

Fundamentals:

Oil dropped by more than 1.5% on Monday after weaker than expected Chinese economic growth raised doubts over the strength of demand in the world's second biggest oil consumer, and a partial restart of halted Libyan output also pressured prices.

China's gross domestic product (GDP) grew 6.3% year-on-year in the second quarter, compared with analyst forecasts of 7.3%, as its post-pandemic recovery lost momentum.

Brent crude settled down \$1.37 or 1.7%, at \$78.50 a barrel and U.S. West Texas Intermediate crude closed \$1.27, or 1.7%, lower at \$74.15 on a second straight day of losses for both contracts.

Oil briefly rose after a Reuters news alert on Saudi Arabia extending a voluntary output cut. The alert was subsequently withdrawn because it repeated news published on June 4.

Oil also came under pressure on Monday from the resumption of output at two of three Libyan fields shut last week. Output had been halted by a protest against the abduction of a former finance minister.

Meanwhile, Russian oil exports from western ports are set to fall by 100,000-200,000 barrels per day (bpd) next month, a sign that Moscow is making good on a pledge for supply cuts in tandem with Saudi Arabia, two sources said on Friday.

U.S. shale oil production is also set to fall to nearly 9.40 million bpd in August, which would be the first monthly decline since December 2022, data from the Energy Information Administration showed on Monday.

U.S. natural gas futures eased about 1% to a fresh three-week low on Monday on rising output and forecasts for less hot weather over the next two weeks than previously expected.

That small price decline came even though the country's overall weather will remain hotter-than-normal (just not as hot as previously expected last week) through the start of August, especially in Texas.

Power demand in Texas will likely hit record highs again this week as homes and businesses keep their air conditioners cranked up to escape another brutal heatwave, according to the Electric Reliability Council of Texas (ERCOT), the state's power grid operator.

Extreme heat boosts the amount of gas generators burn to produce power for cooling, especially in Texas, which gets most of its electricity from gas-fired plants. In 2022, about 49% of the state's power came from gas-fired plants, with most of the rest from wind (22%), coal (16%), nuclear (8%) and solar (4%), according to federal energy data.

Front-month gas futures for August delivery fell 2.7 cents, or 1.1%, to settle at \$2.512 per million British thermal units, their lowest close since June 20 for a third day in a row.

Even though prices fell for a second week in a row last week, speculators boosted their net long gas futures and options positions on the New York Mercantile and Intercontinental Exchanges for a fifth week to their highest since April 2022, according to the U.S. Commodity Futures Trading Commission's Commitments of Traders report.

But, a lack of big price moves in recent weeks cut historic or actual 30-day close-to-close futures volatility to 52.2%, the lowest level since April 2022 for a fifth day in a row.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil	AUG 23 74.15	-1.33	76.09	73.84
Natural Gas	AUG 23 2.512	-0.001	2.580	2.484
RB Gasoline	AUG 23 263.17	-0.61	266.29	260.45
Heating Oil	AUG 23 256.42	-3.18	262.27	254.88
Brent Fin Last Day	SEP 23 78.47	-1.40	80.62	78.26
US Dollar Index		-0.019	100.181	99.753

Bloomer Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
7/7/2023	5946	-50	-4	-1350	12300	458128
30/6/2023	-1508	-2000	-2549	0	12400	452182
23/6/2023	-6903	-1500	603	1000	12200	453690
16/6/2023	-3831	450	479	800	12200	463293
9/6/2023	7919	-1536	2108	1000	12400	467124
2/6/2023	-452	1500	2745	1000	12400	459205
26/5/2023	4489	-1500	-207	-1100	12200	459657
19/5/2023	-2053	2000	-2053	-1600	12300	455168
12/5/2023	5040	-2000	-1381	-2000	12200	467624
5/5/2023	2951	-2500	-3167	-1500	12300	462584
28/4/2023	-1281	-500	1742	-1500	12300	459633
21/4/2023	-5054	-1500	-2408	-1500	12200	460914

