



## 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 decreased -0.3 million bpd last week, to a level comparable with a year ago. The latest 4-wk average demand

was +0.2 million bpd above last year, a +2% increase.

Supplies decreased -0.1 million bpd last week on lower production. Supply for the most recent 4-wks was +0.2 million bpd above last year.

Stocks increased +1 million barrels on the week, concentrated in the Gulf and Midwest regions.

Stock levels ended the week above the 5-yr range. Stock levels fell below the historic range on the West coast. Midwest stocks are seeing an earlier than normal winter build.

Cash basis fell sharply last week in all regional markets except NYH.

Basis levels remain above prior years in NYH, San Francisco and the Group III.

#### RBOB

*New York Harbor basis* to trend seasonally lower

*Chicago* basis to extend the current seasonal downtrend, with potential for a rebound before year end.

*Group III* basis to extend the current seasonal downtrend, as refiners complete maintenance in the area.

*Gulf Basis* to extend the current downtrend on increased supply and lower

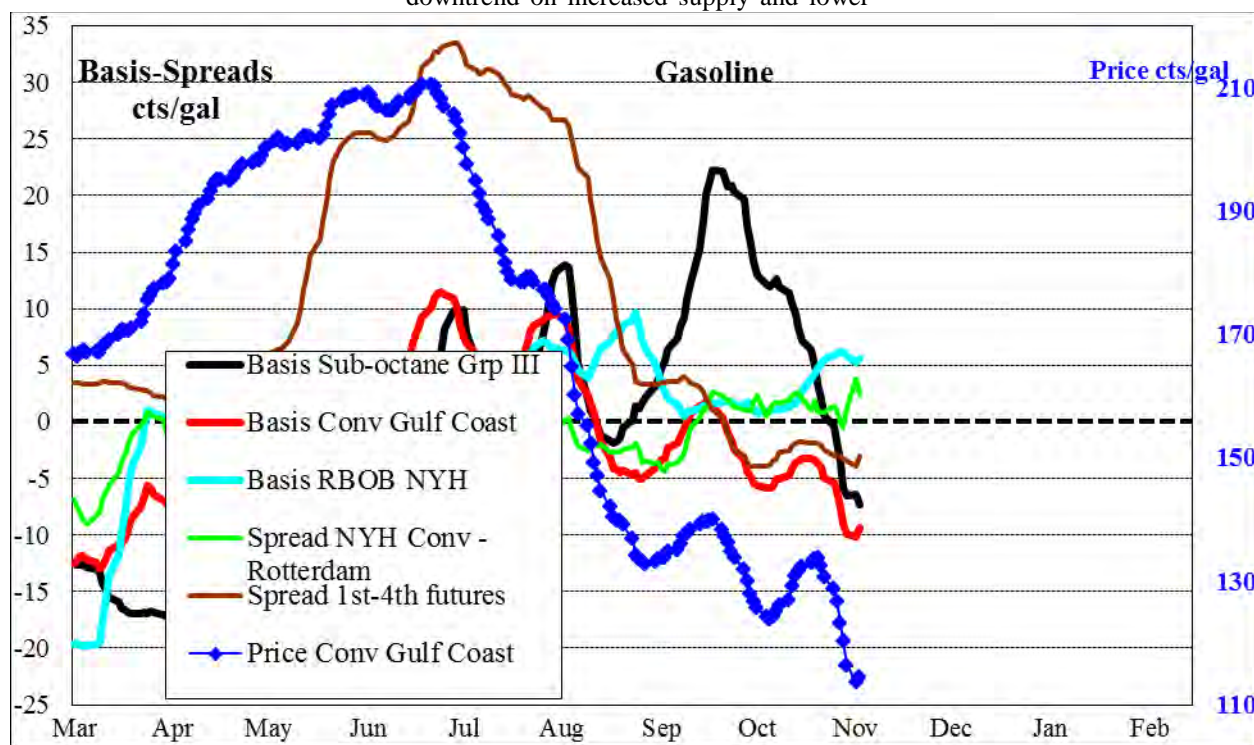
seasonal demand, partially offset by high stocks on the East Coast.

