

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	40.83	1.27	40.84	39.43	39.76	18,633	559,710	WTI Crude
HOA	138.0100	2.7800	138.4	135.26	135.6	1,395	75,944	Heating Oil
RBA	127.35	2.64	127.4	123.7	124.82	1,566	69,020	Unleaded Gas
NGA	48.16	-0.1500	48.49	47.57	48.16	1,040	135,208	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.

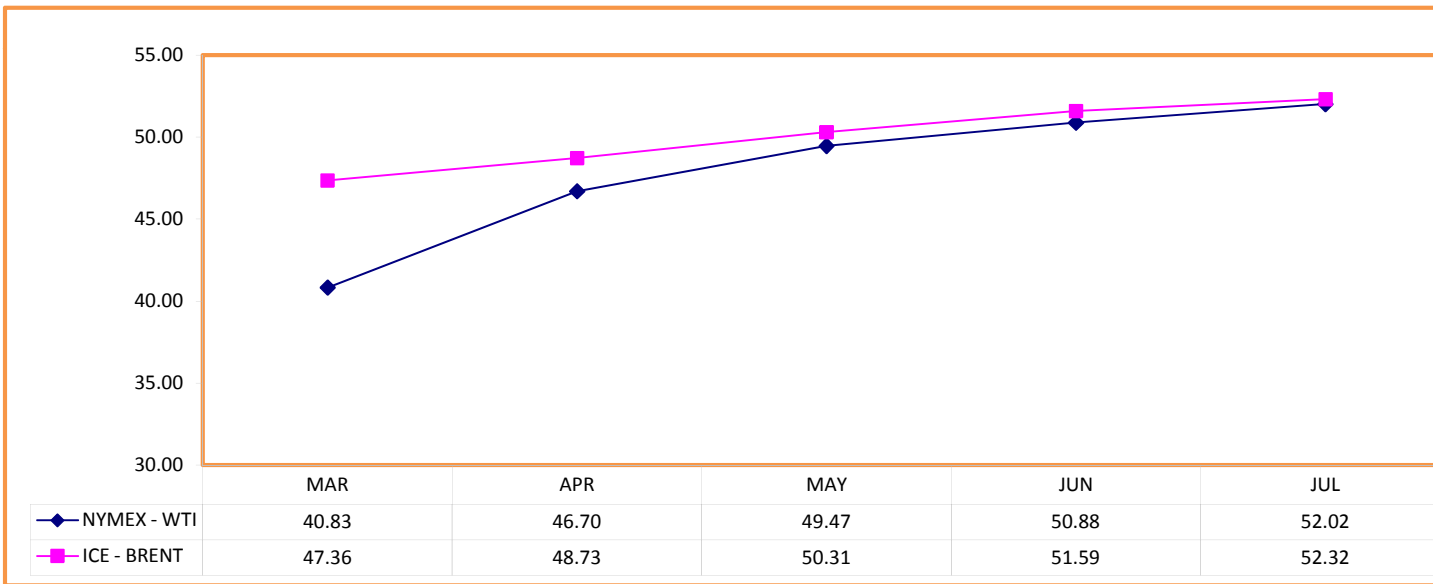
Economic Release Estimates, from Bloomberg

<HELP> for explanation. Corp ECO
 Screen Printed

1) Custom Calendars		2) Options		3) Ale		Economic Calendars	
Region	North America	Country	United States	Type	Energy / Commodities	🇺🇸	
Date	02/10/09	05:16:27		United States: Energy / Commodities			
Date	Time A M	Event	Period	Survey	Actual	Prior	Revised
24)	02/10 10:00	Schroders' Maisonneuve on Climate Change Stocks					
25)	02/10	☒ DOE Short-Term Crude Outlook	FEB	--	--	54.50	--
26)	02/10	☒ DOE Short-Term Diesel Outlook	FEB	--	--	2.54	--
27)	02/10	☒ DOE Short-Term Ht Oil Outlook	FEB	--	--	2.40	--
28)	02/10	☒ DOE Short-Term NatGas Outlook	FEB	--	--	12.12	--
29)	02/10	☒ DOE Short-Term Mogas Outlook	FEB	--	--	2.18	--
30)	02/10 15:30	☒ API U.S. Crude Oil Inventories	FEB 6	--	--	8130K	--
31)	02/10 15:30	☒ API U.S. Gasoline Inventories	FEB 6	--	--	2150K	--
32)	02/10 15:30	☒ API U.S. Distillate Inventory	FEB 6	--	--	-184K	--
33)	02/11 09:30	☒ DOE U.S. Crude Oil Inventories	FEB 6	2750K	--	7170K	--
34)	02/11 09:30	☒ DOE U.S. Gasoline Inventories	FEB 6	500K	--	362K	--
35)	02/11 09:30	☒ DOE U.S. Distillate Inventory	FEB 6	-1500K	--	-1361K	--
36)	02/11 09:30	☒ DOE U.S. Refinery Utilization	FEB 6	0.00%	--	1.03%	--
37)	02/11 09:30	☒ DOE Cushing OK Crude Inventory	FEB 6	--	--	832K	--
38)	02/12 09:30	☒ EIA Natural Gas Storage Change	FEB 6	--	--	-195	--
39)	02/13 12:00	☒ Baker Hughes U.S. Rig Count	FEB 13	--	--	1399	--
40)	02/18 15:30	☒ API U.S. Crude Oil Inventories	FEB 13	--	--	--	--
41)	02/18 15:30	☒ API U.S. Gasoline Inventories	FEB 13	--	--	--	--
42)	02/18 15:30	☒ API U.S. Distillate Inventory	FEB 13	--	--	--	--

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.CLAH09	40.83	0.00	276,600	15,506	MAR	F.QOH09	47.36	75,917	101,028	25,184	MAR
F.CLAJ09	46.70				APR	F.QOJ09	48.73				APR
F.CLAK09	49.47	0.00	49,249	2,783	MAY	F.QOK09	50.31	98,780	54,691	11,900	MAY
F.CLAM09	50.88	0.00	29,285	1,200	JUN	F.QOM09	51.59	51,271		3,743	JUN
F.CLAN09	52.02	0.00	9,285	287	JUL	F.QON09	52.32	21,258	3,155	1,466	JUL
F.CLAQ09	52.60	0.00	4,493	42	AUG	F.QOQ09	53.09	17,049	2,991	1,112	AUG
F.CLAU09	52.89	0.00	4,001	18	SEP	F.QOU09	53.82	13,963	2,615	893	SEP
F.CLAV09	54.09	0.00	3,617	18	OCT	F.QOV09	54.44	12,092	2,486	533	OCT
F.CLAX09	54.81	0.00	1,977	12	NOV	F.QOX09	55.03	13,000	2,515	389	NOV



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.