



The Morning Email: Oil

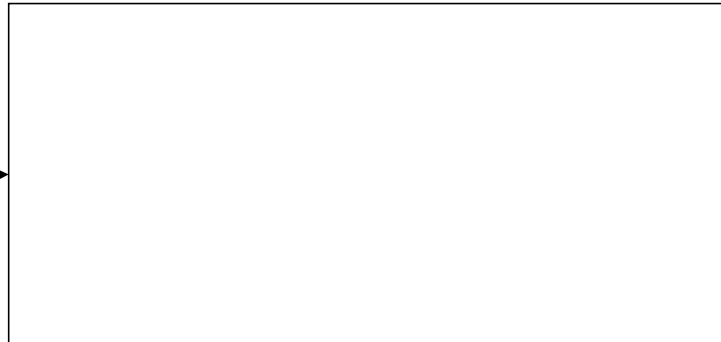
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Want something added? Let me know: jgoulding@ghco.com

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ENERGY MATRIX (NYMEX PRODUCTS)								
NYMEX	Last	NET	High	Low	Open	Volume	Yest. Vol	SYM Name
CLA	90.36	0.28	90.78	89.7	90.36	20,427	423,031	WTI Crude
HOA	255.9500	0.4100	257.3	253.91	255	3,213	78,060	Heating Oil
RBA	231.5	1.07	232.26	229.93	230.26	1,620	145,258	Unleaded Gas
NGA	71.6	0.1900	71.98	71.5	71.9	471	192,939	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.

Oil Rises on Speculation U.S. Fuel Stockpiles May Have Fallen
2007-12-19 03:10 (New York)

By Trisha Huang and Nesa Subrahmaniyan

Dec. 19 (Bloomberg) -- Crude oil rose in New York on speculation that inventories in the U.S., the world's largest user, declined for a fifth week.

Oil stockpiles may have fallen 1.5 million barrels in the week ended Dec. 14, according to the median of responses by 17 analysts before this week's Energy Department report. Supplies of distillate fuel, a category that includes heating oil and diesel, fell 500,000 barrels, according to the survey.

"Crude stockpiles are above the five-year average, but the trend has been for falling stocks," said Anthony Nunan, deputy general manager for risk management at Mitsubishi Corp. in Tokyo. "That's a worry just as we are heading into winter."

Crude oil for February delivery rose as much as 62 cents, or 0.7 percent, to \$90.70 a barrel in after-hours electronic trading on the New York Mercantile Exchange. It was at \$90.60, up 52 cents, at 4:02 p.m. in Singapore.

Yesterday, the contract fell 97 cents, or 1.1 percent, to \$90.47 a barrel, while the January crude oil contract expired yesterday, falling 14 cents to \$90.49 a barrel, the lowest close in a week.

Crude oil inventories in the U.S. were 1.1 percent higher than the five-year average for the week ended Dec. 7, according to the U.S. Department of Energy.

Oil had jumped to \$93 a barrel yesterday after Turkish military forces crossed into northern Iraq to attack Kurdish rebels before withdrawing.

(cont.)

Iran's Nuclear Program

Brent crude for January settlement rose as much as 72 cents, or 0.8 percent, to \$90.84 a barrel in electronic trading on the London's ICE Futures Europe exchange. The contract traded at \$90.77 a barrel at 2:43 p.m. Singapore time.

"Geopolitical risks are still out there going into the new year and it's not just Turkey and Iraq, it's also Iran's nuclear program," Nunan said.

Iran's uranium enrichment work is at the center of conflict between the Persian Gulf country and the U.S. and its allies, which accuse the government in Tehran of seeking to develop atomic weapons.

Iran, which received nuclear fuel from Russia for its Bushehr reactor, has said it will continue enriching uranium to supply a further atomic power plant.

The second facility is a 360-megawatt nuclear reactor being built "by domestic forces in Darkhoyen," Gholam Reza Aghazadeh, head of Iran's Atomic Energy Organization, said on state television on Dec. 17.

Iran, which says its program is intended to generate electricity, is under two sets of international sanctions for refusing to halt the atomic work. Enriched uranium can fuel a power station or form the core of a bomb.

