

**Fundamentals:**  
Oil prices fell on Monday on expectations that U.S. production could rise and as weaker economic data out of China and the country's widening COVID-19 curbs weighed on demand.  
Global benchmark Brent crude futures dropped 94 cents, or 0.98%, to \$94.83 a barrel. U.S. West Texas Intermediate (WTI) crude fell \$1.37 to \$86.53 a barrel, a 1.6% loss.  
Both benchmarks notched their first monthly gains since May.  
Oil output in the United States climbed to nearly 12 million barrels per day in August, the highest since the onset of the COVID-19 pandemic, monthly government data showed.  
U.S. President Joe Biden was set to call on oil and gas companies to invest some of their record profits in lowering costs for American families, a White House official said.  
Biden will call on Congress to consider requiring oil companies to pay tax penalties and face other restrictions, the official said. The president has previously pushed oil companies to raise production rather than use profits for share buybacks and dividends.  
The administration has also relied on releasing supplies from the Strategic Petroleum Reserves (SPR) to ease a supply crunch. About 1.9 million barrels were released from the SPR last week as part of the government's plan to release 180 million barrels.  
Meanwhile, factory activity in China, the world's largest crude importer, fell unexpectedly in October, an official survey showed on Monday, weighed down by softening global demand and strict COVID-19 restrictions that hit production.

Chinese cities are stepping up zero-COVID curbs as outbreaks widen, dampening hopes of a rebound in demand.  
Strict COVID-19 curbs in China have hit economic and business activity, curtailing oil demand. China's crude oil imports for the first three quarters of the year fell 4.3% year on year for the first annual decline for the period since at least 2014.  
Meanwhile, the euro zone is likely to enter recession, with its October business activity contracting at the fastest in nearly two years, a S&P Global survey said.  
European Central Bank policymakers are standing behind plans to keep raising interest rates, even if it pushes the bloc into recession and stirs political resentment.  
The Organization of the Petroleum Exporting Countries (OPEC) on Monday raised its forecast for medium and long-term oil demand and said \$12.1 trillion of investment is needed to meet this demand despite the energy transition.  
U.S. natural gas futures jumped about 12% to a two-week high on Monday on forecasts for colder weather and more demand than previously expected and the return of Berkshire Hathaway Energy's Cove Point liquefied natural gas (LNG) export plant in Maryland.

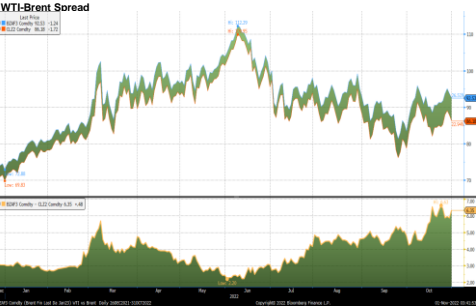
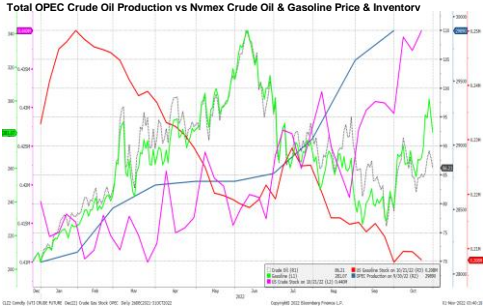
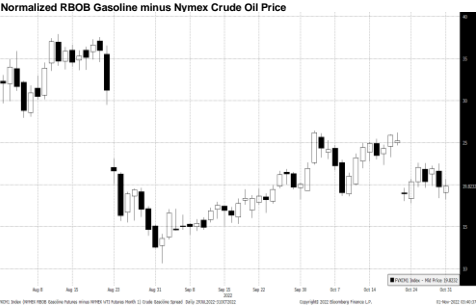
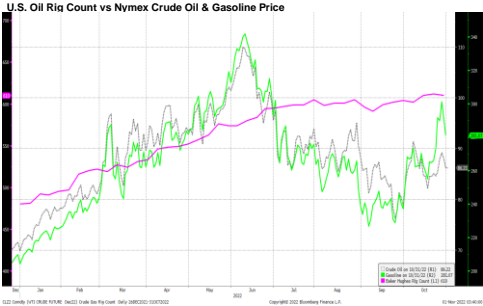
The possible rail strike and the reduction in Mississippi water levels could both threaten coal deliveries to U.S. utilities, forcing power generators to burn more gas.  
Last week, the Brotherhood of Railroad Signalmen union, representing more than 6,000 members, said workers voted against ratifying a national tentative agreement reached in mid-September, the second union not to approve the deal.  
Low water levels on the Mississippi River are likely to persist this winter as drier-than-normal weather is expected across the southern United States and Gulf Coast.  
Freeport LNG said it still expects its 2.1-billion-cubic-feet-per-day (bcf/d) export plant in Texas to return to at least partial service in early- to mid-November following an unexpected shutdown on June 8 caused by a pipeline explosion.  
At least four vessels were already lined up to pick up LNG at Freeport, according to Refinitiv data. Prism Brilliance and Prism Diversity were waiting off the coast from the plant, while Prism Courage was expected to arrive on Nov. 1 and Grace Freesia on Nov. 27.  
Front-month gas futures rose 67.1 cents, or 11.8%, to settle at \$6.355 per million British thermal units (mmBtu), their highest close since Oct. 14.

(Source: Reuters)

Energy Table					
Contract		Sett	Chg	High	Low
Nymex Crude Oil	DEC 22	86.53	-1.81	88.65	85.30
Natural Gas	DEC 22	6.355	0.600	6.400	5.823
RB Gasoline	DEC 22	252.57	-4.90	257.94	248.22
Heating Oil	DEC 22	367.41	-6.69	378.31	362.71
Brent Fin Last Day	JAN 23	92.47	-1.30	94.55	91.46
US Dollar Index		111.58	0.823	111.665	110.721

Bloomberg Survey on U.S. Total Change in Inventories					
Date	Crude Oil		Gasoline	Crude Oil	
	Actual	Survey	Actual	Survey	Production Inventory
21/10/2022	2588	1500	-1478	-1500	439945
14/10/2022	-1725	2500	-114	-2000	437357
07/10/2022	9879	1000	2022	-2000	439082
30/09/2022	-1356	1800	-4728	-1100	429203
23/09/2022	-215	2000	-2422	500	430559
16/09/2022	1141	2200	1570	-450	430774
09/09/2022	2442	1850	-1768	-1600	429633
02/09/2022	333	-1900	333	-1900	427191
26/08/2022	-3326	-950	-1172	-1000	418346
19/08/2022	-3262	-2500	-27	-1500	421672
12/08/2022	-7056	800	-4642	-1000	424954
05/08/2022	5457	-1000	-4978	-1100	432010

Fundamental Data:		Period	Avg Survey	Actual	Prior
Event					
11/02/2022 22:30	DOE U.S. Crude Oil Inventories	Oct-28	--	--	2588k
11/02/2022 22:30	DOE Cushing OK Crude Inventory	Oct-28	--	--	667k
11/02/2022 22:30	DOE U.S. Gasoline Inventories	Oct-28	--	--	-1478k
11/02/2022 22:30	DOE U.S. Distillate Inventory	Oct-28	--	--	170k
11/02/2022 22:30	DOE U.S. Refinery Utilization	Oct-28	--	--	-0.60%
11/02/2022 22:30	DOE Crude Oil Implied Demand	Oct-28	--	--	17810
11/02/2022 22:30	DOE Gasoline Implied Demand	Oct-28	--	--	9806.3
11/02/2022 22:30	DOE Distillate Implied Demand	Oct-28	--	--	5092.7
11/03/2022 22:30	EIA Natural Gas Storage Change	Oct-28	--	--	52
11/03/2022 22:30	EIA Working Natural Gas Implied Flow	Oct-28	--	--	52
11/05/2022 01:00	Baker Hughes U.S. Rig Count	Nov-04	--	--	768
11/05/2022 01:00	Baker Hughes U.S. Rotary Gas Rigs	Nov-04	--	--	156
11/05/2022 01:00	Baker Hughes U.S. Rotary Oil Rigs	Nov-04	--	--	610



Source: Bloomberg

Nymex Crude Oil 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

1st Resistance:	87.83	2nd Resistance:	89.13
1st Support:	85.23	2nd Support:	83.93
MACD:	0.512		
MACD DIFF:	0.263		
RSI:	50.814		

Natural Gas

1st Resistance:	6.450	2nd Resistance:	6.546
1st Support:	6.260	2nd Support:	6.164
MACD:	-0.452		
MACD DIFF:	0.032		
RSI:	44.879		

Gasoline

1st Resistance:	256.36	2nd Resistance:	260.15
1st Support:	248.78	2nd Support:	244.99
MACD:	3.671		
MACD DIFF:	0.755		
RSI:	52.382		

Heating Oil

1st Resistance:	372.92	2nd Resistance:	378.43
1st Support:	361.90	2nd Support:	356.39
MACD:	7.282		
MACD DIFF:	0.586		
RSI:	56.927		

Brent Fin Last Day

1st Resistance:	93.86	2nd Resistance:	95.24
1st Support:	91.08	2nd Support:	89.70
MACD:	0.899		
MACD DIFF:	0.293		
RSI:	53.099		

Strategy

	Long	Profit target:	Stop-loss:	Long	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:
Crude Oil	85.23	86.08	84.81	83.93	84.77	83.51	87.83	86.95	88.27	89.13	88.23	89.57
Natural Gas	6.260	6.322	6.228	6.164	6.226	6.134	6.450	6.386	6.483	6.546	6.480	6.578
Gasoline	248.78	251.27	247.54	244.99	247.44	243.77	256.36	253.79	257.64	260.15	257.55	261.45
Heating Oil	361.90	365.52	360.09	356.39	359.95	354.61	372.92	369.19	374.79	378.43	374.65	380.32
Brent Fin Last Day	91.08	91.99	90.63	89.70	90.59	89.25	93.86	92.92	94.33	95.24	94.29	95.72

Source: Bloomberg

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