

The van der Valk Gas Price Advisory for May 5, 2009

Happy Cinco de Gaso

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It is Cinco de Mayo in the US to celebrate Mexican heritage and pride. We also commemorate this day in Holland as Bevrijdingsdag or Liberation Day. It is celebrated each year on May 5th in the Netherlands (the official name for Holland) to mark the end of the Nazi occupation during World War II.

The nation was liberated by Canadian troops, with the assistance of the British and American armies. After the liberation in 1945, Liberation Day was commemorated every 5 years. Finally, in 1990, the day was declared to be a national holiday with the liberation to be celebrated every year.

The provinces of Utrecht, North and South-Holland were the last provinces in Holland to be liberated. The population in that area suffered greatly during the winter of 1944-45 from starvation and bombings. My family lived in The Hague, South Holland and was able to survive the hunger winter. We eventually were able to immigrate to the US on special visas issued under the Refugee Relief Act of 1954.

We have been in the US for almost 53 years and I have spent 50 of those working in the petroleum business. My family was fortunate to have been given the opportunity to live and work in this country with its many generous people.

The June WTI crude oil price is down 50 cents back down to below \$54 a barrel. The spot market prices for gasoline and diesel are down 2 cents per gallon this morning as well.

The oil traders are now looking ahead to the weekly Department of Energy inventory statistics being published tomorrow morning. Gasoline prices will spike up if they show another big draw for gasoline stocks as they did last week. This will be regardless of crude oil stocks anticipated to increase once more.

May is the typically the month in which the summer driving season starts. Gasoline prices will be staying firm with gasoline with lower than normal available supplies and refineries keeping a tight hold on production.

OPEC is also providing support for the oil price by indications that they are not happy with \$50 a barrel and hinting at further production cuts when they meet later this month in Vienna, Austria. Warren Buffet emerged from his office and sounded positive notes providing support to the raw commodity markets as well.