



WEEKLY GASOLINE FUNDAMENTAL-PRICE-BASIS OUTLOOK

A Fundamental Petroleum Trends Weekly Report

Lehi German Tel: 816.505.0980 www.fundamentalpetroleumtrends.com Sunday, March 08, 2015

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 -0.3 million bpd last week to a above the last 3-yrs. The latest 4-wk average demand was +334,000 bpd above last year – continuation of a 2-

month year-on-year increase. Lower retail prices and improving economic conditions underlie the robust growth rate.

Supplies decreased -66,000 bpd last week, on lower production. Stocks were unchanged on the week, with the level +11 million barrels above a year ago, and a 5-yr high for this time of year.

Cash basis fell in all markets east of the Rockies last week, due to the roll to April futures. Basis on the west coast extended the surge early in the week, then pulled back sharply late in the week.

Basis levels plunged to record lows in the Chicago market on inclement weather and high production. In other markets east of the Rockies, basis traded at levels comparable to a year ago.

Look for basis to trend higher in nearly all markets outside of NYH and the West Coast on +3% to +5% year-on-year demand growth, refinery maintenance and still record stock levels in the Central Atlantic region for this time of year.

RBOB

New York Harbor basis to trade sideways in the near term on low seasonal demand

then trend higher on continued refinery maintenance.

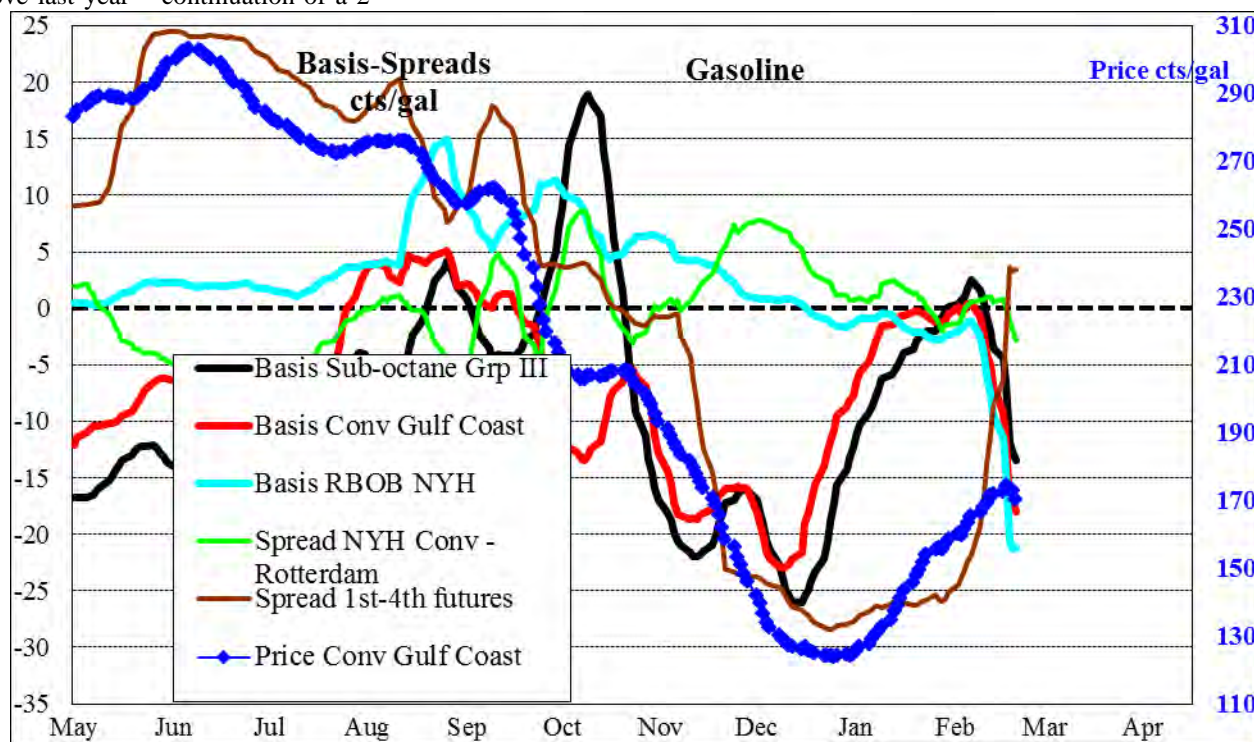
Chicago basis to trade sideways on high production, then rebound on improved weather conditions for travel.

