driven by refinery crude oil run cuts due to poor refining margins. West Coast basis trended higher on the switch to spring RVP grades (adjusted for the roll to April futures).

Look for start of spring maintenance in the Midwest to support cash basis in the region. The switch to summer grades in Los Angeles should see further increases in basis for that region. NYH risk a pull back in basis on over supplied winter grades (adjusted for April futures).

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.

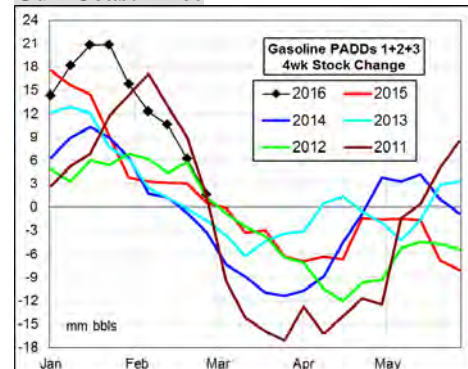
Chicago basis to trend higher on refinery cuts in crude oil thru put on poor margins and start of spring maintenance.

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.

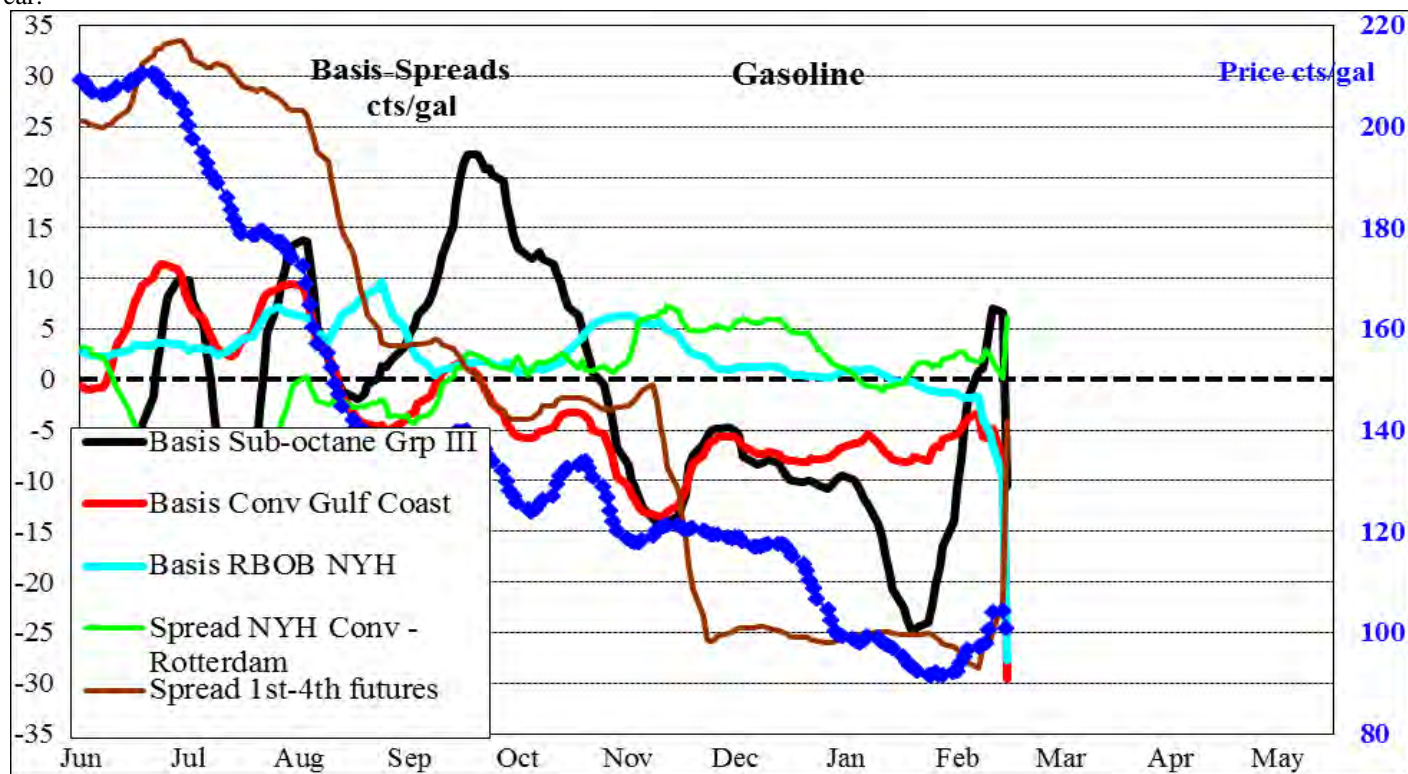
West Coast (Los Angeles) basis to extend the uptrend on conversion to spring grades.

