

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

Disclaimer: All information within this newsletter is meant for internal use at GH Trader's LLC, only. All information has been recorded to the best of my ability. This material is based upon information that I consider reliable, but I do not represent that it is accurate or complete.

ENERGY MATRIX - NYMEX PRODUCTS

| NYMEX | Last | NET | High | Low | Open | Volume | Yest. Vol | SYM Name |
|------------|--------|-------|-------|--------|--------|--------|-----------|--------------|
| CLA | 50.24 | -0.81 | 51.82 | 50 | 51.39 | 15,870 | 380,265 | WTI Crude |
| HOA | 141.12 | -0.79 | 143.5 | 140.25 | 141.89 | 1,044 | 60,347 | Heating Oil |
| RBA | 146.43 | -1.12 | 149.7 | 146.07 | 147.25 | 1,225 | 53,522 | Unleaded Gas |
| NGA | 36.9 | -0.42 | 37.47 | 36.86 | 37.09 | 1,021 | 78,863 | 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. N108 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 / Commodities

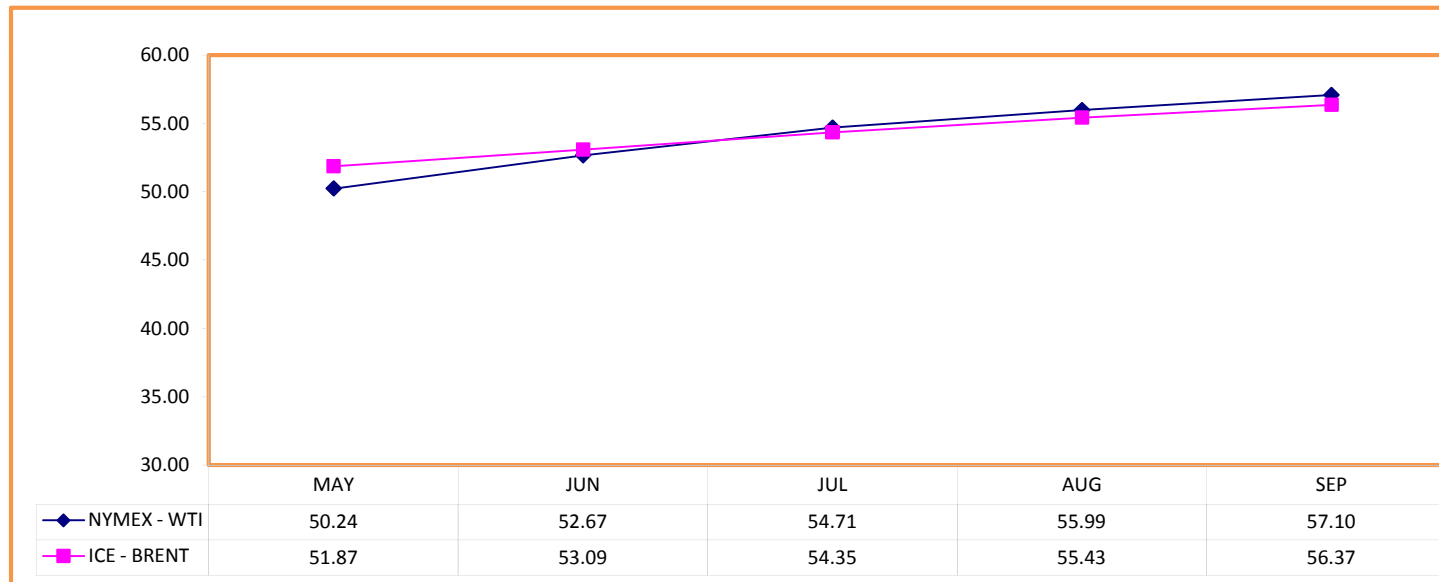
Date 04/07/09 05:17:06 United States: Energy / Commodities

