



THIS WEEK IN ENERGY

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May Volatility Continues into June - Matt Beaudry

Well, volatility continues to be the theme with no real end in sight considering the world just seems to be in upheaval from North Korea to Israel and the European financial system on the verge of collapse, not to mention questions of domestic stability; volatility appears to be the new norm for awhile. For as wild as the week was, today seemed to take the cake. First of all, what spurred a massive sell off today was the jobs data. The claim was that 431,000 jobs were added in May, but 411,000 were government jobs with the majority being temporary census workers. With only 20,000 jobs being added in the private sector investors have become very concerned about the prospects of a true economic recovery. The Dow closed down today over 3% or -324 points, well below 10,000 @ 9931. The major sell off in equities today put enough pressure on the energy complex to finally let it succumb to increased dollar valuation with crude closing down 4.1% or \$3.10 to \$71.51, with products following crude's lead as heating oil closed down .08 and rboob down .04. The increasing dollar value can mostly be attributed to the lack of confidence in the Euro with fresh four year lows to trade under \$1.20; historically the euro has traded closer to the british pound at around \$1.50. If these moves in currencies continue expect to see further pressure put on the commodity markets across the board. Also, it really looks like this jobs data has put a bitter taste in everybody's mouth so we may also see continued pressure from that as investors question whether or not there is a recovery.

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All Right So You Are Mad At BP

by Phil Flynn - www.pfghbest.com

All right so you are mad at BP so why not go out and try to cut into their profits buy not buying their gasoline. Well it sounds good, but the problem is that if you want to get back at BP that is not the way to do it. The truth is BP is not in the retail gas business and the other truth is all you will hurt by boycotting them is the people that have nothing to do with the spill. A BP boycott is an exercise in futility. People are angry and they want to lash out but a boycott won't hurt BP. The owners of BP gas stations just bought the brand name and are in many cases hard working taxpaying citizens that are basically trying to make a living in a business where profit margins are already thin and rely heavily on the sale of cold drinks, coffee and hot dogs. They too are the victims of BP's errors and are probably even angrier at BP than you are. Boycotting BP branded service stations to get back at and hurt BP will have about the same impact on BP as if you decided to boycott Dunkin Donuts or McDonalds or CNBC. On second thought, maybe boycotting CNBC might be a good way to express your anger. You know keeping things like that bottled up like that might not be good for your health. And of course watching the Fox Business Network is a good way to feel better. Back in 2007 BP sold all of its U.S. convenience retail units of its company-owned and company-operated convenience stores. [Click for More Details](#)



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May Volatility Continues

"...investors have become very concerned about the prospects of a true economic recovery."

Economy Adds 431,000 Jobs - "But Not Really"

WASHINGTON (AP) -- A wave of census hiring lifted payrolls by 431,000 in May, but job creation by private companies grew at the slowest pace since the start of the year. The unemployment rate dipped to 9.7 percent as people gave up searching for work.

The Labor Department's new employment snapshot released Friday suggested that outside of the burst of hiring of temporary census workers by the federal government many private employers are wary of bulking up their work forces.

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U.S. stocks tumble as jobs data disappoint, euro slides

By Donna Kardos Yesalavich & Kristina Peterson, MarketWatch

NEW YORK (MarketWatch) -- U.S. stocks sank broadly Friday, pushing the Dow Jones Industrial Average well below the 10,000 level following a weaker-than-expected job report and renewed worries about euro-zone debt.

Major stock indexes are also on pace to close out the first week of June solidly in the red, despite a big rally on Wednesday and slight gains on Thursday.

The Dow Jones Industrial Average / quotes/comstock/10w!i:dji/delayed (DJIA 9,925, -330.11, -3.22%) was down 327 points, or 3.2%, to 9,927, in recent trading, as investors expressed their concern with the government's May nonfarm payrolls report.

Nonfarm payrolls rose by 431,000 last month, short of economists' expectations for a rise of 515,000 jobs, and only 41,000 private-sector jobs were added. The unemployment rate slipped to 9.7% in May from 9.9% the previous month, in line with expectations... [Click for More Details](#)

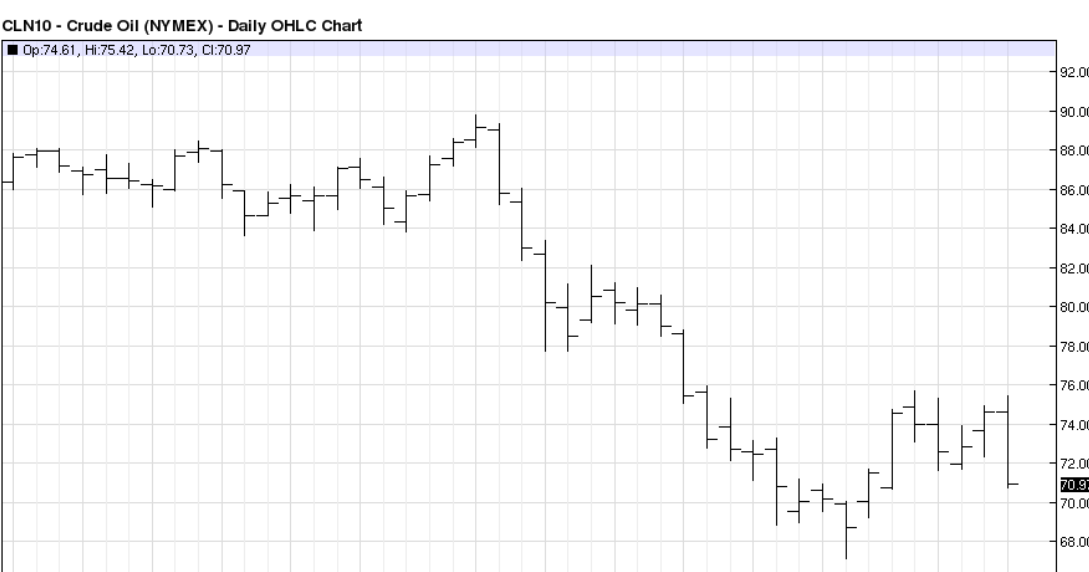
\$DXY - Dollar Index (INDEX) - Daily OHLC Chart



\$DOWI - Dow Industrials (Dow Jones) - Daily OHLC Chart

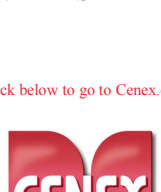


CLN10 - Crude Oil (NYMEX) - Daily OHLC Chart



THIS WEEK'S FEATURE - Food Machinery Grease

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