

Fundamentals:

Oil futures fell over 1% on Friday and were on track to end the week lower on declining Chinese demand and hopes of a Gaza ceasefire agreement that could ease Middle East tensions and accompanying supply concerns.

Brent crude was down \$1.05, or 1.3%, at \$81.32 a barrel by 12:07 p.m. CDT (1707 GMT). West Texas Intermediate crude fell 95 cents, or 1.21%, at \$77.33 a barrel.

For the week, Brent was trading down over 1% while WTI fell more than 3%.

"Yesterday's better-than-expected U.S. GDP growth figures initially supported the crude market," said George Khoury, global head of education and research at CFI. "However, these gains were overshadowed by concerns about declining Chinese oil demand."

Data released last week showing that China's total fuel oil imports dropped 11% in the first half of 2024 have raised concern about the wider demand outlook in China.

"The Chinese demand situation is going down the tubes here and crude oil prices are going down with it," said Bob Yawger, director of energy futures at Mizuho in New York.

China's economy is threatening to enter a deflationary cycle, where prices will fall because of falling demand, Yawger said.

"And that is about the worst possible scenario for a country that is the largest importer of crude oil on the planet," he said.

Meanwhile, demand from the world's top oil consumer was also expected to ease as U.S. refiners are preparing to cut back production as the end of the summer driving season in early September nears.

The nation's second largest refiner, Valero Energy, said on Thursday its 14 refineries would run at 92% of combined capacity in the third quarter. Valero's refineries ran at 84% in the second quarter.

In the Middle East, hopes of a ceasefire in Gaza have been gaining momentum.

A ceasefire has been the subject of negotiations for months, but U.S. officials believe the parties are closer than ever to an agreement for a six-week ceasefire in exchange for the release by Hamas of female, sick, elderly and wounded hostages.

Oil price declines were capped, however, by threats to production from Canadian wildfires, a large U.S. crude stockpile draw and continued hopes of a September cut to U.S. interest rates after strong economic data, said PVM oil analyst Tamas Varga.

U.S. Natural gas futures extend losses, prices fall below \$2 per mmbtu for the first time since may 2024

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low	
Nymex Crude Oil	SEP 24	77.16	-1.58	78.60	76.19
Natural Gas	AUG 24	2.006	-0.044	2.084	1.996
RB Gasoline	AUG 24	246.05	-1.72	248.21	243.02
Heating Oil	AUG 24	241.97	-5.98	247.77	240.20
Brent Fin Last Day	SEP 24	80.72	-1.65	82.69	80.32
US Dollar Index		104.30	-0.051	104.45	104.207

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:

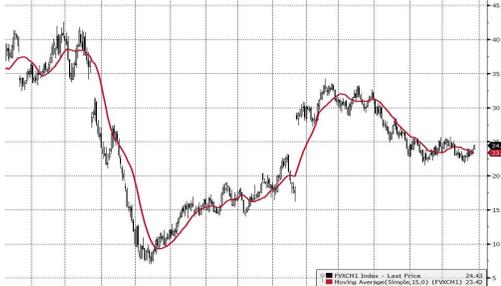
Event	Period	Avg Survey	Actual	Prior
07/20/2024 01:00	Baker Hughes U.S. Rig Count	Jul-19	--	586
07/20/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Jul-19	--	103
07/20/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Jul-19	--	478
07/24/2024 22:30	DOE U.S. Crude Oil Inventories	Jul-19	-2837k	-3741k
07/24/2024 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	--	10372
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	11.82	22
07/25/2024 22:30	EIA Working Natural Gas Implied Flow	Jul-19	11.82	22
07/27/2024 01:00	Baker Hughes U.S. Rig Count	Jul-26	--	589
07/27/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Jul-26	--	101
07/27/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Jul-26	--	482

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



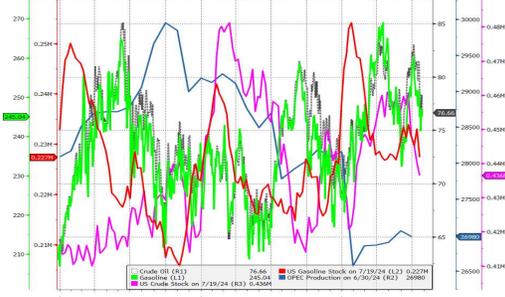
CLM Comdty (VTE) CRUDE FUTURE: S6624) Crude Gas Rig Count: Daily 03/03/2023-25/06/2024 Copyright © 2024 Bloomberg Finance L.P. 27-Jul-2024 03:42:52