*West Coast (Los Angeles)* basis to trend lower as refiners complete maintenance and stocks begin a seasonal build.

**Gulf Coast Price** Stock levels remain high on the East Coast. Extremely weak wholesale demand and increased production has led to exceptionally low rack prices in Ohio and nearby markets served by Great Lakes refiners.

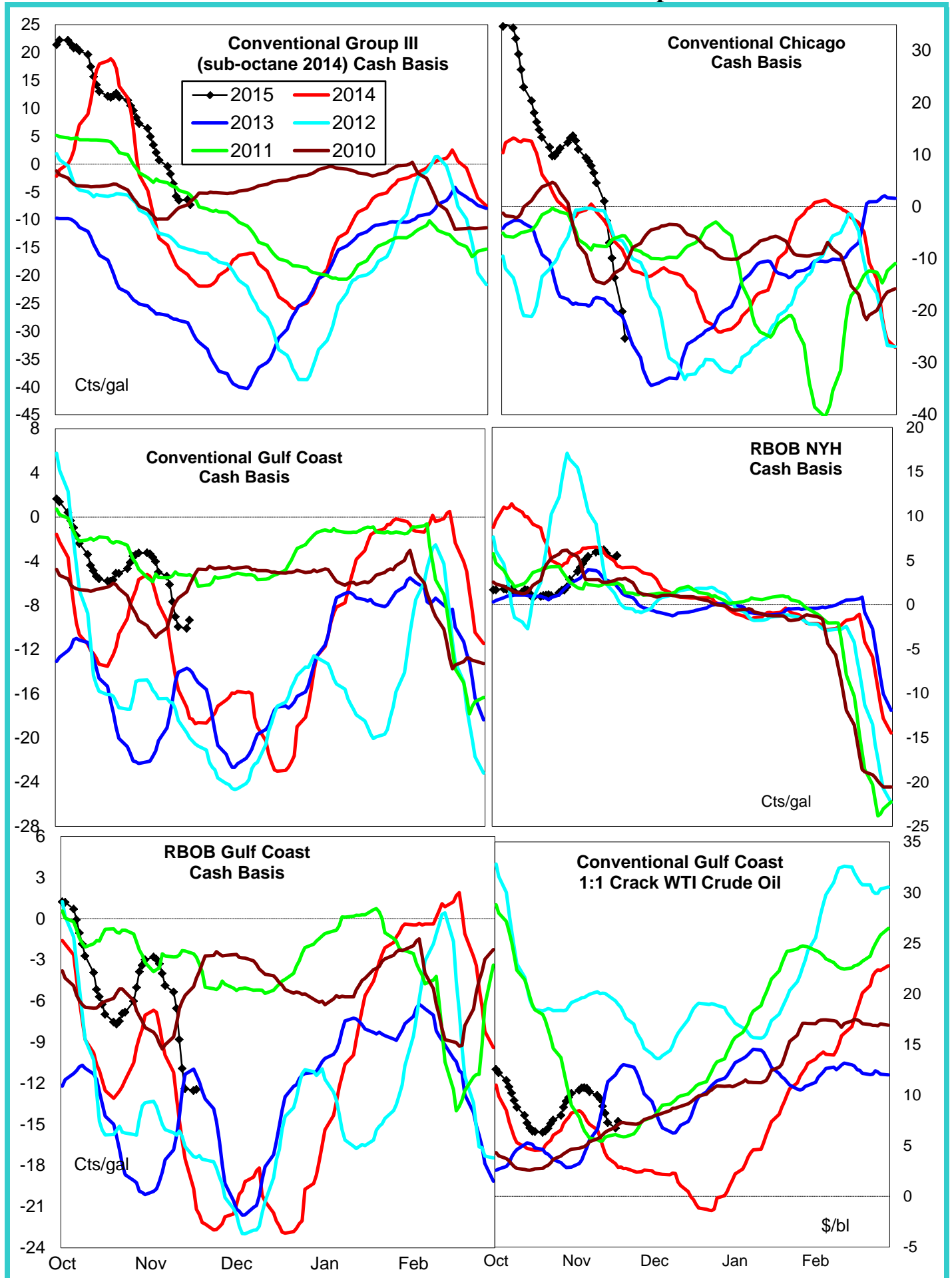
Inclement weather that reduces retail demand, and high refinery production risk further declines in cash basis for many regional markets.

