

Fundamentals:

Oil prices edged lower on Wednesday, after earlier hitting a 10-month high, as a surprise build in U.S. crude inventories offset expectations of tight crude supply for the rest of the year.

International benchmark Brent futures dipped 18 cents to settle at \$91.88 a barrel. Its session high of \$92.84 a barrel was the highest since November.

U.S. West Texas Intermediate crude (WTI) dropped 32 cents lower to \$88.52. Its session high of \$89.64 a barrel was also the highest since November.

Front-month Brent futures contracts traded as high as \$4.90 a barrel above those for delivery six months further out, the widest spread since November, indicating tightening supply.

A lack of big price moves in recent weeks has cut Brent's historic or actual 30-day close-to-close futures volatility to its lowest since July 2021.

Prices gained despite government data that showed U.S. crude, gasoline and distillate inventories rose last week.

U.S. crude inventories rose by 4 million barrels last week, confounding analysts' expectations in a Reuters poll for a 1.9 million-barrel drop.

Limiting price losses, Saudi Arabia and Russia have extended production cuts of 1.3 million barrels per day (bpd) of crude to the year end, which will lock in a substantial market deficit through the fourth quarter, the International Energy Agency (IEA) said.

The continuing supply cuts could lift Brent futures above the \$100 a barrel threshold before the end of the year, Bank of America analysts said.

U.S. consumer prices rose in August by their most in more than a year, the Bureau of Labor Statistics said, driven by a 10.6% increase in retail gasoline prices.

Excluding volatile food and energy components, the consumer price index rose by 0.3%.

The U.S. Energy Department has talked to oil producers and refiners to ensure stable fuel supplies at a time of rising gasoline prices. Jared Bernstein, head of the White House Council of Economic Advisers, said on Wednesday.

Forecasters expect the European Central Bank to raise interest rates at its meeting on Thursday.

The Organization of the Petroleum Exporting Countries (OPEC) on Tuesday stuck to its forecasts for robust growth in global oil demand in 2023 and 2024.

Four oil ports shut in by powerful storms in Libya reopened on Wednesday.

U.S. natural gas futures slid about 2% on Wednesday on forecasts for milder weather, lower gas demand next week than previously expected and a decline in the amount of gas flowing to liquefied natural gas (LNG) export plants due to reductions at the Freeport LNG plant in Texas.

After rising for four days in a row, front-month gas futures for October delivery on the New York Mercantile Exchange fell 6.3 cents, or 2.3%, to settle at \$2.680 per million British thermal units (mmBtu). On Tuesday, the contract gained 5% to close at its highest price since Sept. 1.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil	OCT 23 86.52	0.01	89.64	88.29
Natural Gas	OCT 23 2.680	-0.032	2.777	2.640
RB Gasoline	OCT 23 273.84	1.19	274.43	269.59
Heating Oil	OCT 23 343.54	10.98	344.14	332.05
Brent, Fin Last Day NOV 23	92.18	0.12	92.83	91.63
US Dollar Index	104.76	0.047	104.966	104.514

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventories
8/9/2023	3955	-2481	5561	-850	12900	420592
1/9/2023	-6307	-2000	-2666	-1000	12800	416637
25/8/2023	-10564	-2191	-214	-1250	12800	422944
18/8/2023	-6134	-3000	1468	-481	12800	433528
11/8/2023	-5960	-2500	-262	-1100	12700	439662
4/8/2023	5851	2300	-2661	-200	12600	445622
28/7/2023	-17049	-1050	1481	-1550	12200	439771
21/7/2023	-786	-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	-1508	-2000	-2549	0	12400	452182
23/6/2023	-9603	-1500	603	1000	12200	453690

