

Fundamentals:

Oil prices rose more than a dollar per barrel on Friday, buoyed by growing evidence of supply shortages in the coming months and rising tensions between Russia and Ukraine that could further hit supplies.

Brent crude futures rose \$1.43, or 1.8%, to settle at \$81.07 a barrel. U.S. West Texas Intermediate crude futures rose \$1.42, or 1.9%, to settle at \$77.07 a barrel, the highest since April 25.

Russia hit Ukrainian food export facilities for a fourth day in a row on Friday and practised seizing ships in the Black Sea, in an escalation of tensions in the region since Moscow's withdrawal this week from a U.N.-brokered safe sea corridor agreement.

In the U.S., crude inventories have fallen, amid a jump in crude exports and higher refinery utilisation, the Energy Information Administration (EIA) said on Wednesday. Earlier on Monday, the EIA had forecast that U.S. oil and gas production was likely to decline in August for the first time this year, adding to concerns of supply tightness.

Separately on Friday, UAE Energy Minister Suhail al-Mazrouei told Reuters that current actions by OPEC+ to support the oil market were sufficient for now and the group was "only a phone call away" if any further steps were needed.

Meanwhile, investors welcomed stimulus measures designed to reinvigorate China's sluggish economy. Data from the world's second-biggest oil consumer suggests the government's 5% annual growth target will be missed.

On Friday, Chinese authorities unveiled plans to help boost sales of automobiles and electronics.

U.S. natural gas futures fell about 2% on Friday as forecasts for less demand next week than previously expected offset lower daily output and hotter-than-normal weather seen through early August, especially in Texas and California.

Power demand in Texas hit a record high for a second day in a row on Tuesday and will likely break that record on Friday and again next week as homes and businesses keep air conditioners cranked up to escape a lingering heatwave, said the Electric Reliability Council of Texas (ERCOT), the state's power grid operator.

Extreme heat boosts the amount of gas burned 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 coming from wind (22%), coal (16%), nuclear (8%) and solar (4%), federal energy data showed.

In the spot market, soaring power demand in California boosted some next-day electric and gas prices in the U.S. West to their highest in three months, including power at the Mid Columbia Hub in the Pacific Northwest, where much of California's electric imports come from.

Front-month gas futures for August delivery on the New York Mercantile Exchange fell 4.4 cents, or 1.6%, to settle at \$2.713 per million British thermal units. On Thursday, the contract closed at its highest since June 30.

For the week, the contract was up about 7%, erasing most of its losses of around 9% during the prior two weeks.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low	
Nymex Crude Oil	SEP 23 77.07	1.28	77.29	75.69	
Natural Gas	AUG 23 2.713	-0.036	2.786	2.687	
RB Gasoline	AUG 23 290.18	5.35	290.52	274.38	
Heating Oil	AUG 23 274.57	7.82	275.07	266.94	
Brent, Fin Last Day	SEP 23 80.85	1.21	81.24	79.66	
US Dollar Index		101.06	0.178	101.188	100.723

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
14/7/2023	-708	-2500	-1066	-1500	12300	457420
7/7/2023	5946	-50	-4	-1350	12300	458128
30/6/2023	-1508	-2000	-2549	0	12400	452162
23/6/2023	-9603	-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	-207	-1500	-207	-1100	12200	459657
19/5/2023	-12456	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

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
07/22/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Jul-21	--	530	537
07/22/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Jul-21	--	131	133
07/22/2023 01:00 Baker Hughes U.S. Rig Count	Jul-21	--	669	675
07/26/2023 22:30 DOE U.S. Crude Oil Inventories	Jul-21	-2500k	--	-708k
07/26/2023 22:30 DOE Cushing OK Crude Inventory	Jul-21	--	--	-2891k
07/26/2023 22:30 DOE U.S. Gasoline Inventories	Jul-21	-1500k	--	-1066k
07/26/2023 22:30 DOE U.S. Distillate Inventory	Jul-21	1000k	--	13k
07/26/2023 22:30 DOE U.S. Refinery Utilization	Jul-21	0.00%	--	0.60%
07/26/2023 22:30 DOE Crude Oil Implied Demand	Jul-21	--	--	19575
07/26/2023 22:30 DOE Gasoline Implied Demand	Jul-21	--	--	9926.9
07/26/2023 22:30 DOE Distillate Implied Demand	Jul-21	--	--	5093.1
07/27/2023 22:30 EIA Natural Gas Storage Change	Jul-21	--	--	41
07/27/2023 22:30 EIA Working Natural Gas Implied Flow	Jul-21	--	--	41
07/29/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Jul-28	--	530	--
07/29/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Jul-28	--	131	--
07/29/2023 01:00 Baker Hughes U.S. Rig Count	Jul-28	--	669	--

