

**Fundamentals:**

Oil prices dipped 1% on Wednesday as demand woes stemming from a build in U.S. gasoline stocks and weak manufacturing data globally outweighed optimism around a larger-than-expected drop in U.S. crude stocks.

Brent crude was down 82 cents, or 0.98%, at \$83.21 a barrel, bouncing off a 2.5% decline earlier in the session. U.S. West Texas Intermediate crude was down 75 cents, or 0.9%, at \$78.89. At the session low it was down 3.4%.

U.S. gasoline stocks climbed 1.5 million barrels last week, compared with analysts estimates for an 888,000-barrel drop.

Meanwhile, U.S. crude inventories fell by 6.1 million barrels in the week to Aug. 18, the Energy Information Administration said, helped by strong refining activity and high levels of exports. Analysts had expected a 2.8 million-barrel drop.

Manufacturing data from a host of purchasing managers' index (PMI) surveys painted a grim picture of the health of economies across the globe.

Japan reported shrinking factory activity for a third straight month in August. Euro zone business activity also declined more than expected, particularly in Germany. Britain's economy looked looks set to shrink in the current quarter, in danger of falling into recession.

U.S. business activity approached the stagnation point in August, with growth at its weakest since February.

Markets are also looking for hints on the outlook for interest rates when Federal Reserve officials and policymakers from the European Central Bank (ECB), the Bank of England and the Bank of Japan head to Jackson Hole, Wyoming, on Thursday.

Talk has shifted to keeping interest rates around where they are now - but for longer than perhaps previously estimated - rather than raising them further.

On the supply side, Iran's crude oil output will reach 3.4 million barrels per day (bpd) by the end of September, the country's oil minister was quoted as saying by state media, even though U.S. sanctions remain in place.

Saudi Arabia will likely roll over a voluntary oil cut of 1 million barrels per day for a third consecutive month into October, five analysts said, amid uncertainty about supplies and as the kingdom targets drawing down global inventories further.

U.S. natural gas futures fell about 3% to a three-week low on Wednesday as the amount of gas flowing to liquefied natural gas (LNG) export plants remained low due to maintenance outages and as European gas prices dropped on hopes Australia will avoid strikes at LNG plants.

Front-month gas futures for September delivery on the New York Mercantile Exchange fell 6.3 cents, or 2.5%, to settle at \$2.497 per million British thermal units (mmBtu), their lowest close since Aug. 2.

European gas prices at the Dutch Title Transfer Facility (TTF) benchmark for September plunged about 15% to a one-week low of around \$12 per mmBtu on solid European gas inventories, the restart of nuclear power reactors in France and hopes by some that Australia will avoid strikes.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil	OCT 23 78.89	-1.09	79.91	77.62
Natural Gas	SEP 23 2.497	-0.080	2.590	2.473
RB Gasoline	SEP 23 276.88	-1.64	277.79	271.52
Heating Oil	SEP 23 312.91	-2.00	316.90	309.81
Brent, Fin Last Day	OCT 23 82.90	-1.13	84.24	81.97
US Dollar Index		-0.172	103.981	103.303

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

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventories
18/8/2023	-6134	-3000	1468	-481	12800	433528
11/8/2023	-5960	-2500	-262	-1100	12700	439662
4/8/2023	5951	2300	-2651	-200	12600	445622
28/7/2023	-17049	-1050	1481	-1550	12200	439771
21/7/2023	-600	-2250	-786	-1373	12200	456820
14/7/2023	-708	-2500	-1066	-1500	12300	457420
7/7/2023	5946	-50	-4	-1350	12300	458128
30/6/2023	-2549	-2000	-2549	0	12400	452182
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

