

**Fundamentals:**

Oil prices settled lower on Friday after the Islamist group Hamas released two U.S. hostages from Gaza, leading to hopes the Israeli-Palestinian crisis could de-escalate without engulfing the rest of the Middle East region and disrupting oil supplies.

Brent crude futures fell 22 cents, or 0.2%, to settle at \$92.16 a barrel.

U.S. West Texas Intermediate crude futures for November delivery, which expired after settlement on Friday, fell 62 cents, or 0.7%, to \$88.75 a barrel. The more-active December WTI contract closed 29 cents lower at \$88.08 a barrel.

Hamas' armed wing released two U.S. hostages from Gaza - a mother and her daughter - "for humanitarian reasons" in response to Qatari mediation efforts in the war with Israel, its spokesman Abu Ubaida said on Friday.

Both contracts had gained more than a dollar per barrel during the session on signs of escalation of the conflict. For the week, both front-month contracts rose over 1%, a second straight weekly jump.

On Thursday, Israeli Defence Minister Yoav Gallant told troops at the Gaza border they would soon see the Palestinian enclave "from inside," and the Pentagon said the U.S. had intercepted missiles fired from Yemen toward Israel.

Also supporting prices were forecasts of a tightening market in the fourth quarter after top producers Saudi Arabia and Russia extended supply cuts to year end.

Money managers cut their net long U.S. crude futures and options positions by 56,850 contracts to 183,351 in the week to Oct. 17, the U.S. Commodity Futures Trading Commission (CFTC) said on Friday.

U.S. natural gas futures slid about 2% to a fresh two-week low on Friday, putting the contract down for an eighth day in a row, on record output, ample storage and low spot prices.

That price decline came despite forecasts the weather would turn seasonally cooler through early November, which should boost heating demand, and as the amount of gas flowing to liquefied natural gas (LNG) export plants rose to near record levels.

Front-month gas futures for November delivery on the New York Mercantile Exchange fell 5.8 cents, or 2.0%, to settle at \$2.899 per million British thermal units (mmBtu), their lowest close since Oct. 2.

That also put the front-month down for an eighth day for the first time since October 2019 when it fell for a record 12 days in a row.

For the week, the contract was down about 10% after falling about 3% last week. That would be the biggest one-week decline since prices fell about 16% during a week in late May.

One bearish factor that has weighed on the futures market for most of this year has been lower spot or next-day prices at the Henry Hub benchmark in Louisiana. The spot market has traded below front month futures for 166 out of 201 trading days so far this year, according to data from financial firm LSEG.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low	
Nymex Crude Oil	DEC 23 86.08	-0.29	89.85	87.53	
Natural Gas	NOV 23 2.899	-0.058	2.977	2.880	
RB Gasoline	NOV 23 237.36	1.19	239.94	236.38	
Heating Oil	NOV 23 315.66	-1.64	322.20	315.08	
Brent, Fin Last Day	DEC 23 92.16	-0.22	93.79	91.68	
US Dollar Index		106.15	-0.104	106.418	106.07

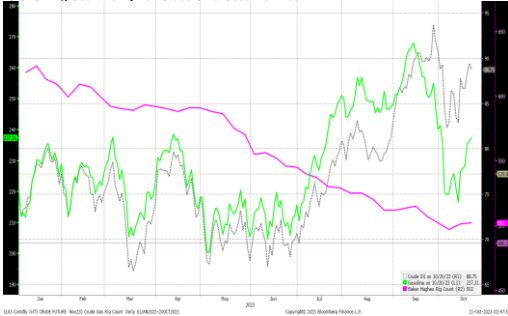
**Bloomberg Survey on U.S. Total Change in Inventories**

Date	Crude Oil		Gasoline		Crude Oil Inventory	
	Actual	Survey	Actual	Survey	Production	Inventory
13/10/2023	-4491	-550	-2370	-100	13200	419748
6/10/2023	10176	-1400	-1313	-1000	13200	424239
29/9/2023	-2224	50	6491	-300	12900	414063
22/9/2023	-2169	-900	1027	-500	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	-214	-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

