



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 | 123.34 | -0.97 | 124.59 | 123.15 | 124.23 | 16,212 | 482,791 | WTI Crude |
| HOA | 362.3500 | -1.6100 | 365 | 361.59 | 365 | 1,196 | 118,356 | Heating Oil |
| RBA | 334.6 | -0.65 | 335.75 | 334.25 | 335.44 | 1,316 | 139,791 | Unleaded Gas |
| NGA | 120.95 | -1.2600 | 121.5 | 120.8 | 121.43 | 1,004 | 289,942 | 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. P307 n ComdtyECO

| Change Calendar | | Change Date | | Alerts | | Output Results To | | Forecasts | |
|-----------------|----|---------------|--------------------------------|----------------------|--------|-------------------|---------|-----------|--|
| 05/29/08 | | United States | | Energy / Commodities | | | | | |
| Date Time | | | Event | Survey | Actual | Prior | Revised | | |
| 5/29 9:30 | US | 3) | DOE U.S. Crude Oil Inventories | MAY 23 | 0K | -- | -5317K | -- | |
| 5/29 9:30 | US | 4) | DOE U.S. Gasoline Inventories | MAY 23 | 0K | -- | -765K | -- | |
| 5/29 9:30 | US | 5) | DOE U.S. Distillate Inventory | MAY 23 | 1000K | -- | 728K | -- | |
| 5/29 9:30 | US | 6) | DOE U.S. Refinery Utilization | MAY 23 | 0.50% | -- | 1.30% | -- | |
| 5/29 9:30 | US | 7) | DOE Cushing OK Crude Inventory | MAY 23 | -- | -- | 175K | -- | |
| 5/29 9:30 | US | 8) | API U.S. Crude Oil Inventories | MAY 23 | -- | -- | -4808K | -- | |
| 5/29 9:30 | US | 9) | API U.S. Gasoline Inventories | MAY 23 | -- | -- | 820K | -- | |
| 5/29 9:30 | US | 10) | API U.S. Distillate Inventory | MAY 23 | -- | -- | 2037K | -- | |
| 5/29 9:30 | US | 11) | EIA Natural Gas Storage Change | MAY 23 | 85 | -- | 85 | -- | |
| 5/30 12:00 | US | 12) | Baker Hughes U.S. Rig Count | MAY 30 | -- | -- | 1889 | -- | |
| 6/4 9:30 | US | 13) | DOE U.S. Crude Oil Inventories | MAY 30 | -- | -- | -- | -- | |
| 6/4 9:30 | US | 14) | DOE U.S. Gasoline Inventories | MAY 30 | -- | -- | -- | -- | |
| 6/4 9:30 | US | 15) | DOE U.S. Distillate Inventory | MAY 30 | -- | -- | -- | -- | |
| 6/4 9:30 | US | 16) | DOE U.S. Refinery Utilization | MAY 30 | -- | -- | -- | -- | |
| 6/4 9:30 | US | 17) | DOE Cushing OK Crude Inventory | MAY 30 | -- | -- | -- | -- | |
| 6/4 9:30 | US | 18) | API U.S. Crude Oil Inventories | MAY 30 | -- | -- | -- | -- | |
| 6/4 9:30 | US | 19) | API U.S. Gasoline Inventories | MAY 30 | -- | -- | -- | -- | |
| 6/4 9:30 | US | 20) | API U.S. Distillate Inventory | MAY 30 | -- | -- | -- | -- | |

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.
 H367-55-1 29-May-08 5:29:11

NYMEX - WTI

| | Last | Yest. Open Int | Yest. Volume | Today's Volume | Contract Month |
|----------|--------|----------------|--------------|----------------|----------------|
| F.CLAN08 | 123.34 | na | 583,431 | 14,254 | JUL |
| F.CLAQ08 | 123.68 | na | 165,476 | 3,529 | AUG |
| F.CLAU08 | 123.99 | na | 36,377 | 805 | SEP |
| F.CLAV08 | 124.47 | na | 19,187 | 284 | OCT |
| F.CLAX08 | 124.12 | na | 12,716 | 285 | NOV |
| F.CLAZ08 | 124.08 | na | 31,623 | 1,197 | DEC |

ICE - BRENT

| | Last | Yest. Open Int | Yest. Volume | Today's Volume | Contract Month |
|---------|--------|----------------|--------------|----------------|----------------|
| F.QON08 | 123.29 | 74,941 | 116,832 | 22,870 | JUL |
| F.QOQ08 | 124.02 | 121,727 | 93,653 | 18,146 | AUG |
| F.QOU08 | 124.57 | 62,487 | 45,584 | 7,750 | SEP |
| F.QOV08 | 124.96 | 29,669 | 17,878 | 2,636 | OCT |
| F.QOX08 | 125.29 | 17,699 | 11,918 | 1,365 | NOV |
| F.QOZ08 | 125.53 | 0 | 26,772 | 3,896 | DEC |

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

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.

