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July 12, 2019 | by Joel Fingerman

Greetings!

With driving season in full swing, it would be helpful to review some DOE fundamental gasoline data.

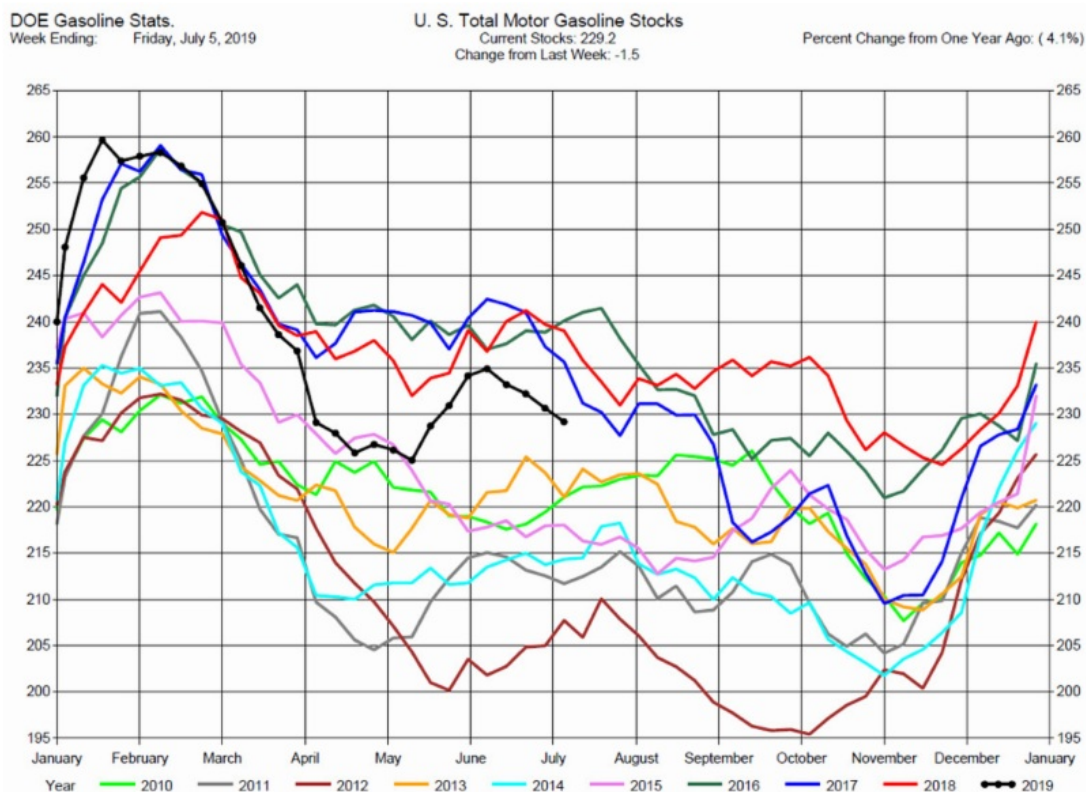
The latest EIA data release reported that total gasoline stocks decreased by 1.5 million barrels to 229.2 million barrels for the week ending July 5 (Chart 1, black line).

