

**Fundamentals:**

Oil prices fell more than 1% on Wednesday as a stronger dollar and large builds in U.S. fuel inventories last week pressured prices, reversing earlier gains from the tightening supplies from Russia and other OPEC members.

Brent crude was down 82 cents, or 1.06%, at \$76.23 a barrel at 2:20 p.m. EST (1920 GMT). U.S. West Texas Intermediate crude fell 87 cents, or 1.17%, to \$73.38.

Both benchmarks had risen more than 1% earlier in the session.

"The oil market is being weighed down by the significant increases in gasoline and diesel inventories that we've seen over the last couple of weeks," said Andrew Lipow, president of Lipow Oil Associates. Fuel inventories swelled as refiners continued ramping up production, he added.

Gasoline stocks rose by 6.3 million barrels last week to 237.7 million barrels, compared with analysts' expectations in a Reuters poll for a 1.5 million-barrel build, according to data released on Wednesday from the U.S. Energy Information Administration.

Distillate stockpiles rose by 6.1 million barrels in the week to 128.9 million barrels, versus expectations for a 600,000-barrel rise.

"I would be concerned if we saw more substantial products builds over the next few weeks. And in the meantime, the cold snap could constrain crude oil supply and increase heating oil demand," said Josh Young, chief investment officer at Bison Interests.

Crude inventories fell by 959,000 barrels to 414.6 million barrels in the week, compared with analysts' expectations for a 184,000-barrel draw.

A stronger dollar also pressured prices by making oil more expensive for holders of other currencies.

"Crude oil took a minor tumble in response to a strengthening dollar following news reports that Trump is considering declaring a national economic emergency to provide legal ground for universal tariffs," said Ole Hansen, analyst at Saxo Bank.

Limiting the losses, oil output from the Organization of the Petroleum Exporting Countries fell in December after two months of increases as field maintenance in the United Arab Emirates offset a Nigerian output hike and gains elsewhere in the group.

In Russia, oil output averaged 8,971 million barrels a day in December, below the country's target, Bloomberg reported citing the energy ministry.

Analysts expect oil prices to be down on average this year from 2024 due in part to production increases from non-OPEC countries.

"We are holding to our forecast for Brent crude to average \$76/bbl in 2025, down from an average of \$80/bbl in 2024," BMI, a division of Fitch Group, said in a client note.

U.S. natural gas futures jumped about 6% in another volatile day of trade on Wednesday on forecasts for more heating demand than previously expected and as freezing wells cut output.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil	FEB 25 73.32	-0.92	75.29	73.16
Natural Gas	FEB 25 3.651	0.229	3.684	3.427
RB Gasoline	FEB 25 201.02	-1.49	204.46	200.24
Heating Oil	FEB 25 235.07	-1.18	238.30	233.02
Brent Fin Last Day	MAR 25 76.19	-0.86	77.89	76.03
US Dollar Index	109.06	0.520	109.378	108.552

**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:**

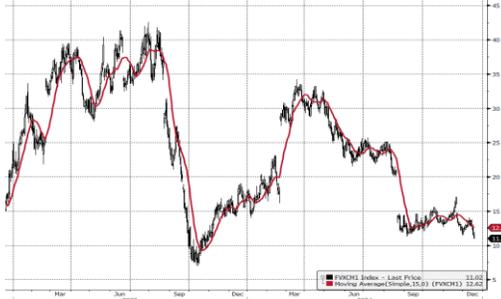
Event	Period	Avg Survey	Actual	Prior	
01/08/2025 23:30	DOE U.S. Crude Oil Inventories	Jan-03	-2000k	-959k	-1178k
01/08/2025 23:30	DOE Cushing OK Crude Inventory	Jan-03	--	-2502k	-142k
01/08/2025 23:30	DOE U.S. Gasoline Inventories	Jan-03	500k	630k	7717k
01/08/2025 23:30	DOE U.S. Distillate Inventory	Jan-03	500k	6071k	6406k
01/08/2025 23:30	DOE U.S. Refinery Utilization	Jan-03	-0.50%	0.60%	0.20%
01/08/2025 23:30	DOE Crude Oil Implied Demand	Jan-03	--	20128	20667
01/08/2025 23:30	DOE Gasoline Implied Demand	Jan-03	--	9323.6	9145.3
01/08/2025 23:30	DOE Distillate Implied Demand	Jan-03	--	4536.7	4652.9
01/09/2025 01:00	EIA Natural Gas Storage Change	Jan-03	-40	-40	-116
01/09/2025 01:00	EIA Working Natural Gas Implied Flow	Jan-03	-40	-40	-116
01/11/2025 02:00	Baker Hughes U.S. Rig Count	Jan-10	--	--	589
01/11/2025 02:00	Baker Hughes U.S. Rotary Gas Rigs	Jan-10	--	--	103
01/11/2025 02:00	Baker Hughes U.S. Rotary Oil Rigs	Jan-10	--	--	482

