

Fundamentals:

Oil prices climbed more than 1% on Friday after better-than-expected U.S. employment data, though both benchmarks fell more than 3% on the week on U.S. interest rate hike jitters.

Brent rose \$1.19, or 1.5%, to \$82.78 a barrel. U.S. West Texas Intermediate crude (WTI) was up 96 cents, or 1.3%, at \$76.68.

Expectations of further rate hikes in the world's largest economy and in Europe have clouded the global growth outlook and driven both crude benchmarks down this week.

However, the U.S. Federal Reserve may have less reason to raise interest rates as sharply or as high as some had thought after a government report on Friday rekindled hopes of easing inflation amid signs the pandemic-disrupted labor market is normalizing.

Fed Chair Jerome Powell has warned of higher and potentially faster rate hikes, saying the central bank was wrong in initially thinking inflation was "transitory". Its next monetary policy meeting is planned for March 21-22.

A strengthening dollar is also making oil more expensive for holders of other currencies.

Global shares, which often move in tandem with oil prices, hit a two-month low as investors dumped banks.

Broader U.S. employment data for February beat expectations with nonfarm payrolls rising by 311,000, compared with expectations of 205,000 jobs added, according to a Reuters survey. This is likely to ensure that the Fed will raise interest rates for longer, which analysts have said would weigh on oil prices.

On the supply side, major oil producers Saudi Arabia and Iran, both members of the Organization of the Petroleum Exporting Countries, re-established ties on Friday after days of previously undisclosed talks in Beijing.

U.S. oil rigs fell by 2 to 590 this week, their lowest since June, according to data from Baker Hughes.

Meanwhile, the United States was reported to have privately urged some commodity traders to shed concerns about shipping price-capped Russian oil in a bid to shore up supply.

Investors are closely monitoring export cuts from Russia, which decided to trim oil output by 500,000 barrels per day in March.

U.S. President Joe Biden also proposed a budget on Thursday that would scrap billions of dollars in oil and gas industry subsidies.

US natural gas futures broke a two-week winning streak after weather forecasts shifted milder, demand from LNG terminals slid and domestic stockpiles rose to a six-year high relative to the average for this time of the year.

Futures for April settled down 4.4% at \$2.43 per mmbtu. The front-month futures lost 19% this week, fully erasing the previous week's gains.

(Source: Reuters, Bloomberg)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil APR 23	76.68	0.90	77.11	74.77
Natural Gas APR 23	2.430	-0.103	2.562	2.425
RB Gasoline APR 23	264.58	3.64	265.82	256.77
Heating Oil APR 23	277.29	10.91	279.23	262.94
Brent Fin Last Day MAY 23	82.69	1.10	83.08	80.73
US Dollar Index	104.64	-0.672	105.352	104.039

Bloomberg Survey on U.S. Total Change in Inventories

Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
03/03/2023	-1694	1600	-1134	2000	12200	478513
24/02/2023	1166	1900	-874	-1000	12300	480207
17/02/2023	7647	2800	-1856	900	12300	479041
10/02/2023	16283	2000	2316	1500	12300	471394
03/02/2023	2423	2000	5008	1600	12300	455111
27/01/2023	4140	-1000	2576	2000	12200	452688
20/01/2023	533	1500	1763	1500	12200	448548
13/01/2023	3483	-3000	3483	2400	12200	448015
06/01/2023	18961	-2000	4114	750	12200	439607
30/12/2022	1694	1500	-346	-1000	12100	420646
23/12/2022	718	-1200	-3105	500	12000	418952
16/12/2022	-5895	2500	2530	2000	12100	418234

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
03/11/2023 02:00 Baker Hughes U.S. Rotary Oil Rigs	Mar-10	589	590	592
03/11/2023 02:00 Baker Hughes U.S. Rotary Gas Rigs	Mar-10	--	153	154
03/11/2023 02:00 Baker Hughes U.S. Rig Count	Mar-10	--	746	749
03/15/2023 22:30 DOE U.S. Crude Oil Inventories	Mar-10	--	--	-1694k
03/15/2023 22:30 DOE Cushing OK Crude Inventory	Mar-10	--	--	-890k
03/15/2023 22:30 DOE U.S. Gasoline Inventories	Mar-10	--	--	-1134k
03/15/2023 22:30 DOE U.S. Distillate Inventory	Mar-10	--	--	138k
03/15/2023 22:30 DOE U.S. Refinery Utilization	Mar-10	--	--	0.20%
03/15/2023 22:30 DOE Crude Oil Implied Demand	Mar-10	--	--	18713
03/15/2023 22:30 DOE Gasoline Implied Demand	Mar-10	--	--	9393.3
03/15/2023 22:30 DOE Distillate Implied Demand	Mar-10	--	--	4646.3
03/16/2023 22:30 EIA Natural Gas Storage Change	Mar-10	--	--	-84
03/16/2023 22:30 EIA Working Natural Gas Implied Flow	Mar-10	--	--	-84
03/18/2023 01:00 Baker Hughes U.S. Rotary Oil Rigs	Mar-17	--	--	590
03/18/2023 01:00 Baker Hughes U.S. Rotary Gas Rigs	Mar-17	--	--	153
03/18/2023 01:00 Baker Hughes U.S. Rig Count	Mar-17	--	--	746

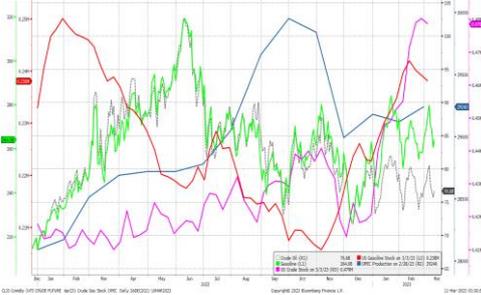
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



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:	77.83	1st Resistance:	2.466	1st Resistance:	268.55
1st Support:	75.53	1st Support:	2.394	1st Support:	260.61
MACD:	-0.234	MACD:	-0.084	MACD:	0.950
MACD DIFF:	-0.054	MACD DIFF:	0.024	MACD DIFF:	-0.200
RSI:	46.955	RSI:	42.009	RSI:	48.658

Heating Oil		Brent Fin Last Day	
1st Resistance:	281.45	1st Resistance:	83.93
1st Support:	273.13	1st Support:	81.45
MACD:	-3.350	MACD:	-0.181
MACD DIFF:	-0.048	MACD DIFF:	-0.141
RSI:	46.720	RSI:	47.047

Strategy

	Long	Profit target:	Stop-loss:	Long	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:
Crude Oil	75.53	76.29	75.15	74.36	75.12	74.01	77.83	77.05	78.22	78.98	78.19	79.38
Natural Gas	2.394	2.417	2.382	2.357	2.381	2.345	2.466	2.442	2.479	2.503	2.478	2.515
Gasoline	260.61	263.22	259.31	256.64	259.21	255.36	268.55	265.86	269.89	272.52	269.79	273.88
Heating Oil	273.13	275.86	271.76	268.97	271.66	267.63	281.45	278.63	282.86	285.61	282.75	287.04
Brent Fin Last Day	81.45	82.26	81.04	80.21	81.01	79.81	83.93	83.09	84.35	85.17	84.32	85.60

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