

## The Morning Email: Oil

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**ENERGY MATRIX - NYMEX PRODUCTS**

<b>NYMEX</b>	<b>Last</b>	<b>NET</b>	<b>High</b>	<b>Low</b>	<b>Open</b>	<b>Volume</b>	<b>Yest. Vol</b>	<b>SYM Name</b>
<b>CLA</b>	115.91	0.71	116.9	115.2	115.2	21,174	549,471	WTI Crude
<b>HOA</b>	316.8800	4.0800	318.5	312.8	312.8	1,412	82,550	Heating Oil
<b>RBA</b>	289.71	0.97	293.2	289.14	289.5	961	86,484	Unleaded Gas
<b>NGA</b>	83.44	0.9600	84.4	83.25	83.6	1,459	183,519	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	115.91	0.00	297,330	19,326	SEP
F.CLAV08	115.99	0.00	136,243	9,550	OCT
F.CLAX08	116.33	0.00	51,813	5,023	NOV
F.CLAZ08	116.63	0.00	59,673	3,506	DEC
F.CLAF09	117.50	0.00	13,820	352	JAN
F.CLAG09	117.53	0.00	3,855	62	FEB
F.CLAH09	117.00	0.00	2,187	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	114.05	53,771	84,156	19,471	SEP
F.QOV08	115.35	107,305	89,841	25,197	OCT
F.QOX08	116.45	69,445	55,009	12,036	NOV
F.QOZ08	117.36	65,447	31,227	6,861	DEC
F.QOF09	117.89	26,782	6,277	1,985	JAN
F.QOG09	118.26	21,129	2,812	654	FEB
F.QOH09	119.01	13,105	1,742	120	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.

