

Energy Table

Contract	Sett	Chg	High	Low	ATR(14)	SMA (100)	SMA (200)	
Nymex Crude Oil	NOV 21	70.19	0.97	70.68	69.26	1.90	67.26	61.07
Natural Gas	NOV 21	5.273	0.265	5.326	4.920	0.232	3.668	3.280
RB Gasoline	NOV 21	210.26	1.53	211.76	208.90	5.39	200.39	178.28
Heating Oil	NOV 21	215.66	1.62	217.08	213.60	4.98	208.13	189.21
Brent Fin Last Day	DEC 21	73.07	0.81	73.27	72.04	1.76	69.44	63.08
US Dollar Index		92.63	0.049	92.885	92.566	0.358	91.71	91.37848

Source: Bloomberg

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
03/09/2021	-1528	-4750	-7215	-3300	10000	423,867
27/08/2021	-7169	-2500	1290	-1600	11500	425395
20/08/2021	-2980	-2000	-2241	-1500	11400	432564
13/08/2021	-3233	-1450	696	-2000	11400	435544
06/08/2021	-448	-750	-1401	-2000	11300	438777
30/07/2021	3627	-3000	-5291	-1500	11200	439225
23/07/2021	-4089	-2500	-2253	-1241	11200	435598
16/07/2021	-121	-4500	-121	-1050	11400	439687
09/07/2021	-7896	-4000	1038	-2000	11400	437580
02/07/2021	-6866	-4000	-6075	-1750	11300	445476
25/06/2021	-6718	-3850	1522	-900	11100	452342
18/06/2021	-7614	-3500	-2930	1050	11100	459060

Source: Bloomberg

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior	
09/15/2021 22:30	DOE U.S. Crude Oil Inventories	Sep-10	-3574k	--	-1528k
09/15/2021 22:30	DOE Cushing OK Crude Inventory	Sep-10	--	--	1918k
09/15/2021 22:30	DOE U.S. Gasoline Inventories	Sep-10	-3000k	--	-7215k
09/15/2021 22:30	DOE U.S. Distillate Inventory	Sep-10	-2000k	--	-3141k
09/15/2021 22:30	DOE U.S. Refinery Utilization	Sep-10	2.50%	--	-9.40%
09/15/2021 22:30	DOE Crude Oil Implied Demand	Sep-10	--	--	16028
09/15/2021 22:30	DOE Gasoline Implied Demand	Sep-10	--	--	10342
09/15/2021 22:30	DOE Distillate Implied Demand	Sep-10	--	--	4775.7
09/16/2021 22:30	EIA Natural Gas Storage Change	Sep-10	72	--	52
09/16/2021 22:30	EIA Working Natural Gas Implied Flow	Sep-10	72	--	52
09/18/2021 01:00	Baker Hughes U.S. Rig Count	Sep-17	503	--	503
09/18/2021 01:00	Baker Hughes U.S. Rotary Oil Rigs	Sep-17	403	--	401
09/18/2021 01:00	Baker Hughes U.S. Rotary Gas Rigs	Sep-17	101	--	101

U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Total OPEC Crude Oil Production vs Nymex Crude Oil & Gasoline Price & Inventory



Source: Bloomberg

Summary:

Oil prices rose to a six-week high on Monday as U.S. output remains slow to return two weeks after Hurricane Ida slammed into the Gulf Coast and worries another storm could affect output in Texas this week.

Those price gains came even though the Organization of the Petroleum Exporting Countries (OPEC) trimmed its world oil demand forecast for the last quarter of 2021 due to the Delta coronavirus variant.

Brent futures rose 59 cents, or 0.8%, to settle at \$73.51 a barrel, while U.S. West Texas Intermediate (WTI) crude rose 73 cents, or 1.1%, to settle at \$70.45.

That was Brent's highest close since July 30 and WTI's highest close since Aug. 3.

Further disruption from bad weather could be around the corner, with the U.S. National Hurricane Center projecting Tropical Storm Nicholas will scrape along the South Texas coast on Monday and make landfall near Corpus Christi later tonight. Royal Dutch Shell began evacuating staff from a U.S. Gulf of Mexico oil platform and other firms began preparing for hurricane-force winds.

