

**Fundamentals:**

Oil prices rose more than 2% on Friday and posted weekly gains of over 8%, as Russia announced plans to reduce oil production next month after the West imposed price caps on the country's crude and fuel.

Brent crude futures rose to settle at \$1.89, or 2.2%, to \$86.39 a barrel. U.S. West Texas Intermediate crude futures (WTI) were up \$1.66, or 2.1%, at \$79.72.

Brent posted a weekly gain of 8.1%, while WTI gained 8.6%.

Russia plans to reduce its crude oil production in March by 500,000 barrels per day (bpd), or about 5% of output, Deputy Prime Minister Alexander Novak said.

Western nations have imposed restrictions, trying to choke off Russia's oil revenues in response to the country's actions in Ukraine. The production cut indicates that the European Union's recent price cap and ban on Russian oil products, which came into effect on Feb. 5, have had some impact.

Russia's output last year defied predictions of a decline, but its oil sales will prove more difficult in the face of the new sanctions.

OPEC+ plans no action after Russia announced oil output cuts, two OPEC+ delegates told Reuters.

Economic concerns still pressured prices, with weak demand data from China and recession fears in the United States. Also limiting gains were a rise in weekly U.S. jobless claims and higher oil inventories.

Goldman Sachs lowered its Brent 2023 price forecast to \$92 a barrel from \$98 and its 2024 price forecast to \$100 from \$105.

OPEC country officials told Reuters that oil may resume its rally in 2023 as Chinese demand recovers after COVID curbs were scrapped and lack of investment limits growth in supply, with a growing number seeing a possible return to \$100 a barrel.

In U.S. supply, energy firms cut the number of natural gas rigs by the most in a week since October 2017, while adding the most oil rigs in a week since June, energy services firm Baker Hughes Co said.

The total oil and gas rig count, an early indicator of future output, rose two to 761 in the week to Feb. 10.

The U.S. Commodity Futures Trading Commission (CFTC) will again postpone publication of a weekly Commitments of Traders report due on Friday after a ransomware attack on a unit of ION Markets, the agency said in a statement.

US natural gas futures posted their first weekly gain since mid-December amid nascent signs of a rebound in demand.

Gas for March settled up 3.5% at \$2.514 per mmbtu in New York. The front-month futures gained 4.3% over the past five days, snapping a seven-week slump.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil MAR 23	79.72	1.77	80.33	77.47
Natural Gas MAR 23	2.514	0.145	2.589	2.410
RB Gasoline MAR 23	250.37	5.80	251.38	242.63
Heating Oil MAR 23	286.46	5.81	291.29	280.27
Brent Fin Last Day APR 23	86.51	2.01	86.91	83.94
US Dollar Index	103.58	0.361	103.683	102.899

**Bloomberg Survey on U.S. Total Change in Inventories**

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
03/02/2023	2423	2000	5008	1600	12300	455111
27/01/2023	4140	-1000	2576	2000	12200	452688
20/01/2023	533	1500	1763	1500	12200	448548
13/01/2023	8408	-3000	3483	2400	12200	448015
06/01/2023	18961	-2000	4114	750	12200	439607
30/12/2022	1694	1500	-346	-1000	12100	420646
23/12/2022	718	-1200	-3105	500	12000	418952
16/12/2022	2530	2500	2530	2000	12100	418234
09/12/2022	10231	-3500	4496	2500	12100	424129
02/12/2022	-5186	-3418	5319	2474	12200	413898
25/11/2022	-12581	-3123	2770	2250	12100	419084
18/11/2022	-3690	-2614	3058	1150	12100	431665