**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior
08/23/2023 22:30	DOE U.S. Crude Oil Inventories	Aug-18	-3000k	-6134k
08/23/2023 22:30	DOE Cushing OK Crude Inventory	Aug-18	--	-3133k
08/23/2023 22:30	DOE U.S. Gasoline Inventories	Aug-18	-481k	1468k
08/23/2023 22:30	DOE U.S. Distillate Inventories	Aug-18	698k	945k
08/23/2023 22:30	DOE U.S. Refinery Utilization	Aug-18	0.45%	-0.20%
08/23/2023 22:30	DOE Crude Oil Implied Demand	Aug-18	--	20609
08/23/2023 22:30	DOE Gasoline Implied Demand	Aug-18	--	9740.3
08/23/2023 22:30	DOE Distillate Implied Demand	Aug-18	--	5019
08/24/2023 22:30	EIA Natural Gas Storage Change	Aug-18	31	--
08/24/2023 22:30	EIA Working Natural Gas Implied Flow	Aug-18	31	--
08/26/2023 01:00	Baker Hughes U.S. Rotary Oil Rigs	Aug-25	--	520
08/26/2023 01:00	Baker Hughes U.S. Rotary Gas Rigs	Aug-25	--	117
08/26/2023 01:00	Baker Hughes U.S. Rig Count	Aug-25	--	642

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

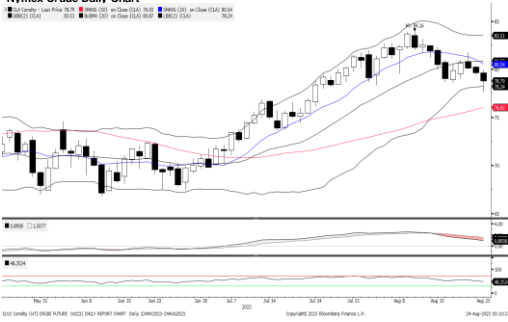


WTI-Brent Spread



Source: Bloomberg

**Nymex Crude Daily Chart**



**Nymex Natural Gas Daily Chart**



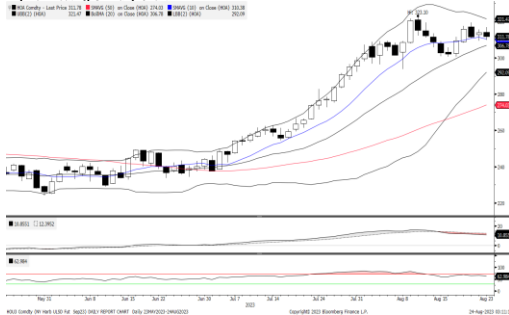
**Nymex Brent Last Day Daily Chart**



**Nymex RBOB Gasoline Daily Chart**



**Nymex Heating Oil Daily Chart**



**Technical Analysis**

Crude Oil	Natural Gas	Gasoline
1st Resistance: 80.07	1st Resistance: 2.534	1st Resistance: 2.8103
1st Support: 77.71	1st Support: 2.460	1st Support: 2.7273
MACD: 0.874	MACD: -0.019	MACD: 3.560
MACD DIFF: -0.629	MACD DIFF: -0.025	MACD DIFF: -2.563
RSI: 47.516	RSI: 41.825	RSI: 48.935
2nd Resistance: 81.26	2nd Resistance: 2.572	2nd Resistance: 2.8519
2nd Support: 76.52	2nd Support: 2.422	2nd Support: 2.6857

Heating Oil	Brent Fin Last Day
1st Resistance: 317.60	1st Resistance: 84.14
1st Support: 308.22	1st Support: 81.66
MACD: 10.861	MACD: 0.893
MACD DIFF: -1.533	MACD DIFF: -0.585
RSI: 63.086	RSI: 47.849
2nd Resistance: 322.30	2nd Resistance: 85.39
2nd Support: 303.52	2nd Support: 80.41

**Strategy**

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	77.71	78.48	77.32	76.52	77.29	76.14	80.07	79.27	80.47	81.26	80.44	81.66
Natural Gas	2.460	2.484	2.447	2.422	2.446	2.410	2.534	2.509	2.547	2.572	2.546	2.585
Gasoline	272.73	275.45	271.36	268.57	271.26	267.23	281.03	278.22	282.44	285.19	282.33	286.61
Heating Oil	308.22	311.30	306.68	303.52	306.56	302.01	317.60	314.43	319.19	322.30	319.07	323.91
Brent Fin Last Day	81.66	82.47	81.25	80.41	81.22	80.01	84.14	83.30	84.56	85.39	84.53	85.81

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