Even though OPEC said further oil demand recovery would be delayed until next year when consumption will exceed pre-pandemic rates, analysts noted OPEC and its allies, including Russia, a group known as OPEC+, were still increasing output.

In addition to the OPEC demand forecast, other bearish factors weighed on Monday's oil price gains, including rising U.S. shale output, potential supply increases from planned releases of oil from strategic reserves in the United States and China, and the possibility Iran could be closer to selling oil to the world again.

U.S. oil output from seven major shale formations is expected to rise by about 66,000 bpd in October to 8.1 million bpd, the highest since April 2020, according to the Energy Information Administration's monthly drilling productivity report.

Traders noted China's planned release of oil from strategic reserves could boost supplies available in the world's the second biggest oil consumer.

The U.S. government agreed to sell crude oil from the nation's emergency reserve to eight companies including Exxon Mobil, Chevron and Valero, under a scheduled auction to raise money for the federal budget.

Hopes of fresh talks on a wider nuclear deal between Iran and the West were raised after the United Nations atomic watchdog reached an agreement with Iran on Sunday about the overdue servicing of monitoring equipment to keep it running.

U.S. natural gas futures jumped almost 6% to a seven-year high on Monday on forecasts for higher demand next week than previously expected, as air conditioning use remains strong in most parts of the country and heating demand starts to pick up in other areas.

Traders also noted U.S. futures climbed as record global gas prices keep demand for U.S. exports high at the same time that more than half of U.S. production in the Gulf of Mexico remains shut-in two weeks after Hurricane Ida hit the Gulf Coast, and U.S. gas inventories, like those in Europe, remain lower than normal heading into the winter heating season, when demand for the fuel peaks.

Further U.S. supply disruptions from bad weather could also be around the corner, with the U.S. National Hurricane Center projecting Tropical Storm Nicholas will scrape the South Texas coast before making landfall near Corpus Christi Monday evening.

Front-month gas futures rose 29.3 cents, or 5.9%, to settle at \$5.231 per million British thermal units (mmBtu), their highest close since February 2014.

In addition to the front-month, futures for the rest of 2021, 2022 and 2023 were all rising, with calendar 2022 trading at a record high over \$4 per mmBtu for a third day in a row.

That is much higher than most analysts forecast for 2022. After gas collapsed to a 25-year low in 2020, analysts forecast gas prices in 2021 would average \$3.23 per mmBtu before slipping to \$3.17 in 2022.

Data provider Refinitiv said gas output in the U.S. Lower 48 states fell to an average of 90.1 billion cubic feet per day (bcfd) so far in September, from 92.0 bcfd in August, due mostly to Ida-related losses along the Gulf Coast. That compares with a monthly record of 95.4 bcfd in November 2019.

About 1.2 bcfd, or 52%, of gas production in the Gulf of Mexico remains shut-in since Ida, according to government data. U.S. power company Entergy Corp, meanwhile, said about 100,000 of its Louisiana customers were still without service, down from a peak of 902,000 who lost power due to Ida.

U.S. gas production from major shale basins, meanwhile, will increase to a record high for a fourth month in a row in October, according to U.S. Energy Information Administration (EIA) projections.

Refinitiv projected average U.S. gas demand, including exports, would rise from 87.2 bcfd this week to 87.5 bcfd next week. Next week's forecast was higher than Refinitiv expected on Friday.

The amount of gas flowing to U.S. liquefied natural gas (LNG) export plants has risen to an average of 10.9 bcfd so far in September, from 10.5 bcfd in August, as buyers around the world keep purchasing all the super-chilled gas the United States can produce. That compares with a monthly record of 11.5 bcfd in April.

Gas in Europe and Asia was trading around \$21 and \$19 per mmBtu, respectively, compared with just \$5 for the U.S. fuel. Gas at the Title Transfer Facility (TTF) in the Netherlands, the European benchmark, was at a record high.

