

Fundamentals:
Oil futures slipped 1.5% in choppy trading on Friday ahead of a meeting of the Organization of the Petroleum Exporting Countries and its allies (OPEC+) on Sunday and an EU ban on Russian crude on Monday.
Brent crude futures settled down \$1.31, a 1.5% drop, at \$85.57 per barrel. U.S. West Texas Intermediate (WTI) crude futures fell \$1.24, or 1.5%, to \$79.98 per barrel.
Both contracts dipped in and out of negative territory, but notched their first weekly gains at around 2.5% and 5%, respectively, after three consecutive weeks of drops.

OPEC+ is widely expected to stick to its latest target of reducing oil production by 2 million barrels per day (bpd) when it meets on Sunday, but some analysts believe that crude prices could fall if the group does not make further cuts.
Russian oil output could fall by 500,000 to 1 million bpd early in 2023 due to the European Union ban on seaborne imports from Monday, two sources at major Russian producers said.

Poland agreed to the EU's deal for a \$60 per barrel price cap on Russian seaborne oil, allowing the bloc to move forward with formally approving the deal over the weekend, Poland's Ambassador to the EU, Andrzej Szados, said.

European Commission President Ursula von der Leyen said the Russian oil price cap will be adjustable over time so that the union can react to market developments.

Russian Urals crude URL-E traded at around \$70 a barrel on Thursday afternoon. The cap was designed to limit revenues to Russia while not resulting in an oil price spike.

Sending bullish signals, China is set to announce an easing of its COVID-19 quarantine protocols within days, sources told Reuters, which would be a major shift in policy in the world's second-biggest oil consumer, although analysts warn a significant economic reopening is likely months away.

The U.S. oil rig count, an indicator of future production, remained unchanged this week, according to data from Baker Hughes. Worries also accelerated that U.S. shale can no longer boost production at a short notice.

Government data also showed that U.S. employers added more jobs than expected in November while average hourly earnings also increased, potentially giving the Federal Reserve more incentive to raise interest rates.

U.S. natural gas futures dropped about 7% to a two-week low on Friday on a delayed restart for the Freeport liquefied natural gas (LNG) export plant in Texas and forecasts for milder weather and lower demand over the next two weeks than previously expected.

Front-month gas futures fell 45.7 cents, or 6.8%, to settle at \$6.281 per million British thermal units (mmbtu), their lowest close since Nov. 16.

That also put the contract down about 11% for the week after rising about 19% during the prior two weeks.

European natural gas posted a third weekly gain with low temperatures set to push households and businesses to boost heating, testing the market's ability to meet increasing demand.

Benchmark futures climbed 9% this week, even as they eased on Friday. Colder-than-normal weather is set to spread through the northern part of the continent next week, according to forecaster Maxar Technologies Inc. A strong Arctic blast will cover Scandinavia, expanding later toward western regions.

Benchmark Dutch front-month futures fluctuated on Friday and settled 2.7% lower at €135.56 a megawatt-hour. The UK equivalent declined 2.3%, but also gained for the week.

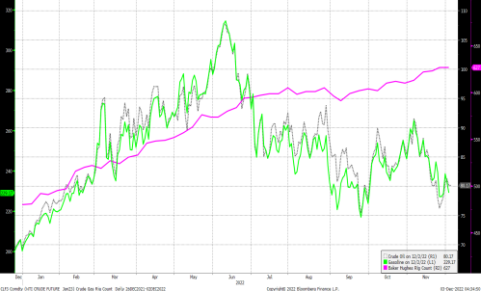
(Source: Reuters, Bloomberg)

Energy Table				
Contract		Sett	Chg	High Low
Nymex Crude Oil	JAN 23	79.98	-1.04	82.22 79.65
Natural Gas	JAN 23	6.281	-0.504	6.839 6.221
RB Gasoline	JAN 23	228.04	-4.91	236.14 227.01
Heating Oil	JAN 23	316.85	-8.66	331.56 314.75
Brent Fin Last Day	FEB 23	85.87	-1.01	87.89 85.19
US Dollar Index		104.49	-0.235	105.585 104.377

Bloomberg Survey on U.S. Total Change in Inventories						
Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
25/11/2022	12581	-3123	2770	2250	12100	419084
18/11/2022	-3690	-2614	3058	1150	12100	431665
11/11/2022	-5400	-1900	2207	200	12100	435355
04/11/2022	3925	250	-900	-1450	12100	440755
28/10/2022	-3115	-200	-1257	-1000	11900	436830
21/10/2022	2588	1500	-1478	-1500	12000	430945
14/10/2022	-1725	2500	-114	-2000	12000	437357
07/10/2022	2022	1000	2022	-2000	11900	439082
30/09/2022	-1356	1800	-4728	-1100	12000	429203
23/09/2022	-215	2000	-2422	500	12000	430559
16/09/2022	1141	2200	1570	-450	12100	430774
09/09/2022	2442	1850	-1768	-1600	12100	429633

