

Fundamentals:

Oil prices rose on Friday to their highest in over half a year and snapped a two-week losing streak, buoyed by expectations of tightening supplies.

Saudi Arabia is widely expected to extend a voluntary 1 million barrel per day oil production cut into October, prolonging supply curbs engineered by the Organization of the Petroleum Exporting Countries (OPEC) and allies, known collectively as OPEC+, to support prices.

Russia, the world's second-largest oil exporter, has already agreed with OPEC+ partners to cut oil exports next month, Deputy Prime Minister Alexander Novak said on Thursday.

Brent crude settled up \$1.66, or 1.9%, at \$88.49 a barrel. Earlier it gained to a session high of \$88.75 a barrel, the highest since Jan. 27.

U.S. West Texas Intermediate crude (WTI) had risen \$1.39, roughly 1.7%, to \$85.02. It rose earlier to \$85.81, the highest since Nov. 16.

Brent rose about 4.8% this week, the most it has increased in a week since late July. WTI advanced by 7.2% in the week, its biggest weekly gain since March.

The appetite for oil in the United States has been robust, with commercial crude inventories declining in five of the most recent six weeks, according to surveys conducted by the U.S. Energy Information Administration.

A keenly watched U.S. report on Friday also showed a rise in the unemployment rate and moderation in wage growth, bolstering expectations of a pause in interest rate hikes.

Meanwhile, expectations for demand recovery elsewhere are growing.

A downturn in euro zone manufacturing eased last month, suggesting the worst may be over for the bloc's beleaguered factories, while an unexpected rebound in China offered some hope for export-reliant economies, private surveys showed.

Both OPEC and the International Energy Agency are depending on the world's biggest oil importer, China, to shore up oil demand over the rest of 2023, but the sluggish recovery of the country's economy has investors concerned.

In an indication of future supply, U.S. oil rigs were unchanged at 512 this week, the measure holding at its lowest level since February 2022, energy services firm Baker Hughes said on Friday.

U.S. natural gas futures were little changed on Friday as a drop in daily output and forecasts for continued hot weather offset a predicted reduction in gas use next week due in part to the three-day U.S. Labor Day holiday weekend.

Front-month gas futures for October delivery on the New York Mercantile Exchange fell 0.3 cents, or 0.1%, to settle at \$2.765 per million British thermal units (mmBtu).

For the week, the front-month was up about 9% after falling less than 1% last week.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil	OCT 23 85.55	2.30	85.95	83.46
Natural Gas	OCT 23 2.765	-0.010	2.860	2.735
RB Gasoline	OCT 23 259.12	2.92	260.94	255.82
Heating Oil	OCT 23 310.50	0.50	317.09	309.80
Brent, Fin Last Day	NOV 23 88.81	1.98	88.86	86.74
US Dollar Index	104.25	0.627	104.291	103.272

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventories
25/8/2023	-10584	-2191	-214	-1250	12800	422944
18/8/2023	-6134	-3000	1468	-481	12800	433528
11/8/2023	-5960	-2500	-262	-1100	12700	439652
4/8/2023	5851	2300	-2661	-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	-4	-50	-4	-1350	12300	458128
30/6/2023	-1508	-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

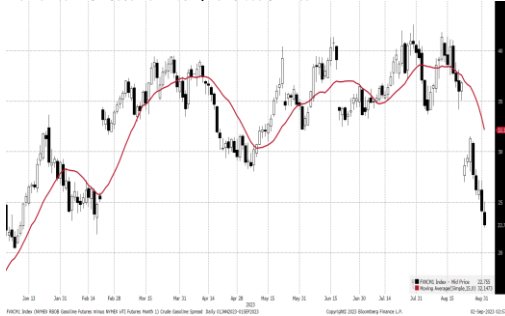
Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
09/02/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Sep-01	--	512	512
09/02/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Sep-01	--	114	115
09/02/2023 01:00 Baker Hughes U.S. Rig Count	Sep-01	--	631	632
09/07/2023 22:30 EIA Natural Gas Storage Change	Sep-01	--	--	32
09/07/2023 22:30 EIA Working Natural Gas Implied Flow	Sep-01	--	--	32
09/07/2023 23:00 DOE U.S. Crude Oil Inventories	Sep-01	--	--	-10584k
09/07/2023 23:00 DOE Cushing OK Crude Inventory	Sep-01	--	--	-1504k
09/07/2023 23:00 DOE U.S. Gasoline Inventories	Sep-01	--	--	-214k
09/07/2023 23:00 DOE U.S. Distillate Inventory	Sep-01	--	--	1235k
09/07/2023 23:00 DOE U.S. Refinery Utilization	Sep-01	--	--	-1.20%
09/07/2023 23:00 DOE Crude Oil Implied Demand	Sep-01	--	--	20929
09/07/2023 23:00 DOE Gasoline Implied Demand	Sep-01	--	--	9922.1
09/07/2023 23:00 DOE Distillate Implied Demand	Sep-01	--	--	5009.6
09/09/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Sep-08	--	512	512
09/09/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Sep-08	--	114	114
09/09/2023 01:00 Baker Hughes U.S. Rig Count	Sep-08	--	631	631

