

Fundamentals:

Oil prices settled higher on Monday, reversing losses as investors grew optimistic that holiday travel in China would boost fuel demand in the world's largest oil importer.

Brent crude settled up \$1.07, or 1.3%, at \$82.73 a barrel while U.S. West Texas Intermediate crude settled up 89 cents, or 1.1%, at \$78.76.

Last week, both contracts fell more than 5% for their first weekly declines in five as U.S. implied gasoline demand fell from a year earlier.

China's bumpy economic recovery after the COVID-19 pandemic has clouded the oil demand outlook, though Chinese customs data on Friday showed record volumes of imports in March.

Bookings in China for trips abroad during the upcoming May Day holiday point to a continued recovery in travel to Asian countries, but the numbers remain far off pre-COVID-19 levels with long-haul airfares soaring and not enough flights available.

Supply tightness owing to additional supply cuts planned by the OPEC+ producer group from May could also lift prices.

Iraq's northern oil exports also showed few concrete signs of an imminent restart after a month of standstill, as aspects of an agreement between Baghdad and the Kurdistan Regional Government (KRG) have yet to be resolved, according to four sources.

Refining margins in Asia have weakened on reduced production from top refiners China and India, curbing the region's appetite for Middle East supplies loading in June.

U.S. natural gas futures gained about 2% on Monday on forecasts for colder weather and higher heating demand this week and next than previously expected.

Prices also climbed as the amount of gas flowing to U.S. liquefied natural gas (LNG) export plants remained on track to hit a record high for a second month in April after Freeport LNG's export plant in Texas exited an eight-month outage in February.

Front-month gas futures for May delivery on the New York Mercantile Exchange rose 4.0 cents, or 1.8%, to settle at \$2.273 per million British thermal units.

With gas prices up about 11% over the last two weeks, speculators last week turned their net short futures and options positions into net long positions for the first time since June 2022 on the New York Mercantile and Intercontinental Exchanges.

Looking ahead, the growth of gas demand could take a hit if the U.S. goes forward with a plan to require gas-fired power plants to install technology to capture carbon emissions, sources said, as President Joe Biden's administration enacts new rules to help decarbonize the power sector in 12 years.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil JUN 23	78.76	0.81	79.18	76.72
Natural Gas MAY 23	2.273	0.029	2.286	2.181
RB Gasoline MAY 23	263.18	3.07	264.56	255.16
Heating Oil MAY 23	253.10	3.45	254.36	246.18
Brent, Fin Last Day JUN 23	82.62	0.96	82.99	80.49
US Dollar Index	101.36	-0.458	101.909	101.332

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
14/4/2023	-4581	-250	1299	-1250	12300	465968
7/4/2023	597	-1050	-330	-1900	12300	470549
31/3/2023	-3739	-1700	-4119	-2000	12200	469952
24/3/2023	-7489	1750	-2904	-2250	12200	473691
17/3/2023	1117	-1800	-6399	-2364	12300	481180
10/3/2023	1650	1500	-2061	-1617	12200	480063
3/3/2023	-1694	1600	-1134	-2000	12200	478513
24/2/2023	-874	1900	-874	-1000	12300	480207
17/2/2023	7647	2800	-1856	900	12300	479041
10/2/2023	16283	2000	2316	1500	12300	471394
3/2/2023	2423	2000	5008	1600	12300	455111
27/1/2023	4140	-1000	2576	2000	12200	452688

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
04/26/2023 22:30	DOE U.S. Crude Oil Inventories	Apr-21	--	--
04/26/2023 22:30	DOE Cushing OK Crude Inventory	Apr-21	--	-1088k
04/26/2023 22:30	DOE U.S. Gasoline Inventories	Apr-21	--	1299k
04/26/2023 22:30	DOE U.S. Distillate Inventory	Apr-21	--	-355k
04/26/2023 22:30	DOE U.S. Refinery Utilization	Apr-21	--	1.70%
04/26/2023 22:30	DOE Crude Oil Implied Demand	Apr-21	--	19248
04/26/2023 22:30	DOE Gasoline Implied Demand	Apr-21	--	9462.1
04/26/2023 22:30	DOE Distillate Implied Demand	Apr-21	--	4913.7
04/27/2023 22:30	EIA Natural Gas Storage Change	Apr-21	--	75
04/27/2023 22:30	EIA Working Natural Gas Implied Flow	Apr-21	--	75
04/29/2023 01:00	Baker Hughes U.S. Rotary Oil Rigs	Apr-28	--	591
04/29/2023 01:00	Baker Hughes U.S. Rotary Gas Rigs	Apr-28	--	159
04/29/2023 01:00	Baker Hughes U.S. Rig Count	Apr-28	--	753