Gulf Coast Price



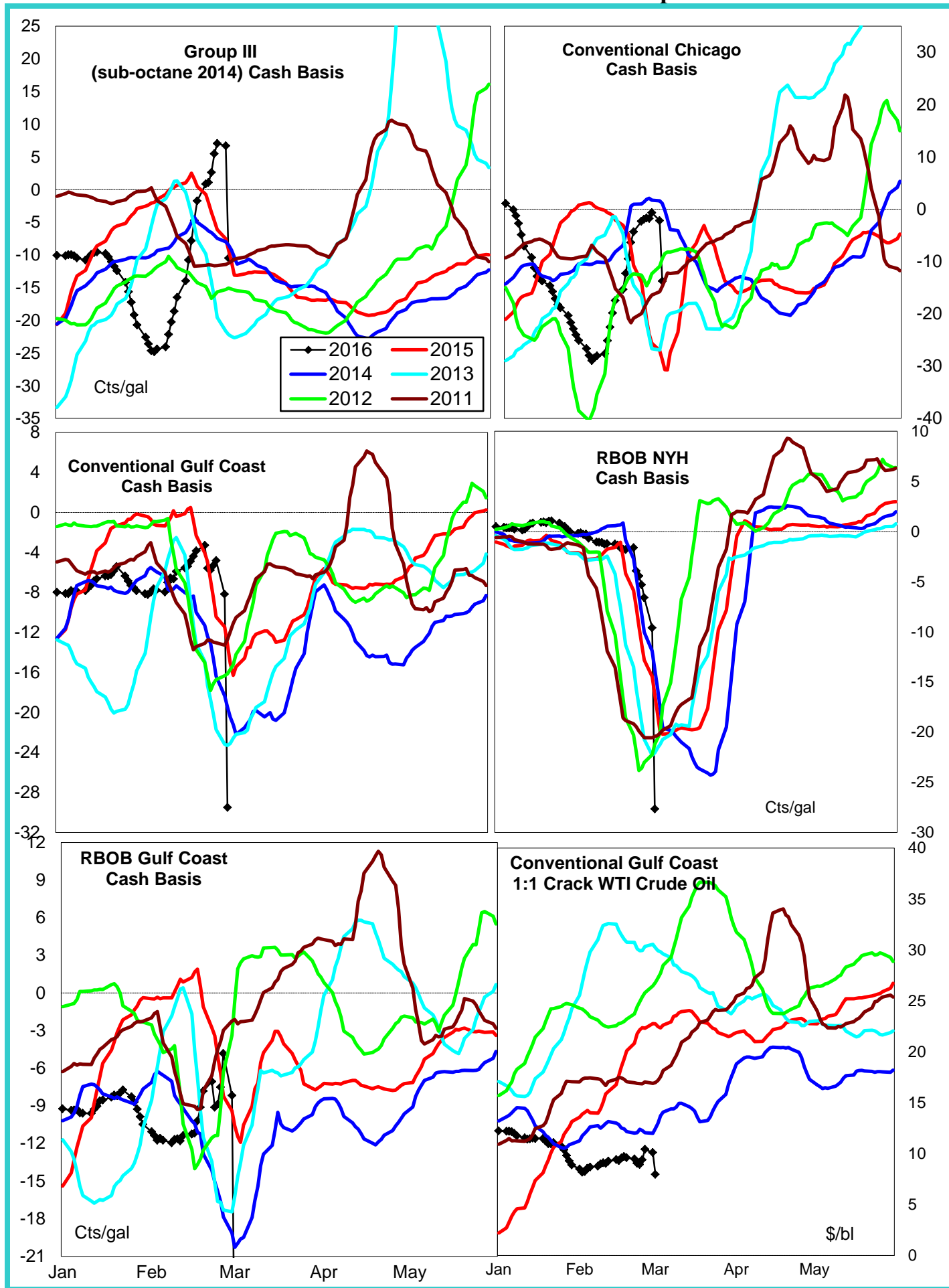
The latest 4-wk stock build East of the Rockies was matched 5-yr highs, extending a 2-month record rate.