**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior
02/11/2023 02:00 Baker Hughes U.S. Rotary Oil Rigs	Feb-10	601	609	599
02/11/2023 02:00 Baker Hughes U.S. Rotary Gas Rigs	Feb-10	--	150	158
02/11/2023 02:00 Baker Hughes U.S. Rig Count	Feb-10	--	761	759
02/15/2023 23:30 DOE U.S. Crude Oil Inventories	Feb-10	--	--	2423k
02/15/2023 23:30 DOE Cushing OK Crude Inventory	Feb-10	--	--	1043k
02/15/2023 23:30 DOE U.S. Gasoline Inventories	Feb-10	--	--	5088k
02/15/2023 23:30 DOE U.S. Distillate Inventory	Feb-10	--	--	2932k
02/15/2023 23:30 DOE U.S. Refinery Utilization	Feb-10	--	--	2.20%
02/15/2023 23:30 DOE Crude Oil Implied Demand	Feb-10	--	--	19012
02/15/2023 23:30 DOE Gasoline Implied Demand	Feb-10	--	--	9371.3
02/15/2023 23:30 DOE Distillate Implied Demand	Feb-10	--	--	4937.1
02/16/2023 23:30 EIA Natural Gas Storage Change	Feb-10	--	--	-217
02/16/2023 23:30 EIA Working Natural Gas Implied Flow	Feb-10	--	--	-217
02/18/2023 02:00 Baker Hughes U.S. Rotary Oil Rigs	Feb-17	--	--	609
02/18/2023 02:00 Baker Hughes U.S. Rotary Gas Rigs	Feb-17	--	--	150
02/18/2023 02:00 Baker Hughes U.S. Rig Count	Feb-17	--	--	761

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



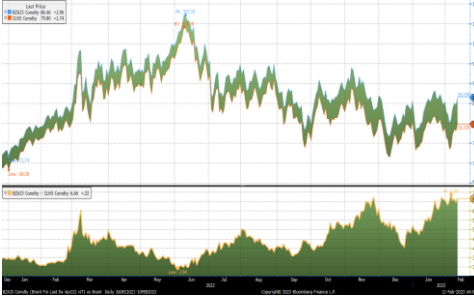
**Normalized RBOB Gasoline minus Nymex Crude Oil Price**



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



**WTI-Brent Spread**

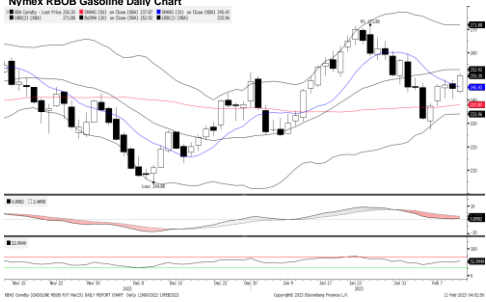


Source: Bloomberg

**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			Natural Gas			Gasoline					
1st Resistance:	80.92	2nd Resistance:	82.11	1st Resistance:	2.552	2nd Resistance:	2.589	1st Resistance:	254.13	2nd Resistance:	257.88
1st Support:	78.52	2nd Support:	77.33	1st Support:	2.476	2nd Support:	2.439	1st Support:	246.61	2nd Support:	242.86
MACD:	-0.147			MACD:	-0.410			MACD:	0.914		
MACD DIFF:	0.030			MACD DIFF:	0.052			MACD DIFF:	-1.574		
RSI:	55.403			RSI:	34.299			RSI:	53.152		

Heating Oil			Brent Fin Last Day				
1st Resistance:	290.76	2nd Resistance:	295.05	1st Resistance:	87.81	2nd Resistance:	89.11
1st Support:	282.16	2nd Support:	277.87	1st Support:	85.21	2nd Support:	83.91
MACD:	-7.344			MACD:	0.194		
MACD DIFF:	-3.488			MACD DIFF:	0.023		
RSI:	42.318			RSI:	56.638		

**Strategy**

	Long	Profit target:	Stop-loss:	Long	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:
Crude Oil	78.52	79.31	78.13	77.33	78.10	76.94	80.92	80.11	81.32	82.11	81.29	82.52
Natural Gas	2.476	2.501	2.464	2.439	2.463	2.426	2.552	2.526	2.564	2.589	2.564	2.602
Gasoline	246.61	249.08	245.38	242.86	245.29	241.64	254.13	251.58	255.40	257.88	255.30	259.17
Heating Oil	282.16	284.98	280.75	277.87	280.64	276.48	290.76	287.85	292.21	295.05	292.10	296.53
Brent Fin Last Day	85.21	86.06	84.79	83.91	84.75	83.50	87.81	86.93	88.25	89.11	88.21	89.55

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