

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	87.55	-2.51	90.04	86.05	89.56	27,058	568,318	WTI Crude
HOA	242.7500	-7.8200	250.57	239.71	249.66	1,202	71,275	Heating Oil
RBA	199.48	-6.8	206.39	197.64	204.9	1,905	85,692	Unleaded Gas
NGA	66.39	-1.2900	67.68	66	67.68	1,108	184,324	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. P111 n EquityECO
 9<GO> to set as default calendar

1) Custom Calendars		2) Options		3) Alt		Economic Calendars	
Region	North America	Country	United States	Type	Energy / Commoditie		
Date	10/08/08	United States: Energy / Commodities					
Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
26)	10/08 09:35	DOE U.S. Crude Oil Inventories	OCT 3	2200K	--	4278K	--
27)	10/08 09:35	DOE U.S. Gasoline Inventories	OCT 3	1500K	--	901K	--
28)	10/08 09:35	DOE U.S. Distillate Inventory	OCT 3	-900K	--	-2359K	--
29)	10/08 09:35	DOE U.S. Refinery Utilization	OCT 3	6.00%	--	5.56%	--
30)	10/08 09:35	DOE Cushing OK Crude Inventory	OCT 3	--	--	-758K	--
31)	10/08 09:35	API U.S. Crude Oil Inventories	OCT 3	--	--	3325K	--
32)	10/08 09:35	API U.S. Gasoline Inventories	OCT 3	--	--	-557K	--
33)	10/08 09:35	API U.S. Distillate Inventory	OCT 3	--	--	-2990K	--
34)	10/09 09:35	EIA Natural Gas Storage Change	OCT 3	85	--	87	--
35)	10/10 12:00	Baker Hughes U.S. Rig Count	OCT 10	--	--	1979	--
36)	10/16 09:35	DOE U.S. Crude Oil Inventories	OCT 10	--	--	--	--
37)	10/16 09:35	DOE U.S. Gasoline Inventories	OCT 10	--	--	--	--
38)	10/16 09:35	DOE U.S. Distillate Inventory	OCT 10	--	--	--	--
39)	10/16 09:35	DOE U.S. Refinery Utilization	OCT 10	--	--	--	--
40)	10/16 09:35	DOE Cushing OK Crude Inventory	OCT 10	--	--	--	--
41)	10/16 09:35	API U.S. Crude Oil Inventories	OCT 10	--	--	--	--
42)	10/16 09:35	API U.S. Gasoline Inventories	OCT 10	--	--	--	--
43)	10/16 09:35	API U.S. Distillate Inventory	OCT 10	--	--	--	--
44)	10/16 09:35	EIA Natural Gas Storage Change	OCT 10	--	--	--	--

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.CLAX08	87.55	0.00	303,062	21,431	NOV
F.CLAZ08	86.21	0.00	164,044	9,443	DEC
F.CLAF09	85.91	0.00	42,580	2,515	JAN
F.CLAG09	85.70	0.00	13,899	536	FEB
F.CLAH09	85.25	0.00	7,298	166	MAR
F.CLAJ09	85.95	0.00	13,899	536	FEB

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.QOX08	82.29	0	107,678	22,885	NOV
F.QOZ08	83.52	0	115,283	20,417	DEC
F.QOF09	84.79	0	55,579	7,093	JAN
F.QOG09	85.91	0	16,185	3,717	FEB
F.QOH09	86.91	0	7,148	2,240	MAR
F.QOJ09	87.60	0	16,185	3,717	FEB

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.

