

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 GH Trader's LLC, 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	71.24	1.23	71.65	70.43	70.51	31,585	530,008	WTI Crude
HOA	182.86	2.1	183.67	181.23	181.3	1,311	82,512	Heating Oil
RBA	198.97	2.3	199.4	197.4	198.03	1,420	93,886	Unleaded Gas
NGA	38.26	0.95	38.4	37.37	37.77	3,279	191,608	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.

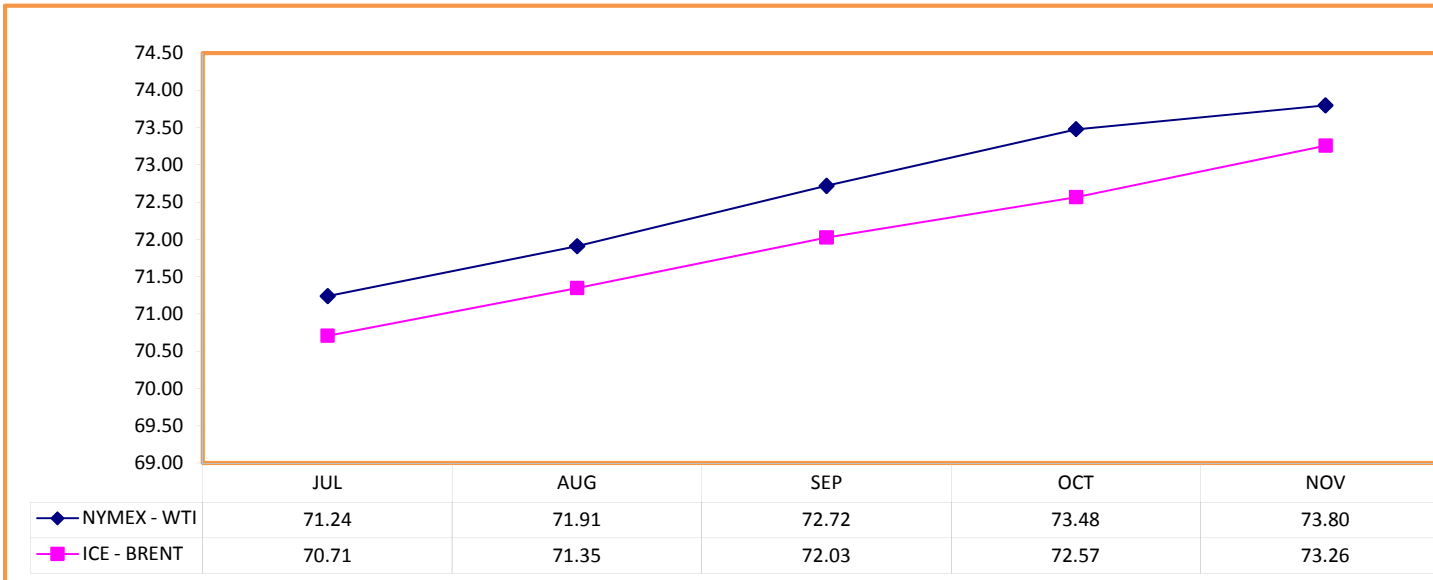
Economic Release Estimates, from Bloomberg

<HELP> for explanation. Index 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 / Commodities				
Date	06/10/09	05:13:31	United States: Energy / Commodities						
Date	Time A M	Event	Period	Survey	Actual	Prior	Revised		
23)	06/09	☒ DOE Short-Term Crude Outlook	JUN	-	67.42	57.75	-	-	
24)	06/09	☒ DOE Short-Term Diesel Outlook	JUN	-	2.67	2.48	-	-	
25)	06/09	☒ DOE Short-Term Ht Oil Outlook	JUN	-	2.66	2.42	-	-	
26)	06/09	☒ DOE Short-Term NatGas Outlook	JUN	-	11.38	11.22	-	-	
27)	06/09	☒ DOE Short-Term Mogas Outlook	JUN	-	2.56	2.30	-	-	
28)	06/09 15:30	☒ API U.S. Crude Oil Inventories	JUN 5	-	-5959K	-828K	-	-	
29)	06/09 15:30	☒ API U.S. Gasoline Inventories	JUN 5	-	27K	99K	-	-	
30)	06/09 15:30	☒ API U.S. Distillate Inventory	JUN 5	-	19K	3446K	-	-	
31)	06/10 09:30	☒ DOE U.S. Crude Oil Inventories	JUN 5	100K	-	2866K	-	-	
32)	06/10 09:30	☒ DOE U.S. Gasoline Inventories	JUN 5	750K	-	-215K	-	-	
33)	06/10 09:30	☒ DOE U.S. Distillate Inventory	JUN 5	1500K	-	1661K	-	-	
34)	06/10 09:30	☒ DOE U.S. Heat Oil Inventories	JUN 5	-	-	-237K	-	-	
35)	06/10 09:30	☒ DOE U.S. Refinery Utilization	JUN 5	0.20%	-	1.15%	-	-	
36)	06/10 09:30	☒ DOE Cushing OK Crude Inventory	JUN 5	-	-	-766K	-	-	
37)	06/10 09:30	☒ DOE No.2 Heat Oil Inventories	JUN 5	-	-	-	-	-	
38)	06/10 09:30	☒ DOE Crude Oil Implied Demand	JUN 5	-	-	14595	-	-	
39)	06/10 09:30	☒ DOE Gasoline Implied Demand	JUN 5	-	-	9168.0	-	-	
40)	06/10 09:30	☒ DOE Distillate Implied Demand	JUN 5	-	-	4023.0	-	-	
41)	06/11 09:30	☒ EIA Natural Gas Storage Change	JUN 5	110	-	124	-	-	

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.
 6722-55-0 10-Jun-09 5:13:31

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.CLAN09	71.24	na	272,059	24,020	JUL	F.QON09	70.71	78,993	100,856	22,990	JUL
F.CLAQ09	71.91	na	135,868	9,486	AUG	F.QOQ09	71.35	168,585	89,751	22,502	AUG
F.CLAU09	72.72	na	47,763	4,369	SEP	F.QOU09	72.03	104,111	48,210	10,170	SEP
F.CLAV09	73.48	na	10,677	1,464	OCT	F.QOV09	72.57	61,709	18,230	5,765	OCT
F.CLAX09	73.80	na	7,275	656	NOV	F.QOX09	73.26	18,993	8,006	4,430	NOV
F.CLAZ09	74.78	na	25,953	2,310	DEC	F.QOZ09	74.03	81,053	17,821	5,753	DEC
F.CLAF10	74.30	na	2,992	477	JAN	F.QOF10	74.57	22,661	2,777	1,608	JAN
F.CLAG10	75.03	na	1,681	216	FEB	F.QOG10	75.09	14,536	1,488	826	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.