

**Fundamentals:**

Oil prices settled 1% lower on Friday due to macroeconomic concerns and profit taking, but rose about 30% in the quarter as OPEC+ production cuts squeezed global crude supply.

Front-month Brent November futures settled down 7 cents to \$95.31 per barrel at the contract's expiry, up about 2.2% in the week and 27% in the third quarter. The more liquid Brent December contract was settled down 90 cents to \$92.20 per barrel.

U.S. West Texas Intermediate crude (WTI) settled down 92 cents to \$90.97, up 1% in the week and 29% in the quarter.

With oil futures inching closer to \$100 a barrel, many investors took profits on the rally given ongoing macroeconomic concerns.

Oil and gas activity in three U.S. energy producing states has been rising with the latest jump in prices, according to a survey by the Federal Reserve Bank of Dallas.

In July, U.S. crude production grew to its highest since November 2019, according to data from the Energy Information Administration.

Investors looked ahead to a potential partial U.S. government shutdown on Sunday, an "unnecessary risk" to a resilient U.S. economy, top White House economic adviser Lael Brainard said. Worries about the Chinese economy also intensified as shares of indebted property developer Evergrande Group were suspended until further notice following a report that its chairman had been placed under police watch.

The U.S. oil and gas rig count, an early indicator of future output, fell by seven to 623 in the week to Sept. 29, the lowest since February 2022, energy services firm Baker Hughes said in its closely followed report on Friday.

While the total rig count fell by 51 in the third quarter, the cuts have slowed compared with a reduction of 81 in the second quarter as oil prices have rebounded due to tightening supplies.

Brent is forecast to average \$89.85 a barrel in the fourth quarter and \$86.45 in 2024, according to a survey of 42 economists compiled by Reuters on Friday.

The supply cuts announced by Saudi Arabia and Russia are expected to dominate oil prices for the remainder of this year.

U.S. natural gas futures eased about 1% on Friday on forecasts for milder weather and less demand next week than previously expected.

That price decline came despite a reduction in output, record exports to Mexico and a rise in the amount of gas flowing to U.S. liquefied natural gas (LNG) export plants even though some plants were reduced for maintenance.

Front-month gas futures for November delivery on the New York Mercantile Exchange fell 1.6 cents, or 0.5%, to settle at \$2.929 per million British thermal units (mmBtu).

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil	NOV 23 90.79	-0.86	93.10	90.35
Natural Gas	NOV 23 2.929	-0.010	2.997	2.855
RB Gasoline	NOV 23 239.95	-6.71	248.58	239.25
Heating Oil	NOV 23 330.06	2.73	335.64	326.94
Brent, Fin Last Day	DEC 23 92.23	-0.87	94.14	91.95
US Dollar Index	106.16	-0.062	106.244	105.658

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

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
22/9/2023	-2169	-900	1027	0	12900	416287
15/9/2023	-2136	-1700	-831	1100	12900	418456
8/9/2023	3955	-2481	5561	-850	12900	420592
1/9/2023	-6307	-2000	-2666	-1000	12800	416637
25/8/2023	-10584	-2191	-214	-1250	12800	422944
18/8/2023	-6134	-3000	1468	-481	12800	435258
11/8/2023	-5960	-2500	-262	-1100	12700	439662
4/8/2023	-2661	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	5946	-50	-4	-1350	12300	458128

**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior
09/30/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Sep-29	--	502	507
09/30/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Sep-29	--	116	118
09/30/2023 01:00 Baker Hughes U.S. Rig Count	Sep-29	--	623	630
10/04/2023 22:30 DOE U.S. Crude Oil Inventories	Sep-29	--	--	-2169k
10/04/2023 22:30 DOE Cushing OK Crude Inventory	Sep-29	--	--	-943k
10/04/2023 22:30 DOE U.S. Gasoline Inventories	Sep-29	--	--	1027k
10/04/2023 22:30 DOE U.S. Distillate Inventory	Sep-29	--	--	398k
10/04/2023 22:30 DOE U.S. Refinery Utilization	Sep-29	--	--	-2.40%
10/04/2023 22:30 DOE Crude Oil Implied Demand	Sep-29	--	--	20439
10/04/2023 22:30 DOE Gasoline Implied Demand	Sep-29	--	--	9433
10/04/2023 22:30 DOE Distillate Implied Demand	Sep-29	--	--	4989.1
10/05/2023 22:30 EIA Natural Gas Storage Change	Sep-29	--	--	90
10/05/2023 22:30 EIA Working Natural Gas Implied Flow	Sep-29	--	--	90
10/07/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Oct-06	--	--	502
10/07/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Oct-06	--	--	116
10/07/2023 01:00 Baker Hughes U.S. Rig Count	Oct-06	--	--	623

