

Fundamentals:

Oil futures finished Monday with a modest gain after Saudi Arabia and Russia, as expected, confirmed they would extend production cuts through the end of December.

Investors continued to monitor the Israel-Hamas war for potential spillovers that could affect crude supplies.

West Texas Intermediate crude for December delivery CL00 CL1 CLZ23 rose 31 cents, or 0.4%, to settle at \$80.82 a barrel on the New York Mercantile Exchange after trading as high as \$82.24. January Brent crude BRN00 BRNF24 gained 29 cents, or 0.3%, to \$85.16 a barrel on ICE Futures Europe. December gasoline RBZ23 tacked on 1.6% to \$2.24 a gallon, while December heating oil HOZ23 added 1% to \$2.95 a gallon. Natural gas for December delivery NGZ23 settled at \$3.26 per million British thermal units, down 7.1%.

Saudi Arabia on Sunday confirmed it would extend a production cut of 1 million barrels a day, which first took effect in July. In a statement citing an Energy Ministry official, Saudi Arabia said it would extend the cut through next month, affirming a September announcement that had said it would keep the cut in place through the end of 2023.

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The Saudi statement said the kingdom's production would be approximately 9 million barrels a day in December. Russia on Sunday reportedly said it would also extend a cut of 300,000 barrels a day through the end of December.

"Our oil balance shows that the market will be in surplus in [the first quarter of 2024], which may be enough to convince the Saudis and Russians to continue with cuts through the seasonally weaker demand period of [the first quarter]," Warren Patterson and Ewa Manthey, commodity strategists at ING, said in a note.

WTI declined 5.9% last week, while Brent fell 4.8% -- the second straight weekly decline for both grades as fears over a widening of the Israel-Hamas war appeared to fade.

Crude had rallied following the start of the war on fears that a wider conflict could see the U.S. more heavily enforce sanctions on Iranian crude exports, while a worst-case scenario could see Iran or its proxies threaten key transportation chokepoints and infrastructure in the region.

Natural-gas futures, meanwhile, settled sharply lower Monday after posting a 0.9% gain for last week.

This week, the Energy Information Administration is scheduled to release its monthly Short-term Energy Outlook report on Tuesday.

However, the weekly U.S. petroleum-supply report which is usually released on Wednesdays, as well as the natural-gas supply data normally issued on Thursdays, will be delayed, due to a planned systems upgrade, the EIA has said.

The separate supply reports on petroleum and natural gas, covering two weeks of data, will be released on Nov. 15 and Nov. 16, respectively.

(Source: Bloomberg)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil DEC 23	80.82	0.38	82.24	80.66
Natural Gas DEC 23	3.264	-0.243	3.407	3.249
RB Gasoline DEC 23	2.23.59	3.95	226.10	219.75
Heating Oil DEC 23	295.24	3.39	297.28	291.21
Brent Fin Last Day, JAN 24	85.22	0.33	86.45	84.91
US Dollar Index	105.25	0.230	105.258	104.848

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
20/10/2023	1372	-450	156	-1266	13200	421120
13/10/2023	-4491	-550	-2370	-100	13200	419748
6/10/2023	10176	-1400	-1313	-1000	13200	424239
29/9/2023	-2224	50	6481	-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	-2666	-2000	-2666	-1000	12800	416637
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	439662
4/8/2023	5851	2300	-2661	-200	12600	445622

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
11/04/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Nov-03	--	496	504
11/04/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Nov-03	--	118	117
11/04/2023 01:00 Baker Hughes U.S. Rig Count	Nov-03	--	618	625
11/11/2023 02:00 Baker Hughes U.S. Rotary Oil Rigs	Nov-10	--	--	496
11/11/2023 02:00 Baker Hughes U.S. Rotary Gas Rigs	Nov-10	--	--	118
11/11/2023 02:00 Baker Hughes U.S. Rig Count	Nov-10	--	--	618

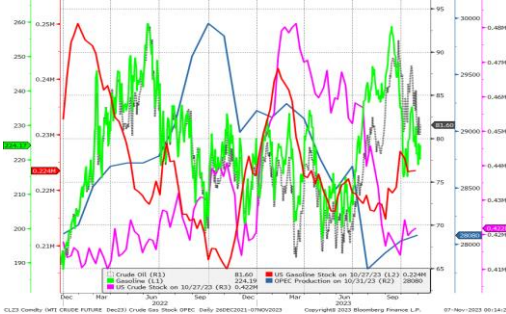
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



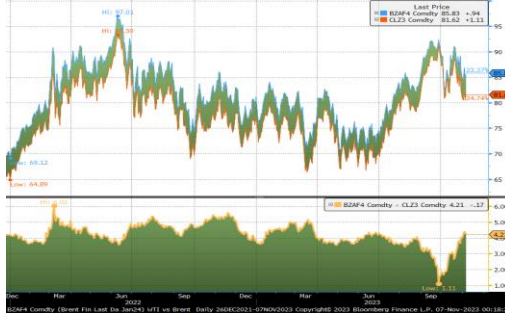
Normalized RBOB Gasoline minus Nymex Crude Oil Price



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

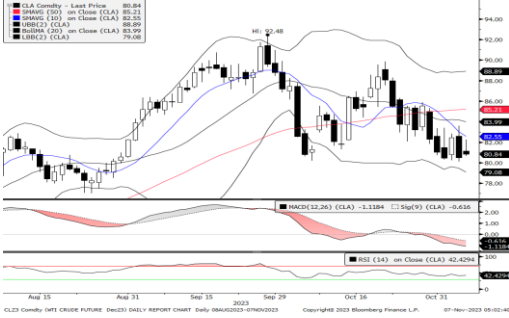


WTI-Brent Spread



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:	82.03	2nd Resistance:	83.24	1st Resistance:	3.313	2nd Resistance:	3.362	1st Resistance:	226.94	2nd Resistance:	230.30
1st Support:	79.61	2nd Support:	78.40	1st Support:	3.215	2nd Support:	3.166	1st Support:	220.24	2nd Support:	216.88
MACD:	-1.115	MACD DIFF:	-0.499	MACD:	-0.007	MACD DIFF:	-0.003	MACD:	-3.194	MACD DIFF:	0.109
RSI:	42.565	RSI:	41.822	RSI:	46.367						
Heating Oil			Brent Fin Last Day								
1st Resistance:	299.67	2nd Resistance:	304.10	1st Resistance:	86.50	2nd Resistance:	87.78				
1st Support:	290.81	2nd Support:	286.38	1st Support:	83.94	2nd Support:	82.66				
MACD:	-1.799	MACD DIFF:	-0.247	MACD:	-0.657	MACD DIFF:	-0.375				
RSI:	47.656	RSI:	44.594								

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	79.61	80.40	79.21	78.40	79.18	78.00	82.03	81.21	82.44	83.24	82.41	83.66
Natural Gas	3.215	3.247	3.199	3.166	3.198	3.150	3.313	3.280	3.330	3.362	3.328	3.379
Gasoline	220.24	222.44	219.13	216.88	219.05	215.80	226.94	224.67	228.08	230.30	227.99	231.45
Heating Oil	290.81	293.72	289.36	286.38	289.25	284.95	299.67	296.67	301.17	304.10	301.06	305.62
Brent Fin Last Day	83.94	84.78	83.52	82.66	83.49	82.25	86.50	85.63	86.93	87.78	86.90	88.22

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