U.S. intelligence agencies said in a Dec. 3 report that Iran suspended work on atomic weapons in 2003. The report prompted China and Russia, veto-holders at the United Nations Security Council, to back away from a new round of sanctions. President George W. Bush's administration said Iran still posed a threat.

--Editors: John Viljoen, Ang Beelin

To contact the reporters on this story:

Trisha Huang in Singapore at +65-6212-1108 or

thuang14@bloomberg.net;

Nesa Subrahmaniyan in Singapore at +65-6212-1509 or

nesas@bloomberg.net

To contact the editor responsible for this story:

Reinie Booysen at +65-6212-1154 or

rbooyesen@bloomberg.net.

Economic Release Estimates, from Bloomberg

<HELP> for explanation. N108 n ComdtyECO

Change Calendar | Change Date | Alerts | Output Results To

12/19/0 | United States | Energy / Commodities

Date	Time	Country	Event	Survey	Actual	Prior	Revised
12/19	9:30	US	1) DOE U.S. Crude Oil Inventories	DEC 14	-1500K	--	-722K
12/19	9:30	US	2) DOE U.S. Gasoline Inventories	DEC 14	800K	--	1618K
12/19	9:30	US	3) DOE U.S. Distillate Inventory	DEC 14	-500K	--	-810K
12/19	9:30	US	4) DOE U.S. Refinery Utilization	DEC 14	0.25%	--	-0.68%
12/19	9:30	US	5) API U.S. Crude Oil Inventories	DEC 14	--	--	1393K
12/19	9:30	US	6) API U.S. Gasoline Inventories	DEC 14	--	--	2475K
12/19	9:30	US	7) API U.S. Distillate Inventory	DEC 14	--	--	-1734K
12/19	9:30	US	8) Bush Speaks at Signing Ceremony for Energy Bill				
12/20	9:30	US	9) EIA Natural Gas Storage Change	DEC 14	-134	--	-146
12/21	12:00	US	10) Baker Hughes U.S. Rig Count	DEC 21	--	--	1824
12/27	9:30	US	11) DOE U.S. Crude Oil Inventories	DEC 21	--	--	--
12/27	9:30	US	12) DOE U.S. Gasoline Inventories	DEC 21	--	--	--
12/27	9:30	US	13) DOE U.S. Distillate Inventory	DEC 21	--	--	--
12/27	9:30	US	14) DOE U.S. Refinery Utilization	DEC 21	--	--	--
12/27	9:30	US	15) API U.S. Crude Oil Inventories	DEC 21	--	--	--
12/27	9:30	US	16) API U.S. Gasoline Inventories	DEC 21	--	--	--
12/27	9:30	US	17) API U.S. Distillate Inventory	DEC 21	--	--	--
12/28	9:30	US	18) EIA Natural Gas Storage Change	DEC 21	--	--	--

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 920410 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2007 Bloomberg Finance L.P.
 6599-1-0 19-Dec-07 5:40:39

NYMEX - WTI				
	Yest.	Yest.	Today's	Contract
Last	Open Int	Volume	Volume	Month
F.CLAJ08	89.70	0	78,610	0 JAN
F.CLAG08	90.36	0	507,042	8,922 FEB
F.CLAH08	90.35	0	129,071	2,575 MAR
F.CLAJ08	90.19	0	58,476	381 APR
F.CLAK08	90.29	0	31,092	100 MAY
F.CLAM08	90.09	0	34,874	98 JUN
F.CLAN08	88.92	0	4,741	2,148 JUL

Contango: pays more to store crude. Pump prices rise, and so do oil company profits

Backwardation: opposite of Contango

ICE - BRENT				
	Yest.	Yest.	Today's	Contract
Last	Open Int	Volume	Volume	Month
F.QOG08	90.65	113,698	111,714	19,219 FEB
F.QOH08	90.42	118,025	42,312	9,101 MAR
F.QOJ08	90.07	28,010	21,998	3,909 APR
F.QOK08	89.89	17,004	9,371	1,454 MAY
F.QOM08	89.73	33,690	9,651	1,634 JUN
F.QON08	89.66	10,448	2,250	521 JUL

Contango IF: front months lower than back months.

