

**Fundamentals:**

Oil prices climbed more than 2% on Wednesday, driven by fears of lengthy production shutdowns in the U.S. offshore oil patch, which Hurricane Francine was barreling through on the way to landfall in Louisiana.

Brent crude futures settled at \$70.61 a barrel, up \$1.42, or 2.05%, on Wednesday. U.S. crude futures finished up \$1.56 a barrel, or 2.37%, at \$67.31.

Oil prices shook off an increase in crude inventories reported by the U.S. Energy Information Administration on Wednesday morning.

Crude inventories rose by 833,000 barrels to 419.1 million barrels in the week end Sept. 6, the EIA said, compared with analysts' expectations in a Reuters poll for a 967,000-barrel rise.

Crude stocks at the Cushing, Oklahoma, delivery hub fell by 1.7 million barrels in the week.

"A rather unexciting minor build to crude inventories has been overshadowed by yet one more draw at Cushing," said Matt Smith, lead oil analyst for Kpler. "EIA data show Cushing inventories now drawing nine of the last 10 weeks, down to the lowest level since early November last year."

Both oil benchmarks tanked on Tuesday, with Brent falling below \$70 to its lowest price since December 2021 and U.S. crude dropping to its lowest since May 2023, after OPEC revised down its 2024 oil demand growth forecast for a second time.

Concern about Hurricane Francine disrupting output in the United States, the world's biggest producer, also lent support, other analysts said.

"Next week I suspect the statistics will be impacted by Hurricane Francine interrupting tanker flow through the Gulf of Mexico," said Andrew Lipow, president of Lipow Oil Associates.

The U.S. Bureau of Safety and Environmental Enforcement said 39% of crude oil production in the Gulf of Mexico was shut by Wednesday as companies evacuated crews out of Francine's path.

The bureau also said 49% of natural gas production from the Gulf was shut by the storm.

The U.S.-regulated northern Gulf of Mexico accounts for 15% of total U.S. crude oil production and 2% of dry natural gas production, according to EIA.

U.S. natural gas futures climbed about 2% on Wednesday as oil and gas producers continued to cut output before Hurricane Francine slams into the Louisiana coast later in the day.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil	OCT 24 67.31	1.32	67.97	65.63
Natural Gas	OCT 24 2.270	0.038	2.325	2.214
RB Gasoline	OCT 24 189.72	2.55	192.00	185.45
Heating Oil	OCT 24 209.17	3.12	210.48	204.31
Brent Fin Last Day	NOV 24 70.42	1.23	71.08	69.01
US Dollar Index	101.72	0.087	101.82	101.267

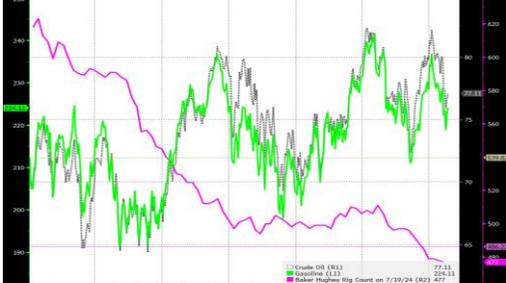
**Bloomberg Survey on U.S. Total Change in Inventories**

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

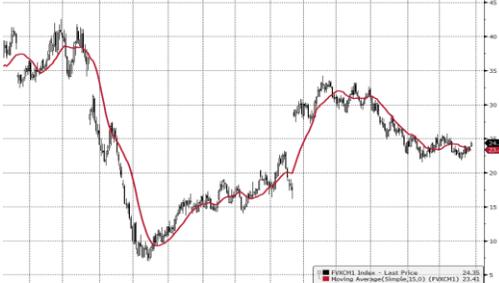
**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior
09/07/2024 01:00	Baker Hughes U.S. Rig Count	Sep-06	--	582
09/07/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Sep-06	--	94
09/07/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Sep-06	--	483
09/11/2024 22:30	DOE U.S. Crude Oil Inventories	Sep-06	1050k	833k
09/11/2024 22:30	DOE Cushing OK Crude Inventory	Sep-06	--	-1704k
09/11/2024 22:30	DOE U.S. Gasoline Inventories	Sep-06	0k	2310k
09/11/2024 22:30	DOE U.S. Distillate Inventory	Sep-06	275k	2308k
09/11/2024 22:30	DOE U.S. Refinery Utilization	Sep-06	-0.50%	0.00%
09/11/2024 22:30	DOE Crude Oil Implied Demand	Sep-06	--	20048
09/11/2024 22:30	DOE Gasoline Implied Demand	Sep-06	--	9413.7
09/11/2024 22:30	DOE Distillate Implied Demand	Sep-06	--	5080.3
09/12/2024 22:30	EIA Natural Gas Storage Change	Sep-06	48	--
09/12/2024 22:30	EIA Working Natural Gas Implied Flow	Sep-06	48	--
09/14/2024 01:00	Baker Hughes U.S. Rig Count	Sep-13	--	582
09/14/2024 01:00	Baker Hughes U.S. Rotary Gas Rigs	Sep-13	--	94
09/14/2024 01:00	Baker Hughes U.S. Rotary Oil Rigs	Sep-13	--	483

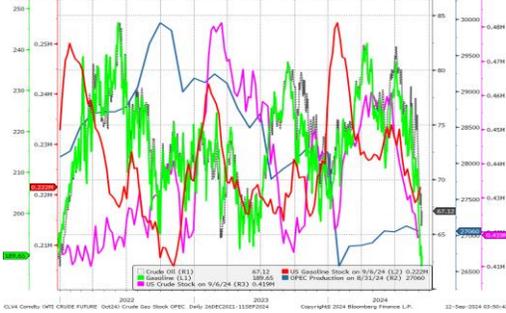
**U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price**



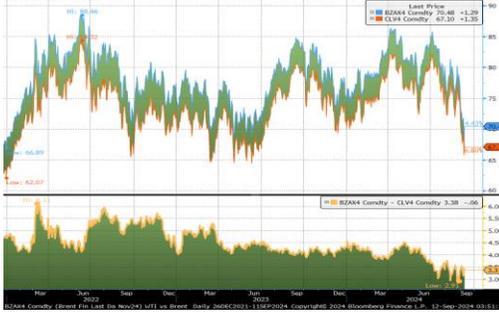
**Normalized RBOB Gasoline minus Nymex Crude Oil Price**



**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	Natural Gas	Gasoline
1st Resistance: 68.32	1st Resistance: 2.304	1st Resistance: 192.57
2nd Resistance: 69.33	2nd Resistance: 2.338	2nd Resistance: 195.41
1st Support: 66.30	1st Support: 2.236	1st Support: 186.87
2nd Support: 65.29	2nd Support: 2.202	2nd Support: 184.03
MACD: -2.277	MACD: -0.019	MACD: -7.681
MACD DIFF: -0.708	MACD DIFF: 0.016	MACD DIFF: -1.673
RSI: 36.157	RSI: 52.387	RSI: 32.434

Heating Oil	Brent Fin Last Day
1st Resistance: 212.31	1st Resistance: 71.48
2nd Resistance: 215.45	2nd Resistance: 72.53
1st Support: 206.03	1st Support: 69.30
2nd Support: 202.89	2nd Support: 68.31
MACD: -7.948	MACD: -2.254
MACD DIFF: -1.639	MACD DIFF: -0.686
RSI: 33.260	RSI: 34.857

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