

Fundamentals:

Oil prices settled largely unchanged on Wednesday, despite greater-than-expected draws in U.S. crude and fuel stockpiles, as the market weighed worsening economic prospects against expectations of U.S. crude inventory declines and plans by OPEC+ producers to reduce output.

Brent crude futures settled up 5 cents, or 0.1%, at \$84.99 a barrel, while West Texas Intermediate crude ended 10 cents, or 0.1%, lower at \$80.61 a barrel.

U.S. crude inventories fell 3.7 million barrels last week, about 1.5 million barrels more than forecast, government data showed. Gasoline and distillate stocks also fell more than expected, drawing down by 4.1 million barrels and 3.6 million barrels, respectively.

Prices jumped by more than 6% on Monday after the Organization of the Petroleum Exporting Countries and allies including Russia, collectively known as OPEC+, pledged voluntary production cuts.

Data showing cooling economic conditions weighed against higher demand for crude and fuel.

U.S. job openings in February dropped to the lowest level in nearly two years, suggesting that the labor market was cooling.

Traders will be looking for cues on broader economic trends from U.S. non-farm payrolls data due this week, as weak economic data from the U.S. and China raise demand fears.

U.S. natural gas futures rose about 2% on Wednesday on a decline in daily output and an increase in the amount of gas flowing to liquefied natural gas (LNG) export plants since Freeport LNG's export facility in Texas ended an eight-month outage in February and returned to full power over the past week.

That price increase occurred despite forecasts for milder weather and lower heating demand over the next two weeks than previously expected, which should allow utilities to start injecting gas into storage this week.

Front-month gas futures for May delivery on the New York Mercantile Exchange (NYMEX) rose 4.9 cents, or 2.3%, to settle at \$2.155 per million British thermal units.

The market has been extremely volatile in recent weeks with the front-month gaining or losing more than 5% in 12 of the past 23 trading days.

With gas market volatility rising, open interest in NYMEX gas futures rose to 1.37 million contracts on Tuesday, the most since October 2021 for a fourth day in a row.

At the same time, shares outstanding in the U.S. Natural Gas Fund, an exchange-traded fund (ETF) designed to track the daily price movement of gas, rose to a record 165.9 million, topping the prior record of 161.4 million set on March 30.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low	
Nymex Crude Oil	MAY 23 80.61	-0.30	81.24	79.72	
Natural Gas	MAY 23 2.155	0.038	2.197	2.065	
RB Gasoline	MAY 23 292.01	6.38	292.46	273.95	
Heating Oil	MAY 23 273.10	6.30	273.99	265.61	
Brent Fin Last Day	JUN 23 84.79	-0.15	85.55	84.01	
US Dollar Index		101.94	0.350	101.993	101.415

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
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	1550	1500	-2061	-1617	12200	480063
3/3/2023	-1694	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	2316	2000	2316	1500	12300	471394
3/2/2023	2423	2000	5008	1600	12300	455111
27/1/2023	4140	-1000	2576	2000	12200	452688
20/1/2023	533	1500	1763	1500	12200	448548
13/1/2023	8408	-3000	3483	2400	12200	448015

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
04/05/2023 22:30	DOE U.S. Crude Oil Inventories	Mar-31 -1700k	-3739k	-7489k
04/05/2023 22:30	DOE Cushing OK Crude Inventory	Mar-31 --	-970k	-1632k
04/05/2023 22:30	DOE U.S. Gasoline Inventories	Mar-31 -2000k	-4119k	-2904k
04/05/2023 22:30	DOE U.S. Distillate Inventory	Mar-31 -1000k	-3632k	281k
04/05/2023 22:30	DOE U.S. Refinery Utilization	Mar-31 0.40%	-0.70%	1.70%
04/05/2023 22:30	DOE Crude Oil Implied Demand	Mar-31 --	19878	18595
04/05/2023 22:30	DOE Gasoline Implied Demand	Mar-31 --	10154.9	9970.9
04/05/2023 22:30	DOE Distillate Implied Demand	Mar-31 --	5373.9	4736.9
04/05/2023 22:30	EIA Natural Gas Storage Change	Mar-31 -22	--	-47
04/05/2023 22:30	EIA Working Natural Gas Implied Flow	Mar-31 -22	--	-47
04/07/2023 01:00	Baker Hughes U.S. Rotary Oil Rigs	Apr-07 590	--	592
04/07/2023 01:00	Baker Hughes U.S. Rotary Gas Rigs	Apr-07 --	--	160
04/07/2023 01:00	Baker Hughes U.S. Rig Count	Apr-07 --	--	755

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

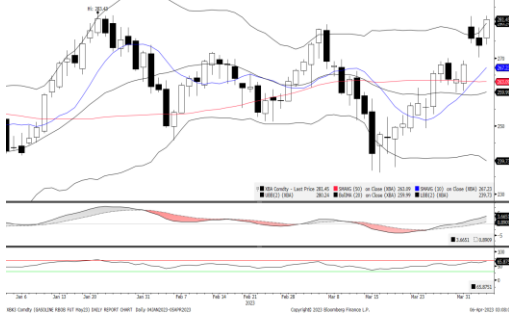


Source: Bloomberg

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:	81.82	2nd Resistance:	83.03	1st Resistance:	286.24
1st Support:	79.40	2nd Support:	78.19	1st Support:	277.78
MACD:	0.835	MACD:	-0.172	MACD:	3.716
MACD DIFF:	1.390	MACD DIFF:	-0.009	MACD DIFF:	2.815
RSI:	64.762	RSI:	39.304	RSI:	66.231
Heating Oil		Brent Fin Last Day			
1st Resistance:	277.20	2nd Resistance:	281.29	1st Resistance:	86.06
1st Support:	269.00	2nd Support:	264.91	1st Support:	83.52
MACD:	-1.709	MACD:	0.542	MACD:	1.271
MACD DIFF:	2.045	MACD DIFF:	1.271	MACD DIFF:	63.460
RSI:	56.734	RSI:	63.460	RSI:	82.25

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	79.40	80.19	79.00	78.19	78.97	77.80	81.82	81.00	82.23	83.03	82.20	83.44
Natural Gas	2.123	2.144	2.112	2.090	2.111	2.080	2.187	2.165	2.198	2.220	2.197	2.231
Gasoline	277.78	280.56	276.39	273.55	276.29	272.18	286.24	283.38	287.67	290.47	287.57	291.92
Heating Oil	269.00	271.69	267.66	264.91	267.56	263.58	277.20	274.42	278.58	281.29	278.48	282.70
Brent Fin Last Day	83.52	84.35	83.10	82.25	83.07	81.84	86.06	85.20	86.49	87.33	86.46	87.77

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