Group III basis to trade sideways in the near term on high stocks and low seasonal demand, then trend higher as refinery maintenance begins in the area.

Gulf Basis to trade sideways in the near term on low seasonal demand, then trend higher on refinery maintenance and increased demand in adjacent regional markets.

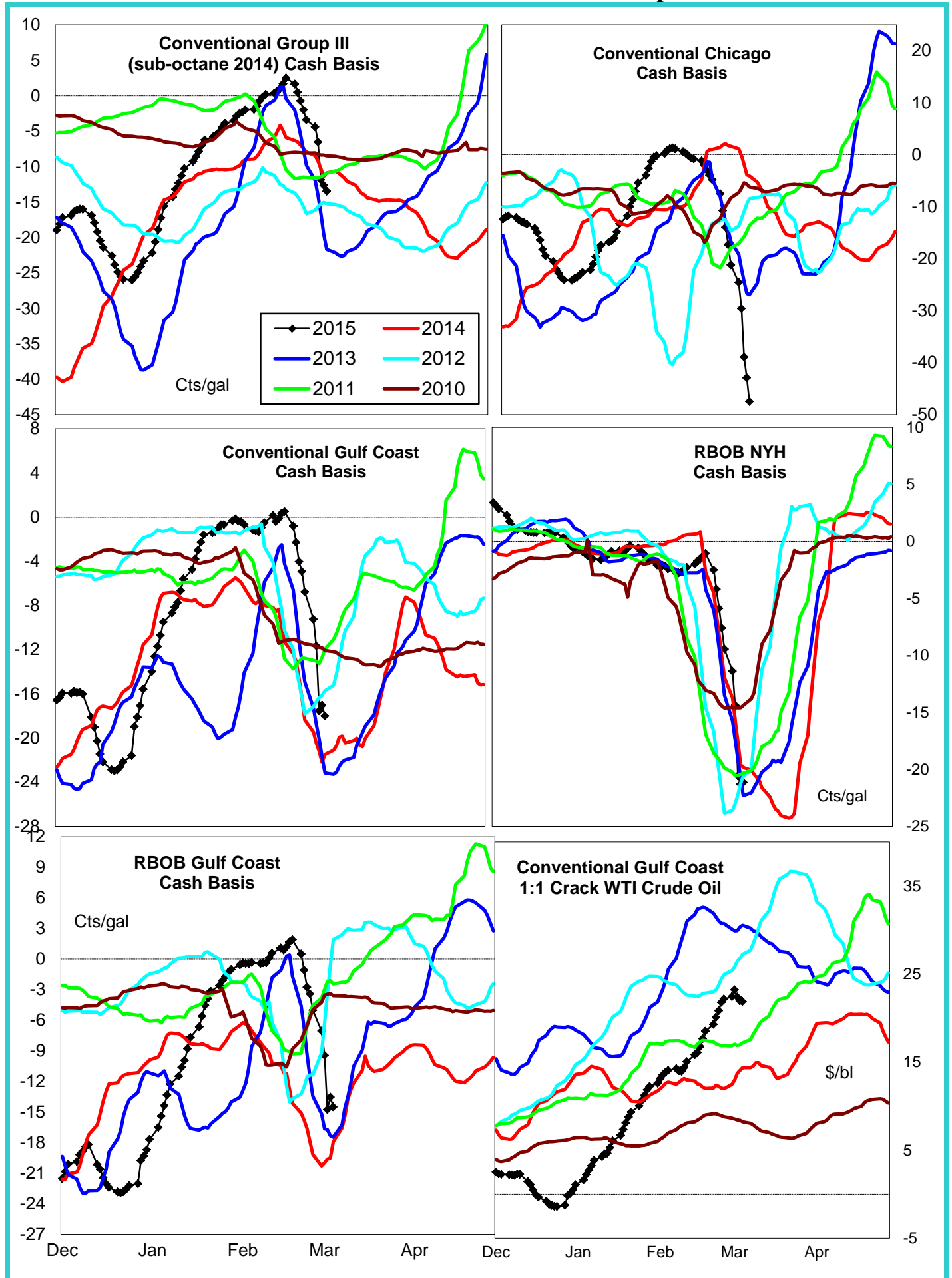
West Coast (Los Angeles) basis to extend the current pull back in the near term in ample supply, but trade at levels above prior years due to the extended maintenance on the ExxonMobil FCCU.

