

## 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>	48.66	0.15	49	47.96	48.24	20,981	413,130	WTI Crude
<b>HOA</b>	134.73	1.57	134.86	133.1	133.16	1,873	87,236	Heating Oil
<b>RBA</b>	141.61	0.42	142.12	140.27	140.94	1,364	77,140	Unleaded Gas
<b>NGA</b>	35.56	0.16	35.6	35.38	35.6	839	115,007	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. Corp ECO  
 9<GO> to set as default calendar

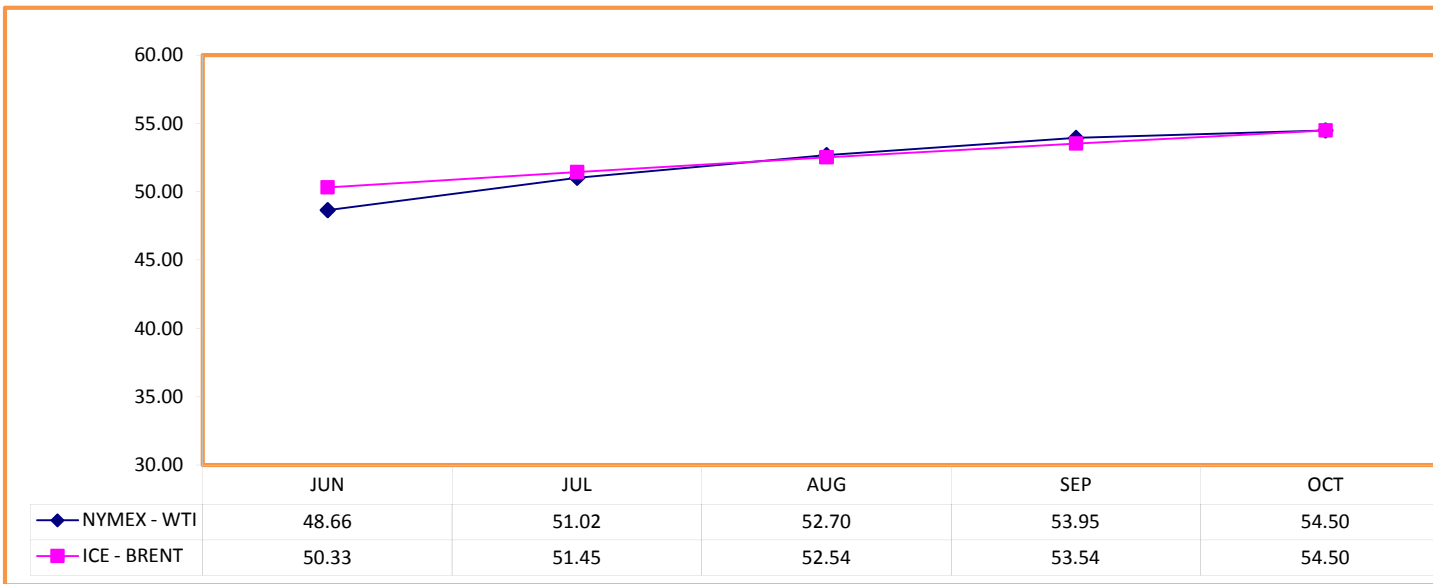
1) Custom Calendars      2) Options      3 Economic Calendars

Region North America      Country United States      Type Energy / Commodities   
 Date 04/21/09      05:13:15      United States: Energy / Commodities

	Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
30)	04/20	08:00	Haliburton Executives Review Results: Teleconf.					
31)	04/21	15:30	API U.S. Crude Oil Inventories	APR 17	-	-	6509K	-
32)	04/21	15:30	API U.S. Gasoline Inventories	APR 17	-	-	-613K	-
33)	04/21	15:30	API U.S. Distillate Inventory	APR 17	-	-	87K	-
34)	04/22	09:30	DOE U.S. Crude Oil Inventories	APR 17	2400K	-	5671K	-
35)	04/22	09:30	DOE U.S. Gasoline Inventories	APR 17	-800K	-	-944K	-
36)	04/22	09:30	DOE U.S. Distillate Inventory	APR 17	-900K	-	-1170K	-
37)	04/22	09:30	DOE U.S. Heat Oil Inventories	APR 17	-	-	-	-
38)	04/22	09:30	DOE U.S. Refinery Utilization	APR 17	0.55%	-	-1.47%	-
39)	04/22	09:30	DOE Cushing OK Crude Inventory	APR 17	-	-	-742K	-
40)	04/22	09:30	DOE Crude Oil Implied Demand	APR 17	-	-	14063	-
41)	04/22	09:30	DOE Gasoline Implied Demand	APR 17	-	-	9089.0	-
42)	04/22	09:30	DOE Distillate Implied Demand	APR 17	-	-	4262.0	-
43)	04/23	09:30	EIA Natural Gas Storage Change	APR 17	-	-	21	-
44)	04/24	12:00	Baker Hughes U.S. Rig Count	APR 24	-	-	975	-
45)	04/28	15:30	API U.S. Crude Oil Inventories	APR 24	-	-	-	-
46)	04/28	15:30	API U.S. Gasoline Inventories	APR 24	-	-	-	-
47)	04/28	15:30	API U.S. Distillate Inventory	APR 24	-	-	-	-
48)	04/29	09:30	DOE U.S. Crude Oil Inventories	APR 24	-	-	-	-

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.  
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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	45.98	na	89,895	1,978	MAY	F.QOK9	#VALUE!			
F.CLAM09	48.66	na	255,098	15,594	JUN	F.QOM9	50.33	155,555	22,193	JUN
F.CLAN09	51.02	na	61,548	3,912	JUL	F.QON09	51.45	112,393	51,140	JUL
F.CLAQ09	52.70	na	18,405	700	AUG	F.QOQ09	52.54	0	18,651	AUG
F.CLAU09	53.95	na	10,520	264	SEP	F.QOU09	53.54	0	7,314	SEP
F.CLAV09	54.50	na	6,444	225	OCT	F.QOV09	54.50	0	4,454	OCT
F.CLAX09	55.35	na	3,773	353	NOV	F.QOX09	55.42	0	3,601	NOV
F.CLAZ09	56.76	na	18,258	650	DEC	F.QOZ09	56.37	0	11,165	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.