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

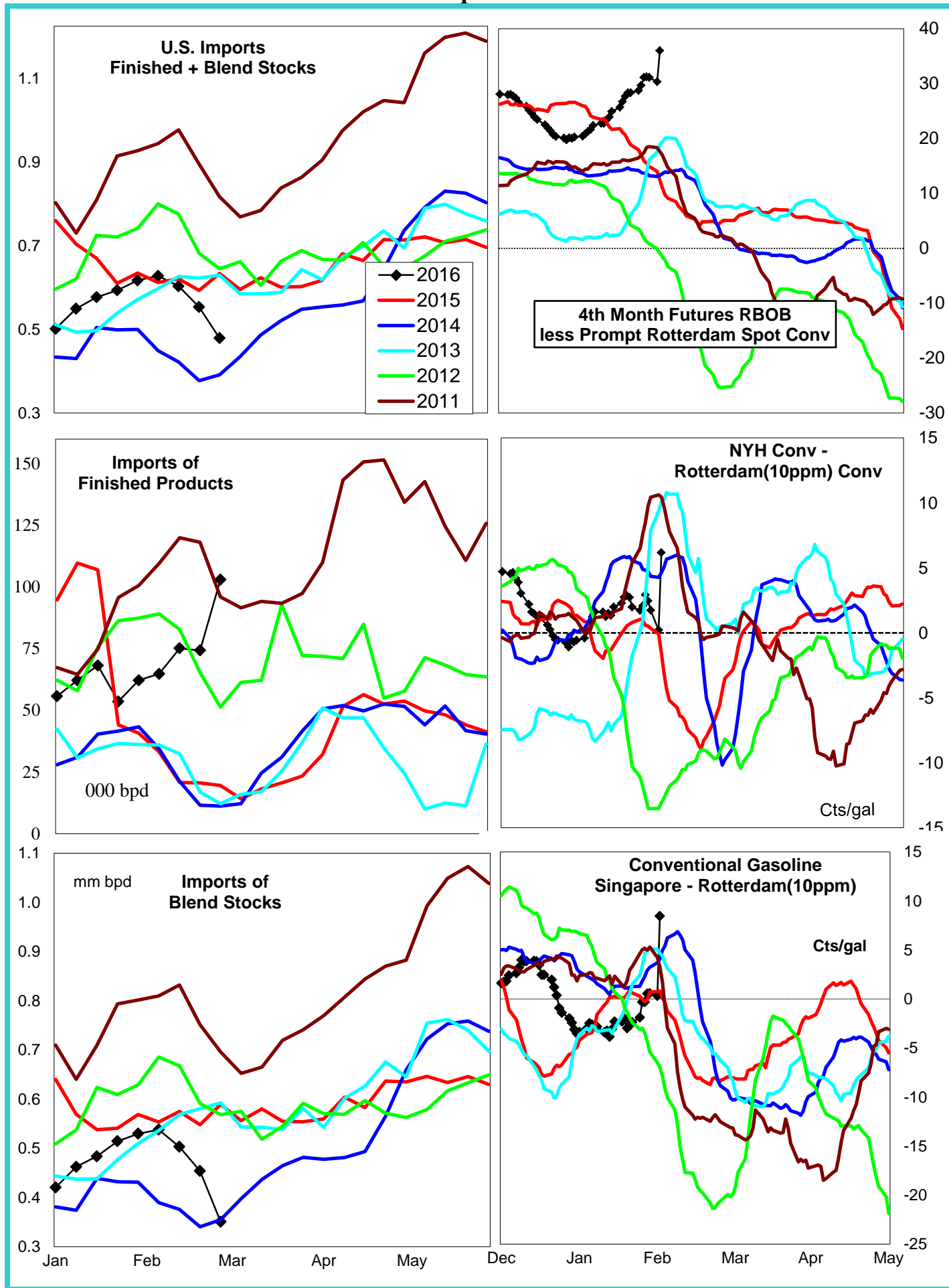


