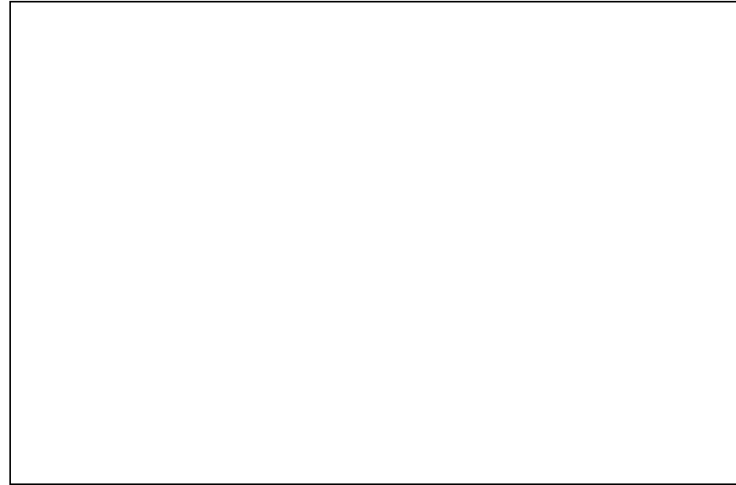




The Morning Email: Oil

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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	94.53	-1.4	95.93	94.12	95.92	22,910	385,880	WTI Crude
HOA	2.5443	-0.0294	2.5784	2.5338	2.5737	2,419	104,799	Heating Oil
RBA	2.4015	-0.038	2.4395	2.39	2.4395	2,233	168,307	Unleaded Gas
NGA	8.11	-0.3080	8.34	8.09	8.34	1,896	212,686	Natural Gas

All contracts quoted are electronic

Oil Falls From Record in New York as Turkey-Iraq Tension Abates 2007-11-05 06:11 (New York)

By Grant Smith

Nov. 5 (Bloomberg) -- Oil fell from a record after Kurdish fighters freed eight Turkish soldiers, reducing concern that Turkey may attack the north of Iraq, holder of the world's third-largest crude reserves.

The Kurdistan Workers' Party, or P KK, returned the captives yesterday, the army said in a statement on its Web site. Oil has climbed 20 percent since Oct. 8 when Kurdish rebels killed 13 Turkish soldiers near the Iraqi border. Crude rose 4.4 percent last week and is 58 percent higher than a year ago.

"The PKK's release of Turkish soldiers should help the situation," said Olivier Jakob, managing director of Petromatrix GmbH in Zug, Switzerland. "Technically, we can still have an attempt at \$100 this week, if we stay above \$95."

Crude oil for December delivery fell as much as \$1.78, or 1.9 percent, to \$94.15 a barrel on the New York Mercantile Exchange. It was at \$94.24 at 11:08 a.m. in London. On Nov. 2, oil rose \$2.44, or 2.6 percent, to settle at \$95.93, the highest closing price since trading began in 1983.

Turkish Prime Minister Recep Tayyip Erdogan meets with U.S. President George W. Bush today in Washington to discuss measures to deal with about 3,500 fighters from the PKK in Iraq's north. Turkey has stationed about 80,000 troops near the Iraqi border and is threatening to strike PKK bases in northern Iraq unless the U.S. and Iraq act against the group.

Brent Crude

Brent crude oil for December settlement fell as much as \$1.71, or 1.6 percent, to \$90.51 on the London-based ICE Futures Europe exchange. The contract traded at \$90.62 at 11:09 a.m. London time. It closed at a record \$92.08 on Nov. 2.

"From a fundamental point of view, \$100 is not supported," said Andy Sommer, an analyst at HSH Nordbank in Hamburg. "The jump in price should lead to some weakening in demand growth rates, the hurricane season is coming to an end, and OPEC is biased towards increasing output."

The Organization of Petroleum Exporting Countries agreed to pump another 500,000 barrels a day from Nov. 1 to meet the seasonal increase in demand during the northern hemisphere winter. Heads of state from OPEC's members will convene in Riyadh, Saudi Arabia, on Nov. 17-18.

(cont.)

Hedge-fund managers and other large speculators increased their net-long positions in New York crude-oil futures in the week ended Oct. 30, according to U.S. Commodity Futures Trading Commission data.

Speculative Positions

Speculative long positions, or bets prices will rise, outnumbered short positions by 83,120 contracts on the New York Mercantile Exchange, the Washington-based commission said in its Commitments of Traders report. Net-long positions rose by 23,094 contracts, or 38 percent, from a week earlier.

The increase in long positions is "not that supportive as it's coming from short-covering," said Petromatrix's Jakob. "There's no evidence of fresh money coming into the market." Kazakhstan published amendments to its subsoil law, allowing the government to cancel oil projects such as Eni SpA's development at Kashagan if developers don't meet their contractual obligations.

Kazakhstan is demanding a greater share of profit from Kashagan, the world's largest crude discovery in three decades, as compensation for delays that could prolong by as much as 11 years the time it will take for the country to see returns from the field.

The weaker dollar is helping support crude-oil prices and may limit declines, said David Moore, a commodity strategist at Commonwealth Bank of Australia in Sydney.

