

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	58.41	-0.92	59.5	57.7	59	18,863	388,002	WTI Crude
HOA	189.3600	-3.5400	193.45	188.26	192.18	1,507	64,369	Heating Oil
RBA	128.6	-1.99	131.71	127.75	129.75	627	55,943	Unleaded Gas
NGA	66.8	-0.2500	67.3	66.27	66.98	966	169,120	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. N090 n Index ECO
 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 **11/12/08** 05:26:35 **United States: Energy / Commodities**

	Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
28)	11/12		☒ DOE Short-Term Crude Outlook	NOV	- -	- -	112	- -
29)	11/12		☒ DOE Short-Term Diesel Outlook	NOV	- -	- -	3.91	- -
30)	11/12		☒ DOE Short-Term Ht Oil Outlook	NOV	- -	- -	3.80	- -
31)	11/12		☒ DOE Short-Term NatGas Outlook	NOV	- -	- -	14.22	- -
32)	11/12		☒ DOE Short-Term Mogas Outlook	NOV	- -	- -	3.56	- -
33)	11/13 10:00		☒ API U.S. Distillate Inventory	NOV 7	- -	- -	-1855K	- -
34)	11/13 10:00		☒ API U.S. Gasoline Inventories	NOV 7	- -	- -	1624K	- -
35)	11/13 10:00		☒ API U.S. Crude Oil Inventories	NOV 7	- -	- -	1787K	- -
36)	11/13 10:00		☒ DOE Cushing OK Crude Inventory	NOV 7	- -	- -	1815K	- -
37)	11/13 10:00		☒ DOE U.S. Refinery Utilization	NOV 7	0.20%	- -	-0.06%	- -
38)	11/13 10:00		☒ DOE U.S. Distillate Inventory	NOV 7	900K	- -	1206K	- -
39)	11/13 10:00		☒ DOE U.S. Gasoline Inventories	NOV 7	100K	- -	1123K	- -
40)	11/13 10:00		☒ DOE U.S. Crude Oil Inventories	NOV 7	1000	- -	1787	- -
41)	11/14 09:35		☒ EIA Natural Gas Storage Change	NOV 7	50	- -	12	- -
42)	11/14 12:00		☒ Baker Hughes U.S. Rig Count	NOV 14	- -	- -	1992	- -
43)	11/19 09:35		☒ DOE U.S. Crude Oil Inventories	NOV 14	- -	- -	- -	- -
44)	11/19 09:35		☒ DOE U.S. Gasoline Inventories	NOV 14	- -	- -	- -	- -
45)	11/19 09:35		☒ DOE U.S. Distillate Inventory	NOV 14	- -	- -	- -	- -
46)	11/19 09:35		☒ DOE U.S. Refinery Utilization	NOV 14	- -	- -	- -	- -

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 12-Nov-08 5:26:35

NYMEX - WTI

	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.CLAX08	71.28				
F.CLAZ08	58.41	0.00	258,306	14,431	DEC
F.CLAF09	59.30	0.00	87,311	4,316	JAN
F.CLAG09	59.98	0.00	24,571	624	FEB
F.CLAH09	60.90	0.00	10,069	364	MAR
F.CLAJ09	62.34	0.00	24,571	624	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

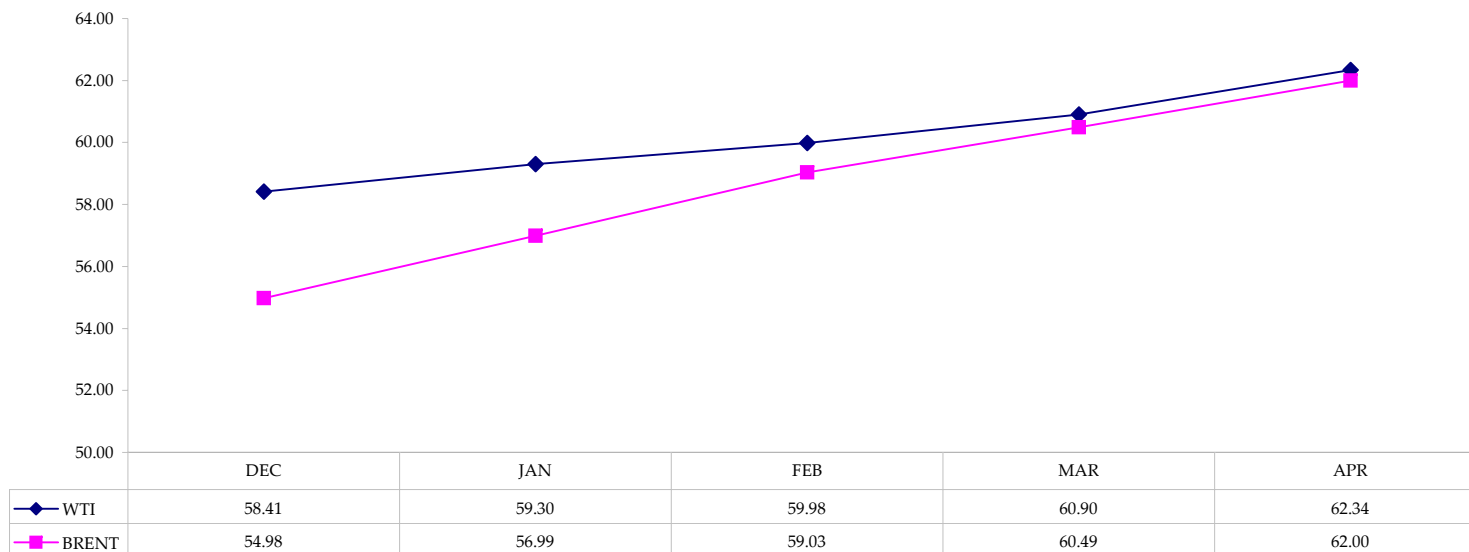
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.QOX08	#VALUE!				
F.QOZ08	54.98	51,470	95,231	18,572	DEC
F.QOF09	56.99	125,037	104,807	25,318	JAN
F.QOG09	59.03	74,145	49,878	8,397	FEB
F.QOH09	60.49	33,941	12,999	3,603	MAR
F.QOJ09	62.00	74,145	49,878	8,397	APR

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.