



## The Morning Email: Oil

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## ENERGY MATRIX - NYMEX PRODUCTS

NYMEX	Last	NET	High	Low	Open	Volume	Yest. Vol	SYM Name
CLA	141.27	1.63	141.71	138.61	139.44	20,183	443,119	WTI Crude
HOA	395.6900	4.7400	396.6	389.55	390.59	901	182,503	Heating Oil
RBA	355.02	2.59	356	350.8	352.43	973	147,027	Unleaded Gas
NGA	132.48	0.0000	133	132	132.71	994	417,388	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					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	141.27	0.00	274,460	18,857	AUG	F.QOQ08	141.32	93,361	119,941	23,870	AUG
F.CLAU08	141.74	0.00	71,876	4,265	SEP	F.QOU08	141.70	109,756	52,229	9,588	SEP
F.CLAV08	141.93	0.00	23,531	1,166	OCT	F.QOV08	142.07	48,300	20,757	5,155	OCT
F.CLAX08	142.20	0.00	13,777	738	NOV	F.QOX08	142.37	20,601	10,596	3,367	NOV
F.CLAZ08	142.30	0.00	33,210	1,292	DEC	F.QOZ08	142.60	60,334	17,119	4,065	DEC
F.CLAF09	140.64	0.00	4,298	229	JAN	F.QOF09	142.38	24,821	3,177	781	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.