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
07/19/2023 22:30	DOE U.S. Crude Oil Inventories	Jul-14	--	5946K
07/19/2023 22:30	DOE Cushing OK Crude Inventory	Jul-14	--	-1605K
07/19/2023 22:30	DOE U.S. Gasoline Inventories	Jul-14	--	-4K
07/19/2023 22:30	DOE U.S. Distillate Inventories	Jul-14	--	4815K
07/19/2023 22:30	DOE U.S. Refinery Utilization	Jul-14	--	2.60%
07/19/2023 22:30	DOE Crude Oil Implied Demand	Jul-14	--	17331
07/19/2023 22:30	DOE Gasoline Implied Demand	Jul-14	--	9872.1
07/19/2023 22:30	DOE Distillate Implied Demand	Jul-14	--	4469.1
07/20/2023 22:30	EIA Natural Gas Storage Change	Jul-14	--	49
07/20/2023 22:30	EIA Working Natural Gas Implied Flow	Jul-14	--	49
07/22/2023 01:00	Baker Hughes U.S. Rotary Oil Rigs	Jul-21	--	537
07/22/2023 01:00	Baker Hughes U.S. Rotary Gas Rigs	Jul-21	--	133
07/22/2023 01:00	Baker Hughes U.S. Rig Count	Jul-21	--	675

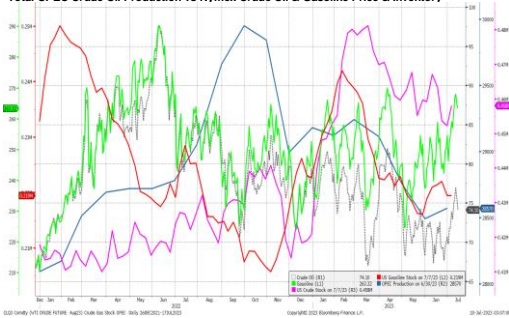
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Normalized RBOB Gasoline minus Nymex Crude Oil Price



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



WTI-Brent Spread

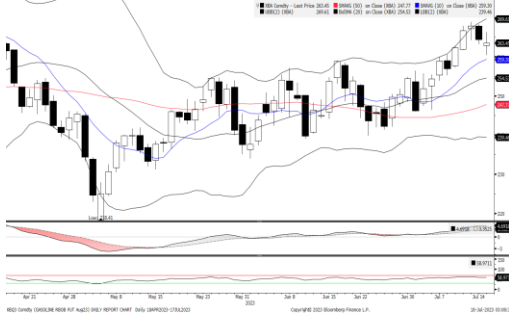


Source: Bloomberg

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:	75.26	2nd Resistance:	76.37	1st Resistance:	2.550	2nd Resistance:	2.587	1st Resistance:	267.12	2nd Resistance:	271.07
1st Support:	73.04	2nd Support:	71.93	1st Support:	2.474	2nd Support:	2.437	1st Support:	259.22	2nd Support:	255.27
MACD:	1.116			MACD:	0.002			MACD:	4.715		
MACD DIFF:	0.555			MACD DIFF:	-0.024			MACD DIFF:	1.360		
RSI:	55.009			RSI:	45.521			RSI:	59.305		
Heating Oil			Brent Fin Last Day								
1st Resistance:	260.27	2nd Resistance:	264.11	1st Resistance:	79.65	2nd Resistance:	80.82				
1st Support:	252.57	2nd Support:	248.73	1st Support:	77.29	2nd Support:	76.12				
MACD:	5.378			MACD:	1.150						
MACD DIFF:	1.351			MACD DIFF:	0.478						
RSI:	58.716			RSI:	54.686						

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	73.04	73.77	72.67	71.93	72.64	71.57	75.26	74.51	75.64	76.37	75.61	76.76
Natural Gas	2.474	2.499	2.462	2.437	2.461	2.424	2.550	2.524	2.562	2.587	2.561	2.600
Gasoline	259.22	261.81	257.93	255.27	257.83	254.00	267.12	264.45	268.45	271.07	268.35	272.42
Heating Oil	252.57	255.10	251.31	248.73	251.21	247.48	260.27	257.66	261.57	264.11	261.47	265.43
Brent Fin Last Day	77.29	78.07	76.91	76.12	76.88	75.74	79.65	78.85	80.05	80.82	80.02	81.23

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