

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	52.63	-1.47	53.8	52.5	53.46	17,058	523,193	WTI Crude
HOA	174.0000	-1.9700	176.45	173.75	175.83	1,393	71,834	Heating Oil
RBA	108.57	-2.13	110	107.28	109.15	285	76,653	Unleaded Gas
NGA	68.08	0.6500	68.16	67	67.34	600	161,447	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 Index ECO
 9<G0> to set as default calendar

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

Region North America Country United States Type Energy / Commodities

Date 11/20/08 05:11:56 United States: Energy / Commodities

	Date	Time	A	M	Event	Period	Survey	Actual	Prior	Revised
29)	11/20	09:30			EIA Natural Gas Storage Change	NOV 14	-5	--	46	--
30)	11/21	12:00			Baker Hughes U.S. Rig Count	NOV 21	--	--	1941	--
31)	11/26	09:35			DOE U.S. Crude Oil Inventories	NOV 21	--	--	1599K	--
32)	11/26	09:35			DOE U.S. Gasoline Inventories	NOV 21	--	--	539K	--
33)	11/26	09:35			DOE U.S. Distillate Inventory	NOV 21	--	--	-1471K	--
34)	11/26	09:35			DOE U.S. Refinery Utilization	NOV 21	--	--	0.32%	--
35)	11/26	09:35			DOE Cushing OK Crude Inventory	NOV 21	--	--	936K	--
36)	11/26	09:35			API U.S. Crude Oil Inventories	NOV 21	--	--	8011K	--
37)	11/26	09:35			API U.S. Gasoline Inventories	NOV 21	--	--	710K	--
38)	11/26	09:35			API U.S. Distillate Inventory	NOV 21	--	--	126K	--
39)	11/26	11:00			EIA Natural Gas Storage Change	NOV 21	--	--	--	--
40)	11/28	12:00			Baker Hughes U.S. Rig Count	NOV 28	--	--	--	--
41)	12/03	09:35			API U.S. Distillate Inventory	NOV 28	--	--	--	--
42)	12/03	09:35			API U.S. Gasoline Inventories	NOV 28	--	--	--	--
43)	12/03	09:35			API U.S. Crude Oil Inventories	NOV 28	--	--	--	--
44)	12/03	09:35			DOE Cushing OK Crude Inventory	NOV 28	--	--	--	--
45)	12/03	09:35			DOE U.S. Refinery Utilization	NOV 28	--	--	--	--
46)	12/03	09:35			DOE U.S. Distillate Inventory	NOV 28	--	--	--	--
47)	12/03	09:35			DOE U.S. Gasoline Inventories	NOV 28	--	--	--	--

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.CLAZ08	52.04	0.00	105,748	3,920	DEC
F.CLAF09	52.63	0.00	197,936	15,069	JAN
F.CLAG09	53.55	0.00	33,379	4,346	FEB
F.CLAH09	54.54	0.00	18,060	2,331	MAR
F.CLAJ09	55.87	0.00	33,379	4,346	APR
F.CLAK09	56.68	0.00	8,858	1,104	MAY

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

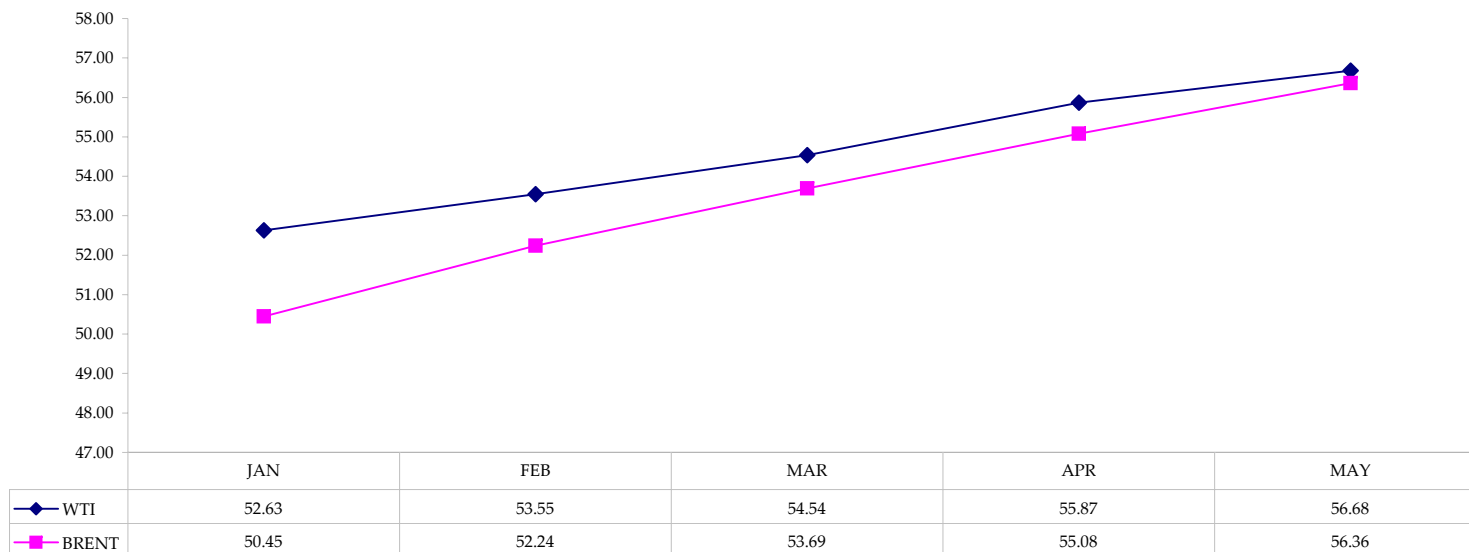
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.QOZ08					
F.QOF09	50.45	110,780	114,696	20,821	JAN
F.QOG09	52.24	103,904	49,656	10,510	FEB
F.QOH09	53.69	44,605	28,327	5,663	MAR
F.QOJ09	55.08	103,904	49,656	10,510	APR
F.QOK9	56.36	17,783	8,708	1,987	MAY

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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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.