

## 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](mailto:jgoulding@ghco.com)

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## ENERGY MATRIX - NYMEX PRODUCTS

NYMEX	Last	NET	High	Low	Open	Volume	Yest. Vol	SYM Name
<b>CLA</b>	63.64	-1.66	65.5	63.25	65.02	26,195	438,851	WTI Crude
<b>HOA</b>	200.8800	-4.5900	205.94	200.2	205	1,491	48,491	Heating Oil
<b>RBA</b>	139.58	-2.86	144	139	142.5	1,090	66,687	Unleaded Gas
<b>NGA</b>	72.53	0.0400	72.99	72.35	72.6	396	109,392	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. N117 n ComdtyECO  
 9<GO> to set as default calendar

1) Custom Calendars		2) Options		3) Alerts		Economic Calendars	
Region	North America	Country	United States	Type	Energy / Commoditie		
Date	11/06/08	05:18:17		United States: Energy / Commodities			
Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
39)	11/06 08:00	Dynergy Executives Review Results: Teleconference					
40)	11/06 08:30	Williams Executives Review Results: Teleconference					
41)	11/06 09:00	El Paso Executives Review Results: Teleconference					
42)	11/06 09:35	<input checked="" type="checkbox"/> EIA Natural Gas Storage Change	OCT 31	24	-	46	-
43)	11/07 12:00	<input checked="" type="checkbox"/> Baker Hughes U.S. Rig Count	NOV 7	-	-	1971	-
44)	11/12	<input checked="" type="checkbox"/> DOE Short-Term Crude Outlook	NOV	-	-	112	-
45)	11/12	<input checked="" type="checkbox"/> DOE Short-Term Diesel Outlook	NOV	-	-	3.91	-
46)	11/12	<input checked="" type="checkbox"/> DOE Short-Term Ht Oil Outlook	NOV	-	-	3.80	-
47)	11/12	<input checked="" type="checkbox"/> DOE Short-Term NatGas Outlook	NOV	-	-	14.22	-
48)	11/12	<input checked="" type="checkbox"/> DOE Short-Term Mogas Outlook	NOV	-	-	3.56	-
49)	11/13 10:00	<input checked="" type="checkbox"/> API U.S. Distillate Inventory	NOV 7	-	-	-1855K	-
50)	11/13 10:00	<input checked="" type="checkbox"/> API U.S. Gasoline Inventories	NOV 7	-	-	1624K	-
51)	11/13 10:00	<input checked="" type="checkbox"/> API U.S. Crude Oil Inventories	NOV 7	-	-	1787K	-
52)	11/13 10:00	<input checked="" type="checkbox"/> DOE Cushing OK Crude Inventory	NOV 7	-	-	1815K	-
53)	11/13 10:00	<input checked="" type="checkbox"/> DOE U.S. Refinery Utilization	NOV 7	-	-	-0.06%	-
54)	11/13 10:00	<input checked="" type="checkbox"/> DOE U.S. Distillate Inventory	NOV 7	-	-	1206K	-
55)	11/13 10:00	<input checked="" type="checkbox"/> DOE U.S. Gasoline Inventories	NOV 7	-	-	1123K	-
56)	11/13 10:00	<input checked="" type="checkbox"/> DOE U.S. Crude Oil Inventories	NOV 7	-	-	1787	-
57)	11/14 09:30	<input checked="" type="checkbox"/> EIA Natural Gas Storage Change	NOV 7	-	-	-	-

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.  
 6722-55-0 06-Nov-08 5:18:17

**NYMEX - WTI**

	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.CLAX08	71.28				
F.CLAZ08	63.64	0.00	272,470	21,155	DEC
F.CLAF09	64.32	0.00	63,261	3,251	JAN
F.CLAG09	64.84	0.00	22,130	1,051	FEB
F.CLAH09	66.58	0.00	14,608	523	MAR
F.CLAJ09	67.41	0.00	22,130	1,051	APR

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**

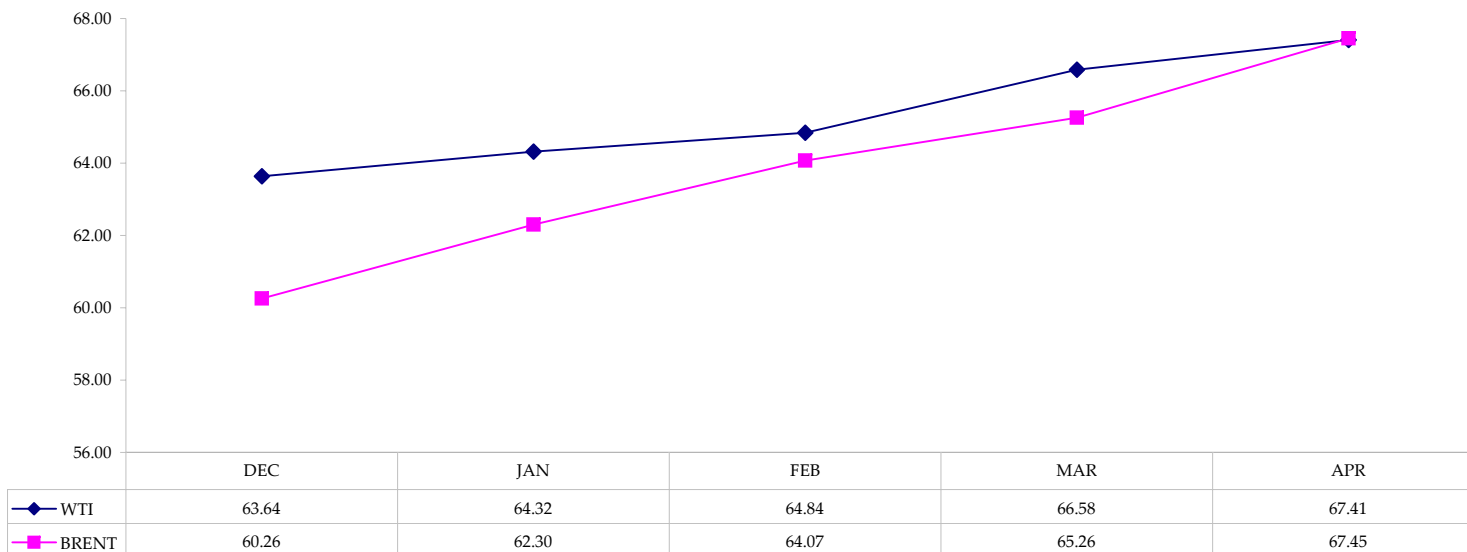
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.QOX08	#VALUE!				
F.QOZ08	60.26	79,472	138,007	28,318	DEC
F.QOF09	62.30	124,973	98,729	17,358	JAN
F.QOG09	64.07	51,716	41,759	6,743	FEB
F.QOH09	65.26	29,192	18,264	3,618	MAR
F.QOJ09	67.45	51,716	41,759	6,743	APR

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.



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**Crack Spreads relative to Crude:**

If crack spread weak then less incentive to store crude.

That's bearish for crude.

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Contango is bearish for price.