Gulf Coast Price Look for mid spring weakness on extreme over supply of crude oil, then renewed price strength driven by the robust year-on-year demand growth of +3 to +5%.

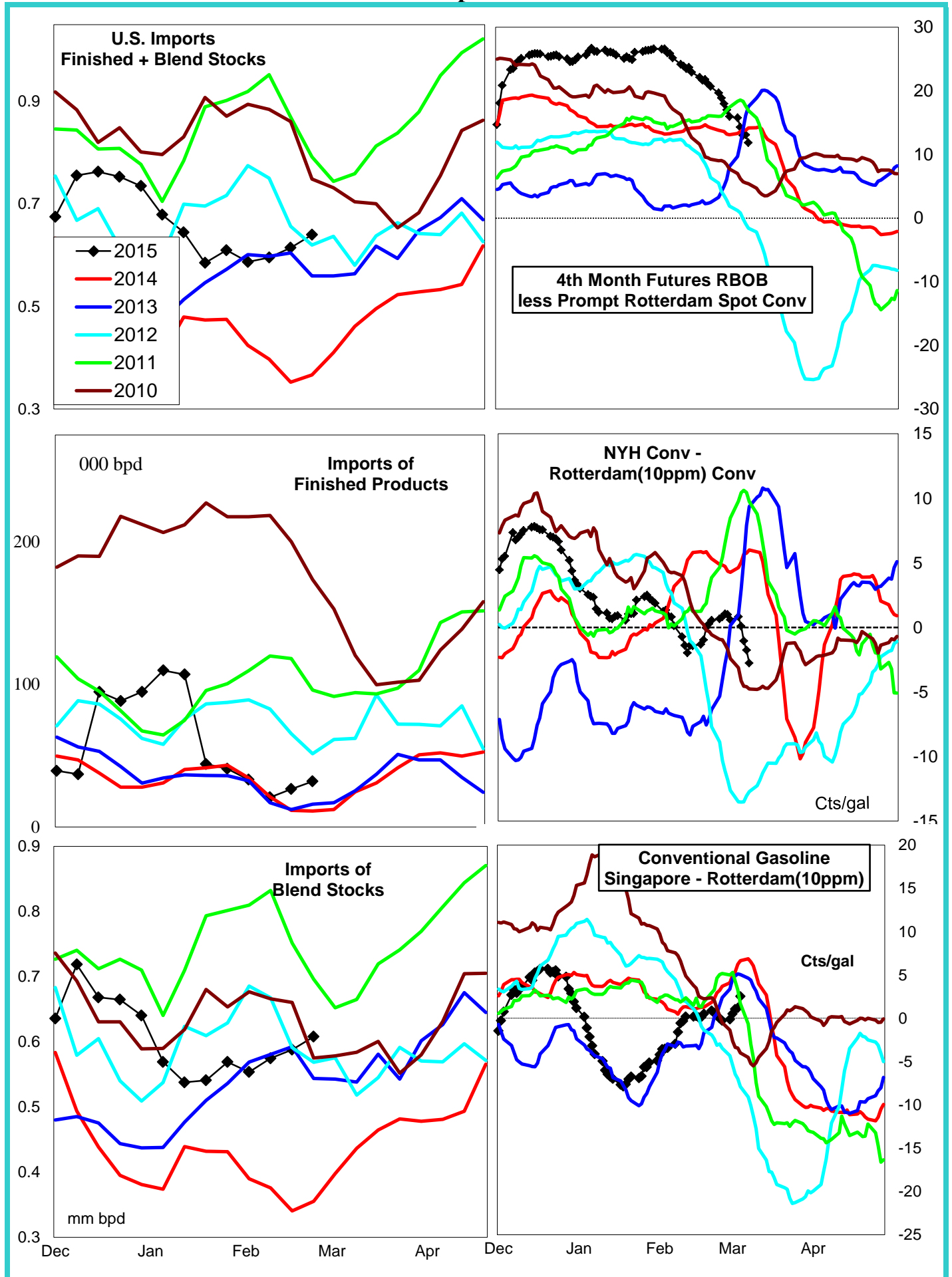


Disclaimer - The information contained on this website and in all its reports reflects the opinion of Fundamental Petroleum Trends. Futures and commodities trading involve significant risk and may not be suitable for every investor. Information contained herein is strictly the opinion of its author and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

