

## The Morning Email: Oil

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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>	54.9	-0.05	55.86	54.13	55.01	19,756	409,611	WTI Crude
<b>HOA</b>	178.2500	-0.8500	181.5	176.79	179.49	1,515	57,897	Heating Oil
<b>RBA</b>	116.5	-0.96	118.48	115.8	117.46	388	57,341	Unleaded Gas
<b>NGA</b>	64.92	-0.4100	66	64.9	65.74	686	116,569	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. P396 n ComdtyECO  
 NO SCHEDULED EVENT FOR TODAY, 9<GO> to set as default calendar

1) Custom Calendars    2) Options    3) Alerts    Economic Calendars

Region North America    Country United States    Type Energy / Commodities 

Date 11/18/08    05:14:20    United States: Energy / Commodities

	Date	Time	A M	Event	Period	Survey	Actual	Prior	Revised
26)	11/19	09:35		DOE U.S. Crude Oil Inventories	NOV 14	1000K	--	22K	--
27)	11/19	09:35		DOE U.S. Gasoline Inventories	NOV 14	1000K	--	1982K	--
28)	11/19	09:35		DOE U.S. Distillate Inventory	NOV 14	700K	--	516K	--
29)	11/19	09:35		DOE U.S. Refinery Utilization	NOV 14	0.00%	--	-0.69%	--
30)	11/19	09:35		DOE Cushing OK Crude Inventory	NOV 14	--	--	441K	--
31)	11/19	09:35		API U.S. Crude Oil Inventories	NOV 14	--	--	899K	--
32)	11/19	09:35		API U.S. Gasoline Inventories	NOV 14	--	--	3606K	--
33)	11/19	09:35		API U.S. Distillate Inventory	NOV 14	--	--	1493K	--
34)	11/20	09:30		EIA Natural Gas Storage Change	NOV 14	--	--	46	--
35)	11/21	12:00		Baker Hughes U.S. Rig Count	NOV 21	--	--	1941	--
36)	11/26	09:35		DOE U.S. Crude Oil Inventories	NOV 21	--	--	--	--
37)	11/26	09:35		DOE U.S. Gasoline Inventories	NOV 21	--	--	--	--
38)	11/26	09:35		DOE U.S. Distillate Inventory	NOV 21	--	--	--	--
39)	11/26	09:35		DOE U.S. Refinery Utilization	NOV 21	--	--	--	--
40)	11/26	09:35		DOE Cushing OK Crude Inventory	NOV 21	--	--	--	--
41)	11/26	09:35		API U.S. Crude Oil Inventories	NOV 21	--	--	--	--
42)	11/26	09:35		API U.S. Gasoline Inventories	NOV 21	--	--	--	--
43)	11/26	09:35		API U.S. Distillate Inventory	NOV 21	--	--	--	--
44)	11/26	11:00		EIA Natural Gas Storage Change	NOV 21	--	--	--	--

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.  
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**NYMEX - WTI**

	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.CLAX08	#VALUE!				
F.CLAZ08	54.90	0.00	337,536	10,207	DEC
F.CLAF09	55.40	0.00	127,983	9,156	JAN
F.CLAG09	56.16	0.00	22,796	868	FEB
F.CLAH09	56.54	0.00	14,079	553	MAR
F.CLAJ09	57.22	0.00	22,796	868	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**

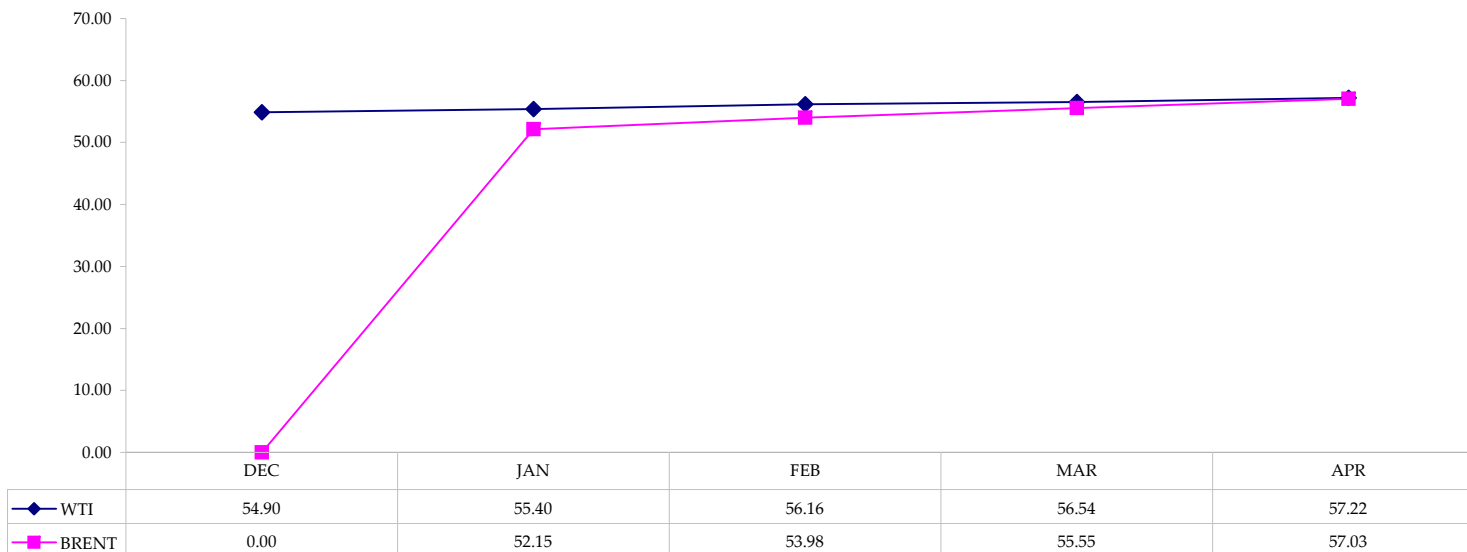
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.QOX08	#VALUE!				
F.QOZ08	#VALUE!				
F.QOF09	52.15	125,671	112,771	28,621	JAN
F.QOG09	53.98	108,745	46,832	14,474	FEB
F.QOH09	55.55	40,211	19,429	4,908	MAR
F.QOJ09	57.03	108,745	46,832	14,474	APR

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.



Contango IF: front months lower than back months.

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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.