

## 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](mailto:jgoulding@ghco.com)

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## ENERGY MATRIX - NYMEX PRODUCTS

NYMEX	Last	NET	High	Low	Open	Volume	Yest. Vol	SYM Name
CLA	48.8	-1.34	50.19	48.55	50.1	16,012	398,376	WTI Crude
HOA	131.61	-2.71	134.75	131.06	134	1,446	85,525	Heating Oil
RBA	137.45	-3.38	141.03	137.07	140.35	3,008	64,775	Unleaded Gas
NGA	32.29	-0.24	32.8	32.26	32.66	864	136,899	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. ComdtyECO  
 9<GO> to set as default calendar

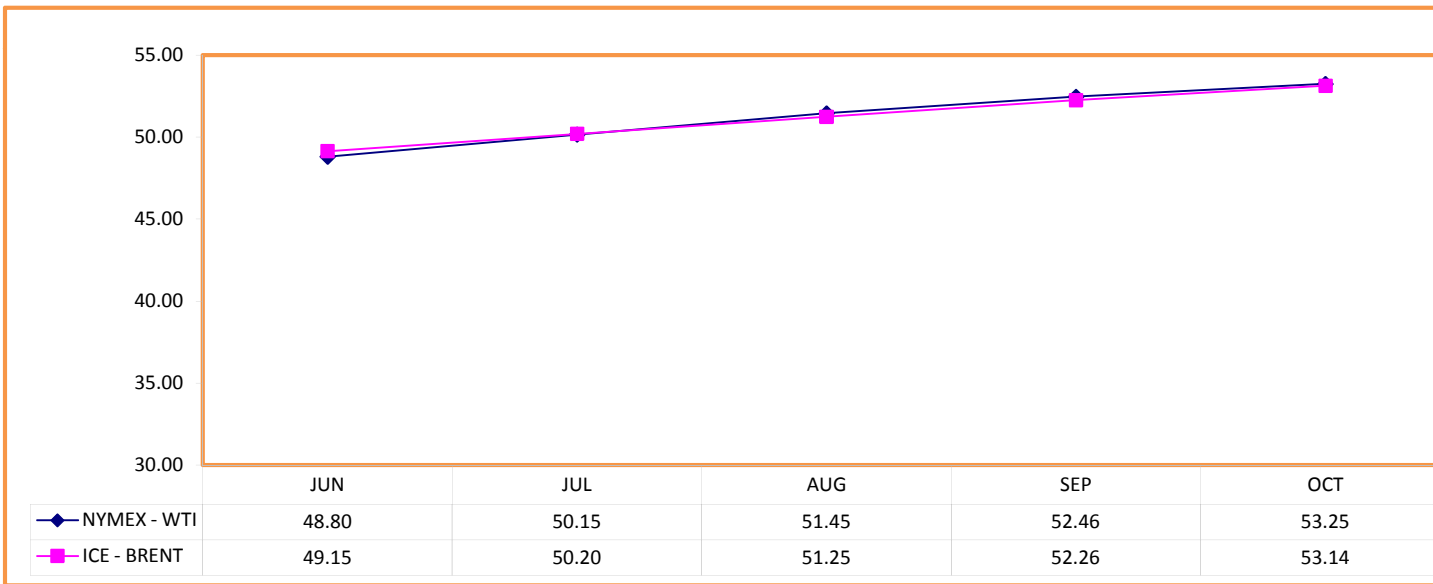
1) Custom Calendars 2) Options 3) Alerts Economic Calendars

Region North America Country United States Type Energy / Commodities  
 Date 04/28/09 05:16:27 United States: Energy / Commodities

	Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
11)	04/21	15:30	API U.S. Crude Oil Inventories	APR 17	--	-1008K	6509K	--
12)	04/21	15:30	API U.S. Gasoline Inventories	APR 17	--	107K	-613K	--
13)	04/21	15:30	API U.S. Distillate Inventory	APR 17	--	458K	87K	--
14)	04/22	09:00	Freeport Executives Review Results: Teleconf.					
15)	04/22	09:30	DOE U.S. Crude Oil Inventories	APR 17	2500K	3857K	5671K	--
16)	04/22	09:30	DOE U.S. Gasoline Inventories	APR 17	-700K	802K	-944K	--
17)	04/22	09:30	DOE U.S. Distillate Inventory	APR 17	-1000K	2682K	-1170K	--
18)	04/22	09:30	DOE U.S. Heat Oil Inventories	APR 17	--	-85K	-659K	--
19)	04/22	09:30	DOE U.S. Refinery Utilization	APR 17	0.65%	3.07%	-1.47%	--
20)	04/22	09:30	DOE Cushing OK Crude Inventory	APR 17	--	309K	-742K	--
21)	04/22	09:30	DOE Crude Oil Implied Demand	APR 17	--	14725	14063	--
22)	04/22	09:30	DOE Gasoline Implied Demand	APR 17	--	9281.0	9089.0	--
23)	04/22	09:30	DOE Distillate Implied Demand	APR 17	--	3945.0	4262.0	--
24)	04/23	09:30	EIA Natural Gas Storage Change	APR 17	45	46	21	--
25)	04/23	10:00	ConocoPhillips Executives Review Results					
26)	04/23	10:30	Occidental Executives Review Results: Teleconf.					
27)	04/24	08:00	Schlumberger Executives Review Results: Teleconf.					
28)	04/24	12:00	Baker Hughes U.S. Rig Count	APR 24	--	955	975	--
29)	04/28	14:00	U.S. Steel Executives Review Results: Teleconf.					

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					
	Yest.	Yest.	Today's	Contract		Yest.	Yest.	Today's	Contract		
Last	Open Int	Volume	Volume	Month	Last	Open Int	Volume	Volume	Month		
F.CLAM09	48.80	na	248,280	12,858	JUN	F.QOM9	49.15	145,912	129,743	20,356	JUN
F.CLAN09	50.15	na	79,964	3,578	JUL	F.QON09	50.20	127,509	56,892	8,999	JUL
F.CLAQ09	51.45	na	21,573	877	AUG	F.QOQ09	51.25	0	26,788	3,481	AUG
F.CLAU09	52.46	na	9,551	336	SEP	F.QOU09	52.26	0	13,263	2,281	SEP
F.CLAV09	53.25	na	5,405	138	OCT	F.QOV09	53.14	0	6,586	3	OCT
F.CLAX09	55.70	na	4,203	118	NOV	F.QOX09	54.04	0	4,415	3	NOV
F.CLAZ09	55.40	na	14,179	188	DEC	F.QOZ09	55.02	0	12,618	3	DEC
F.CLAF10	57.08	na	1,424	34	JAN	F.QOF10	55.82	0	1,345	11	JAN
F.CLAG10	58.20	na	1,100	2	FEB	F.QOG10	56.57	0	524	16	FEB



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.