

Fundamentals:

Oil prices rebounded around 3% on Wednesday as investors worried that rate hikes by the Federal Reserve could push the U.S. economy into recession, dampening demand for fuel.

Brent crude futures fell \$2.91, or 2.5%, to settle at \$111.74 a barrel. The global benchmark hit a session low of \$107.03, its lowest since May 19.

U.S. West Texas Intermediate (WTI) fell \$3.33, or 3%, to settle at \$106.19 a barrel. The session low was \$101.53, its lowest since May 11.

Investors assessed on Wednesday how interest rate hikes designed to cool soaring inflation might stall an economic recovery.

Oil prices pared losses, however, during the session after Fed Chair Jerome Powell pledged an "overarching focus" on bringing down inflation and reiterated that ongoing increases in the central bank's policy rate would be appropriate, with the pace depending on the economic outlook.

Meanwhile, U.S. President Joe Biden called on Congress to pass a three-month suspension of the federal gasoline tax to help combat record pump prices and provide temporary relief for American families this summer.

Lawmakers of both major parties have expressed resistance to suspending the federal gasoline tax.

The White House asked the chief executives of seven oil companies to a meeting on Thursday to discuss ways to increase production capacity and reduce gasoline prices of around \$5 a gallon.

Biden has publicly criticized Big Oil for banking big profits but he has rarely spoken directly to the heads of energy companies or their representatives, White House records and interviews with industry sources show.

Chevron CEO Michael Wirth said criticizing the oil industry was not the way to bring down fuel prices and the government should change its approach. Biden replied he was unaware oil executives could "get their feelings hurt that easily."

U.S. oil refining capacity fell in 2021 for the second year in a row, government data showed, as plant shutdowns kept whittling away on their ability to produce gasoline and diesel.

U.S. crude and gasoline inventories likely fell last week, a Reuters poll showed. Weekly oil data is delayed by Monday's public holiday, with industry data due on Wednesday at 4:30 p.m. (2030 GMT) and government data scheduled for Thursday at 11 a.m.

The \$2.4 trillion set to be invested globally in energy this year includes record spending on renewables but falls short of plugging a supply gap and tackling climate change, the International Energy Agency said.

U.S. natural gas futures rose as bargain hunters emerged after a two-day price slump and hotter weather signaled stronger demand for the power-generation fuel.

European natural gas prices rose for a third day, with the threat of extended Russian supply cuts spurring concerns that the pace of restocking storage sites will be slower than expected.

Benchmark futures gained as much as 5.6% before paring gains. The reduction in gas supply from Russia is making it more challenging to reach Germany's storage target of 90% fill by the start of the winter, German Economy Minister Robert Habeck said. The country's storage sites were 58.4% full as of Wednesday.

While prices have steadied after last week's surge when Russia further tightened its squeeze on gas flows to the continent, imports from the key Nord Stream pipeline are still less than half capacity and the TurkStream pipeline supplying parts of southern Europe has shut for maintenance until the end of the month.

(Source: Reuters, Bloomberg)

Energy Table

Contract	Sett	Chg	High	Low	
Nymex Crude Oil	AUG 22 106.19	-5.21	109.76	101.53	
Natural Gas	JUL 22 6.858	0.028	6.930	6.575	
RB Gasoline	JUL 22 383.41	-2.32	384.45	364.84	
Heating Oil	JUL 22 440.46	-0.99	441.35	420.96	
Brent Fin Last Day	AUG 22 109.89	-4.76	114.57	107.03	
US Dollar Index		104.21	-0.23	104.947	103.858

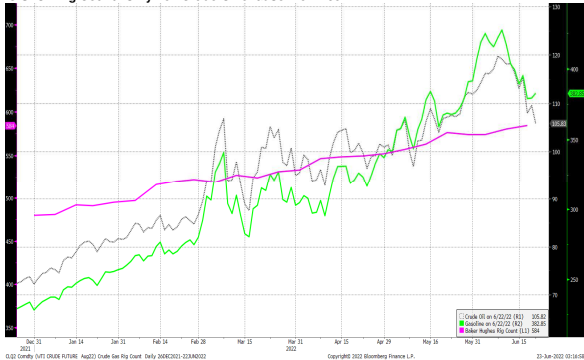
Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
17/06/2022	-	-1500	-	-650	-	-
10/06/2022	1956	-2200	-710	500	12000	418714
03/06/2022	2025	-2500	-812	800	11900	416758
27/05/2022	-5068	-2100	-711	-100	11900	414733
20/05/2022	-1019	-2129	-482	-1641	11900	419801
13/05/2022	-3394	2000	-4779	-1400	11900	420820
06/05/2022	8487	-1450	-3607	-1600	11800	424214
29/04/2022	-2230	-600	-2230	-800	11900	415727
22/04/2022	691	0	-1573	1000	11900	414424
15/04/2022	-8020	3000	-761	-1100	11900	413733
08/04/2022	9382	1000	-3648	-600	11800	421753
01/04/2022	2421	-2800	-2041	-400	11800	412371