Fundamental Data:					
Event		Period	Avg Survey	Actual	Prior
12/03/2022 02:00	Baker Hughes U.S. Rig Count	Dec-02	--	784	784
12/03/2022 02:00	Baker Hughes U.S. Rotary Gas Rigs	Dec-02	--	155	155
12/03/2022 02:00	Baker Hughes U.S. Rotary Oil Rigs	Dec-02	--	627	627
12/07/2022 01:00	STEO Current Yr Crude Forecast	Dec	--	11.83	--
12/07/2022 01:00	STEO Fwd Yr Crude Forecast	Dec	--	12.31	--
12/07/2022 01:00	STEO Curr Yr Dry Nat Gas Forecast	Dec	--	98.07	--
12/07/2022 01:00	STEO Fwd Yr Dry Nat Gas Forecast	Dec	--	99.69	--
12/07/2022 23:30	DOE U.S. Crude Oil Inventories	Dec-02	--	-12581k	--
12/07/2022 23:30	DOE Cushing OK Crude Inventory	Dec-02	--	-419k	--
12/07/2022 23:30	DOE U.S. Gasoline Inventories	Dec-02	--	2770k	--
12/07/2022 23:30	DOE U.S. Distillate Inventory	Dec-02	--	3547k	--
12/07/2022 23:30	DOE U.S. Refinery Utilization	Dec-02	--	1.30%	--
12/07/2022 23:30	DOE Crude Oil Implied Demand	Dec-02	--	19934	--
12/07/2022 23:30	DOE Gasoline Implied Demand	Dec-02	--	9455.3	--
12/07/2022 23:30	DOE Distillate Implied Demand	Dec-02	--	4956.3	--
12/08/2022 23:30	EIA Natural Gas Storage Change	Dec-02	--	-81	--
12/08/2022 23:30	EIA Working Natural Gas Implied Flow	Dec-02	--	-81	--

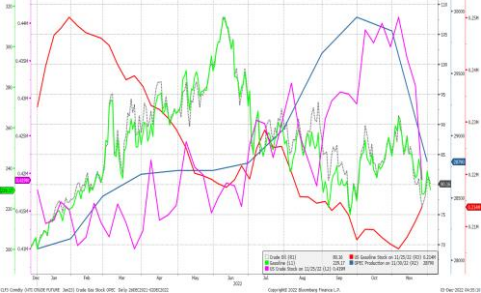
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



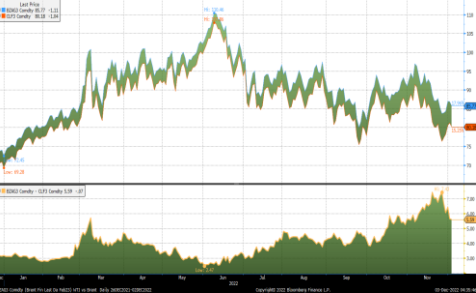
Normalized RBOB Gasoline minus Nymex Crude Oil Price



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



WTI-Brent Spread



Source: Bloomberg

Nymex Crude Daily Chart



Nymex Natural Gas Daily Chart



Nymex Brent Last Day Daily Chart



Nymex RBOB Gasoline Daily Chart



Nymex Heating Oil Daily Chart



Technical Analysis

Crude Oil

1st Resistance:	81.18	2nd Resistance:	82.38
1st Support:	78.78	2nd Support:	77.58
MACD:	-1.688		
MACD DIFF:	-0.210		
RSI:	44.671		

Heating Oil

1st Resistance:	321.60	2nd Resistance:	326.36
1st Support:	312.10	2nd Support:	307.34
MACD:	-6.623		
MACD DIFF:	-2.195		
RSI:	38.649		

Natural Gas

1st Resistance:	6.375	2nd Resistance:	6.469
1st Support:	6.187	2nd Support:	6.093
MACD:	0.027		
MACD DIFF:	-0.027		
RSI:	41.482		

Brent Fin Last Day

1st Resistance:	87.16	2nd Resistance:	88.45
1st Support:	84.58	2nd Support:	83.29
MACD:	-1.516		
MACD DIFF:	-0.404		
RSI:	42.496		

Gasoline		2nd Resistance:	234.88
1st Resistance:	231.46		
1st Support:	224.62	2nd Support:	221.20
MACD:	-4.209		
MACD DIFF:	-1.490		
RSI:	41.269		

Strategy

	Long	Profit target:	Stop-loss:	Long	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:	Short	Profit target:	Stop-loss:
Crude Oil	78.78	79.57	78.39	77.58	78.36	77.19	81.18	80.37	81.59	82.38	81.56	82.79
Natural Gas	6.187	6.249	6.156	6.093	6.153	6.062	6.375	6.311	6.407	6.469	6.405	6.502
Gasoline	224.62	226.87	223.50	221.20	223.41	220.09	231.46	229.15	232.62	234.88	232.53	236.06
Heating Oil	312.10	315.22	310.54	307.34	310.42	305.81	321.60	318.39	323.21	326.36	323.09	327.99
Brent Fin Last Day	84.58	85.43	84.16	83.29	84.13	82.88	87.16	86.29	87.59	88.45	87.56	88.89

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