

Fundamentals:

Oil prices fell to two-month lows on Wednesday as a surprise build in U.S. fuel stockpiles signalled demand weakness and a potential peace deal between Russia and Ukraine continued to weigh on prices.

Brent crude LCOc1 settled down 49 cents, or 0.67%, at \$72.53 a barrel. U.S. West Texas Intermediate crude oil futures CLc1 fell by 31 cents, or 0.45%, to \$68.62.

Both benchmarks settled at their lowest since December 10.

U.S. gasoline and distillate inventories posted surprise builds last week even though crude oil stockpiles fell unexpectedly as refining activity ticked higher, the Energy Information Administration said.

"We had a knee jerk reaction down to the low. It was a bit of a surprise because of the crude oil number was a pretty big draw," said Bob Yawger, director of energy futures at Mizho.

Prospects for a peace deal between Russia and Ukraine are improving, ING commodities strategists said in a note, adding the market was also watching for implications of a minerals deal between the U.S. and Ukraine.

"This would take us a step closer to Russian sanctions being lifted, removing much of the supply uncertainty hanging over the market," the note said.

Downside risks on oil prices increased because of U.S. President Donald Trump's policies, such as initiatives to support higher oil exports by Iraq, said Saxo Bank analyst Ole Hansen. Trump's tariff policies could also trigger a trade war and curb economic growth, Hansen added.

The U.S. and Ukraine agreed on terms of a draft minerals deal central to Trump's efforts to bring a swift end to the war in Ukraine, sources familiar with the matter told Reuters on Tuesday.

Fears that a trade war could slow demand have eased worries about tighter near-term oil supply despite fresh U.S. sanctions against Iran, ANZ Bank analysts said in a note.

Trump announced a reversal of concessions given to Venezuela by former President Joe Biden in 2022.

The Biden administration allowed Chevron CVX.Na to expand its production in Venezuela and bring the country's crude oil to the U.S.

US natural gas futures sank as the March contract expired. Prices have been flip-flopping over the past few days as traders weigh warmer forecasts against recent steep declines in gas storage.

(Source: Reuters)

Energy Table

Contract	Sett	Chg	High	Low
Nymex Crude Oil	APR 25 68.62	-0.09	69.28	68.36
Natural Gas	MAR 25 3.906	-0.268	4.212	3.860
RB Gasoline	MAR 25 194.89	-1.77	197.26	192.97
Heating Oil	MAR 25 234.43	-4.13	239.37	231.02
Brent Fin Last Day	MAY 25 72.28	-0.22	72.80	71.90
US Dollar Index		0.175	106.654	106.159

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	439622
4/8/2023	5851	2300	-2661	-200	12600	445622

Fundamental Data:

Event	Period	Avg Survey	Actual	Prior
02/26/2025 23:30	DOE U.S. Crude Oil Inventories	Feb-25 2510.14k	-2332k	4633k
02/26/2025 23:30	DOE Cushing OK Crude Inventory	Feb-25 --	1282k	1472k
02/26/2025 23:30	DOE U.S. Gasoline Inventories	Feb-25 -500.43k	369k	-151k
02/26/2025 23:30	DOE U.S. Distillate Inventory	Feb-25 -2258.86	3908k	-2051k
02/26/2025 23:30	DOE U.S. Refinery Utilization	Feb-25 -0.24%	1.60%	-0.10%
02/26/2025 23:30	DOE Crude Oil Implied Demand	Feb-25 --	19754	18655
02/26/2025 23:30	DOE Gasoline Implied Demand	Feb-25 --	9302	9136.6
02/26/2025 23:30	DOE Distillate Implied Demand	Feb-25 --	4973.7	5283
02/27/2025 23:30	EIA Natural Gas Storage Change	Feb-25 --	--	-196
02/27/2025 23:30	EIA Working Natural Gas Implied Flow	Feb-25 --	--	-196
03/01/2025 02:00	Baker Hughes U.S. Rig Count	Feb-25 --	--	592
03/01/2025 02:00	Baker Hughes U.S. Rotary Gas Rigs	Feb-25 --	--	99
03/01/2025 02:00	Baker Hughes U.S. Rotary Oil Rigs	Feb-25 --	--	488

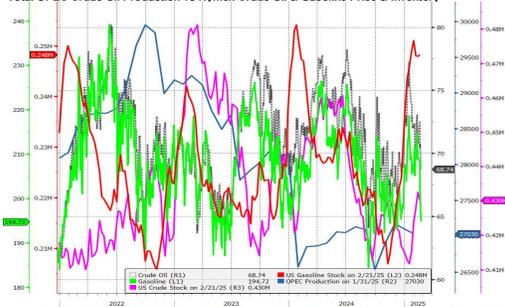
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



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:	69.65	1st Resistance:	3.965	1st Resistance:	197.81
2nd Resistance:	70.68	2nd Resistance:	4.023	2nd Resistance:	200.74
1st Support:	67.59	1st Support:	3.847	1st Support:	191.97
2nd Support:	66.55	2nd Support:	3.789	2nd Support:	189.04
MACD:	-0.655	MACD:	0.230	MACD:	-1.984
MACD DIFF:	-0.318	MACD DIFF:	0.034	MACD DIFF:	-1.786
RSI:	37.173	RSI:	56.786	RSI:	32.327

Heating Oil		Brent Fin Last Day	
1st Resistance:	237.95	1st Resistance:	73.36
2nd Resistance:	241.46	2nd Resistance:	74.45
1st Support:	230.91	1st Support:	71.20
2nd Support:	227.40	2nd Support:	70.11
MACD:	0.381	MACD:	-0.502
MACD DIFF:	-1.319	MACD DIFF:	-0.320
RSI:	41.337	RSI:	37.056

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