

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	65.83	-1.4	67.01	65.38	66.68	29,263	374,177	WTI Crude
HOA	177.66	-1.18	179	176.23	178.55	1,948	75,708	Heating Oil
RBA	186.65	-1.27	188.48	185.15	187.81	1,912	58,948	Unleaded Gas
NGA	35.08	-0.27	35.48	34.85	35.45	2,161	180,051	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

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

Region North America Country United States Type Energy / Commodities 

Date 07/29/09 05:21:08 United States: Energy / Commodities

	Date	Time	A M	Event	Period	Survey	Actual	Prior	Revised
28)	07/28	15:30		API U.S. Crude Oil Inventories	JUL 24	-	4067K	3098K	-
29)	07/28	15:30		API U.S. Gasoline Inventories	JUL 24	-	-47K	1333K	-
30)	07/28	15:30		API U.S. Distillate Inventory	JUL 24	-	116K	147K	-
31)	07/29	09:30		DOE U.S. Crude Oil Inventories	JUL 24	-1500K	-	-1796K	-
32)	07/29	09:30		DOE U.S. Gasoline Inventories	JUL 24	0K	-	813K	-
33)	07/29	09:30		DOE U.S. Distillate Inventory	JUL 24	1000K	-	1218K	-
34)	07/29	09:30		DOE U.S. Heat Oil Inventories	JUL 24	-	-	326K	-
35)	07/29	09:30		DOE U.S. Refinery Utilization	JUL 24	0.00%	-	-2.03%	-
36)	07/29	09:30		DOE Cushing OK Crude Inventory	JUL 24	-	-	8K	-
37)	07/29	09:30		DOE No.2 Heat Oil Inventories	JUL 24	-	-	46161K	-
38)	07/29	09:30		DOE Crude Oil Implied Demand	JUL 24	-	-	14636	-
39)	07/29	09:30		DOE Gasoline Implied Demand	JUL 24	-	-	9410.0	-
40)	07/29	09:30		DOE Distillate Implied Demand	JUL 24	-	-	4130.0	-
41)	07/29	10:00		ConocoPhillips Executives Review Results					
42)	07/29	12:00		Southern Executives Review Results: Teleconference					
43)	07/30	09:30		EIA Natural Gas Storage Change	JUL 24	74	-	66	-
44)	07/31	12:00		Baker Hughes U.S. Rig Count	JUL 31	-	-	943	-
45)	08/04	15:30		API U.S. Crude Oil Inventories	JUL 31	-	-	4067K	-
46)	08/04	15:30		API U.S. Gasoline Inventories	JUL 31	-	-	-47K	-

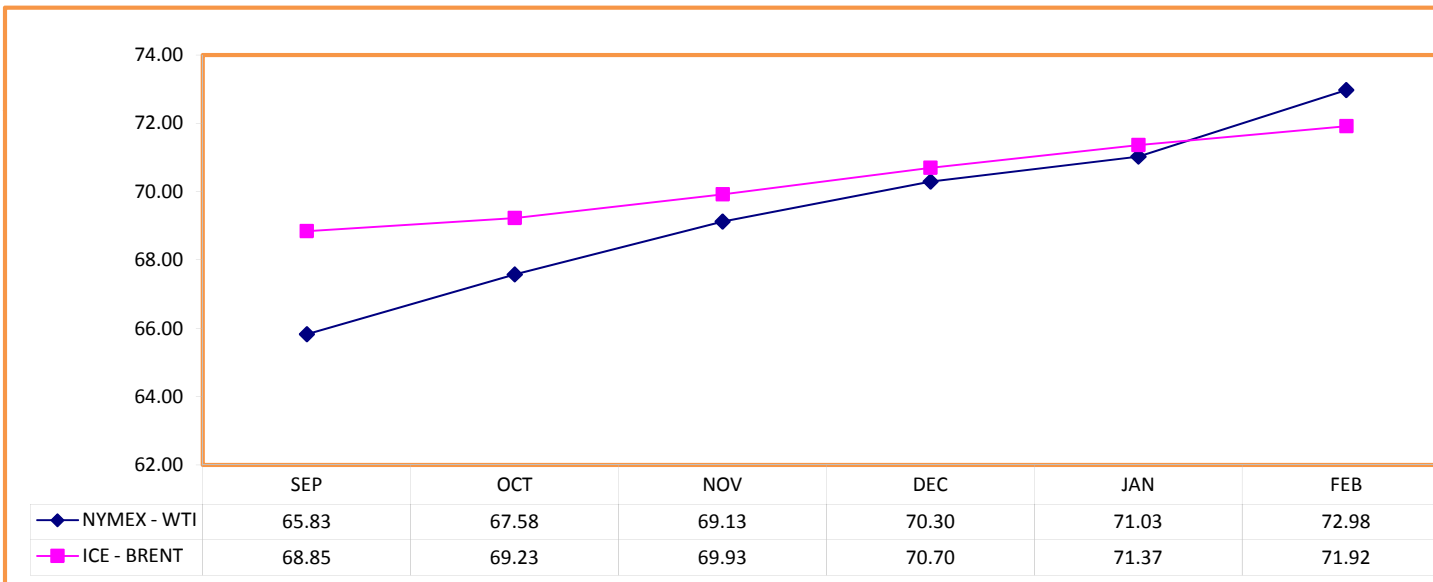
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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2009 Bloomberg Finance L.P.
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NYMEX - WTI

	Last	Yest. Open	Yest. Int Volume	Today's Volume	Contract Month
F.CLAQ09	64.81	na			
F.CLAU09	65.83	na	236,311	26,531	SEP
F.CLAV09	67.58	na	53,937	5,558	OCT
F.CLAX09	69.13	na	19,309	1,852	NOV
F.CLAZ09	70.30	na	32,047	1,878	DEC
F.CLAF10	71.03	na	6,276	462	JAN
F.CLAG10	72.98	na	3,533	494	FEB

ICE - BRENT

	Last	Yest. Open	Yest. Int Volume	Today's Volume	Contract Month
F.QOQ09					
F.QOU09	68.85		134,746	118,353	SEP
F.QOV09	69.23		125,118	69,430	OCT
F.QOX09	69.93		52,153	30,295	NOV
F.QOZ09	70.70		100,603	32,323	DEC
F.QOF10	71.37		31,475	8,422	JAN
F.QOG10	71.92		16,729	4,254	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.