

Asphalt Industry News
July 15 – July 31, 2010

Wednesday, July 14, 2010 WTI: \$77.55

Please check out the new APAO Members only Newsletter.

Domestic Oil News

One year ago WTI was at \$59.93 per bbl. Since May 28 of this year WTI has been as low as \$71.43 and as high as \$78.45. The current refining capacities along with lower demand for petroleum products indicate a lower growth potential for petroleum products.

Global economic worries continue. In the near term, prices are predicted to be soft. Crude oil has had a tough time gaining traction amid dismal economic reports out of the United States. Equally disappointing figures in Europe and China do not help matters and now traders are on pins and needles awaiting any indication of the health of the global economic recovery. Depending on the readings crude oil could fall further, while positive readings could lead to stabilization or even a rally.

Asphalt: Across the Country

New England and East Coast markets continue to see steady pricing. Asphalt price spreads have narrowed as the paving season is in full swing.

Mid Continent and Mid West markets continue to be flat as demand is modest and below levels of last year. Prices are steady and the price spreads have narrowed.

Southern and Gulf Coast States prices are steady and ranges are narrower. Wholesale barge prices were steady as well.

The Rocky Mountain region also has narrower price ranges and steady demand.

Pacific Northwest markets are as steady as they have been in a long time. West Coast refinery production is rising due to summer demand. However, production continues to be well below capacity.

Our August 1, 2010 price list will be posted by July 15 on our web site under Products / Asphalt.

The June, 2010 Oregon MACMP: Poten Pacific Northwest: \$469, Poten Boise Idaho: \$527
http://www.oregon.gov/ODOT/HWY/ESTIMATING/asphalt_fuel.shtml#Asphalt

The WSDOT Asphalt Binder Reference Cost: West: \$495.00, East: 525.00 (June 30, 2010)
<http://www.wsdot.wa.gov/biz/construction/AsphaltIndex.cfm>