Normalized RBOB Gasoline minus Nymex Crude Oil Price



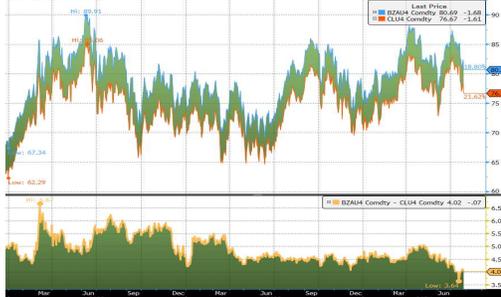
FXVCH1 Index (RBOB-VTE) month 1) FXVCH1 Index Daily 03/03/2023-26/06/2024 Copyright © 2024 Bloomberg Finance L.P. 27-Jul-2024 03:43:42

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



CLM Comdty (VTE) CRUDE FUTURE: S6624) Crude Gas Stock OPEC: Daily 24/02/2023-26/06/2024 Copyright © 2024 Bloomberg Finance L.P. 27-Jul-2024 03:43:15

WTI-Brent Spread



CLM Comdty (Brent Fin Last Day) S6624) WTI vs Brent: Daily 24/02/2023-26/06/2024 Copyright © 2024 Bloomberg Finance L.P. 27-Jul-2024 03:44:01

Source: Bloomberg

Nymex Crude Daily Chart



CLM4 Comdty (NYM CRUDE FUTURE \$6024) DAILY REPORT CHART Daily 29APR2024-26JUL2024 Copyright © 2024 Bloomberg Finance L.P., 27-Jul-2024 03:44:28

Nymex RBOB Gasoline Daily Chart



RBO4 Comdty (GASOLINE RBOB FUT AUG24) DAILY REPORT CHART Daily 29APR2024-26JUL2024 Copyright © 2024 Bloomberg Finance L.P., 27-Jul-2024 03:44:55

Nymex Natural Gas Daily Chart



NG24 Comdty (NATURAL GAS FUTR AUG24) DAILY REPORT CHART Daily 29APR2024-26JUL2024 Copyright © 2024 Bloomberg Finance L.P., 27-Jul-2024 03:45:17

Nymex Heating Oil Daily Chart



HOO4 Comdty (NY HEAT UNCLD FUT AUG24) DAILY REPORT CHART Daily 29APR2024-26JUL2024 Copyright © 2024 Bloomberg Finance L.P., 27-Jul-2024 03:45:37

Nymex Brent Last Day Daily Chart



BD4U4 Comdty (BRENT FIN LAST DS \$624) DAILY REPORT CHART Daily 29APR2024-26JUL2024 Copyright © 2024 Bloomberg Finance L.P., 27-Jul-2024 03:45:56

Technical Analysis

Crude Oil		Natural Gas		Gasoline	
1st Resistance:	78.32	1st Resistance:	2.036	1st Resistance:	249.74
1st Support:	76.00	1st Support:	1.976	1st Support:	242.36
MACD:	-0.477	MACD:	-0.165	MACD:	-0.868
MACD DIFF:	-0.568	MACD DIFF:	-0.009	MACD DIFF:	-0.941
RSI:	38.640	RSI:	32.212	RSI:	45.263
2nd Resistance: 79.47		2nd Resistance: 2.066		2nd Resistance: 253.43	
2nd Support: 74.85		2nd Support: 1.946		2nd Support: 238.67	

Heating Oil		Brent Fin Last Day	
1st Resistance:	245.60	1st Resistance:	81.93
1st Support:	238.34	1st Support:	79.51
MACD:	-2.154	MACD:	-0.578
MACD DIFF:	-1.185	MACD DIFF:	-0.543
RSI:	39.674	RSI:	37.820
2nd Resistance: 249.23		2nd Resistance: 83.14	
2nd Support: 234.71		2nd Support: 78.30	

Short:	Profit target:	Stop-loss:
79.47	78.68	79.87
2.066	2.046	2.077
253.43	250.90	254.70
249.23	246.74	250.48
83.14	82.31	83.56

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