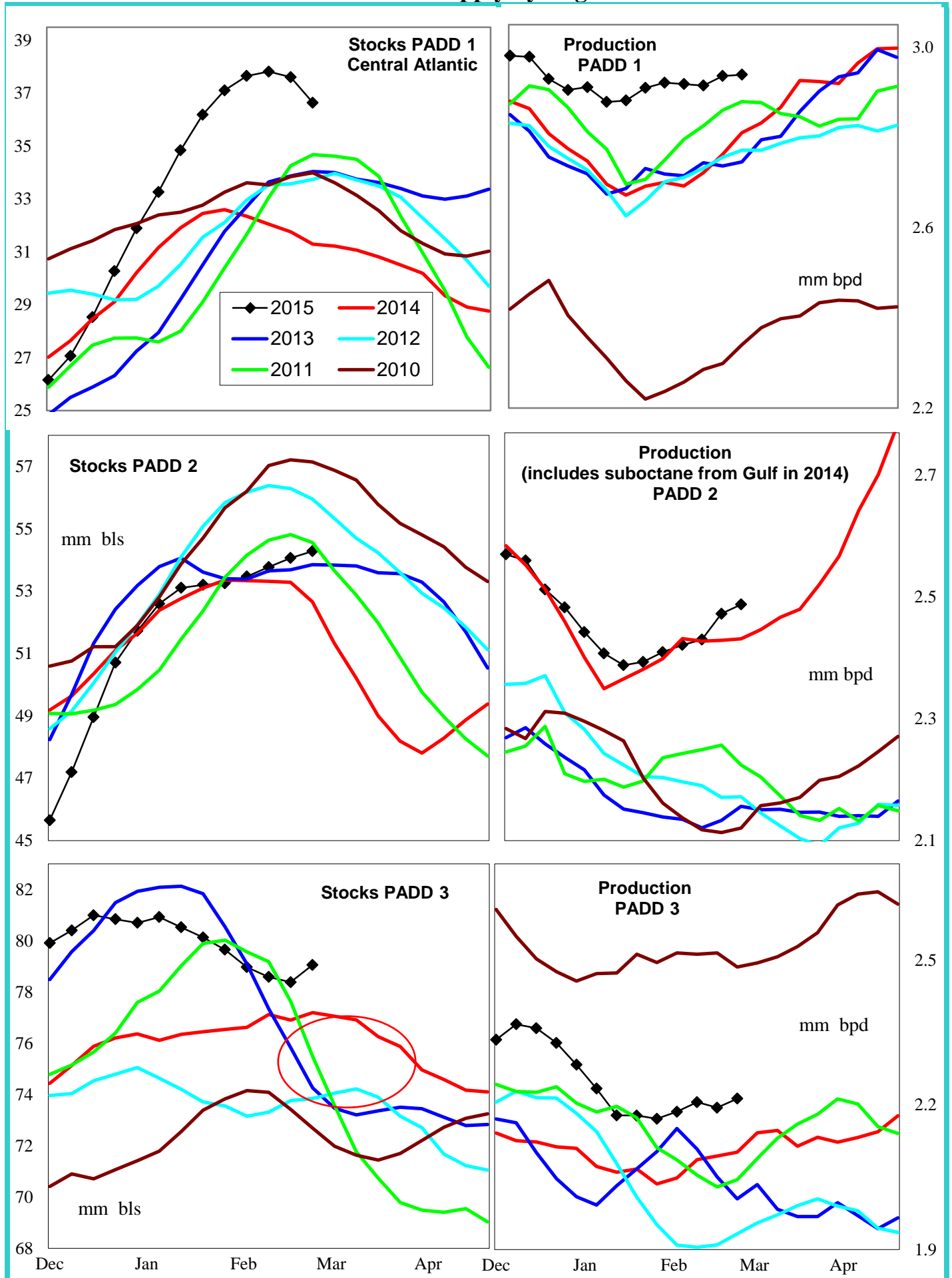
Gasoline Cash Basis and Related Price Spreads