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
09/13/2023 00:00 STEO Fwd Yr Dry Nat Gas Forecast	Sep	--	104.93	104.13
09/13/2023 00:00 STEO Curr Yr Dry Nat Gas Forecast	Sep	--	102.69	102.98
09/13/2023 00:00 STEO Fwd Yr Crude Forecast	Sep	--	13.16	13.09
09/13/2023 00:00 STEO Current Yr Crude Forecast	Sep	--	12.78	12.76
09/13/2023 22:30 DOE U.S. Crude Oil Inventories	Sep-08	-2481k	3955k	-6307k
09/13/2023 22:30 DOE Cushing OK Crude Inventory	Sep-08	--	-2450k	-1750k
09/13/2023 22:30 DOE U.S. Gasoline Inventories	Sep-08	-850k	5561k	-2666k
09/13/2023 22:30 DOE U.S. Distillate Inventory	Sep-08	1400k	3931k	679k
09/13/2023 22:30 DOE U.S. Refinery Utilization	Sep-08	-0.70%	0.60%	-0.20%
09/13/2023 22:30 DOE Crude Oil Implied Demand	Sep-08	--	19917	20471
09/13/2023 22:30 DOE Gasoline Implied Demand	Sep-08	--	9216.9	10323.7
09/13/2023 22:30 DOE Distillate Implied Demand	Sep-08	--	4634.4	5050
09/14/2023 22:30 EIA Natural Gas Storage Change	Sep-08	54	--	33
09/14/2023 22:30 EIA Working Natural Gas Implied Flow	Sep-08	54	--	33
09/16/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Sep-15	--	--	513
09/16/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Sep-15	--	--	113
09/16/2023 01:00 Baker Hughes U.S. Rig Count	Sep-15	--	--	632

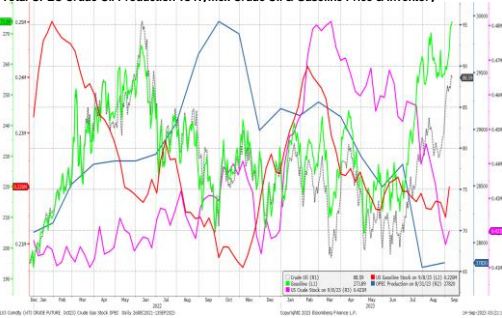
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Normalized RBOB Gasoline minus Nymex Crude Oil Price



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



WTI-Brent Spread

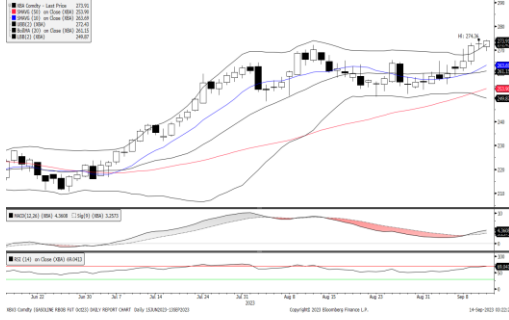


Source: Bloomberg

Nymex Crude Daily Chart



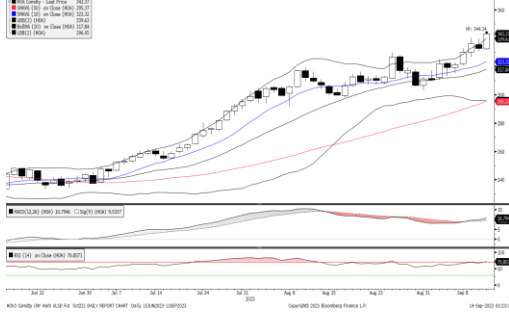
Nymex RBOB Gasoline Daily Chart



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:	89.85	2nd Resistance:	91.18	1st Resistance:	2.720	2nd Resistance:	2.760	1st Resistance:	277.95	2nd Resistance:	282.06
1st Support:	87.19	2nd Support:	85.86	1st Support:	2.640	2nd Support:	2.600	1st Support:	269.73	2nd Support:	265.62
MACD:	2.486			MACD:	-0.023			MACD:	4.369		
MACD DIFF:	0.521			MACD DIFF:	0.004			MACD DIFF:	1.107		
RSI:	74.263			RSI:	51.234			RSI:	69.102		
Heating Oil			Brent Fin Last Day								
1st Resistance:	348.69	2nd Resistance:	353.85	1st Resistance:	93.56	2nd Resistance:	94.95				
1st Support:	338.39	2nd Support:	333.23	1st Support:	90.80	2nd Support:	89.41				
MACD:	10.831			MACD:	2.332						
MACD DIFF:	1.288			MACD DIFF:	0.499						
RSI:	71.027			RSI:	75.587						

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	87.19	83.06	86.76	85.86	86.72	85.44	89.85	88.95	90.30	91.18	90.26	91.63
Natural Gas	2.640	2.666	2.627	2.600	2.626	2.587	2.720	2.693	2.734	2.760	2.733	2.774
Gasoline	269.73	272.43	268.38	265.62	268.28	264.30	277.95	275.17	279.34	282.06	279.23	283.47
Heating Oil	338.39	341.77	336.69	333.23	336.57	331.57	348.69	345.21	350.44	353.85	350.31	355.62
Brent Fin Last Day	90.80	91.71	90.34	89.41	90.31	88.97	93.56	92.63	94.03	94.95	94.00	95.42

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