

**Fundamentals:**

Oil prices dropped by almost 4% on Wednesday, extending the previous session's sharp losses, even after a report showed U.S. crude inventories fell more than expected, as recession fears grew for the world's biggest economy.

Brent crude settled at \$77.69 a barrel, losing \$3.08, or 3.8%. U.S. West Texas Intermediate crude settled at \$74.30 a barrel, shedding \$2.77, or 3.6%.

Energy Information Administration (EIA) data showing U.S. crude inventories fell last week by 5.1 million barrels to 460.9 million barrels helped to limit the price fall, far exceeding analyst forecasts of a 1.5 million drop in a Reuters poll.

Gasoline and distillate stocks also drew down, sinking by 2.4 million barrels to 221.1 million barrels and almost 600,000 barrels to 111.5 million barrels, respectively, the EIA said.

A forecast of higher refinery activity, but lower crude exports, will continue a push and pull for weeks.

Oil prices have erased all their gains since the Organization of the Petroleum Exporting Countries (OPEC) and producer allies such as Russia, known collectively as OPEC+, announced in early April an additional output reduction until the end of the year.

Russian Deputy Prime Minister Alexander Novak said on Wednesday that OPEC+ remains an efficient tool for coordination.

Oil prices fell more than 2% on Tuesday as lingering economic concerns and expectations of further interest rate hikes that could curtail fuel demand growth countered signs of improving short-term consumption gains.

U.S. consumer confidence dropped to a nine-month low in April as worries mounted, heightening the risk of the economy falling into recession this year. New orders for key U.S.-manufactured capital goods also fell more than expected in March and shipments declined.

Investors also are concerned potential interest rate hikes by inflation-fighting central banks could slow economic growth and dent energy demand in the United States, Britain and the European Union.

The U.S. Federal Reserve, the Bank of England and the European Central Bank are all expected to raise rates at their coming meetings. The Fed meets over May 2-3.

U.S. natural gas futures plunged about 8% to a one-week low on Wednesday on a decline in the amount of gas flowing to U.S. liquefied natural gas (LNG) export plants in recent days and the usual increase in volatility on contract expiration day.

That price drop came despite forecasts for a little more cold and heating demand next week than previously expected and even as the amount of gas flowing to U.S. LNG export plants was still on track to hit a record high for a second month in a row after Freeport LNG's export plant in Texas exited an eight-month outage in February.

On its last day as the front-month, gas futures for May delivery on the New York Mercantile Exchange fell 19.0 cents, or 8.2%, to settle at \$2.117 per million British thermal units (mmBtu), their lowest close since April 14.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil JUN 23	74.30	-2.68	77.93	74.05
Natural Gas JUN 23	2.305	-0.124	2.413	2.274
RB Gasoline MAY 23	254.94	-3.63	261.80	254.17
Heating Oil MAY 23	237.30	-7.17	246.95	236.96
Brent Fin Last Day JUL 23	77.78	-2.82	81.36	77.49
US Dollar Index	101.45	-0.417	101.891	101.013

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

Date	Crude Oil		Gasoline		Crude Oil Inventory	
	Actual	Survey	Actual	Survey	Production	Inventory
28/4/2023	-5054	-1500	-2408	-1500	12200	460914
14/4/2023	-4581	-250	1299	-1250	12300	465988
7/4/2023	597	-1050	-330	-1900	12300	470549
31/3/2023	-3739	-1700	-4119	-2000	12200	469552
24/3/2023	-7489	1750	-2904	-2250	12200	473691
17/3/2023	1117	-1800	-6399	-2364	12300	481180
10/3/2023	1550	1500	-2061	-1617	12200	480063
3/3/2023	-1134	1600	-1134	-2000	12200	478513
24/2/2023	1166	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