| | Date | Time | A | M | Event | Period | Survey | Actual | Prior | Revised |
|-----|-------|-------|---|---|--------------------------------------------------------------------|--------|--------|--------|--------|---------|
| 25) | 04/07 | 15:30 | | | <input checked="" type="checkbox"/> API U.S. Crude Oil Inventories | APR 3 | -- | -- | 3276K | -- |
| 26) | 04/07 | 15:30 | | | <input checked="" type="checkbox"/> API U.S. Gasoline Inventories | APR 3 | -- | -- | -451K | -- |
| 27) | 04/07 | 15:30 | | | <input checked="" type="checkbox"/> API U.S. Distillate Inventory | APR 3 | -- | -- | 1776K | -- |
| 28) | 04/07 | 16:00 | | | Alcoa Executives Review Fourth-Quarter Results | | | | | |
| 29) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE U.S. Crude Oil Inventories | APR 3 | 1250K | -- | 2844K | -- |
| 30) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE U.S. Gasoline Inventories | APR 3 | -1500K | -- | 2225K | -- |
| 31) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE U.S. Distillate Inventory | APR 3 | -350K | -- | 221K | -- |
| 32) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE U.S. Heat Oil Inventories | APR 3 | -- | -- | 298K | -- |
| 33) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE U.S. Refinery Utilization | APR 3 | 0.00% | -- | -0.28% | -- |
| 34) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE Cushing OK Crude Inventory | APR 3 | -- | -- | -856K | -- |
| 35) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE Crude Oil Implied Demand | APR 3 | -- | -- | 14628 | -- |
| 36) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE Gasoline Implied Demand | APR 3 | -- | -- | 9269.0 | -- |
| 37) | 04/08 | 09:30 | | | <input checked="" type="checkbox"/> DOE Distillate Implied Demand | APR 3 | -- | -- | 4113.0 | -- |
| 38) | 04/09 | 09:30 | | | <input checked="" type="checkbox"/> EIA Natural Gas Storage Change | APR 3 | -- | -- | 0 | -- |
| 39) | 04/10 | 12:00 | | | <input checked="" type="checkbox"/> Baker Hughes U.S. Rig Count | APR 10 | -- | -- | 1043 | -- |
| 40) | 04/14 | | | | <input checked="" type="checkbox"/> DOE Short-Term Crude Outlook | APR | -- | -- | 53 | -- |
| 41) | 04/14 | | | | <input checked="" type="checkbox"/> DOE Short-Term Diesel Outlook | APR | -- | -- | 2.51 | -- |
| 42) | 04/14 | | | | <input checked="" type="checkbox"/> DOE Short-Term Ht Oil Outlook | APR | -- | -- | 2.41 | -- |
| 43) | 04/14 | | | | <input checked="" type="checkbox"/> DOE Short-Term NatGas Outlook | APR | -- | -- | 11.59 | -- |

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 2009 Bloomberg Finance L.P.
 G722-55-0 07-Apr-09 5:17:06

Spreads - WTI and BRENT

| NYMEX - WTI | | | | | | ICE - BRENT | | | | | |
|-------------|-------|----------------|--------------|----------------|----------------|-------------|-------|----------------|--------------|----------------|----------------|
| | Last | Yest. Open Int | Yest. Volume | Today's Volume | Contract Month | | Last | Yest. Open Int | Yest. Volume | Today's Volume | Contract Month |
| F.CLAK09 | 50.24 | na | 207,539 | 11,281 | MAY | F.QOK9 | 51.87 | 90,179 | 108,000 | 19,624 | MAY |
| F.CLAM09 | 52.67 | na | 84,537 | 4,287 | JUN | F.QOM9 | 53.09 | 167,211 | | 15,265 | JUN |
| F.CLAN09 | 54.71 | na | 34,946 | 1,603 | JUL | F.QON09 | 54.35 | 87,653 | 36,858 | 5,806 | JUL |
| F.CLAQ09 | 55.99 | na | 13,013 | 620 | AUG | F.QOQ09 | 55.43 | 32,017 | 12,768 | 3,004 | AUG |
| F.CLAU09 | 57.10 | na | 8,002 | 373 | SEP | F.QOU09 | 56.37 | 24,857 | 7,301 | 1,345 | SEP |
| F.CLAV09 | 58.33 | na | 5,449 | 221 | OCT | F.QOV09 | 57.32 | 15,404 | 3,415 | 792 | OCT |
| F.CLAX09 | 59.00 | na | 3,495 | 169 | NOV | F.QOX09 | 58.26 | 16,227 | 3,349 | 704 | NOV |
| F.CLAZ09 | 59.91 | na | 13,204 | 197 | DEC | F.QOZ09 | 59.18 | 82,438 | 11,971 | 2,033 | DEC |



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

Crack Spreads relative to Crude:

If crack spread weak then less incentive to store crude.

That's bearish for crude.

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.