



## The Morning Email: Oil

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Want something added? Let me know: [jgoulding@ghco.com](mailto:jgoulding@ghco.com)

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## ENERGY MATRIX - NYMEX PRODUCTS

NYMEX	Last	NET	High	Low	Open	Volume	Yest. Vol	SYM Name
CLA	141.31	0.34	142.45	141.1	141.44	12,486	373,393	WTI Crude
HOA	395.3900	1.0400	397.24	394.64	394.91	690	116,105	Heating Oil
RBA	352	0.66	354	351.34	351.55	273	131,536	Unleaded Gas
NGA	136.56	1.5100	136.9	135.8	135.8	1,199	220,554	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. N118 n ComdtyECO

NO SCHEDULED EVENT FOR TODAY

1) Custom Calendars		2) Options		3) Economic Calendars			
Region	North America	Country	United States	Type	Energy / Commodities		
Date	07/01/08	United States: Energy / Commodities					
Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
25)	07/02 09:30	DOE U.S. Crude Oil Inventories	JUN 27	-750K	--	803K	--
26)	07/02 09:30	DOE U.S. Gasoline Inventories	JUN 27	750K	--	-153K	--
27)	07/02 09:30	DOE U.S. Distillate Inventory	JUN 27	1375K	--	2823K	--
28)	07/02 09:30	DOE U.S. Refinery Utilization	JUN 27	0.55%	--	-0.72%	--
29)	07/02 09:30	DOE Cushing OK Crude Inventory	JUN 27	--	--	59K	--
30)	07/02 09:30	API U.S. Crude Oil Inventories	JUN 27	--	--	1642K	--
31)	07/02 09:30	API U.S. Gasoline Inventories	JUN 27	--	--	1048K	--
32)	07/02 09:30	API U.S. Distillate Inventory	JUN 27	--	--	3186K	--
33)	07/03 09:30	EIA Natural Gas Storage Change	JUN 27	--	--	90	--
34)	07/04 12:00	Baker Hughes U.S. Rig Count	JUL 4	--	--	1913	--
35)	07/08	DOE Short-Term Crude Outlook	JUL	--	--	126K	--
36)	07/08	DOE Short-Term Ht Oil Outlook	JUL	--	--	4.25K	--
37)	07/08	DOE Short-Term Diesel Outlook	JUL	--	--	4.32K	--
38)	07/08	DOE Short-Term Mogas Outlook	JUL	--	--	3.92K	--
39)	07/08	DOE Short-Term NatGas Outlook	JUL	--	--	--	--
40)	07/09 09:30	DOE U.S. Crude Oil Inventories	JUL 4	--	--	--	--
41)	07/09 09:30	DOE U.S. Gasoline Inventories	JUL 4	--	--	--	--
42)	07/09 09:30	DOE U.S. Distillate Inventory	JUL 4	--	--	--	--
43)	07/09 09:30	DOE U.S. Refinery Utilization	JUL 4	--	--	--	--

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					ICE - BRENT						
	Yest.	Yest.	Today's	Contract		Yest.	Yest.	Today's	Contract		
Last	Open Int	Volume	Volume	Month	Last	Open Int	Volume	Volume	Month		
F.CLAQ08	141.31	0.00	458,145	10,310	AUG	F.QOQ08	141.40	78,149	84,337	12,143	AUG
F.CLAU08	141.90	0.00	132,910	2,440	SEP	F.QOU08	142.16	113,570	46,403	6,779	SEP
F.CLAV08	142.33	0.00	55,010	458	OCT	F.QOV08	142.87	48,960	24,360	3,011	OCT
F.CLAX08	143.10	0.00	31,583	162	NOV	F.QOX08	143.46	24,417	10,802	1,388	NOV
F.CLAZ08	142.87	0.00	66,690	297	DEC	F.QOZ08	143.90	60,201	14,274	1,216	DEC
F.CLAF09	143.21	0.00	6,448	13	JAN	F.QOF09	144.51	25,080	3,086	195	JAN

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

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.

