

The Morning Email: Oil

Table of Contents

Pg 1 Quotes

Pg 2 Economic Releases

Pg 3 Spreads - WTI and BRENT

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	113.18	-1.93	115.77	112.36	115.5	25,765	214,950	WTI Crude
HOA	314.5100	-3.3900	320.9	313.27	319.05	3,270	51,743	Heating Oil
RBA	276.67	-4.02	282.45	274.8	281	1,957	60,063	Unleaded Gas
NGA	80.07	1.8200	80.27	78.88	78.89	2,531	171,369	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. P181 n Index ECO
 Enter all fields and hit <GO>

1) Custom Calendars 2) Options 3) Economic Calendars

Region North America Country United States Type Energy / Commodities
 Date 08/26/08 United States: Energy / Commodities

	Date	Time	A M	Event	Period	Survey	Actual	Prior	Revised
22)	08/26	08:00		Smithfield Executives Review Results: Teleconf.					
23)	08/26	10:00		Rio Tinto Executives Discuss First-Half Profit					
24)	08/27	09:35	☒	DOE U.S. Crude Oil Inventories	AUG 22	1100K	--	9390K	--
25)	08/27	09:35	☒	DOE U.S. Gasoline Inventories	AUG 22	-3400K	--	-6202K	--
26)	08/27	09:35	☒	DOE U.S. Distillate Inventory	AUG 22	-800K	--	481K	--
27)	08/27	09:35	☒	DOE U.S. Refinery Utilization	AUG 22	0.45%	--	-0.20%	--
28)	08/27	09:35	☒	DOE Cushing OK Crude Inventory	AUG 22	--	--	-462K	--
29)	08/27	09:35	☒	API U.S. Crude Oil Inventories	AUG 22	--	--	12371K	--
30)	08/27	09:35	☒	API U.S. Gasoline Inventories	AUG 22	--	--	-1989K	--
31)	08/27	09:35	☒	API U.S. Distillate Inventory	AUG 22	--	--	313K	--
32)	08/28	09:30	☒	EIA Natural Gas Storage Change	AUG 22	--	--	88	--
33)	08/29	12:00	☒	Baker Hughes U.S. Rig Count	AUG 29	--	--	1998	--
34)	09/04	09:30	☒	EIA Natural Gas Storage Change	AUG 29	--	--	--	--
35)	09/04	09:35	☒	DOE U.S. Crude Oil Inventories	AUG 29	--	--	--	--
36)	09/04	09:35	☒	DOE U.S. Gasoline Inventories	AUG 29	--	--	--	--
37)	09/04	09:35	☒	DOE U.S. Distillate Inventory	AUG 29	--	--	--	--
38)	09/04	09:35	☒	DOE U.S. Refinery Utilization	AUG 29	--	--	--	--
39)	09/04	09:35	☒	DOE Cushing OK Crude Inventory	AUG 29	--	--	--	--
40)	09/04	09:35	☒	API U.S. Crude Oil Inventories	AUG 29	--	--	--	--

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.CLAU08	115.65				
F.CLAV08	113.18	0.00	174,446	23,493	OCT
F.CLAX08	113.69	0.00	28,632	3,323	NOV
F.CLAZ08	114.49	0.00	15,740	1,571	DEC
F.CLAF09	114.95	0.00	2,258	297	JAN
F.CLAG09	115.10	0.00	1,261	127	FEB
F.CLAH09	115.28	0.00	816	2	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	#VALUE!				
F.QOV08	112.40	92,679	53,124	27,658	OCT
F.QOX08	113.78	104,616	21,017	9,791	NOV
F.QOZ08	115.03	76,717	10,048	5,565	DEC
F.QOF09	116.00	29,207	2,520	1,290	JAN
F.QOG09	116.83	22,924	1,632	428	FEB
F.QOH09	119.05	14,553	727	254	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.