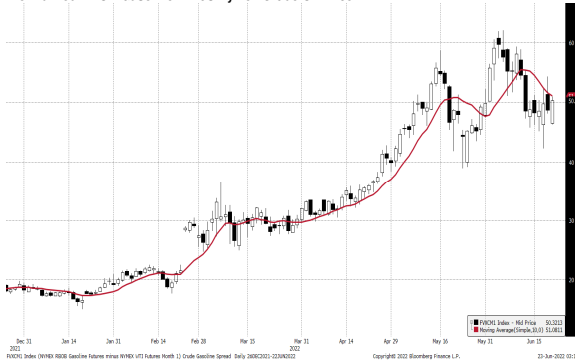
Fundamental Data:

Event	Period	Avg Survey	Actual	Prior	
06/23/2022 22:30	EIA Natural Gas Storage Change	Jun-17	61	--	92
06/23/2022 22:30	EIA Working Natural Gas Implied Flow	Jun-17	61	--	92
06/23/2022 23:00	DOE U.S. Crude Oil Inventories	Jun-17	-1500k	--	1956k
06/23/2022 23:00	DOE Cushing OK Crude Inventory	Jun-17	--	--	-826k
06/23/2022 23:00	DOE U.S. Gasoline Inventories	Jun-17	-650k	--	-710k
06/23/2022 23:00	DOE U.S. Distillate Inventory	Jun-17	-250k	--	725k
06/23/2022 23:00	DOE U.S. Refinery Utilization	Jun-17	0.50%	--	-0.50%
06/23/2022 23:00	DOE Crude Oil Implied Demand	Jun-17	--	--	18706
06/23/2022 23:00	DOE Gasoline Implied Demand	Jun-17	--	--	10017.6
06/23/2022 23:00	DOE Distillate Implied Demand	Jun-17	--	--	4998.4
06/25/2022 01:00	Baker Hughes U.S. Rig Count	Jun-24	--	--	740
06/25/2022 01:00	Baker Hughes U.S. Rotary Gas Rigs	Jun-24	--	--	154
06/25/2022 01:00	Baker Hughes U.S. Rotary Oil Rigs	Jun-24	589	--	584

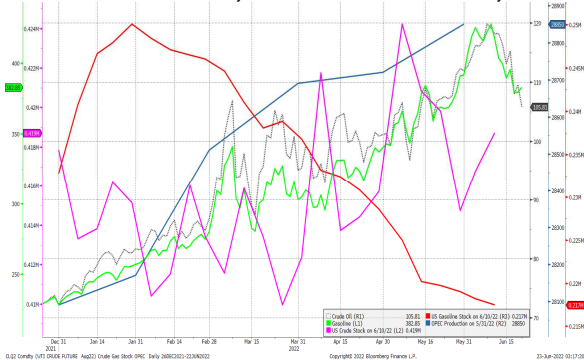
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



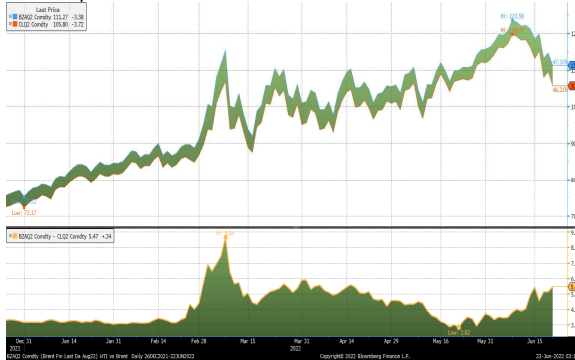
Normalized RBOB Gasoline minus Nymex Crude Oil Price