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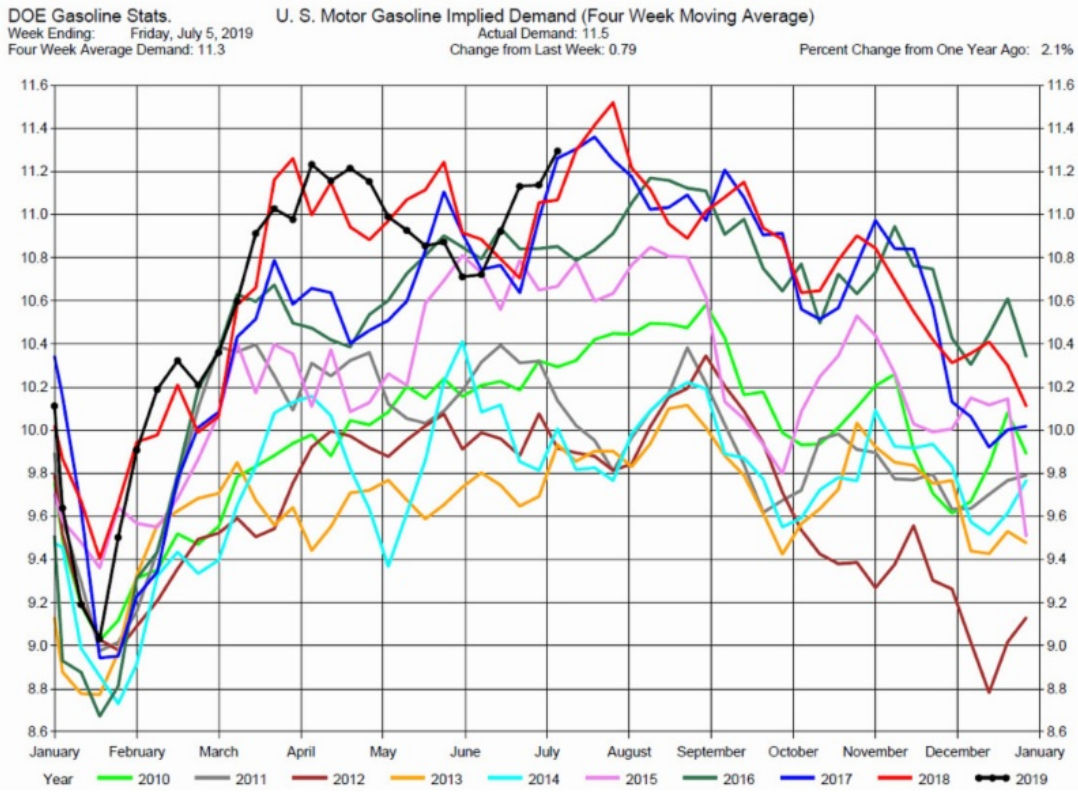
- Easy to use, web-based and menu driven platform.
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- Competitively priced.

Chart 1



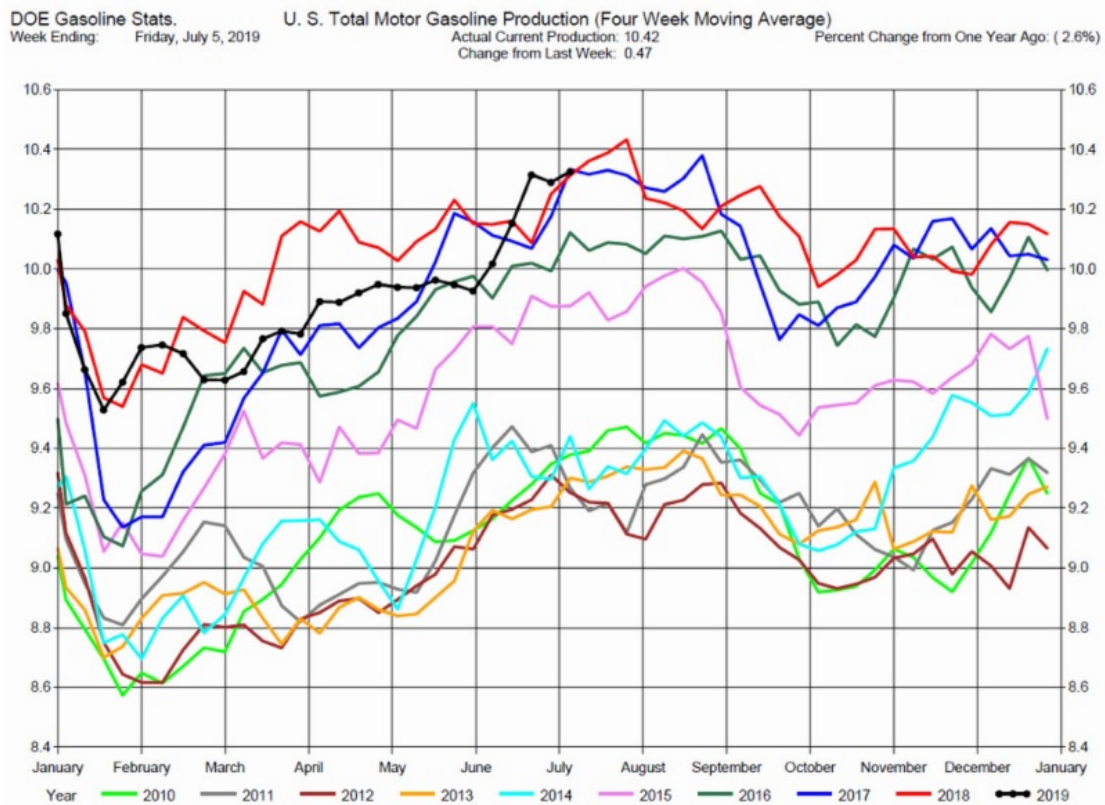
Gasoline demand is strong, averaging 11.3 million barrels per day (Chart 2, black line), and the last two years (Chart 2, red and blue lines) demand increased into July.