A strengthening \$dollar and over supplied global crude oil market underlies the continued weak oil prices. Combined with a seasonal increase in gasoline production and already ample stock levels, gasoline prices are likely to remain very weak during the next quarter.

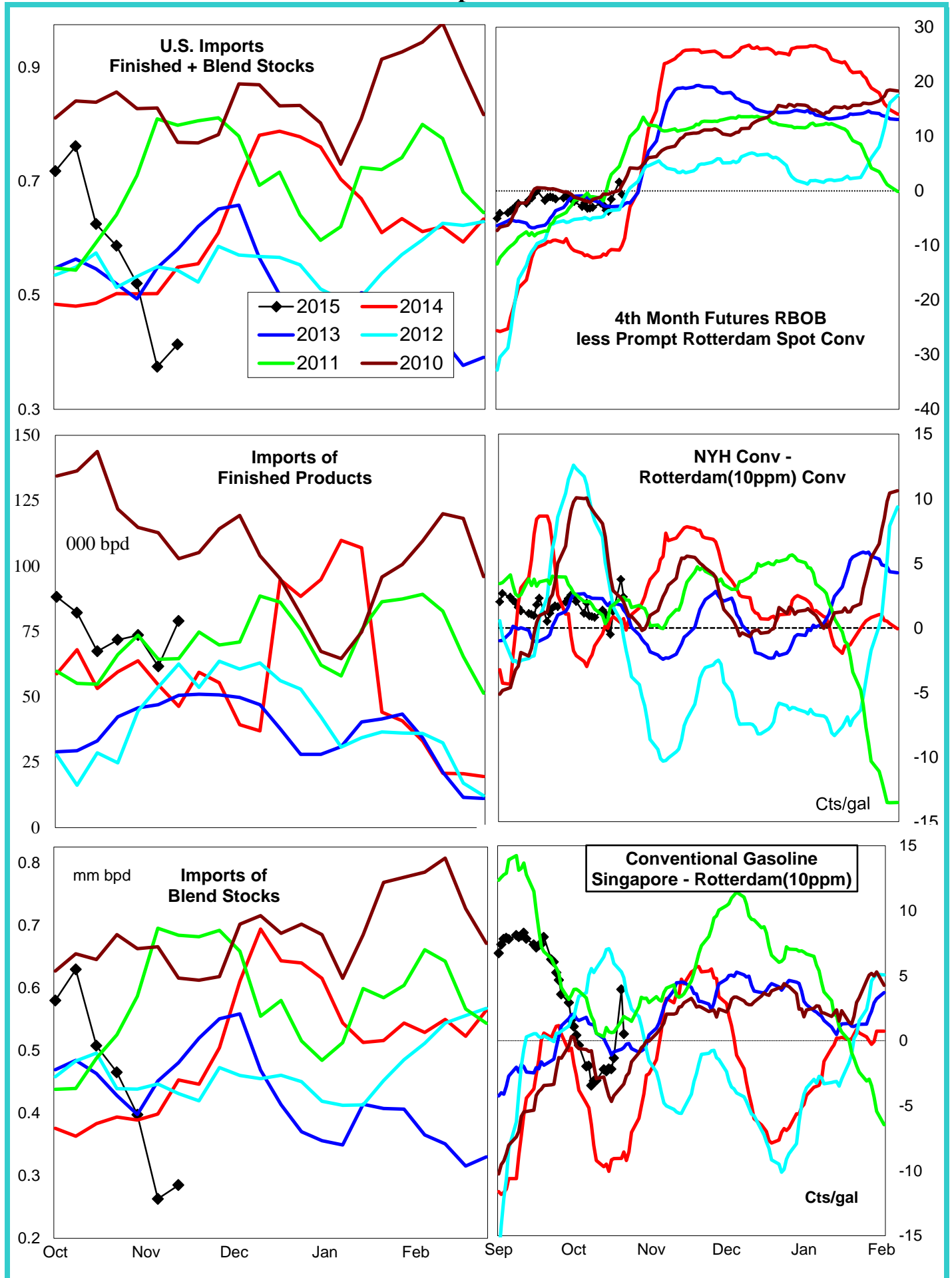


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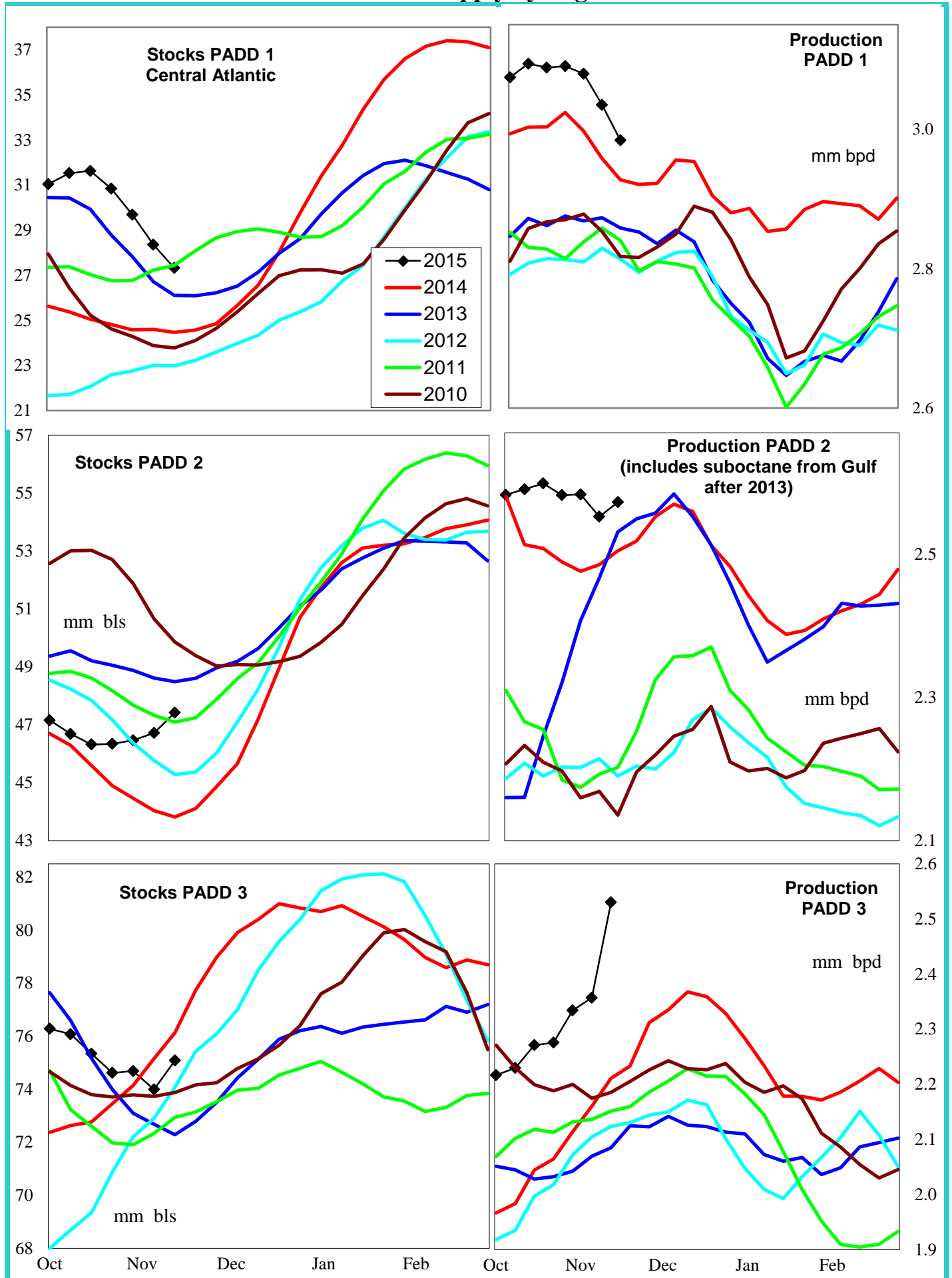
# Gasoline Cash Basis and Related Price Spreads



