

United States Heating Oil Fund, LP
Form 10-Q
November 16, 2009

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended September 30, 2009.

OR

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from to .

Commission File Number: 001-34016
United States Heating Oil Fund, LP
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

20-8837345
(I.R.S. Employer
Identification No.)

1320 Harbor Bay Parkway, Suite 145
Alameda, California 94502
(Address of principal executive offices) (Zip code)

(510) 522-9600
(Registrant's telephone number, including area code)

N/A

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes No

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting
company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes No

UNITED STATES HEATING OIL FUND, LP
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Part I. FINANCIAL INFORMATION

Item 1. Condensed Financial Statements.

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United States Heating Oil Fund, LP
 Condensed Statements of Financial Condition
 At September 30, 2009 (Unaudited) and December 31, 2008

	September 30, 2009	December 31, 2008
Assets		
Cash and cash equivalents	\$ 12,724,987	\$ 2,930,413
Equity in UBS Securities LLC trading accounts:		
Cash	2,489,212	1,541,092
Unrealized loss on open commodity futures contracts	(207,354)	(69,250)
Receivable from general partner	66,875	87,698
Interest receivable	1,321	1,125
Other assets	66	-
Total assets	\$ 15,075,107	\$ 4,491,078
Liabilities and Partners' Capital		
General Partner management fees payable (Note 3)	\$ 7,199	\$ 1,578
Brokerage commission fees payable	675	245
Other liabilities	75,807	101,357
Total liabilities	83,681	103,180
Commitments and Contingencies (Notes 3, 4 and 5)		
Partners' Capital		
General Partner	-	-
Limited Partners	14,991,426	4,387,898
Total Partners' Capital	14,991,426	4,387,898
Total liabilities and partners' capital	\$ 15,075,107	\$ 4,491,078
Limited Partners' units outstanding	600,000	200,000
Net asset value per unit	\$ 24.99	\$ 21.94
Market value per unit	\$ 24.93	\$ 21.59

See accompanying notes to condensed financial statements.

United States Heating Oil Fund, LP
 Condensed Schedule of Investments (Unaudited)
 At September 30, 2009

	Number of Contracts	Loss on Open Commodity Contracts	% of Partners' Capital
Open Futures Contracts — Long			
United States Contracts			
NYMEX Heating Oil Futures HO contracts, expire November 2009	195	\$ (207,354)	(1.38)
	Principal Amount	Market Value	
Cash Equivalents			
United States - Money Market Fund			
Fidelity Institutional Government Portfolio – Class I	\$ 5,502,154	\$ 5,502,154	36.70
Goldman Sachs Financial Square Funds - Government Fund – Class SL	5,292,877	5,292,877	35.31
Total Cash Equivalents		\$ 10,795,031	72.01

See accompanying notes to condensed financial statements.

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United States Heating Oil Fund, LP

Condensed Statements of Operations (Unaudited)

For the three and nine months ended September 30, 2009, the three months ended September 30, 2008 and the period from April 9, 2008 (commencement of operations) to September 30, 2008

	Three months ended September 30, 2009	Three months ended September 30, 2008	Nine months ended September 30, 2009	Period from April 9, 2008 to September 30, 2008
Income				
Gain (loss) on trading of commodity futures contracts:				
Realized gain (loss) on closed positions	\$ (812,470)	\$ (5,160,725)	\$ 584,245	\$ (1,815,446)
Change in unrealized gain (loss) on open positions	102,371	247,645	(138,104)	504,118
Interest income	3,188	70,272	10,027	136,595
Other income	2,000	1,000	3,000	3,000
Total income (loss)	(704,911)	(4,841,808)	459,168	(1,171,733)
Expenses				
General Partner management fees (Note 3)	16,247	22,202	32,798	44,904
Brokerage commissions	3,285	2,423	7,055	5,914
Other expenses	26,107	108,756	76,790	208,567
Total expenses	45,639	133,381	116,643	259,385
Expense waiver	(21,238)	(99,537)	(66,875)	(190,237)
Net expenses	24,401	33,844	49,768	69,148
Net income (loss)	\$ (729,312)	\$ (4,875,652)	\$ 409,400	\$ (1,240,881)
Net income (loss) per limited partnership unit	\$ 4.22	\$ (17.31)	\$ 3.05	\$ (4.18)
Net income (loss) per weighted average limited partnership unit	\$ (1.69)	\$ (18.01)	\$ 1.31	\$ (4.47)
Weighted average limited partnership units outstanding	431,522	270,652	311,722	277,714

See accompanying notes to condensed financial statements.

United States Heating Oil Fund, LP
 Condensed Statement of Changes in Partners' Capital (Unaudited)
 For the nine months ended September 30, 2009

	General Partner	Limited Partners	Total
Balances, at December 31, 2008	\$ -	\$ 4,387,898	\$ 4,387,898
Addition of 400,000 partnership units	-	10,194,128	10,194,128
Net income	-	409,400	409,400
Balances, at September 30, 2009	\$ -	\$ 14,991,426	\$ 14,991,426
Net Asset Value Per Unit			
At December 31, 2008	\$ 21.94		
At September 30, 2009	\$ 24.99		

See accompanying notes to condensed financial statements.

United States Heating Oil Fund, LP

Condensed Statements of Cash Flows (Unaudited)

For the nine months ended September 30, 2009 and the period from April 9, 2008 (commencement of operations) to September 30, 2008

Period from