Chart 2



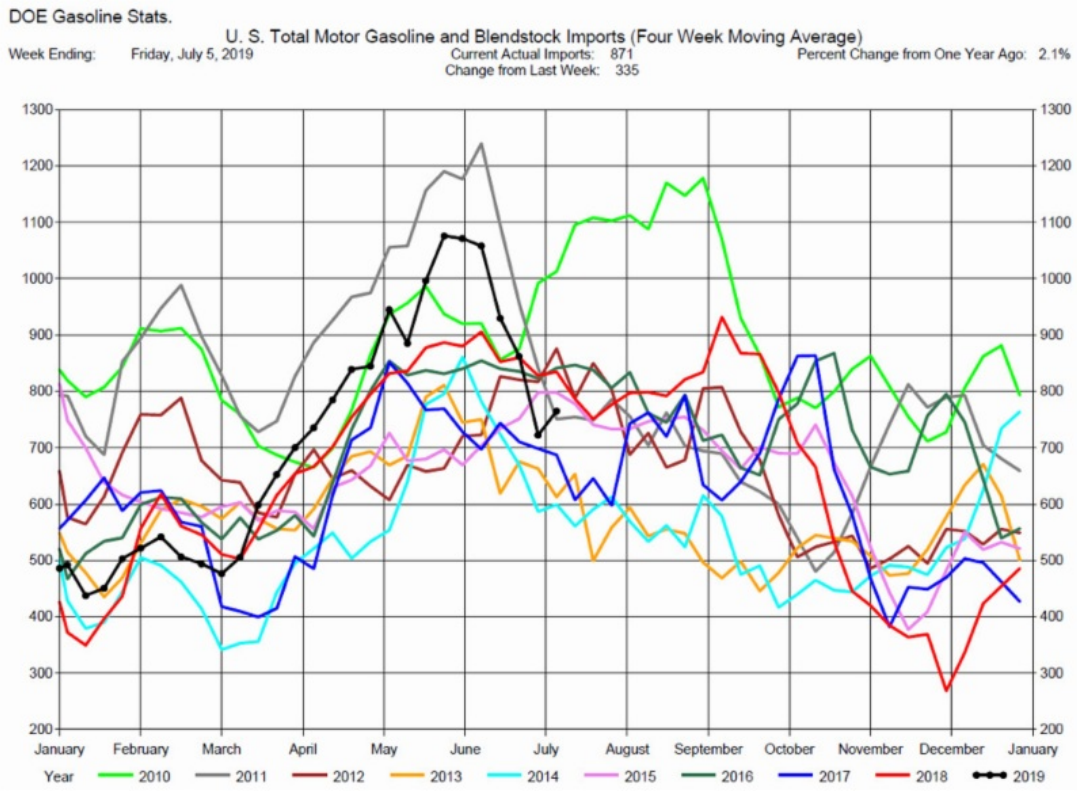
Gasoline production is averaging 10.35 million barrels per day, which is also high for this time of the year and may increase through July (Chart 3, black line).