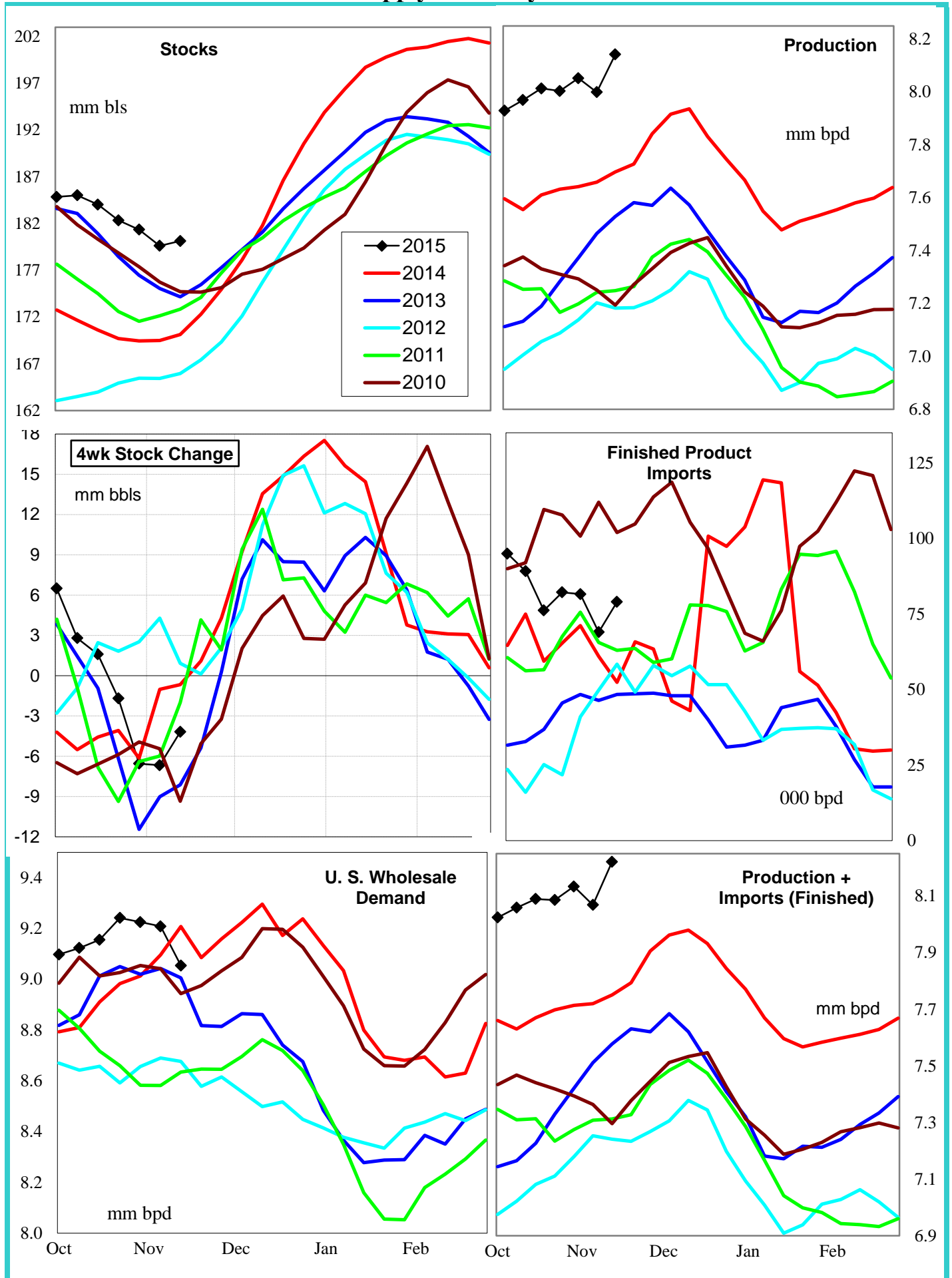
# Gasoline Import Economics



# Gasoline Supply by Region



# Gasoline Supply Summary PADDs 1+2+3



**PADD 5 Gasoline Supply**