**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior
04/26/2023 22:30 DOE U.S. Crude Oil Inventories	Apr-21	-1500k	-5054k	-4581k
04/26/2023 22:30 DOE Cushing OK Crude Inventory	Apr-21	--	319k	-1088k
04/26/2023 22:30 DOE U.S. Gasoline Inventories	Apr-21	-1500k	-2408k	1299k
04/26/2023 22:30 DOE U.S. Distillate Inventory	Apr-21	-1078k	-577k	-355k
04/26/2023 22:30 DOE U.S. Refinery Utilization	Apr-21	0.50%	0.30%	1.70%
04/26/2023 22:30 DOE Crude Oil Implied Demand	Apr-21	--	19298	19248
04/26/2023 22:30 DOE Gasoline Implied Demand	Apr-21	--	10246	9462.1
04/26/2023 22:30 DOE Distillate Implied Demand	Apr-21	--	4844.4	4913.7
04/27/2023 22:30 EIA Natural Gas Storage Change	Apr-21	75	--	75
04/27/2023 22:30 EIA Working Natural Gas Implied Flow	Apr-21	75	--	75
04/29/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Apr-28	591	--	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

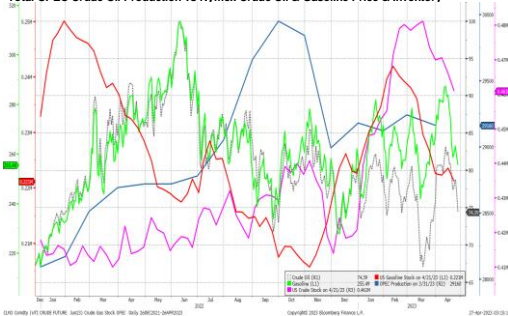
**U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price**



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



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



**WTI-Brent Spread**

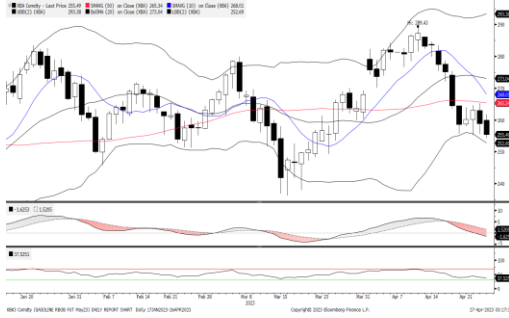


Source: Bloomberg

**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**

<b>Crude Oil</b>	1st Resistance: 75.41	2nd Resistance: 76.53	<b>Natural Gas</b>	1st Resistance: 2.340	2nd Resistance: 2.374	<b>Gasoline</b>	1st Resistance: 258.76	2nd Resistance: 262.59
	1st Support: 73.19	2nd Support: 72.07		1st Support: 2.270	2nd Support: 2.236		1st Support: 251.12	2nd Support: 247.29
	MACD: 0.361			MACD: -0.061			MACD: -1.645	
	MACD DIFF: -0.735			MACD DIFF: 0.026			MACD DIFF: -3.163	
	RSI: 39.696			RSI: 43.053			RSI: 37.348	
<b>Heating Oil</b>	1st Resistance: 240.86	2nd Resistance: 244.42	<b>Brent Fin Last Day</b>	1st Resistance: 78.95	2nd Resistance: 80.11			
	1st Support: 233.74	2nd Support: 230.18		1st Support: 76.61	2nd Support: 75.45			
	MACD: -5.472			MACD: 0.055				
	MACD DIFF: -2.314			MACD DIFF: -0.719				
	RSI: 29.815			RSI: 38.016				

**Strategy**

<b>Crude Oil</b>	Long: 73.19	Profit target: 73.92	Stop-loss: 72.82	Long: 72.07	Profit target: 72.79	Stop-loss: 71.71	Short: 75.41	Profit target: 74.66	Stop-loss: 75.79	Short: 76.53	Profit target: 75.76	Stop-loss: 76.91				
<b>Natural Gas</b>					2.236	2.258	2.225									
<b>Gasoline</b>		251.12	253.63	249.86			247.29	249.76	246.06		258.76	256.18	260.06	262.59	259.96	263.90
<b>Heating Oil</b>		233.74	236.08	232.57			230.18	232.48	229.03		240.86	238.45	242.06	244.42	241.97	245.64
<b>Brent Fin Last Day</b>		76.61	77.38	76.23			75.45	76.20	75.07		78.95	78.16	79.34	80.11	79.31	80.51

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