

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	50.36	0.94	50.65	48.25	48.57	27,416	464,278	WTI Crude
HOA	171.6300	4.0400	171.98	164	167.59	1,324	74,339	Heating Oil
RBA	104	3.3	104.74	98.7	99.6	673	60,896	Unleaded Gas
NGA	64.27	1.1100	64.32	62.52	63.01	748	165,788	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	48.70	0.00	38,947	0	DEC
F.CLAF09	50.36	0.00	274,669	21,198	JAN
F.CLAG09	51.37	0.00	60,054	8,914	FEB
F.CLAH09	52.33	0.00	28,878	3,451	MAR
F.CLAJ09	53.41	0.00	60,054	8,914	APR
F.CLAK09	53.81	0.00	10,827	951	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

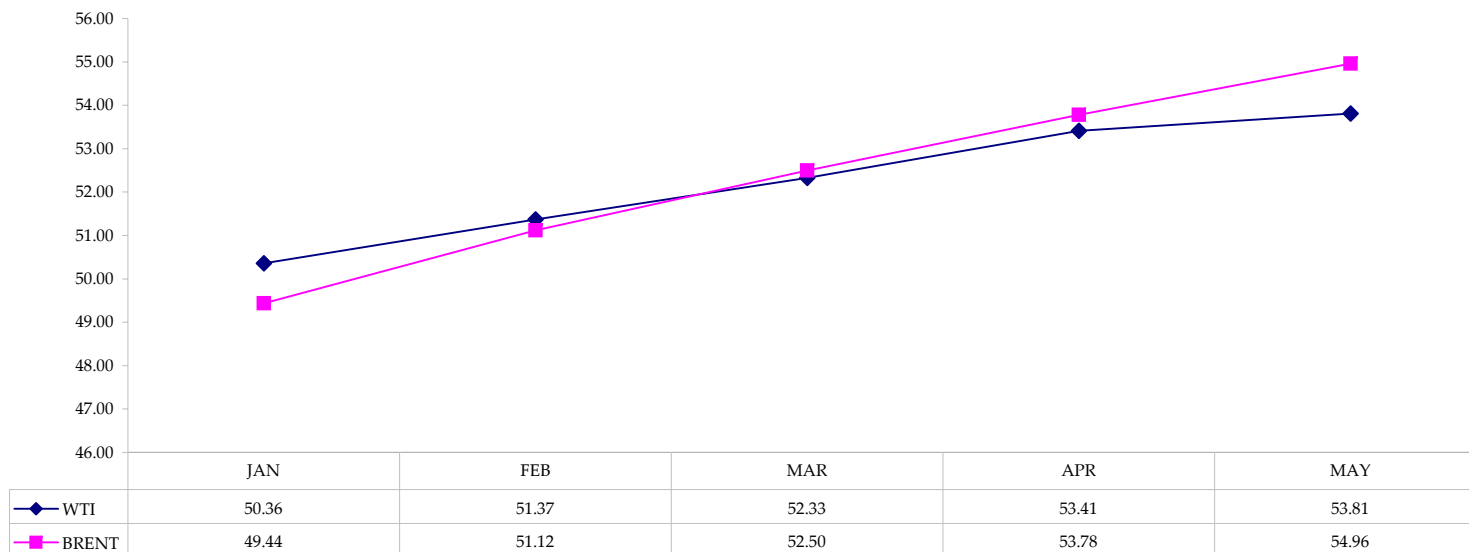
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.QOZ08					
F.QOF09	49.44	110,464	129,495	21,430	JAN
F.QOG09	51.12	106,403	54,546	11,416	FEB
F.QOH09	52.50	49,862	26,178	6,112	MAR
F.QOJ09	53.78	106,403	54,546	11,416	APR
F.QOK9	54.96	18,257	9,563	1,759	MAY

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.



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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.