

---

**From:** Ens, Amanda <Amanda.Ens@jpmorgan.com>  
**Sent:** Wednesday, July 10, 2013 7:55 PM  
**To:** Jeffrey Epstein (jeevacation@gmail.com)  
**Cc:** Barrett, Paul S; Barrett Pod  
**Subject:** WTI / Brent Spread narrowing despite Middle East tensions

Jeffrey,

<=p>

Some interesting color fr=m our traders.... The WTI / Brent spread has been tightening despite th= tensions in Egypt / Middle East. The spread now is all about the WTI=supply situation delivery point in Cushing - Oklahoma has 50 million bbls, but 85% of that is not light sweet=oil and not deliverable into the WTI Nymex contract. The market is st=rting to realize this now.

<=p>

The measures taken place=to deal with the WTI oversupply over the last few years have gone too far.&=bsp; Seaway pipeline is taking light sweet oil out of Cushing down to the G=lf Coast and pipelines have come online in the last few months which are taking WTI produced in Texas directly to t=e US Gulf Coast instead of to Cushing. So, we are looking at r=nnng out of WTI completely in Cushing over the next 6 weeks.

The Egypt situation will only start mattering if viol=nce affects the control of the Suez Canal, which at this point it does not=appear likely to happen. The cost of transporting from Cushing to the=Gulf is approx \$5/bbl so longer term the expectation is that WTI would settle at least \$5 under Brent.

Amanda Ens | Vice President | Global Investment Opportu=ities | J.P.Morgan | NMLS ID: 853443

320 Park Ave, 14th Floo=, New York, NY 10022

 Amanda.Ens@jpmorgan.com  
<mailto:%7CAmanda.Ens@jpmorgan.com>

DISC=AIMERS: THIS EMAIL IS FROM THE JPM TRADING DESK AND IS NOT A PRODUCT OF JPM=RESEARCH. OPINIONS MAY DIFFER IN THE SHORT TERM. THIS CONTENT IS NOT TO BE=FORWARDED NOR IS IT AVAILABLE TO THE PRESS. FORWARDING OR MISUSING THIS EMAIL/CONTENT MAY RESULT IN LOSS OF=ACCESS OR LEGAL ACTION.

NOT AN OFFICIAL CONFIRMATION

For informational purposes only. This report does not represent an official account of the holdings, balances, or transactions made in your account and is being provided at your request. Please refer to your monthly account statement for the official record of all of your account activities. For question, please call your J.P. Morgan representative.

This email is confidential and subject to important disclaimers and conditions including on offers for the purchase or sale of securities, accuracy and completeness of information, viruses, confidentiality, legal privilege, and legal entity disclaimers, available at <http://www.jpmorgan.com/pages/disclosures/email> <<http://www.jpmorgan.com/pages/disclosures/email>> .

IRS Circular 230 Disclosure: JPMorgan Chase & Co. and its affiliates do not provide tax advice. Accordingly, any discussion of U.S. tax matters contained herein (including any attachments) is not intended or written to be used, and cannot be used, in connection with the promotion, marketing or recommendation by anyone unaffiliated with JPMorgan Chase & Co. of any of the matters addressed herein or for the purpose of avoiding U.S. tax-related penalties.

This email is confidential and subject to important disclaimers and conditions including on offers for the purchase or sale of securities, accuracy and completeness of information, viruses, confidentiality, legal privilege, and legal entity disclaimers, available at <http://www.jpmorgan.com/pages/disclosures/email>.