Chart 3



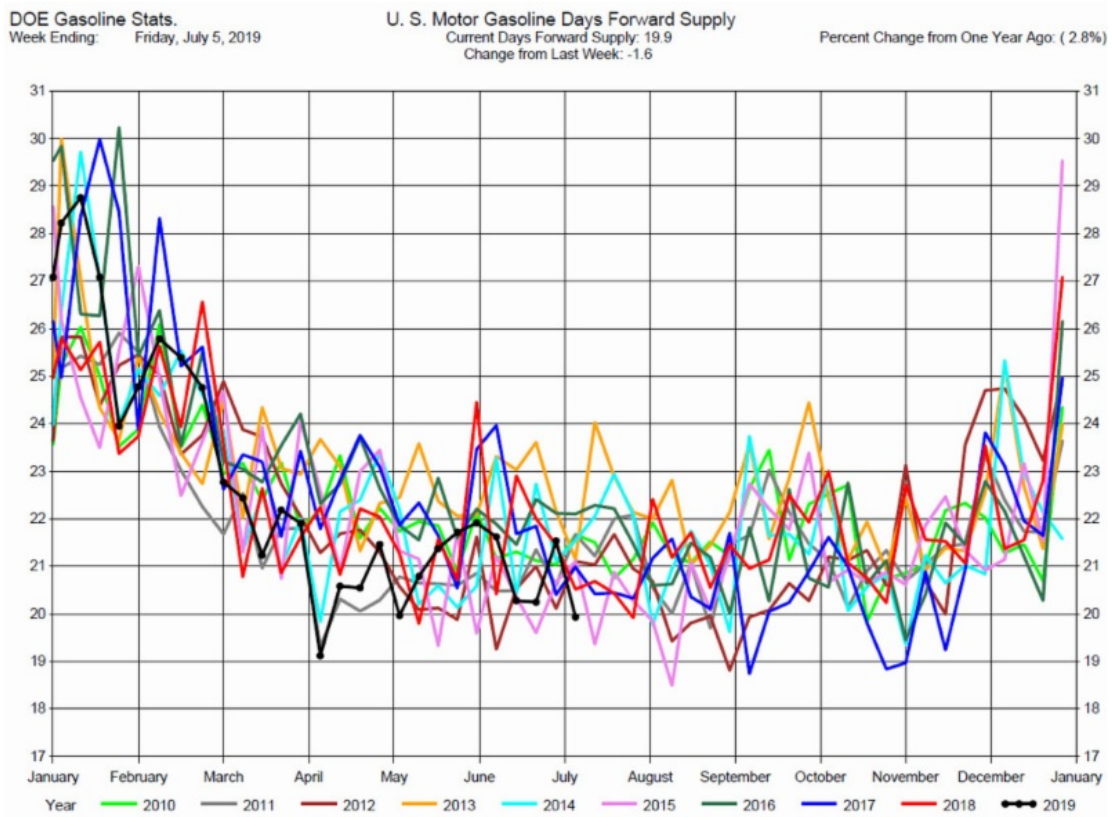
Gasoline imports have been dropping during the last few weeks, but have turned around to make up for the lost production of 160,000 barrels per day resulting from the Philadelphia refinery fire and closing (Chart 4, black line).