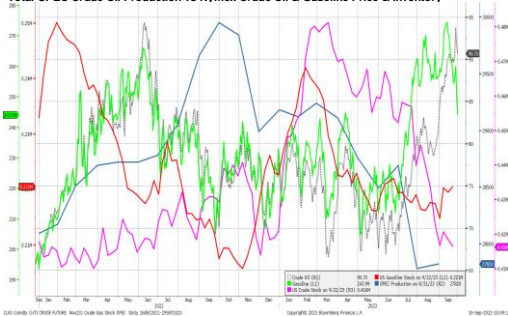
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Normalized RBOB Gasoline minus Nymex Crude Oil Price



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

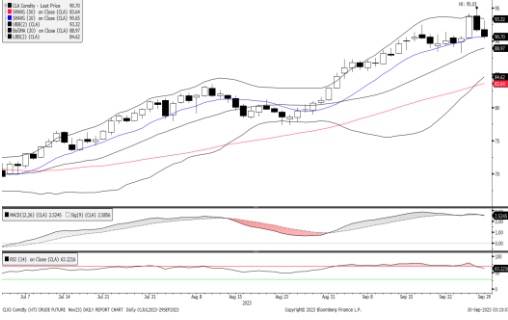


WTI-Brent Spread

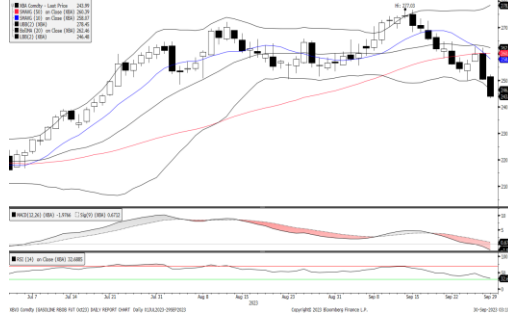


Source: Bloomberg

**Nymex Crude Daily Chart**



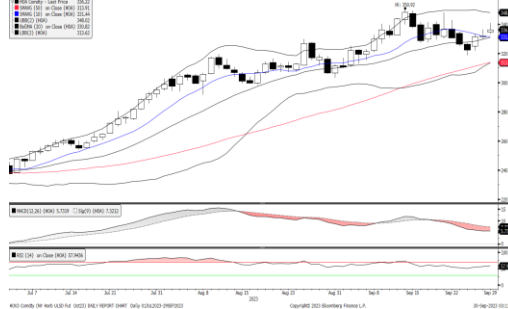
**Nymex RBOB Gasoline Daily Chart**



**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:	92.15	2nd Resistance:	93.51	1st Resistance:	2.973	2nd Resistance:	3.017	1st Resistance:	243.55	2nd Resistance:	247.15
1st Support:	89.43	2nd Support:	88.07	1st Support:	2.895	2nd Support:	2.841	1st Support:	236.35	2nd Support:	232.75
MACD:	2.536			MACD:	-0.053			MACD:	-0.656		
MACD DIFF:	-0.051			MACD DIFF:	0.004			MACD DIFF:	-2.546		
RSI:	63.838			RSI:	45.942			RSI:	33.863		

Heating Oil			Brent Fin Last Day				
1st Resistance:	335.01	2nd Resistance:	339.96	1st Resistance:	93.61	2nd Resistance:	95.00
1st Support:	325.11	2nd Support:	320.16	1st Support:	90.85	2nd Support:	89.46
MACD:	6.016			MACD:	1.970		
MACD DIFF:	-1.238			MACD DIFF:	-0.214		
RSI:	59.296			RSI:	61.182		

**Strategy**

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	89.43	90.32	88.98	88.07	88.95	87.63	92.15	91.23	92.61	93.51	92.58	93.98
Natural Gas	2.885	2.914	2.871	2.841	2.870	2.827	2.973	2.943	2.988	3.017	2.987	3.032
Gasoline	236.35	238.71	235.17	232.75	235.08	231.59	243.55	241.11	244.77	247.15	244.68	248.38
Heating Oil	325.11	328.36	323.48	320.16	323.36	318.56	335.01	331.66	336.69	339.96	336.56	341.66
Brent Fin Last Day	90.85	91.76	90.39	89.46	90.36	89.02	93.61	92.68	94.08	95.00	94.05	95.47

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