The dollar fell to a record low against the euro on Nov. 2 on concern deepening credit-market losses will prompt the Federal Reserve to reduce interest rates a third time this year. The dollar dropped to \$1.4528, the weakest since the European currency's debut in January 1999. It was at \$1.4463 at 10:30 a.m. in London.

Commodities often move in the opposite direction to the U.S. currency as a lower dollar makes them cheaper in countries using other currencies.

--Editors: W.Kennedy (jpb/acj).

To contact the reporters on this story:

Grant Smith in London at +44-20-7330-7353 or gsmith52@bloomberg.net

To contact the editor responsible for this story:

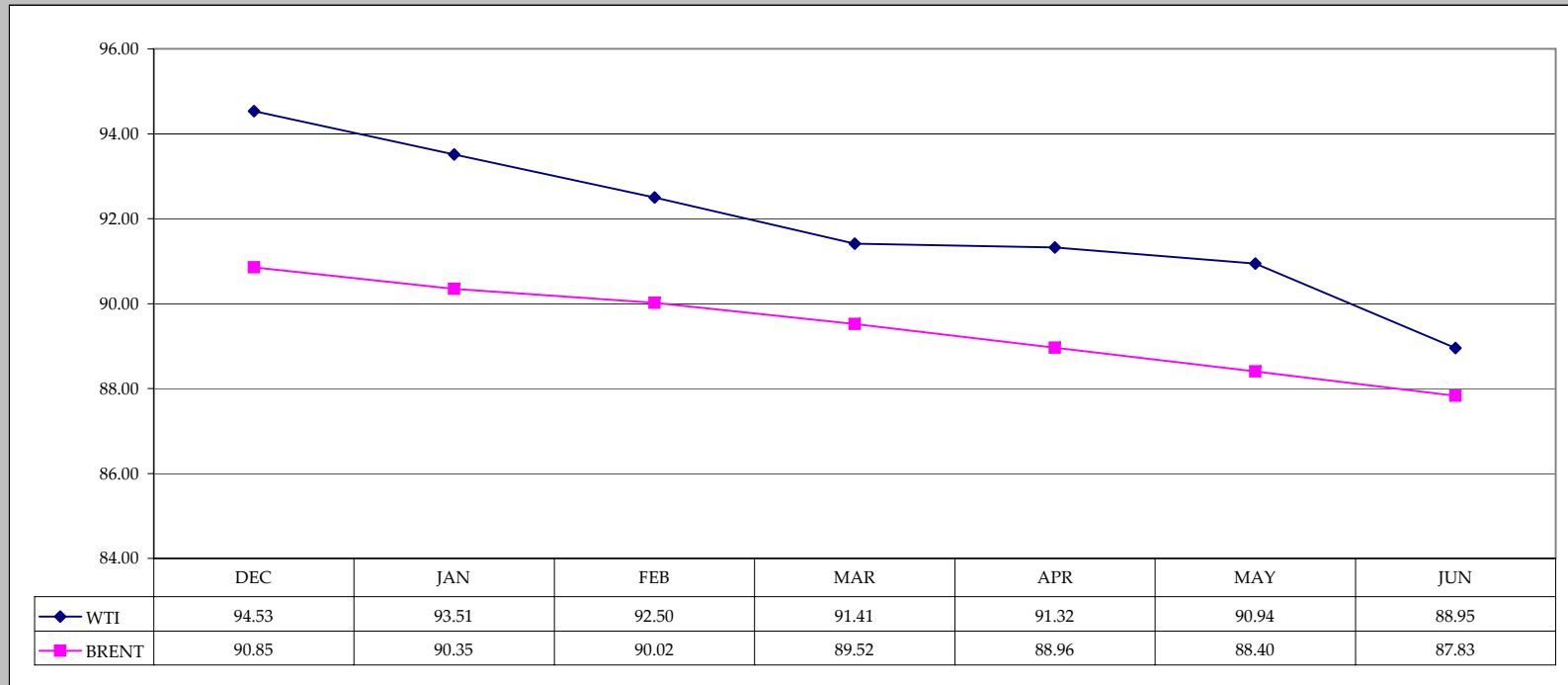
Stephen Voss on +44-20-7073-3520 or sev@bloomberg.net

1 a barrel
yesterday.

Economic Release Estimates, from Bloomberg

NYMEX - WTI					
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.CLAZ07	94.53	0	478,928	16,966	DEC
F.CLAF08	93.51	0	183,543	4,515	JAN
F.CLAG08	92.50	0	61,925	813	FEB
F.CLAH08	91.41	0	39,683	290	MAR
F.CLAJ08	91.32	0	11,556	81	APR
F.CLAK08	90.94	0	7,241	0	MAY
F.CLAM08	88.95	0	16,283	124	JUN

ICE - BRENT					
	Last	Yest. Open Int	Yest. Volume	Today's Volume	Contract Month
F.QOZ07	90.85	0	88,145	17,101	DEC
F.QOF08	90.35	0	64,410	13,199	JAN
F.QOG08	90.02	0	32,670	4,117	FEB
F.QOH08	89.52	0	10,560	1,761	MAR
F.QOJ08	88.96	0	4,623	648	APR
F.QOK08	88.40	0	2,548	154	MAY
F.QOM08	87.83	0	2,943	185	JUN



Commitments of Traders

All COT data has been moved to Morning Email: CoT&DP