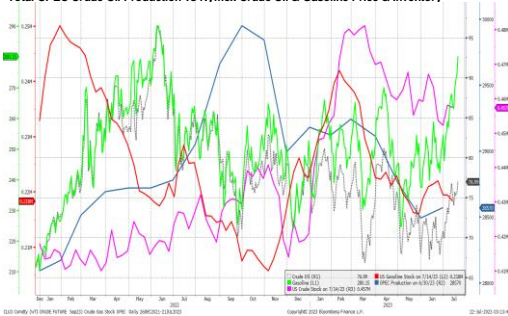
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



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

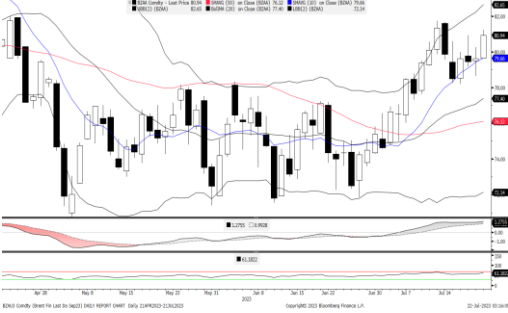
Nymex Crude Daily Chart



Nymex Natural Gas Daily Chart



Nymex Brent Last Day Daily Chart



Nymex RBOB Gasoline Daily Chart



Nymex Heating Oil Daily Chart



Technical Analysis

Crude Oil	1st Resistance: 78.23	2nd Resistance: 79.38	Natural Gas	1st Resistance: 2.754	2nd Resistance: 2.794	Gasoline	1st Resistance: 284.38	2nd Resistance: 288.59
	1st Support: 75.91	2nd Support: 74.76		1st Support: 2.672	2nd Support: 2.632		1st Support: 275.98	2nd Support: 271.77
	MACD: 1.376			MACD: 0.017			MACD: 6.917	
	MACD DIFF: 0.376			MACD DIFF: 0.002			MACD DIFF: 1.931	
	RSI: 62.120			RSI: 54.915			RSI: 69.723	
Heating Oil	1st Resistance: 278.69	2nd Resistance: 282.81	Brent Fin Last Day	1st Resistance: 82.06	2nd Resistance: 83.28			
	1st Support: 270.45	2nd Support: 266.33		1st Support: 79.64	2nd Support: 76.42			
	MACD: 7.116			MACD: 1.268				
	MACD DIFF: 1.736			MACD DIFF: 0.277				
	RSI: 70.545			RSI: 60.955				

Strategy

Crude Oil	Long: 75.91	Profit target: 76.67	Stop-loss: 75.53	Long: 74.76	Profit target: 75.51	Stop-loss: 74.38	Short: 78.23	Profit target: 77.44	Stop-loss: 78.62	Short: 79.38	Profit target: 78.59	Stop-loss: 79.78
Natural Gas	2.672	2.699	2.659	2.632	2.658	2.618	2.754	2.726	2.767	2.794	2.766	2.808
Gasoline	275.98	278.74	274.60	271.77	274.49	270.42	284.38	281.54	285.80	288.59	285.70	290.03
Heating Oil	270.45	273.16	269.10	266.33	269.00	265.00	278.69	275.90	280.08	282.81	279.98	284.22
Brent Fin Last Day	79.64	80.43	79.24	78.42	79.21	78.03	82.06	81.24	82.47	83.28	82.44	83.69

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