(Source: Reuters)

Technical Analysis:

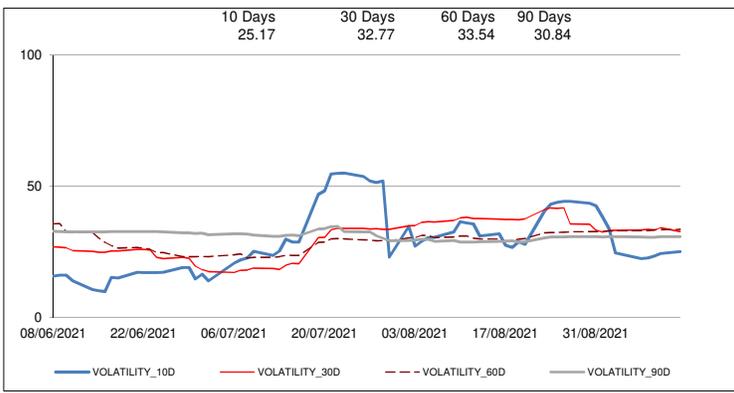
Crude Oil
 Resistance: 70.60 (+0.95 or 1.36% upside)
 Support: 69.00 (+0.72 or 1.03% downside)
 MACD: Upward; Histogram: Positive
 RSI: Neutral

Outlook: Neutral.

Natural Gas
 Resistance: 5.098 (+0.160 or 3.24% upside)
 Support: 4.900 (+0.038 or 0.77% downside)
 MACD: Upward; Histogram: Positive
 RSI: Overbought

Outlook: Neutral to mildly bearish.

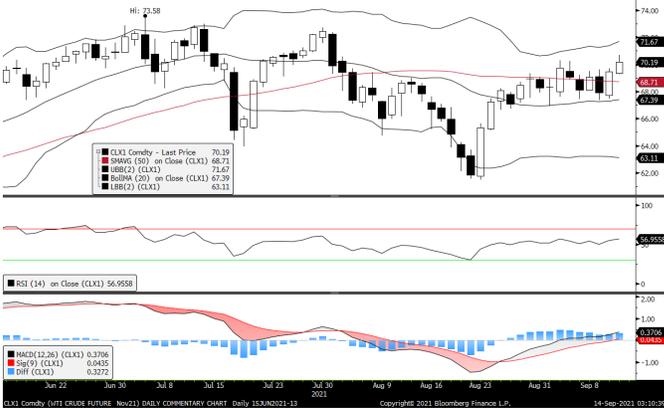
Nymex Crude Oil Historical Volatility



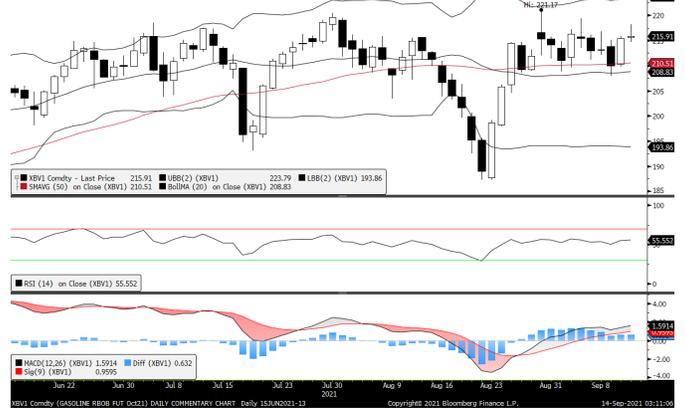
Normalized RBOB Gasoline minus Nymex Crude Oil Price



Nymex Crude Daily Chart



Nymex RBOB Gasoline Daily Chart



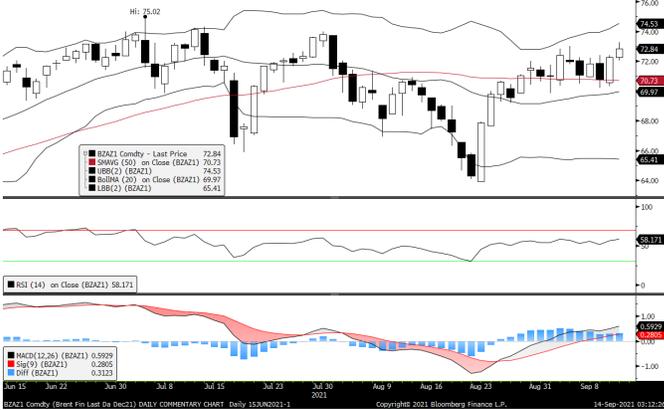
Nymex Natural Gas Daily Chart



Nymex Heating Oil Daily Chart



Nymex Brent Last Day Daily Chart



WTI-Brent Spread



Source: Bloomberg

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