

## 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)

**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	71.55	-1.13	72.63	71.35	72.43	22,400	532,656	WTI Crude
HOA	183.09	-2.25	185.17	182.5	185.17	1,661	92,001	Heating Oil
RBA	203.27	-3.22	205.85	203.27	#VALUE!	1,969	113,439	Unleaded Gas
NGA	39.2	-0.13	39.3	38.66	39.11	3,100	368,263	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. EquityECO  
 9<GO> to set as default calendar

1) Custom Calendars      2) Settings      3) Alt      Economic Calendars

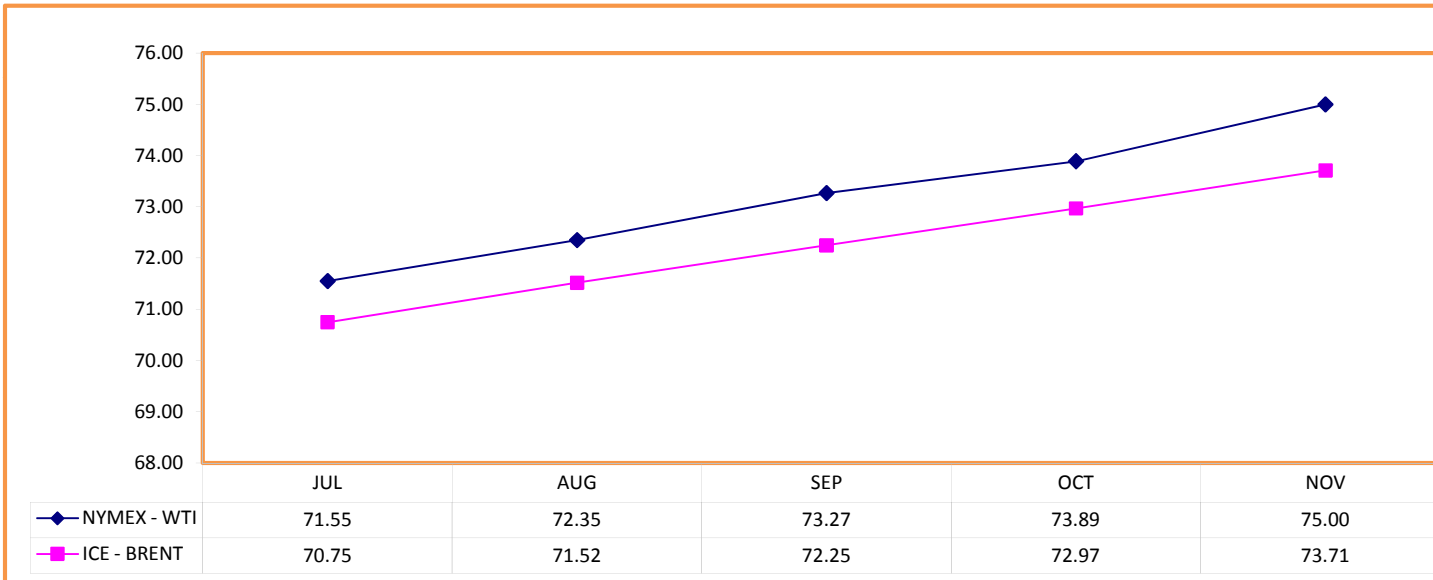
Region **North America**      Country **United States**      Type **Energy / Commoditie** 

Date **06/12/09**      05:19:14      **United States: Energy / Commodities**

	Date	Time	A M	Event	Period	Survey	Actual	Prior	Revised
31)	06/12	12:00		Baker Hughes U.S. Rig Count	JUN 12	--	--	887	--
32)	06/16	15:30		API U.S. Crude Oil Inventories	JUN 12	--	--	-5959K	--
33)	06/16	15:30		API U.S. Gasoline Inventories	JUN 12	--	--	27K	--
34)	06/16	15:30		API U.S. Distillate Inventory	JUN 12	--	--	19K	--
35)	06/17	09:30		DOE U.S. Crude Oil Inventories	JUN 12	--	--	-4382K	--
36)	06/17	09:30		DOE U.S. Gasoline Inventories	JUN 12	--	--	-1553K	--
37)	06/17	09:30		DOE U.S. Distillate Inventory	JUN 12	--	--	-318K	--
38)	06/17	09:30		DOE U.S. Heat Oil Inventories	JUN 12	--	--	-830K	--
39)	06/17	09:30		DOE U.S. Refinery Utilization	JUN 12	--	--	-0.41%	--
40)	06/17	09:30		DOE Cushing OK Crude Inventory	JUN 12	--	--	-942K	--
41)	06/17	09:30		DOE No.2 Heat Oil Inventories	JUN 12	--	--	--	--
42)	06/17	09:30		DOE Crude Oil Implied Demand	JUN 12	--	--	14954	--
43)	06/17	09:30		DOE Gasoline Implied Demand	JUN 12	--	--	9289.0	--
44)	06/17	09:30		DOE Distillate Implied Demand	JUN 12	--	--	4140.0	--
45)	06/18	09:30		EIA Natural Gas Storage Change	JUN 12	--	--	106	--
46)	06/19	12:00		Baker Hughes U.S. Rig Count	JUN 19	--	--	--	--
47)	06/23	15:30		API U.S. Crude Oil Inventories	JUN 19	--	--	--	--
48)	06/23	15:30		API U.S. Gasoline Inventories	JUN 19	--	--	--	--
49)	06/23	15:30		API U.S. Distillate Inventory	JUN 19	--	--	--	--

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.  
 G722-55-1 12-Jun-09 5:19:14

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	71.55	na	267,859	18,817	JUL	F.QON09	70.75	42,997	93,932	22,182	JUL
F.CLAQ09	72.35	na	122,274	6,604	AUG	F.QOQ09	71.52	168,908	97,119	27,059	AUG
F.CLAU09	73.27	na	51,160	124	SEP	F.QOU09	72.25	114,213	55,311	9,661	SEP
F.CLAV09	73.89	na	15,336	68	OCT	F.QOV09	72.97	54,472	29,871	3,430	OCT
F.CLAX09	75.00	na	8,163	531	NOV	F.QOX09	73.71	21,258	16,751	2,287	NOV
F.CLAZ09	75.13	na	30,147	169	DEC	F.QOZ09	74.41	83,963	26,059	3,902	DEC
F.CLAF10	76.74	na	2,564	2	JAN	F.QOF10	74.87	22,675	5,256	846	JAN
F.CLAG10	76.84	na	1,794	8	FEB	F.QOG10	75.51	14,747	1,980	615	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.