

# THE ANGUS ENERGY REPORT

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Post-report pricing		HEATING OIL (DEC)	GASOLINE-RBOB (DEC)	NATURAL GAS (JAN)	CRUDE OIL (JAN)
	<b>Crude - 1.75 higher</b>	HIGH	1.9900	1.9887	4.880
<b>Products –</b>	LOW	1.9345	1.9312	4.673	75.60
<b>Heat- 450 higher</b>	<b>SETTLE</b>	<b>1.9497</b>	<b>1.9390</b>	<b>4.766</b>	<b>76.02</b>
<b>Gasoline – 500</b>	CHANGE	-.0302	-.0404	-.025	-1.54
<b>higher</b>					
<b>Natural Gas - .40</b>	14 DAY RSI	43	47	38	43
<b>higher</b>	5 DAY MA	1.9900	1.9760	4.738	77.84
	9 DAY MA	1.9998	1.9698	4.794	78.13
	14 DAY MA	2.0164	1.9709	4.858	78.65

**D.O.E. stats...** Crude oil stocks rose 1.02 mmbls. Distillate stocks fell .53 mmbls. Gasoline stocks rose 1.00 mmbls. Refinery runs were 80.3% of capacity, up .81%. The market is having an “up day” today, without much fanfare. More than likely, the “strength” is book-squaring ahead of Thanksgiving, as the market is fairly thinly traded, and safely within the recent trading ranges.

**-Breakout coming?** It seems that each time Crude oil gets up to or around the \$80/bbl. level, excitement builds by the bulls, only to be foiled as significant selling comes in. On the flip side, each time that the recent lows of around \$75/bbl comes within sight, some buying appears – almost out of nowhere. Today’s action – with crude oil up almost \$2.00/bbl., in late trading - can be “blamed” on a combination of short-covering (very short-term), and the long-awaited moving of the Eurodollar to over \$1.50 (U.S.). Although the value of the dollar and the price of crude oil have not been perfectly (inversely) lock-step with one another over the past month, today’s move to the new highs in the Euro (and lows in the dollar) were enough to take crude oil higher – but not enough to come close to challenging a close of over \$80/bbl.

**-Heating oil prices continue to be restrained** by bulging inventories and unseasonably mild weather. With November having a history of HDD inconsistency, many oil dealers are

NYH Barge (est.)		NYMEX #2 Oil		NYMEX #2 Oil	Jan ‘11 futures
11/24/09	1.9235	11/24/09	1.9497	11/24/09	2.2415
11/23/09	1.9474	11/23/09	1.9799	11/23/09	2.2672
11/20/09	1.9431	11/20/09	1.9756	11/20/09	2.2650
11/19/09	1.9602	11/19/09	1.9964	11/19/09	2.2829
11/18/09	2.0124	11/18/09	2.0486	11/18/09	2.3254

banking on a return to seasonable weather, with the hopes for a few deep chills over the next few weeks. Others have been increasing their HDD hedges in an effort to make sure that what has started off as a slow season for deliveries does not snowball into a very warm winter with too much oil sitting around waiting for a home – and with the low gross margins that would accompany that unfortunate set of circumstances.

**- Trading activity will be somewhat light**, but there will be oil trading on Friday. Many dealers are closing for a long holiday weekend, as deliveries are (unfortunately) ahead of schedule, and hoping that this will be the last voluntary off day for many of their employees for the next 5 months.

**-Help from natural gas?** After dipping down to very low prices (yet again), and putting pressure on oil prices as the competing fuel (yet again), natural gas futures are up almost 10% today – hopefully the start of a trend!!

**- Happy Thanksgiving!!!**