Chart 4



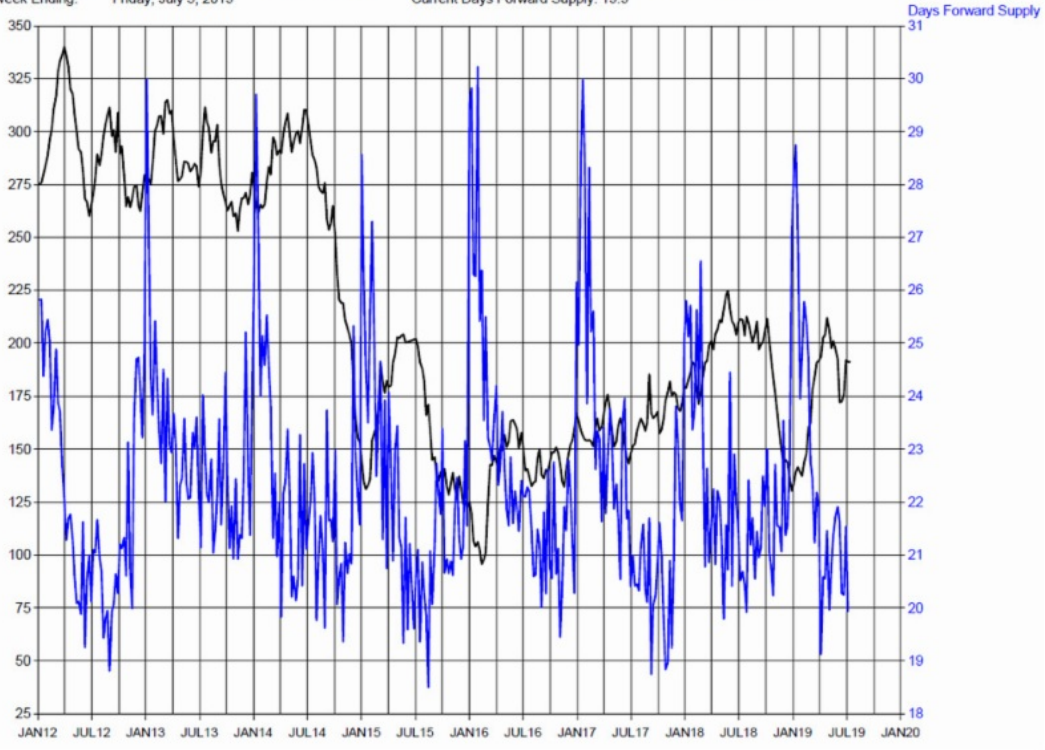
Normalizing demand by days forward supply, we are currently at 19.9 days forward supply (Chart 5, black line).

Chart 5



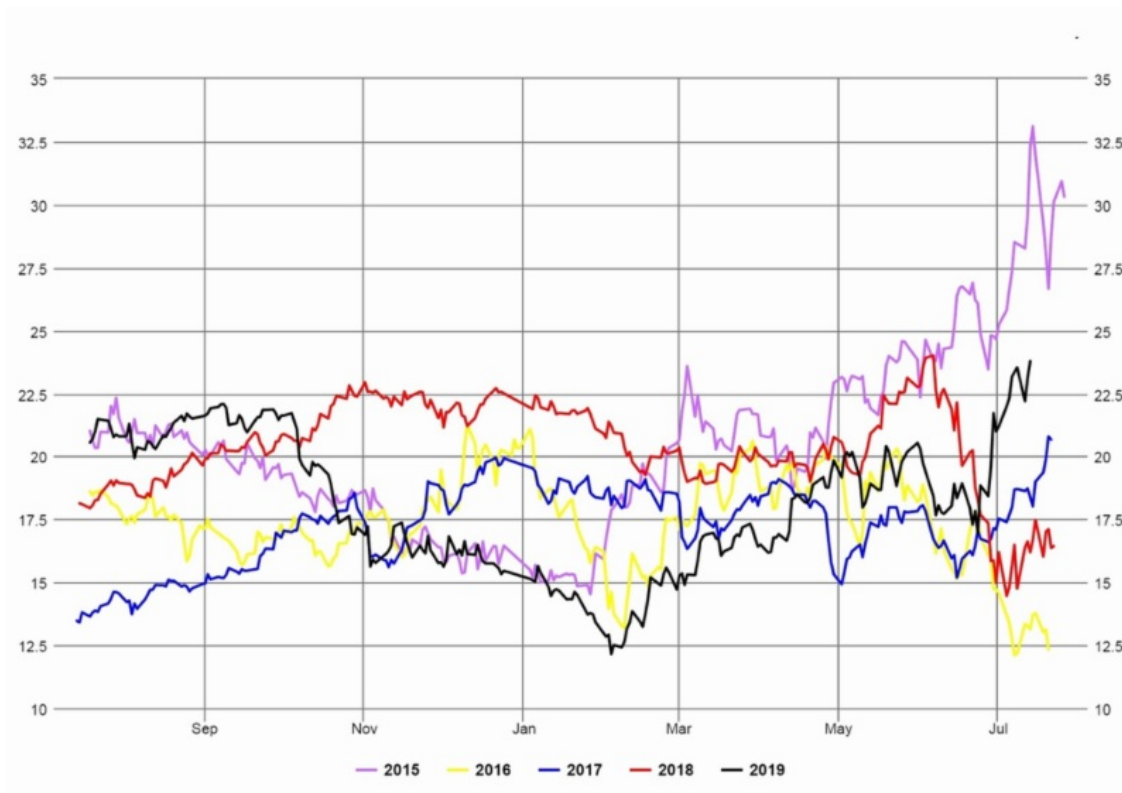
Gasoline price levels are inversely related to days forward supply, so there is upward pressure on prices (Chart 6, black line).

