

## The Morning Email: Oil

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## ENERGY MATRIX - NYMEX PRODUCTS

NYMEX	Last	NET	High	Low	Open	Volume	Yest. Vol	SYM Name
<b>CLA</b>	117.56	-2.46	120.08	117.3	119.9	18,867	583,804	WTI Crude
<b>HOA</b>	316.9000	-6.4600	323.15	316.39	323	1,322	75,618	Heating Oil
<b>RBA</b>	294.78	-5.49	300.95	294.19	300.25	1,504	95,326	Unleaded Gas
<b>NGA</b>	84.79	-0.9200	85.53	84.3	85.4	1,030	207,200	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**

**NYMEX - WTI**

	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.CLAU08	117.56	0.00	304,204	17,873	SEP
F.CLAV08	117.38	0.00	145,057	5,268	OCT
F.CLAX08	117.13	0.00	56,240	2,729	NOV
F.CLAZ08	117.25	0.00	58,978	3,229	DEC
F.CLAF09	118.32	0.00	9,701	696	JAN
F.CLAG09	118.20	0.00	4,741	311	FEB
F.CLAH09	119.46	0.00	2,757	0	MAR

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.QOU08	115.52	57,234	112,796	14,603	SEP
F.QOV08	116.46	113,765	98,619	13,667	OCT
F.QOX08	117.25	54,325	53,806	7,581	NOV
F.QOZ08	117.88	63,707	30,004	5,575	DEC
F.QOF09	118.46	27,257	5,619	1,013	JAN
F.QOG09	118.66	21,378	3,123	489	FEB
F.QOH09	119.01	13,147	2,216	327	MAR

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.