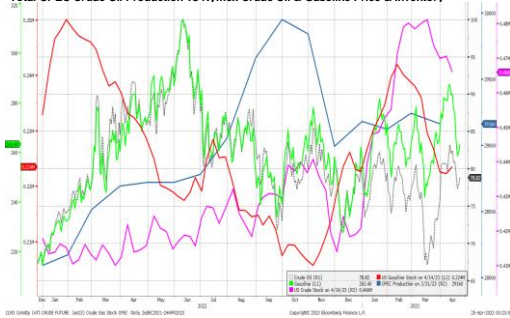
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Normalized RBOB Gasoline minus Nymex Crude Oil Price



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

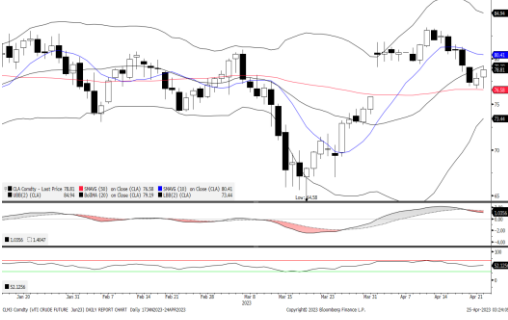


WTI-Brent Spread

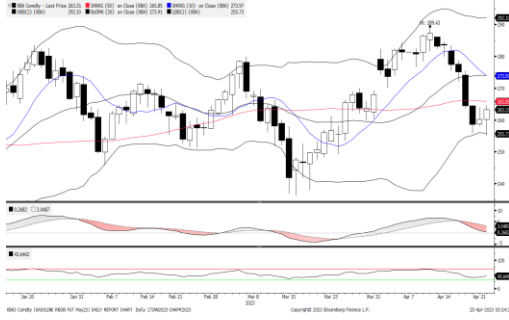


Source: Bloomberg

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:	79.94	2nd Resistance:	81.12	1st Resistance:	2.307	2nd Resistance:	2.341	1st Resistance:	267.13	2nd Resistance:	271.08
1st Support:	77.58	2nd Support:	76.40	1st Support:	2.239	2nd Support:	2.205	1st Support:	259.23	2nd Support:	255.28
MACD:	1.026			MACD:	-0.055			MACD:	0.263		
MACD DIFF:	-0.378			MACD DIFF:	0.040			MACD DIFF:	-2.786		
RSI:	51.737			RSI:	49.347			RSI:	43.567		
Heating Oil			Brent Fin Last Day								
1st Resistance:	256.90	2nd Resistance:	260.69	1st Resistance:	83.86	2nd Resistance:	85.10				
1st Support:	249.30	2nd Support:	245.51	1st Support:	81.38	2nd Support:	80.14				
MACD:	-3.618			MACD:	0.704						
MACD DIFF:	-1.466			MACD DIFF:	-0.381						
RSI:	39.194			RSI:	50.300						

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	77.58	78.35	77.19	76.40	77.16	76.02	79.94	79.14	80.34	81.12	80.31	81.53
Natural Gas	2.239	2.261	2.228	2.205	2.227	2.194	2.307	2.284	2.319	2.341	2.318	2.353
Gasoline	259.23	261.82	257.94	255.28	257.84	254.01	267.13	264.46	268.48	271.08	268.36	272.43
Heating Oil	249.30	251.80	248.06	245.51	247.96	244.28	256.90	254.33	258.18	260.69	258.09	262.00
Brent Fin Last Day	81.38	82.19	80.97	80.14	80.94	79.74	83.86	83.02	84.28	85.10	84.25	85.52

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

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