THE ANGUS ENERGY REPORT

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Post-report pricing		HEATING OIL (JAN)	GASOLINE-RBOB (JAN)	NATURAL GAS (JAN)	CRUDE OIL (FEB)
Crude – 2.00 higher	HIGH	1.9665	1.9024	5.767	74.91
Products –	LOW	1.9129	1.8519	5.531	72.72
Heat- 600 higher	**SETTLE**	**1.9486**	**1.8888**	**5.715**	**74.40**
Gasoline – 500 higher	CHANGE	*.0034*	*.0197*	*.046*	*.68*
Natural Gas - .10 higher					
	14 DAY RSI	44	46	62	45
	5 DAY MA	1.9547	1.8757	5.679	74.20
	9 DAY MA	1.9330	1.8586	5.524	73.31
	14 DAY MA	1.9559	1.8870	5.267	74.17

NYH Barge (est.)		NYMEX #2 Oil		NYMEX #2 Oil	Jan '11 futures
12/16/09	1.9346	12/16/09	1.9658	12/16/09	2.1925
12/17/09	1.9312	12/17/09	1.9574	12/17/09	2.1687
12/18/09	1.9292	12/18/09	1.9567	12/18/09	2.1743
12/21/09	1.9240	12/21/09	1.9452	12/21/09	2.1646
12/22/09	1.9274	12/22/09	1.9486	12/22/09	2.1646

D.O.E. stats…. Crude oil stocks fell 4.84 mmbls. Distillate stocks fell 3.03 mmbls. Gasoline stocks fell .88 mmbls. Refinery runs were 80.0% of capacity, up 0.1%. The quick reaction to the supportive numbers is a rally that has taken spot (January) heating oil futures back over $2.00/gallon. There was expectation for a draw, now that "normal cold" weather has taken hold in the Northeast, but these numbers are more of a draw than expected. We have finally gotten to the point where December HDD's to-date are in line with where they should be. Hopefully the cold weather will give us a colder-than-normal December and bite into that "warm ugliness" that we saw in November.

- NG keeps trying. Although the January futures contract has been unable to break above the $6.00/dkt level (after trading down to $4.43 earlier in the month), we have seen it up to over $5.90/dkt several times, and if there is a larger than expected draw in this weeks' inventory report, we might move above the $6.00/dkt level.

- Support for crude oil prices? After falling from the high levels that it had achieved in October, January crude oil futures expired on Monday with a price of $72.47/bbl. The hope was that the relative weakness might keep February (now the "spot" contract) futures from starting a rally. However, with yesterday's strength in the energy sector, and the supportive inventory numbers, February futures are now well over $76.00/bbl.

- Wait till March? The OPEC meeting has come and gone, and – as expected – the ministers decided that no change in quotas was the appropriate decision to make. There was a call for compliance with the existing quotas, and Saudi Arabia's al-Naimi said that "everyone's happy" with crude oil in the $70-$80/bbl range. Thankfully he didn't say $75-$100/bbl range.

- Better for the buck? After rising, almost non-stop, for the past month, the U.S. Dollar is showing some weakness today (the Euro is up over a penny vs. the dollar today), which may also be supporting the prices in the energy complex. We have been fortunate that the dollar has shown strength while the cold weather hit. Although the exact correlation can't really be known, it is a fair guess that had the dollar weakened over the past three weeks (instead of strengthening) we may well be looking at much higher prices than we are currently seeing.

- Iran playing nice? Most likely the answer is "no". The issues over their nuclear intentions continue to simmer, but at present there isn't much going on other than "talks". I'm not quite sure why the nations of the world – China is ringing in with a request for "more talks" – actually believe that anything other than sanctions, economic or otherwise, will bring compliance, but…..

- Speaking of China… In the month of November, China imported the most coal since July, and exported the least since July. After 2008, in which China was a net exporter of coal, they are expected to be an importer of almost 100 million tons in 2009. This swing – for those (myself included!) who don't know – is said to be a "staggering amount".

- 0-3 in field-goal attempts?!? Can't wait for Spring Training.

Happy Holidays…