

Fundamentals:

Oil prices settled higher on Wednesday, supported by large declines in U.S. crude and fuel stocks, but hovered close to their lowest level in six weeks due to concerns over weak global demand.

Prices snapped three straight sessions of decline on falling U.S. crude and fuel inventories, as well as growing oil supply risks from Canadian wildfires.

Brent crude futures for September closed 70 cents, or 0.9%, higher at \$81.71 a barrel. U.S. West Texas Intermediate crude for September rose 63 cents, or 0.8%, to \$77.59 per barrel.

U.S. crude inventories fell by 3.7 million barrels last week, the Energy Information Administration said, compared with analysts' expectations in a Reuters poll for a 1.6-million-barrel draw.

U.S. gasoline stocks dropped by 5.6 million barrels, compared with analysts' expectations for a 400,000 draw. Distillate stockpiles, which include diesel and heating oil, fell by 2.8 million barrels versus expectations for a 250,000-barrel increase, the EIA data showed.

"Demand is better than anticipated," said Bob Yawger, director of energy futures at Mizuho in New York.

"As long as gasoline is doing well, that will support the rest of the market into the short-term future. Higher distillates demand was the icing on the cake," Yawger added.

However, the market remained wary about global summer demand. U.S. oil refiners are expected to report sharply lower second-quarter earnings versus a year ago after a listless summer-driving season weakened refining margins, energy analysts said.

Prices are under pressure from ceasefire talks between Israel and Hamas and continued concern that the economic slowdown in China, the world's biggest crude importer, would weaken global oil demand.

Crude-oil deliveries to India, the world's third-biggest oil importer and consumer, also slipped in June to their lowest since February, government data showed.

WTI lost 7% over the previous three sessions, while Brent was down nearly 5%.

Buoying prices, wildfires in Canada forced some producers to curtail production and threatened a large amount of supply.

Imperial Oil said it has reduced non-essential staff at its Kearn oil sands site as a precaution.

Meanwhile, Russia's energy ministry pledged to stick to the crude-output quota set by the OPEC+ group in July, after its June production exceeded limits.

U.S. natural gas futures slid about 3% to a one-week low on Wednesday on forecasts for less demand next week than previously expected, rising output and an ongoing oversupply of gas in storage.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil	SEP 24 77.59	0.68	78.19	76.98
Natural Gas	AUG 24 2.117	-0.064	2.170	2.102
RB Gasoline	AUG 24 245.15	3.39	246.77	242.60
Heating Oil	AUG 24 245.24	4.14	245.79	241.67
Brent Fin Last Day	SEP 24 81.64	0.63	82.22	80.94
US Dollar Index		-0.078	104.555	104.122

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	414663
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

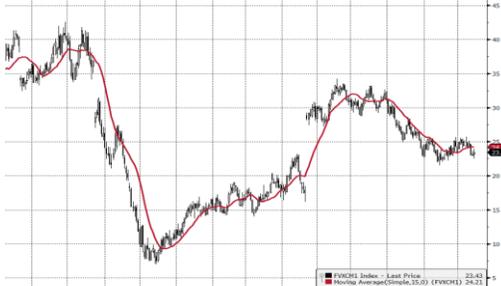
Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
07/20/2024 01:00	Baker Hughes U.S. Rig Count	Jul-19	--	586
07/20/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Jul-19	--	103
07/20/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Jul-19	--	477
07/24/2024 22:30	DOE U.S. Crude Oil Inventories	Jul-19	-2837k	-3741k
07/24/2024 22:30	DOE Cushing OK Crude Inventory	Jul-19	--	-1708k
07/24/2024 22:30	DOE U.S. Gasoline Inventories	Jul-19	1000k	-5572k
07/24/2024 22:30	DOE U.S. Distillate Inventory	Jul-19	1000k	-2753k
07/24/2024 22:30	DOE U.S. Refinery Utilization	Jul-19	-0.50%	-2.10%
07/24/2024 22:30	DOE Crude Oil Implied Demand	Jul-19	--	20705
07/24/2024 22:30	DOE Gasoline Implied Demand	Jul-19	--	10370.1
07/24/2024 22:30	DOE Distillate Implied Demand	Jul-19	--	5,442
07/25/2024 22:30	EIA Natural Gas Storage Change	Jul-19	11	--
07/25/2024 22:30	EIA Working Natural Gas Implied Flow	Jul-19	11	--
07/27/2024 01:00	Baker Hughes U.S. Rig Count	Jul-26	--	586
07/27/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Jul-26	--	103
07/27/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Jul-26	--	477