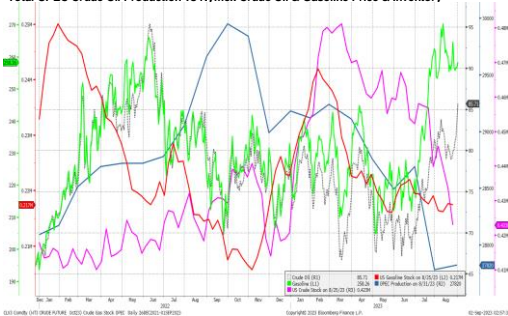
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Normalized RBOB Gasoline minus Nymex Crude Oil Price



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

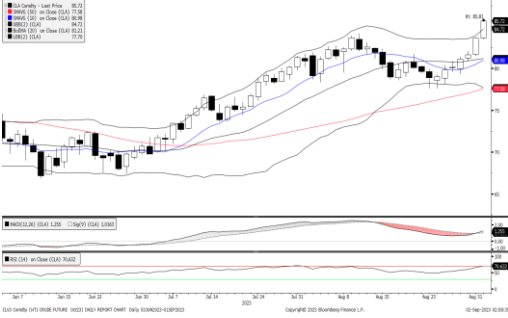


WTI-Brent Spread

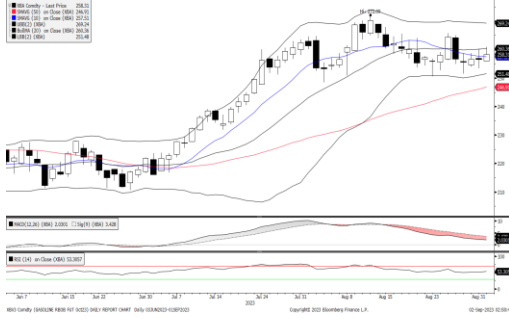


Source: Bloomberg

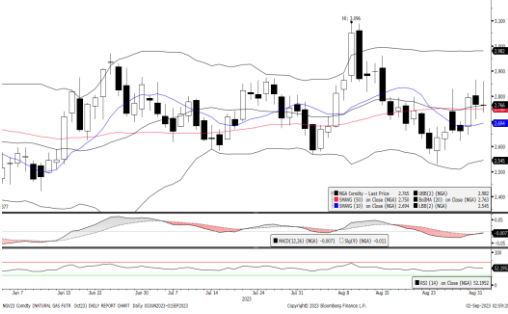
Nymex Crude Daily Chart



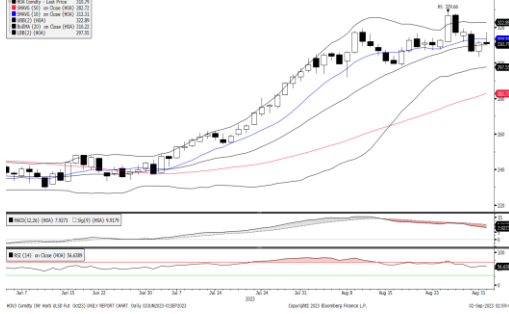
Nymex RBOB Gasoline Daily Chart



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:	86.83	1st Resistance:	2.806	1st Resistance:	263.01
2nd Resistance:	88.12	2nd Resistance:	2.848	2nd Resistance:	266.89
1st Support:	84.27	1st Support:	2.724	1st Support:	255.23
2nd Support:	82.98	2nd Support:	2.682	2nd Support:	251.35
MACD:	1.271	MACD:	-0.008	MACD:	2.125
MACD DIFF:	0.252	MACD DIFF:	0.004	MACD DIFF:	-1.320
RSI:	71.045	RSI:	51.726	RSI:	54.669

Heating Oil		Brent Fin Last Day	
1st Resistance:	315.16	1st Resistance:	90.14
2nd Resistance:	319.82	2nd Resistance:	91.47
1st Support:	305.84	1st Support:	87.48
2nd Support:	301.19	2nd Support:	86.15
MACD:	7.998	MACD:	1.162
MACD DIFF:	-1.932	MACD DIFF:	0.177
RSI:	57.337	RSI:	70.358

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	84.27	85.11	83.85	82.98	83.81	82.57	86.83	85.96	87.27	88.12	87.24	88.56
Natural Gas	2.724	2.751	2.710	2.682	2.709	2.669	2.806	2.778	2.821	2.848	2.819	2.862
Gasoline	255.23	257.79	253.96	251.35	253.86	250.09	263.01	260.38	264.32	266.89	264.22	268.23
Heating Oil	305.84	308.90	304.31	301.19	304.20	299.68	315.16	312.01	316.73	319.82	316.62	321.41
Brent Fin Last Day	87.48	88.35	87.04	86.15	87.01	85.71	90.14	89.24	90.59	91.47	90.56	91.93

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