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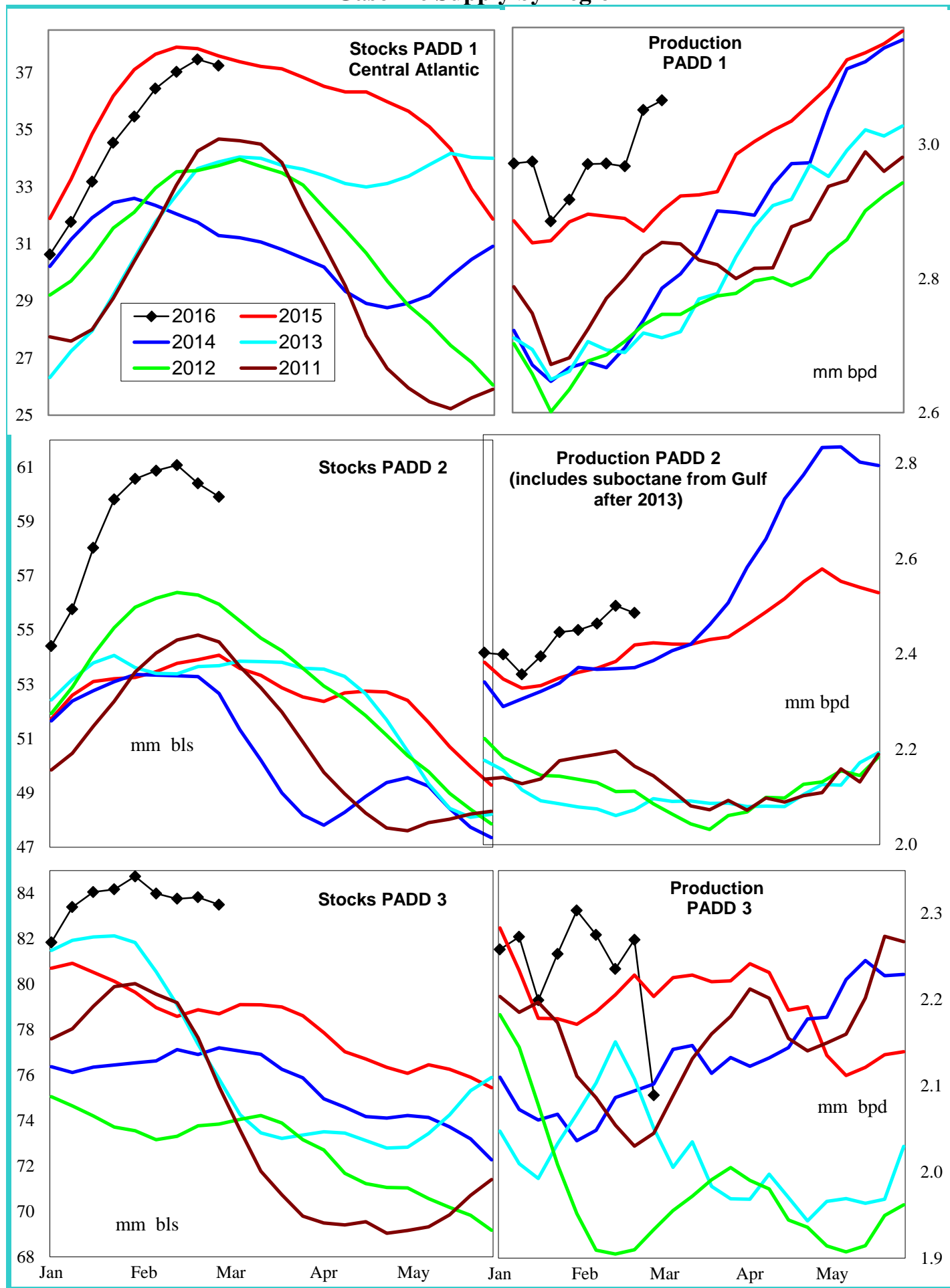
Gasoline Cash Basis and Related Price Spreads



