

**Fundamentals:**

Oil prices rose about 2% to a one-week high on Wednesday as the dollar slid to a six-week low after the U.S. Federal Reserve delivered an expected small rate hike while hinting that it was on the verge of pausing future increases.

Brent crude futures rose \$1.37, or 1.8%, to settle at \$76.69 a barrel, while U.S. West Texas Intermediate crude (WTI) ended \$1.23, or 1.8%, higher at \$70.90.

That was the highest closes for both crude benchmarks since March 14.

The Fed raised interest rates by a quarter of a percentage point, but indicated it was on the verge of pausing further increases in borrowing costs amid recent turmoil in financial markets spurred by the collapse of two U.S. banks.

The U.S. dollar fell to its lowest level since Feb. 2 against a basket of other currencies, supporting oil demand by making crude cheaper for buyers using other currencies.

The oil markets shrugged off the U.S. Energy Information Administration's (EIA) weekly data that showed crude stockpiles rose 1.1 million barrels last week to a 22-month high.

Analysts in a Reuters poll had forecast a 1.6-million-barrel withdrawal. But the official EIA data showed a smaller build than the 3.3-million-barrel increase reported on Tuesday by the American Petroleum Institute (API), an industry group.

U.S. crude stockpiles have grown since December, boosting inventories to their highest since May 2021. Gasoline and distillate inventories, meanwhile, fell last week by more than analysts expected.

WTI and Brent prices last week fell to their lowest since 2021 on concern that banking sector turmoil could trigger a global recession and cut oil demand. An emergency rescue of Credit Suisse Group AG over the weekend helped revive oil prices.

The Organization of the Petroleum Exporting Countries and its allies like Russia, a group known as OPEC+, is likely to stick to its deal on output cuts of 2 million barrels per day (bpd) until the end of the year, despite the plunge in crude prices, three delegates from the producer group told Reuters.

U.S. natural gas futures fell about 8% on Wednesday, erasing the prior session's 6% gain, as output continues to rise while demand declines with the coming of seasonally milder, spring-like weather.

That price decline came even as the amount of gas flowing to liquefied natural gas (LNG) export plants was on track to hit a record high this week after Freeport LNG's plant in Texas exited an eight-month outage in February.

Prices also dropped despite forecasts for cooler weather and higher heating demand next week than previously expected. Traders, however, noted that slightly colder weather in late March has much less of an impact on heating demand as colder weather in late January.

Front-month gas futures for April delivery fell 17.7 cents, or 7.5%, to settle at \$2.171 per million British thermal units (mmbtu), their lowest since hitting a 29-month closing low of \$2.073 on Feb. 21.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil MAY 23	70.90	0.31	71.31	68.89
Natural Gas APR 23	2.171	-0.126	2.326	2.152
RB Gasoline APR 23	259.32	3.11	260.18	251.43
Heating Oil APR 23	274.03	3.49	277.69	266.01
Brent Fin Last Day MAY 23	75.77	0.45	77.09	74.52
US Dollar Index	102.55	-0.711	103.265	102.065

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

Date	Crude Oil		Gasoline		Crude Oil Inventory	
	Actual	Survey	Actual	Survey	Production	Inventory
03/17/2023	1117	-1800	-6399	-2364	12300	481180
03/10/2023	1550	1500	-2061	-1617	12200	480063
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	471934
03/02/2023	2423	2000	5008	1600	12300	455111
27/01/2023	2576	-1000	2576	2000	12200	452688
20/01/2023	533	1500	1763	1500	12200	448548
13/01/2023	8408	-3000	3483	2400	12200	448015
06/01/2023	18961	-2000	4114	750	12200	439607
30/12/2022	1694	1500	-346	-1000	12100	420646

**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior	
03/22/2023 22:30	DOE U.S. Crude Oil Inventories	Mar-17	-1800k	1117k	1550k
03/22/2023 22:30	DOE Cushing OK Crude Inventory	Mar-17	--	-1063k	-1916k
03/22/2023 22:30	DOE U.S. Gasoline Inventories	Mar-17	-2364k	-6399k	-2061k
03/22/2023 22:30	DOE U.S. Distillate Inventory	Mar-17	-1500k	-3313k	-2537k
03/22/2023 22:30	DOE U.S. Refinery Utilization	Mar-17	1.00%	0.40%	2.20%
03/22/2023 22:30	DOE Crude Oil Implied Demand	Mar-17	--	18312	18195
03/22/2023 22:30	DOE Gasoline Implied Demand	Mar-17	--	9851.4	9484.3
03/22/2023 22:30	DOE Distillate Implied Demand	Mar-17	--	5198.3	4945.4
03/23/2023 22:30	EIA Natural Gas Storage Change	Mar-17	-76	--	-58
03/23/2023 22:30	EIA Working Natural Gas Implied Flow	Mar-17	-76	--	-58
03/25/2023 01:00	Baker Hughes U.S. Rotary Oil Rigs	Mar-24	586	--	589
03/25/2023 01:00	Baker Hughes U.S. Rotary Gas Rigs	Mar-24	--	--	162
03/25/2023 01:00	Baker Hughes U.S. Rig Count	Mar-24	--	--	754

**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:	71.96	2nd Resistance:	73.03	1st Resistance:	2.204	2nd Resistance:	2.226	1st Resistance:	263.21	2nd Resistance:	267.10
1st Support:	69.84	2nd Support:	68.77	1st Support:	2.138	2nd Support:	2.106	1st Support:	255.43	2nd Support:	251.54
MACD:	-2.454			MACD:	-0.124			MACD:	-3.137		
MACD DIFF:	-0.676			MACD DIFF:	-0.020			MACD DIFF:	-1.002		
RSI:	38.867			RSI:	39.488			RSI:	47.221		

  

Heating Oil				Brent Fin Last Day			
1st Resistance:	278.14	2nd Resistance:	282.25	1st Resistance:	76.91	2nd Resistance:	78.04
1st Support:	269.92	2nd Support:	265.81	1st Support:	74.63	2nd Support:	73.50
MACD:	-4.611			MACD:	-2.447		
MACD DIFF:	-0.025			MACD DIFF:	-0.720		
RSI:	46.750			RSI:	38.606		

**Strategy**

	Long	Profit target:	Stop-loss:	Long	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	69.84	70.53	69.49	68.77	69.46	68.43	71.96	71.24	72.32	73.03	72.30	73.39
Natural Gas	2.138	2.160	2.128	2.106	2.127	2.095	2.204	2.182	2.215	2.236	2.214	2.247
Gasoline	255.43	257.98	254.15	251.54	254.06	250.28	263.21	260.58	264.53	267.10	264.43	268.44
Heating Oil	269.92	272.62	268.57	265.81	268.47	264.48	278.14	275.36	279.53	282.25	279.43	283.66
Brent Fin Last Day	74.63	75.38	74.26	73.50	74.23	73.13	76.91	76.14	77.29	78.04	77.26	78.43

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