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



WTI-Brent Spread

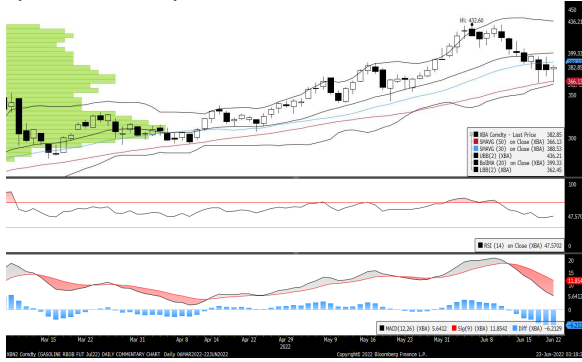


Source: Bloomberg

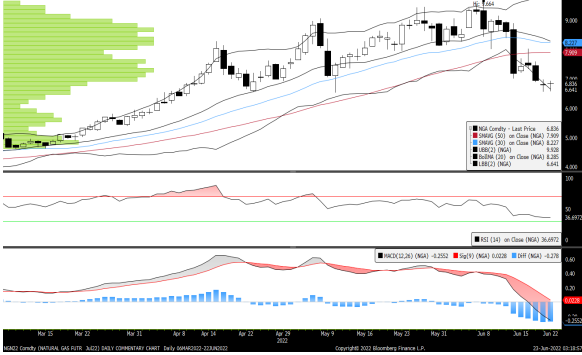
Nymex Crude Daily Chart



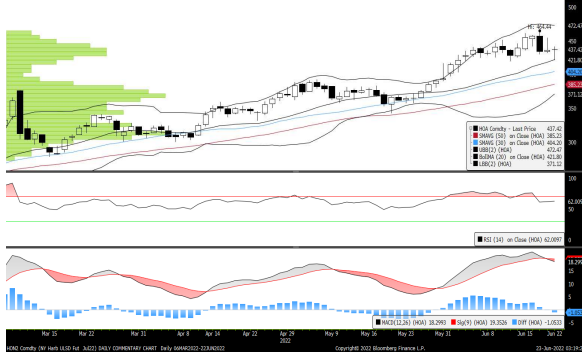
Nymex RBOB Gasoline Daily Chart



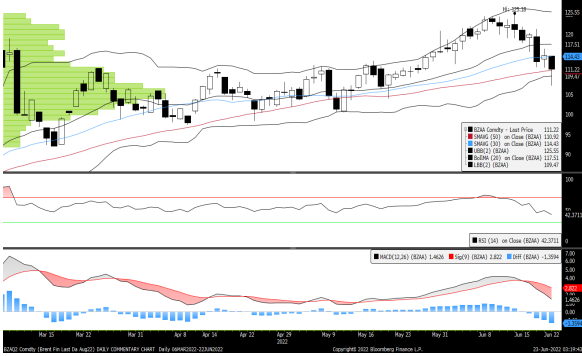
Nymex Natural Gas Daily Chart



Nymex Heating Oil Daily Chart



Nymex Brent Last Day Daily Chart



Technical Analysis

Crude Oil

1st Resistance:	107.78	2nd Resistance:	109.38
1st Support:	104.60	2nd Support:	103.00
MACD:	0.995		
MACD DIFF:	-1.673		
RSI:	39.012		

Natural Gas

1st Resistance:	6.961	2nd Resistance:	
1st Support:	6.755	2nd Support:	
MACD:	-0.255		
MACD DIFF:	-0.278		
RSI:	36.697		

Gasoline

1st Resistance:	389.16	2nd Resistance:	394.91
1st Support:	377.66	2nd Support:	371.91
MACD:	5.185		
MACD DIFF:	-6.578		
RSI:	44.714		

Heating Oil

1st Resistance:	447.07	2nd Resistance:	
1st Support:	433.85	2nd Support:	
MACD:	18.095		
MACD DIFF:	-1.217		
RSI:	60.844		

Brent Fin Last Day

1st Resistance:	111.54	2nd Resistance:	113.19
1st Support:	108.24	2nd Support:	106.59
MACD:	1.357		
MACD DIFF:	-1.444		
RSI:	40.457		

Strategy

	Long: Profit target:	Stop-loss:	Long: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:	Short: Profit target:	Stop-loss:
Crude Oil	104.60	105.64	104.07	103.00	106.71	108.32	109.38	108.28
Natural Gas	6.755	6.823	6.721	6.652	6.719	6.996	7.064	6.993
Gasoline	377.66	381.44	375.77	371.91	375.63	370.05	394.91	390.96
Heating Oil	433.85	438.19	431.68	427.25	431.52	425.11	453.67	449.14
Brent Fin Last Day	108.24	109.32	107.70	106.59	107.66	106.06	113.19	112.05

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