

Fundamentals:

Crude futures fell on Wednesday because of pessimism about demand in the coming months as crude producers offered mixed signals about supply increases.

Brent crude futures were down 80 cents, or 1.13%, to \$72.92 at 12:49 p.m. CDT (1749 GMT). U.S. West Texas Intermediate crude futures were down 92 cents, or 1.31%, at \$69.41.

Both benchmarks had earlier lost \$1 and then bounced back to gain \$1 from Tuesday's closes, following news OPEC+ was discussing delaying a possible output increase because Libyan production is expected to rise.

A broader sell-off had seen prices for Brent crude futures tumble as much as 11%, or about \$9, in a little over a week, hitting a low of \$72.63 on Wednesday.

Lackluster data from the U.S. and China had strengthened persistent expectations of a weaker global economy and oil demand, helping set off a broader decline in world markets.

"It's definitely worries about a slowdown in manufacturing," said Phil Flynn, senior analyst at Price Futures Group. "That's the only negative we're seeing."

Meanwhile, traders believed there could be an end in sight to a dispute halting Libyan oil exports, which would bring more crude supply back online.

"This sell-off moved the attention to what OPEC+'s response would be, which last week looked set to start the planned output hikes in October," wrote Alex Hodes, analyst at StoneX. "The group is now concerned about pricing and sources say that a delay to the hikes is now being discussed."

Recent data releases fueled wider concerns around weaker than expected demand from China, the world's biggest crude importer, and U.S. consumption taking a hit.

Chinese data on Saturday showed manufacturing activity sank to a six-month low in August, when growth in new home prices slowed.

On Tuesday in the U.S., the Institute for Supply Management data showed manufacturing remained subdued. Weekly U.S. inventory data has been delayed by Monday's Labor Day holiday. The report from the American Petroleum Institute is due at 4:30 p.m. EDT (2030 GMT) on Wednesday and data from the U.S. Energy Information Administration will be published at 11:00 a.m. EDT (1500 GMT) on Thursday.

U.S. crude oil and gasoline stockpiles were expected to have fallen last week, a preliminary Reuters poll showed.

While traders were pessimistic on demand fears, changes in supply could easily change sentiments, Flynn said.

"We could flip on a dime," he said. "It could very easily turn positive. We could see a pretty decent crude draw later today."

U.S. natural gas futures edged up about 1% to a two-week high on Wednesday on a decline in output and forecasts for warmer weather next week than previously expected that should boost the amount of gas power generators burn to keep air conditioners humming.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil	OCT 24 69.20	-1.34	71.46	68.90
Natural Gas	OCT 24 2.145	-0.055	2.270	2.131
RB Gasoline	OCT 24 196.18	-2.20	200.13	194.61
Heating Oil	OCT 24 215.75	-5.33	222.75	215.15
Brent Fin Last Day	NOV 24 72.51	-1.24	74.79	72.45
US Dollar Index	101.31	-0.512	101.778	101.238

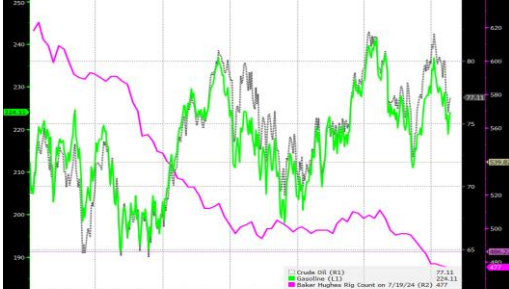
Bloomberg Survey on U.S. Total Change in Inventories

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
08/31/2024 01:00	Baker Hughes U.S. Rig Count	Aug-30	--	583
08/31/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Aug-30	--	95
08/31/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Aug-30	--	483
09/05/2024 22:30	EIA Natural Gas Storage Change	Aug-30	--	35
09/05/2024 22:30	EIA Working Natural Gas Implied Flow	Aug-30	--	35
09/05/2024 23:00	DOE U.S. Crude Oil Inventories	Aug-30	--	-846k
09/05/2024 23:00	DOE Cushing OK Crude Inventory	Aug-30	--	-668k
09/05/2024 23:00	DOE U.S. Gasoline Inventories	Aug-30	--	-2203k
09/05/2024 23:00	DOE U.S. Distillate Inventory	Aug-30	--	275k
09/05/2024 23:00	DOE U.S. Refinery Utilization	Aug-30	--	1,00%
09/05/2024 23:00	DOE Crude Oil Implied Demand	Aug-30	--	19981
09/05/2024 23:00	DOE Gasoline Implied Demand	Aug-30	--	10124
09/05/2024 23:00	DOE Distillate Implied Demand	Aug-30	--	5182.7
09/07/2024 01:00	Baker Hughes U.S. Rig Count	Sep-06	--	583
09/07/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Sep-06	--	95
09/07/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Sep-06	--	483

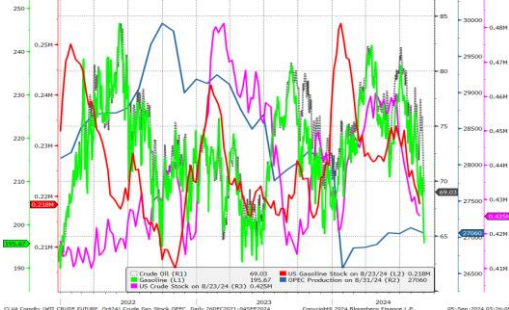
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



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

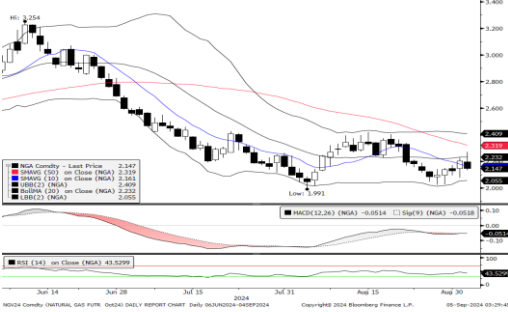
Nymex Crude Daily Chart



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	1st Resistance: 70.24	2nd Resistance: 71.28	Natural Gas	1st Resistance: 2.177	2nd Resistance: 2.209	Gasoline	1st Resistance: 193.24	2nd Resistance: 202.07
	1st Support: 68.16	2nd Support: 67.12		1st Support: 2.113	2nd Support: 2.081		1st Support: 192.18	2nd Support: 190.29
	MACD: -1.165			MACD: -0.051			MACD: -5.004	
	MACD DIFF: -0.417			MACD DIFF: 0.000			MACD DIFF: -1.185	
	RSI: 35.925			RSI: 43.589			RSI: 32.072	
Heating Oil	1st Resistance: 218.99	2nd Resistance: 222.22	Brent Fin Last Day	1st Resistance: 73.60	2nd Resistance: 74.69			
	1st Support: 212.51	2nd Support: 209.28		1st Support: 71.42	2nd Support: 70.33			
	MACD: -5.436			MACD: -1.212				
	MACD DIFF: -0.954			MACD DIFF: -0.390				
	RSI: 32.692			RSI: 35.045				

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