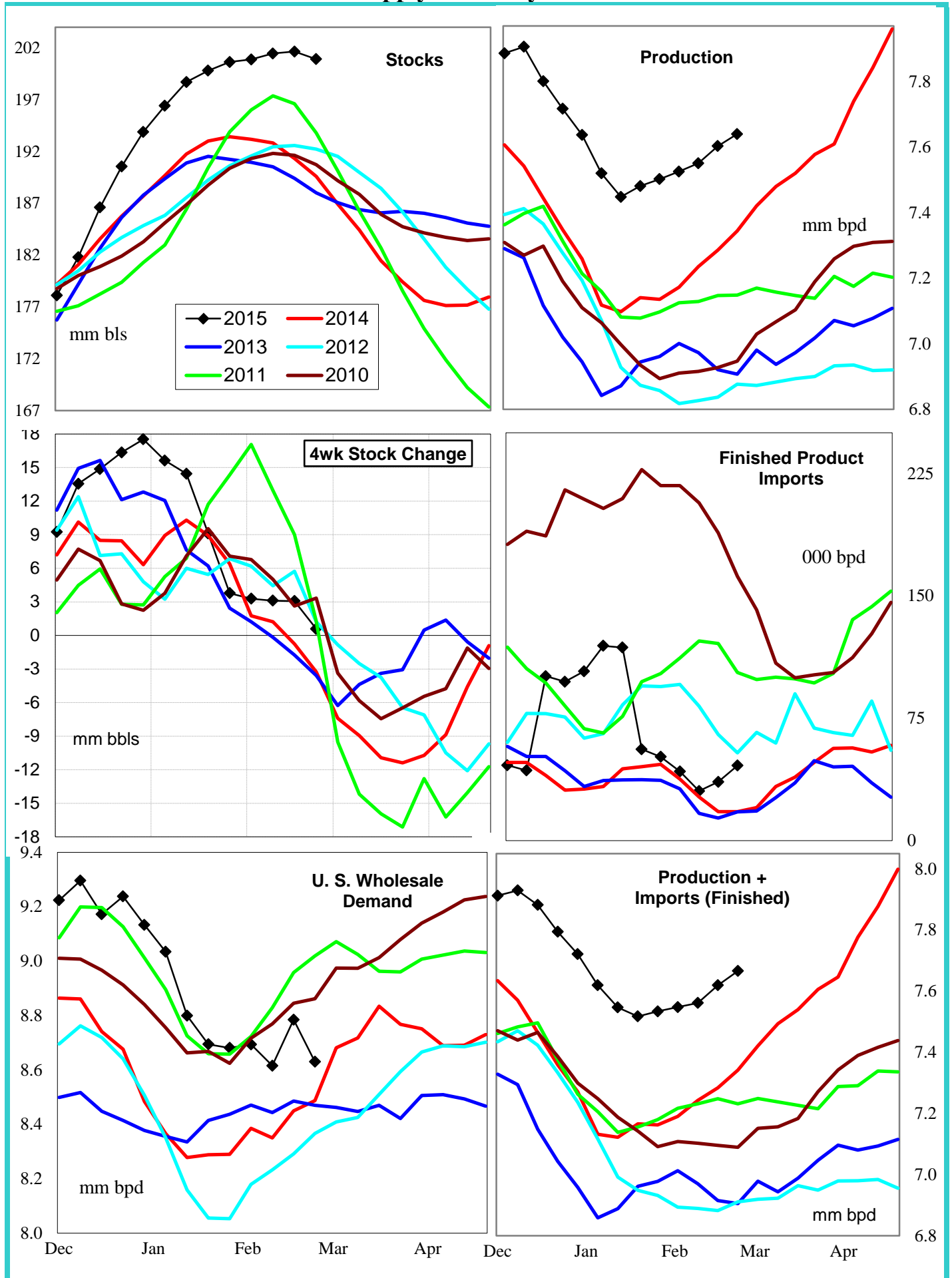
Gasoline Import Economics



Gasoline Supply by Region



Gasoline Supply Summary PADDs 1+2+3



PADD 5 Gasoline Supply