

Plaza Marine is pleased to Introduce the 1st Edition of the Plaza Weekly Objective.

The newsletter will be e-mailed every Wednesday. Plaza welcomes your comments and/or requests for future editions. Please feel free to contact us at plaza@plazamarinefuel.com

Wednesday, December 9, 2009

Drink of the Day: "Plazatini"

Take 16 oz. Sample Bottle, Blue Vodka and add Orange and Cranberry Juice. Serve shaken not stirred.

The Main US Ports Supplied by Plaza

Portland, Boston, NY Harbor, Providence, Philadelphia, Baltimore, Norfolk, Morehead City, Wilmington, Charleston, Savannah, Jacksonville, Tampa, Mobile, New Orleans, Houston

Market Overview

So as it stands through yesterday both equities and the direction of the US dollar remain marginally supportive (not the case so far this morning) for oil and other commodity prices but certainly not to the extent that existed over the last several months. In fact oil prices have continued to trade lower since the jobs number was released on Friday which to a certain extent is a bit counterintuitive. If in fact the US employment situation is on the road to recovery (one month's data not nearly enough to firmly conclude this) energy demand should then begin to pick-up. Basis the way the oil complex has traded over the last two trading sessions the fact that supply is still overly surplus and the externals are skeptical oil prices are on the defensive and are in fact now trading well below the trading range that has been in place since October. In fact WTI crude oil prices are now back to trading in the \$67 to \$75/bbl trading range that existed from early July until mid-October. Oil may be in the early stages of decoupling from the externals and placing more emphasis on the fundamentals... which are still bearish. The next several days will be light on US economic data with the big number of the week coming once again on Friday...US retail sales...which will give an indication as to how deep US consumers are digging into their pocketbooks this holiday season. On the other hand the next several days will be a bit heavy on fundamental data starting with yesterday's EIA release of their monthly Short Term Energy Outlook followed by weekly oil and Nat Gas inventory reports on Wednesday and Thursday, respectively. The IEA will release their monthly oil report early Friday morning. For all the reasons I mentioned in yesterday's report we are expecting both the EIA and IEA monthly energy reports to be mostly neutral as we are not expecting any major upward revisions in projected energy demand for 2010.

Diesel Market

The overall diesel market remains extremely bearish as distillate inventories (diesel, heating oil) remains at record levels. Distillate stocks are expected to decline this week by about 500,000 barrels on a combination of colder than normal temperatures that engulfed the northeast last week and a slowly improving diesel demand outlook. Although last week's inventory showed a larger than expected draw, distillate stocks still remain well above last year's level by 40.7 million barrels and above the industry comfort level the 5 yr. average by 38.1 million barrels. In fact FedEx just reported that they expect their earnings to beat earlier forecast suggesting that those FedEx trucks are

rolling and consuming more diesel fuel. The FedEx consumption pattern is likely typical of many others in the trucking sector.

Tugboat and Marine Fuel Consumption

Plaza's Dockside Facility

Elizabeth, NJ

Plaza continues to maintain a state of the art refueling depot at New York Terminals located a quarter of a mile north of the Goethals Bridge on the Arthur Kill. We can service barges, dredges, and tug refueling. In addition to marine diesel fuel, we have available potable water as well as a variety of marine lubricants. The draft is 23 @ mlw. The dock is open 24 hours, 7 days a week. Appointments can be made by calling our 24 hour dispatch at (800) 682-3835.

Best Regards,
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Plaza Weekly Objective is brought you by [Plaza Marine Fuel](#) to keep you up to date on the marine fuel market.

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