

The Morning Email: Oil

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Want something added? Let me know: jgoulding@ghco.com

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ENERGY MATRIX - NYMEX PRODUCTS

NYMEX	Last	NET	High	Low	Open	Volume	Yest. Vol	SYM Name
CLA	53.13	-1.37	54.66	52.1	54.3	22,684	397,533	WTI Crude
HOA	177.0600	-2.5500	180	174.35	179.68	1,097	77,205	Heating Oil
RBA	114.96	-1.99	116.9	114	116.9	1,015	77,657	Unleaded Gas
NGA	67.02	-1.2500	68.63	67.02	68.37	1,387	127,996	Natural Gas


All contracts quoted are electronic.

All contracts are coded for lead volume month. Meaning, whatever month has the most volume, that's the month quoted in the matrix above, for all contracts.

Economic Release Estimates, from Bloomberg

<HELP> for explanation. P396 n Corp ECO
 NO SCHEDULED EVENT FOR TODAY, 9<GO> to set as default calendar

1) Custom Calendars 2) Options 3) Economic Calendars

Region Country Type 
 Date 05:21:41 United States: Energy / Commodities

	Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
21)	11/26	09:35	DOE U.S. Crude Oil Inventories	NOV 21	1100K	--	1599K	--
22)	11/26	09:35	DOE U.S. Gasoline Inventories	NOV 21	500K	--	539K	--
23)	11/26	09:35	DOE U.S. Distillate Inventory	NOV 21	-1000K	--	-1471K	--
24)	11/26	09:35	DOE U.S. Refinery Utilization	NOV 21	0.30%	--	0.32%	--
25)	11/26	09:35	DOE Cushing OK Crude Inventory	NOV 21	--	--	936K	--
26)	11/26	09:35	API U.S. Crude Oil Inventories	NOV 21	--	--	8011K	--
27)	11/26	09:35	API U.S. Gasoline Inventories	NOV 21	--	--	710K	--
28)	11/26	09:35	API U.S. Distillate Inventory	NOV 21	--	--	126K	--
29)	11/26	11:00	EIA Natural Gas Storage Change	NOV 21	-45	--	16	--
30)	11/28	12:00	Baker Hughes U.S. Rig Count	NOV 28	--	--	1941	--
31)	12/03	09:35	API U.S. Distillate Inventory	NOV 28	--	--	--	--
32)	12/03	09:35	API U.S. Gasoline Inventories	NOV 28	--	--	--	--
33)	12/03	09:35	API U.S. Crude Oil Inventories	NOV 28	--	--	--	--
34)	12/03	09:35	DOE Cushing OK Crude Inventory	NOV 28	--	--	--	--
35)	12/03	09:35	DOE U.S. Refinery Utilization	NOV 28	--	--	--	--
36)	12/03	09:35	DOE U.S. Distillate Inventory	NOV 28	--	--	--	--
37)	12/03	09:35	DOE U.S. Gasoline Inventories	NOV 28	--	--	--	--
38)	12/03	09:35	DOE U.S. Crude Oil Inventories	NOV 28	--	--	--	--
39)	12/04	09:30	EIA Natural Gas Storage Change	NOV 28	--	--	--	--

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2008 Bloomberg Finance L.P.
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NYMEX - WTI

	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.CLAZ08	48.70				
F.CLAF09	53.13	0.00	233,065	19,589	JAN
F.CLAG09	54.31	0.00	53,366	4,065	FEB
F.CLAH09	55.46	0.00	27,189	925	MAR
F.CLAJ09	55.53	0.00	53,366	4,065	APR
F.CLAK09	57.26	0.00	7,986	545	MAY

Contango IF: front months lower than back months.

IF Contango, then: It pays more to store crude. Carry cost is positive.

Also, It pays to keep crude stored, pump prices rise, and so do oil company profits

Backwardation: Opposite of Contango

"Never sell a backwardation market". Backwardation tends to coexist with rising prices

ICE - BRENT

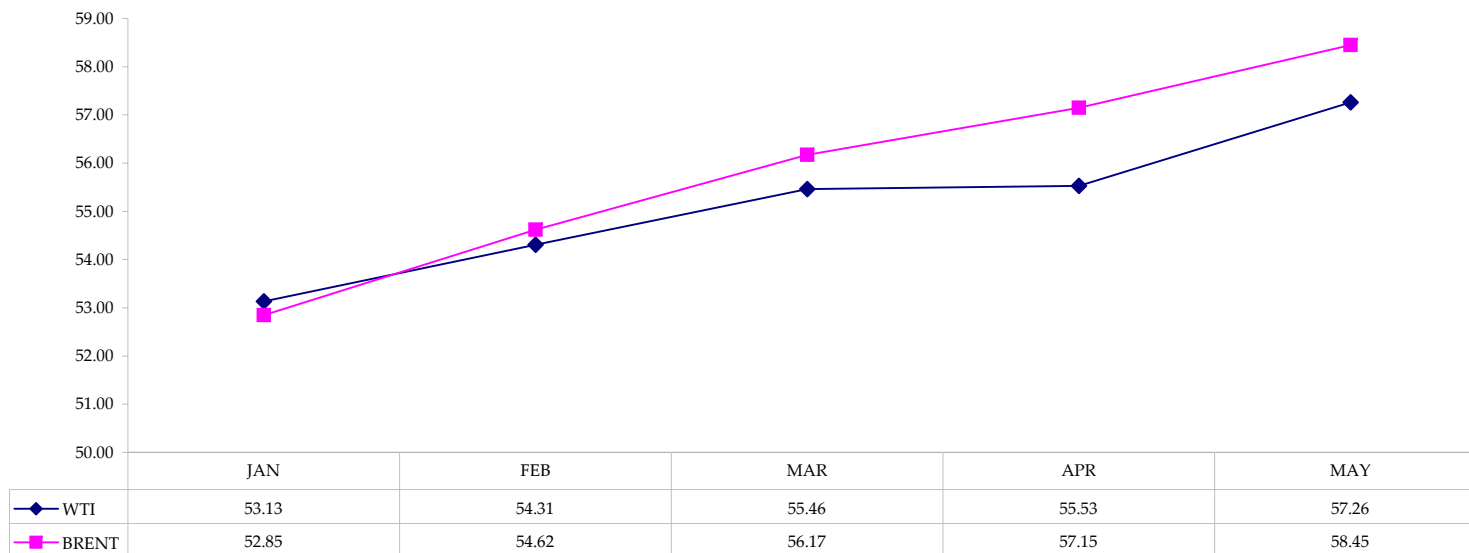
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.QOZ08					
F.QOF09	52.85	108,546	109,650	27,335	JAN
F.QOG09	54.62	110,629	33,632	13,754	FEB
F.QOH09	56.17	51,690	20,906	8,207	MAR
F.QOJ09	57.15	110,629	33,632	13,754	APR
F.QOK9	58.45	21,531	6,394	3,928	MAY

IF Contango and price is rallying, then 'long only' funds are buying.

That's because it's the only thing that makes sense due to

the fact, funds do not incur carrying charges.

Contango is bearish for price.



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Crack Spreads relative to Crude:

If crack spread weak then less incentive to store crude.

That's bearish for crude.

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That's because it's the only thing that makes sense due to the fact, funds do not incur carrying charges.

Contango is bearish for price.