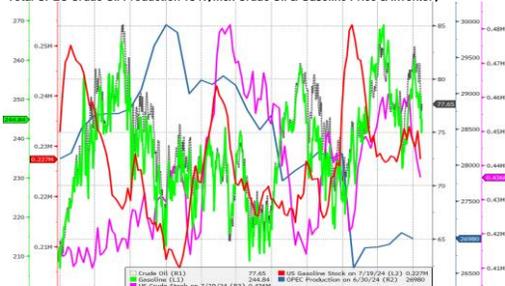
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



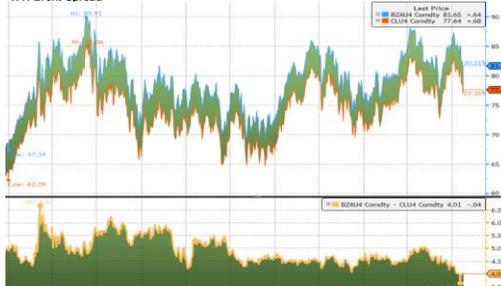
Normalized RBOB Gasoline minus Nymex Crude Oil Price



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

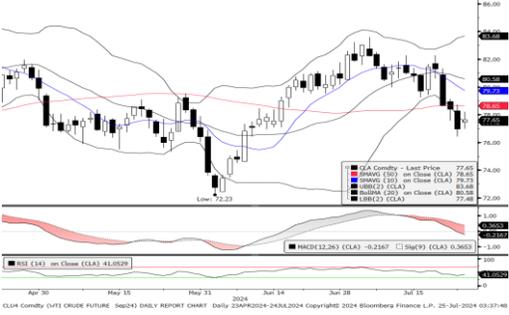


WTI-Brent Spread



Source: Bloomberg

Nymex Crude Daily Chart



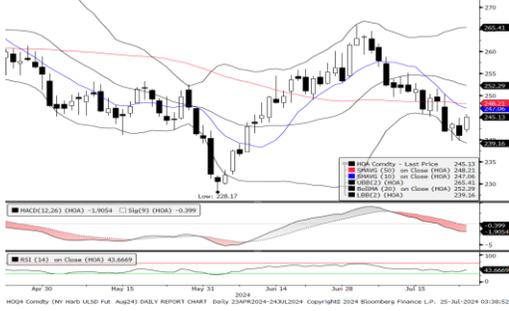
Nymex RBOB Gasoline Daily Chart



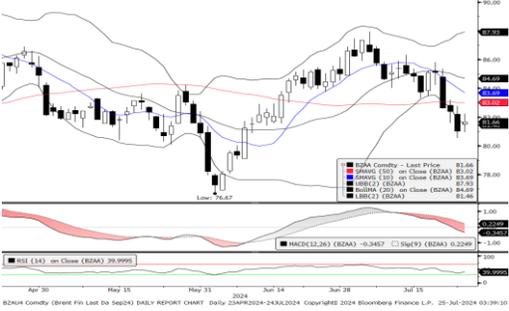
Nymex Natural Gas Daily Chart



Nymex Heating Oil Daily Chart



Nymex Brent Last Day Daily Chart



Technical Analysis

Crude Oil	Natural Gas	Gasoline
1st Resistance: 78.75	1st Resistance: 2.149	1st Resistance: 248.83
2nd Resistance: 79.92	2nd Resistance: 2.181	2nd Resistance: 252.50
1st Support: 76.43	1st Support: 2.065	1st Support: 241.47
2nd Support: 75.26	2nd Support: 2.053	2nd Support: 237.80
MACD: -0.217	MACD: -0.156	MACD: -0.694
MACD DIFF: -0.583	MACD DIFF: -0.004	MACD DIFF: -1.251
RSI: 41.006	RSI: 36.363	RSI: 44.627

Heating Oil	Brent Fin Last Day
1st Resistance: 248.92	1st Resistance: 82.86
2nd Resistance: 252.60	2nd Resistance: 84.09
1st Support: 241.56	1st Support: 80.42
2nd Support: 237.88	2nd Support: 79.19
MACD: -1.903	MACD: -0.347
MACD DIFF: -1.507	MACD DIFF: -0.572
RSI: 43.676	RSI: 39.898

Kenanga Futures Sdn Bhd (353603-X)
 Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my
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