Chart 6



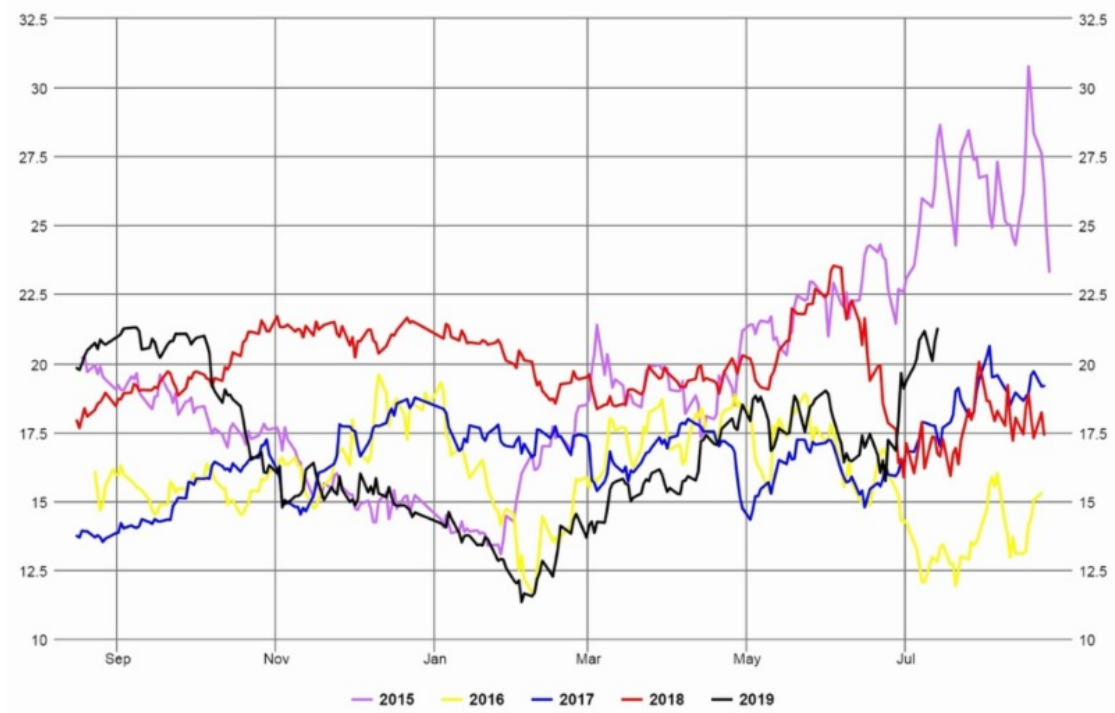
With gasoline demand strong, stocks falling, and days forward supply on the low side, there is upward pressure on prices, and, in particular, the cracks. On Wednesday, July 10, the August gasoline crack settled at \$23.78 (Chart 7, black line).

Chart 7



And the September gasoline crack settled at \$21.24 (Chart 8, black line).

Chart 8



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Regards,

The Fundamental Analytics Team