

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 HTG Capital Partners, 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	64.8	-0.81	65.35	64.42	65.03	19,187	458,779	WTI Crude
HOA	169.74	-0.1	169.78	168.15	168.93	1,859	109,826	Heating Oil
RBA	178.69	-2.51	180.78	178.02	179.5	1,323	77,007	Unleaded Gas
NGA	37.01	-0.04	37.29	36.76	36.81	1,986	155,775	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

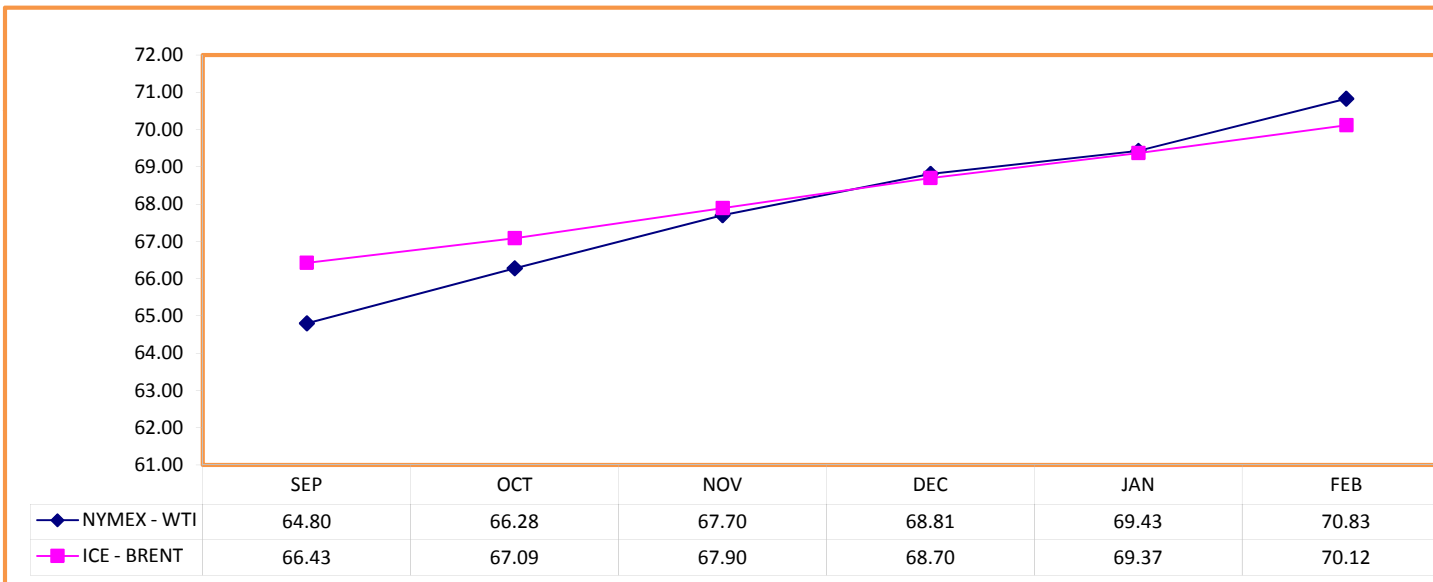
) Custom Calendar
2) Settings
3) Alerts
4) Export
Economic Calendars

Region North America Country United States Type Energy / Commoditie
 Date 07/21/09 05:27:41 United States: Energy / Commodities

	Date	Time	A M	Event	Period	Survey	Actual	Prior	Revised
27)	07/21	15:30		API U.S. Crude Oil Inventories	JUL 17	--	--	-1158K	--
28)	07/21	15:30		API U.S. Gasoline Inventories	JUL 17	--	--	-69K	--
29)	07/21	15:30		API U.S. Distillate Inventory	JUL 17	--	--	656K	--
30)	07/22	09:30		DOE U.S. Crude Oil Inventories	JUL 17	-2250K	--	-2813K	--
31)	07/22	09:30		DOE U.S. Gasoline Inventories	JUL 17	850K	--	1438K	--
32)	07/22	09:30		DOE U.S. Distillate Inventory	JUL 17	1500K	--	553K	--
33)	07/22	09:30		DOE U.S. Heat Oil Inventories	JUL 17	--	--	517K	--
34)	07/22	09:30		DOE U.S. Refinery Utilization	JUL 17	-0.43%	--	1.07%	--
35)	07/22	09:30		DOE Cushing OK Crude Inventory	JUL 17	--	--	619K	--
36)	07/22	09:30		DOE No.2 Heat Oil Inventories	JUL 17	--	--	45835K	--
37)	07/22	09:30		DOE Crude Oil Implied Demand	JUL 17	--	--	15122	--
38)	07/22	09:30		DOE Gasoline Implied Demand	JUL 17	--	--	9318.0	--
39)	07/22	09:30		DOE Distillate Implied Demand	JUL 17	--	--	4114.0	--
40)	07/23	09:30		EIA Natural Gas Storage Change	JUL 17	71	--	90	--
41)	07/24	12:00		Baker Hughes U.S. Rig Count	JUL 24	--	--	920	--
42)	07/28	15:30		API U.S. Crude Oil Inventories	JUL 24	--	--	--	--
43)	07/28	15:30		API U.S. Gasoline Inventories	JUL 24	--	--	--	--
44)	07/28	15:30		API U.S. Distillate Inventory	JUL 24	--	--	--	--
45)	07/29	09:30		DOE U.S. Crude Oil Inventories	JUL 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.
 G722-55-0 21-Jul-09 5:27:41

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.CLAQ09	64.81	na	23,951	0	AUG	F.QOQ09					
F.CLAU09	64.80	na	266,016	17,872	SEP	F.QOU09	66.43	145,024	108,420	25,235	SEP
F.CLAV09	66.28	na	65,662	3,134	OCT	F.QOV09	67.09	113,720	49,659	14,404	OCT
F.CLAX09	67.70	na	22,997	2,248	NOV	F.QOX09	67.90	37,374	24,010	8,498	NOV
F.CLAZ09	68.81	na	36,505	3,342	DEC	F.QOZ09	68.70	94,125	35,243	10,226	DEC
F.CLAF10	69.43	na	6,131	1,223	JAN	F.QOF10	69.37	24,944	7,024	3,159	JAN
F.CLAG10	70.83	na	4,447	252	FEB	F.QOG10	70.12	15,466	3,539	1,663	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.