**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior
10/21/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Oct-20	--	502	501
10/21/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Oct-20	--	118	117
10/21/2023 01:00 Baker Hughes U.S. Rig Count	Oct-20	--	624	622
10/25/2023 22:30 DOE U.S. Crude Oil Inventories	Oct-20	-550k	--	-4491k
10/25/2023 22:30 DOE Cushing OK Crude Inventory	Oct-20	--	--	-758k
10/25/2023 22:30 DOE U.S. Gasoline Inventories	Oct-20	-100k	--	-2370k
10/25/2023 22:30 DOE U.S. Distillate Inventory	Oct-20	-1000k	--	-3185k
10/25/2023 22:30 DOE U.S. Refinery Utilization	Oct-20	-0.20%	--	0.40%
10/25/2023 22:30 DOE Crude Oil Implied Demand	Oct-20	--	--	19784
10/25/2023 22:30 DOE Gasoline Implied Demand	Oct-20	--	--	10024.1
10/25/2023 22:30 DOE Distillate Implied Demand	Oct-20	--	--	5226
10/26/2023 22:30 EIA Natural Gas Storage Change	Oct-20	--	--	97
10/26/2023 22:30 EIA Working Natural Gas Implied Flow	Oct-20	--	--	97
10/28/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Oct-27	--	--	502
10/28/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Oct-27	--	--	118
10/28/2023 01:00 Baker Hughes U.S. Rig Count	Oct-27	--	--	624

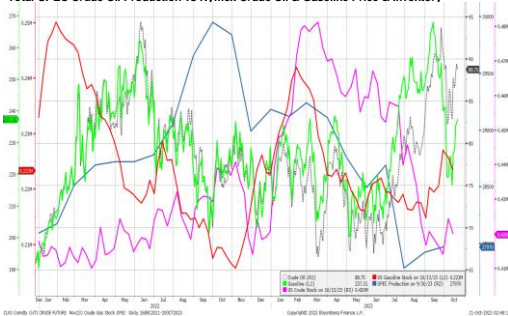
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Normalized RBOB Gasoline minus Nymex Crude Oil Price



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



WTI-Brent Spread

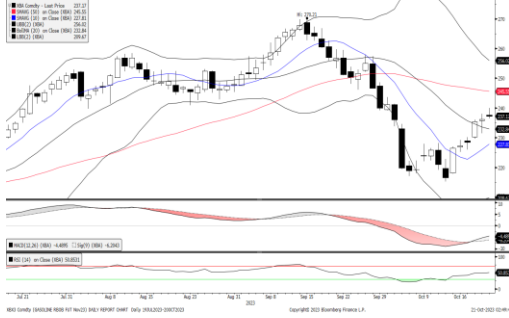


Source: Bloomberg

**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**

<b>Crude Oil</b>	1st Resistance: 89.40	2nd Resistance: 90.72	<b>Natural Gas</b>	1st Resistance: 2.942	2nd Resistance: 2.986	<b>Gasoline</b>	1st Resistance: 240.92	2nd Resistance: 244.48
	1st Support: 86.76	2nd Support: 85.44		1st Support: 2.856	2nd Support: 2.812		1st Support: 233.80	2nd Support: 230.24
	MACD: 0.443			MACD: 0.004			MACD: -4.476	
	MACD DIFF: 0.280			MACD DIFF: -0.029			MACD DIFF: 1.728	
	RSI: 57.651			RSI: 38.936			RSI: 51.037	
<b>Heating Oil</b>	1st Resistance: 320.39	2nd Resistance: 325.13	<b>Brent Fin Last Day</b>	1st Resistance: 93.54	2nd Resistance: 94.92			
	1st Support: 310.93	2nd Support: 306.19		1st Support: 90.78	2nd Support: 89.40			
	MACD: 0.151			MACD: 0.541				
	MACD DIFF: 0.878			MACD DIFF: 0.355				
	RSI: 52.160			RSI: 58.323				

**Strategy**

<b>Crude Oil</b>	Long: 86.76	Profit target: 87.63	Stop-loss: 86.33	Long: 85.44	Profit target: 86.29	Stop-loss: 85.01	Short: 89.40	Profit target: 88.51	Stop-loss: 89.85	Short: 90.72	Profit target: 89.82	Stop-loss: 91.18
<b>Natural Gas</b>	2.856	2.884	2.841	2.812	2.840	2.798	2.942	2.913	2.957	2.986	2.956	3.001
<b>Gasoline</b>	233.80	236.14	232.63	230.24	232.54	229.09	240.92	238.51	242.13	244.48	242.04	245.70
<b>Heating Oil</b>	310.93	314.03	309.37	306.19	309.25	304.66	320.39	317.19	322.00	325.13	321.88	326.76
<b>Brent Fin Last Day</b>	90.78	91.69	90.32	89.40	90.29	88.95	93.54	92.61	94.01	94.92	93.98	95.40

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