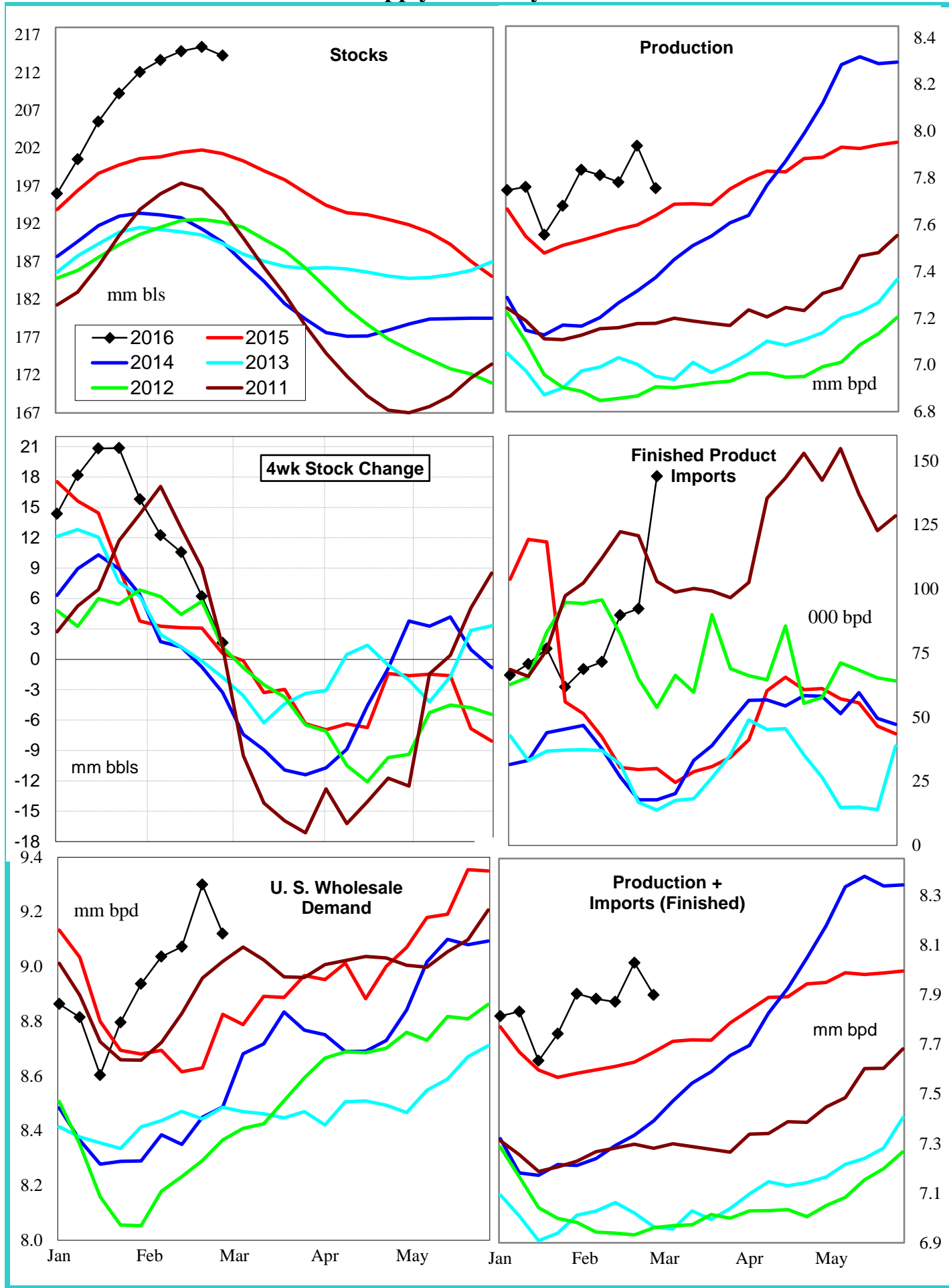
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply

