

2012-02-02 04:45:09 EST

***NYMEX OVERVIEW: WTI FINISHES BELOW \$97/BBL; RBOB CONTINUES SLIDE

West Texas crude futures fell for the fifth consecutive day Thursday, unable to shake the weakening influence of bearish supply and demand statistics while refined products were a mixed bag.

Front-month WTI slid \$1.25/bbl to \$96.36/bbl -- a low last seen Dec. 20 2011. At one point this afternoon, crude futures slid below \$95.50/bbl, threatening to hit technical stop loss levels in the \$94.50-\$95/bbl arena, which could lead to an oil market free fall, sources said.

Although the market is grappling with a larger-than-expected build in crude stock piles, analysts note that Cushing, Okla., tankage at 30.1 million bbl storage is far from being topped-off, and has room to grow. That very well may be the case, as some market watchers are already expecting next week's statistics to show another crude oil build given that refineries along the Gulf Coast and East Coast have trimmed production.

Meantime, March Brent marched 51cts higher on the day to settle at \$112.07/bbl, with European stocks considered tight as the market looks for alternative sources to Iranian crude. The WTI/Brent crude spread blew out to more than \$15/bbl on the conflicting supply fundamentals.

Gasoline futures continued to sink, with historically low demand figures putting pressure on the trade. March RBOB settled down 2.33cts/gal at \$2.8689/gal. The April RBOB contract also took a hit, finishing 1.38cts weaker on the day at \$2.9983/gal.

In the physical markets, Chicago gasoline prices are among the weakest in the nation as refiners in the region have ramped up production to take advantage of cheap local crude. As a result, gasoline stockpiles in the Midwest are healthy near the top of five-year averages.

Meantime, the Pacific Northwest gasoline market exceeded futures losses, with discounts for suboctane deepening 6cts after sellers flooded the physical market.

Heating oil futures bucked WTI losses and manage to eke out some gains tied into healthier demand for European gasoil for home heating, market sources said. Front-month heating oil settled at \$3.0529/bbl, up 74pts on the day. The forward market was backwardated about 2cts/gal with the April contract closing at \$3.0329/gal.

Notably, the Chicago diesel market slumped against futures gains, finishing about 1.50cts weaker on the day with cash differentials for prompt supplies down 2.25cts/gal.

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