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



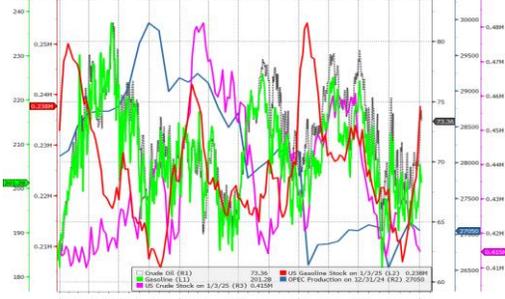
CLIG Comdty (WTI CRUDE FUTURE F6B25) Crude Gas Rig Count Daily 03/04/2023-18DEC2024 Copyright 2025 Bloomberg Finance L.P. 09-Jan-2025 04:42:34

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



FVCH1 Index (RBOB-WTI Month 1) FVCH1 Index Daily 3/06/2022-18DEC2024 Copyright 2025 Bloomberg Finance L.P. 09-Jan-2025 04:42:00

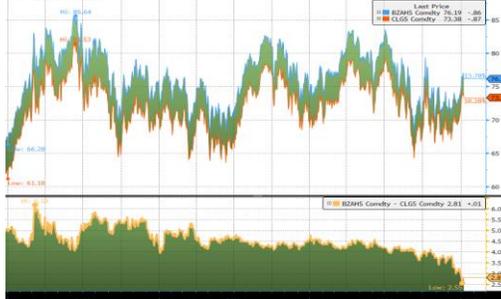
**Total OPEC Crude Oil Production vs Nymex Crude Oil & Gasoline Price & Inventory**



CLIG Comdty (WTI CRUDE FUTURE F6B25) Crude Gas Stock OPEC Daily 24/06/2021-08JAN2025 Copyright 2025 Bloomberg Finance L.P. 09-Jan-2025 04:42:34

Source: Bloomberg

**WTI-Brent Spread**



CLIG Comdty (Brent Fin Last Day) WTI vs Brent Daily 24/06/2021-08JAN2025 Copyright 2025 Bloomberg Finance L.P. 09-Jan-2025 04:42:34



**Technical Analysis**

<b>Crude Oil</b>	1st Resistance: 74.42	2nd Resistance: 75.52	<b>Natural Gas</b>	1st Resistance: 3.706	2nd Resistance: 3.761	<b>Gasoline</b>	1st Resistance: 204.04	2nd Resistance: 207.05
	1st Support: 72.22	2nd Support: 71.12		1st Support: 3.596	2nd Support: 3.541		1st Support: 198.00	2nd Support: 194.99
	MACD: 1.203			MACD: 0.135			MACD: 1.684	
	MACD DIFF: 0.402			MACD DIFF: 0.018			MACD DIFF: 0.644	
	RSI: 62.518			RSI: 57.357			RSI: 54.782	
<b>Heating Oil</b>	1st Resistance: 238.60	2nd Resistance: 242.12	<b>Brent Fin Last Day</b>	1st Resistance: 77.33	2nd Resistance: 78.48			
	1st Support: 231.54	2nd Support: 228.02		1st Support: 75.05	2nd Support: 73.90			
	MACD: 3.397			MACD: 0.994				
	MACD DIFF: 1.298			MACD DIFF: 0.385				
	RSI: 64.298			RSI: 62.449				

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