

## THE VAN DER VALK GAS PRICE ADVISORY FOR 12-19-08

**“The light at the end of the tunnel is shining brighter for the oil refiner”**

**What we predict:** Gasoline prices are still climbing but will remain below \$2 per gallon before the end of the year.

**What happened?** The WTI crude oil price slid into "dark territory" this morning landing below \$35 at \$34.61 per barrel down \$1.61 from yesterday's close. Gasoline and diesel prices ticked up a penny or two per gallon.

**What we predicted last Tuesday:** Crude oil will stay somewhere between the low of \$25 and the high of \$50 per barrel by year's end. Gasoline prices will remain below \$2 per gallon. Gasoline and diesel prices will be firming up again the week before Christmas.

The gasbuddy.com web site showed the following snapshots for regular unleaded gasoline:

### Los Angeles Area Price Snapshot

Today	1.731
Yesterday	1.722
One Week Ago	1.723
One Month Ago	2.314
One Year Ago	2.987

The BP/Arco refinery in Carson, California will be down for another week. The Tesoro refinery in Anacortes, Washington will be taken down for maintenance a month earlier than scheduled for maintenance. Tesoro and Valero have both taken down units at their other West Coast refineries to stem the blood flow in profits.

As a result West Coast spot market gasoline and diesel prices are remaining steady. And like in the Steven Seagal movie "Under Siege" the train is coming out of dark territory and prices are heading back up right after the first of the year.

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