



The Morning Email: Oil

Table of Contents

Pg 1 Quotes

Pg 2 News - Today

Pg 3 Economic Releases

Pg 4 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	95.53	-0.44	96.19	95.22	95.98	13,222	194,938	WTI Crude
HOA	263.1600	-0.7100	264.3	262.91	264	2,795	101,083	Heating Oil
RBA	246.3	-1.47	248.07	246.2	247.4	1,336	83,353	Unleaded Gas
NGA	70	-0.4600	70.5	70	70.5	540	123,487	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.

**Crude Oil Falls Before U.S. Consumer Confidence, Housing Data
2007-12-27 05:06 (New York)**

By Grant Smith and Nesa Subrahmaniyan

Dec. 27 (Bloomberg) -- Crude oil fell before the release of reports on U.S. consumer confidence and new home sales that may point to slower economic growth next year in the world's biggest energy user.

U.S. consumer confidence probably weakened in December, a Conference Board report is likely to show today, while data due tomorrow may show new home sales slowed in November, Bloomberg surveys showed. The Energy Department will release weekly oil inventory data later today.

"Sentiment on the economic indicators is probably tempering prices while waiting for the release of the statistics," said Harry Tchilinguirian, an analyst with BNP Paribas SA in London.

Crude oil for February delivery traded at \$95.65 a barrel, down 32 cents, at 9:48 a.m. London time in electronic trading on the New York Mercantile Exchange.

Yesterday, the contract rose \$1.84, or 2 percent, to settle at \$95.97 a barrel, the highest close since Nov. 26. Futures touched a record \$99.29 on Nov. 21 and are up 55 percent from a year ago.

Brent crude for February settlement traded at \$93.83 a barrel, down 11 cents, on London's ICE Futures Europe exchange. Yesterday, it gained \$1.24, or 1.3 percent, to settle at \$93.94 a barrel, the highest close since Dec. 12.

A report today may show the Conference Board's confidence index fell to 86.5 in December, from 87.3 in November, according to the median estimate of 58 economists surveyed by Bloomberg News. Figures tomorrow from the Commerce Department may show new homes sold at an annual rate of 718,000 in November, down from October's 728,000, according to economists.

Tight Market

The Energy Department may today report a fifth weekly decline in supplies, according to the median estimate of 10 analysts surveyed by Bloomberg News.

(cont.)

"A further drawdown in stockpiles will reinforce the perception that the market is tight," said David Moore, a commodity strategist at Commonwealth Bank of Australia in Sydney. "The immediacy of the tensions in Iraq has brought back the risk premium and will remain for some time."

Supplies dropped 1.63 million barrels in the week ended Dec. 21, according to the median estimate by analysts. Imports may have been hampered by delays because of fog on Dec. 19 at the Houston Ship Channel, which serves the largest U.S. petroleum port.

The Energy Department is scheduled to release its weekly report on inventories at 10:30 a.m. in Washington, a day later than usual because of the Christmas holiday.

Trading volumes have been lower than usual because of end-of-year holidays. Nymex oil traders exchanged 81,634 contracts on Dec. 24, down 82 percent from a week earlier, according to data compiled by Bloomberg.

Prices earlier gained after Turkish planes bombed suspected Kurdish bases in northern Iraq.

The Turkish strikes were the latest in a series of cross-border attacks on the outlawed Kurdistan Workers Party, or PKK. Turkish jets yesterday bombed eight sites in northern Iraq, where Kurdish rebels are suspected of setting up camp, the military said in a statement on its Web site. The strikes targeted mountain caves and other shelters in the Zap region.

Iraq has the world's third-largest crude-oil reserves. The country's northern region is controlled by a semi-autonomous Kurdish administration. Kirkuk, at the center of the region's biggest oil field, is about 100 miles (161 kilometers) from the Turkish border.

Exports from northern Iraq's oil fields are carried by pipeline to Turkey's Ceyhan terminal on the Mediterranean Sea.

--Editors: Stephen Cunningham, John Buckley.

To contact the reporter on this story:
Grant Smith in London at +44-20-7330-7353 or
gsmith52@bloomberg.net

To contact the editor responsible for this story:
Stephen Voss on +44-20-7073-3520 or sev@bloomberg.net

Economic Release Estimates, from Bloomberg

<HELP> for explanation. N119 n ComdtyECO

Change Calendar | Change Date | Alerts | Output Results To

12/27/0 | United States | Energy / Commodities

Date	Time	US	Event	Survey	Actual	Prior	Revised
12/27	9:30	US	1) DOE U.S. Crude Oil Inventories	DEC 21	-1625K	--	-7586K
12/27	9:30	US	2) DOE U.S. Gasoline Inventories	DEC 21	1550K	--	2980K
12/27	9:30	US	3) DOE U.S. Distillate Inventory	DEC 21	-900K	--	-2158K
12/27	9:30	US	4) DOE U.S. Refinery Utilization	DEC 21	0.70%	--	-0.92%
12/27	9:30	US	5) API U.S. Crude Oil Inventories	DEC 21	--	--	-8506K
12/27	9:30	US	6) API U.S. Gasoline Inventories	DEC 21	--	--	2928K
12/27	9:30	US	7) API U.S. Distillate Inventory	DEC 21	--	--	-1867K
12/28	9:30	US	8) EIA Natural Gas Storage Change	DEC 21	-145	--	-121
12/28	12:00	US	9) Baker Hughes U.S. Rig Count	DEC 28	--	--	1809
1/3	9:30	US	10) DOE U.S. Crude Oil Inventories	DEC 28	--	--	--
1/3	9:30	US	11) DOE U.S. Gasoline Inventories	DEC 28	--	--	--
1/3	9:30	US	12) DOE U.S. Distillate Inventory	DEC 28	--	--	--
1/3	9:30	US	13) DOE U.S. Refinery Utilization	DEC 28	--	--	--
1/3	9:30	US	14) API U.S. Crude Oil Inventories	DEC 28	--	--	--
1/3	9:30	US	15) API U.S. Gasoline Inventories	DEC 28	--	--	--
1/3	9:30	US	16) API U.S. Distillate Inventory	DEC 28	--	--	--
1/4	9:30	US	17) EIA Natural Gas Storage Change	DEC 28	--	--	--
1/4	12:00	US	18) Baker Hughes U.S. Rig Count	JAN 4	--	--	--

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 27-Dec-07 5:23:27

NYMEX - WTI				
	Yest.	Yest.	Today's	Contract
Last	Open Int	Volume	Volume	Month
F.CLAG08	95.53	0	225,473	5,522 FEB
F.CLAH08	95.05	0	88,826	1,865 MAR
F.CLAJ08	94.42	0	37,645	635 APR
F.CLAK08	93.78	0	17,474	209 MAY
F.CLAM08	92.95	0	18,024	107 JUN
F.CLAN08	92.54	0	3,478	1,562 JUL

ICE - BRENT				
	Yest.	Yest.	Today's	Contract
Last	Open Int	Volume	Volume	Month
F.QOG08	93.63	118,308	44,734	8,796 FEB
F.QOH08	93.34	126,560	20,265	3,740 MAR
F.QOJ08	93.04	32,843	8,378	2,250 APR
F.QOK08	92.68	16,506	4,775	1,655 MAY
F.QOM08	92.32	32,687	4,293	2,099 JUN
F.QON08	91.77	9,742	360	108 JUL

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

Contango IF: front months lower than back months.

Backwardation: opposite of Contango

