

Fundamentals:
Oil prices climbed about 2% to a near three-month high on Monday on tightening supply, rising U.S. gasoline demand, hopes for Chinese stimulus measures and technical buying.

Brent futures rose \$1.67, or 2.1%, to settle at \$82.74 a barrel, while U.S. West Texas Intermediate (WTI) crude rose \$1.67, or 2.1%, to settle at \$78.74.

Those were the highest closes for Brent since April 19 and for WTI since April 24, as both contracts were pushed into technically overbought territory above their 200-day moving averages.

The 200-day moving average had been a key point of technical resistance for both benchmarks since August 2022.

Both crude benchmarks have already climbed for four weeks in a row with supplies expected to tighten due to cuts from the Organization of the Petroleum Exporting Countries (OPEC) and allies like Russia, a group known as OPEC+.

Oil's rise has reflected "tightening conditions as Saudi oil output cuts impact the market ... even as summer demand has been somewhat stronger for gasoline and jet fuel," Citi Research said in a note.

Strong demand and worries about supply issues boosted U.S. gasoline futures to their highest level since October 2022.

In the euro zone, business activity shrank much more than expected in July as demand in the bloc's dominant services industry declined while factory output fell at the fastest pace since COVID-19 first took hold, a survey showed.

In the U.S., business activity slowed to a five-month low in July, dragged down by decelerating service-sector growth, closely watched survey data showed, but falling input prices and slower hiring indicate the Federal Reserve could be making progress on important fronts in its bid to reduce inflation.

Investors have priced in quarter-point hikes from the Fed and European Central Bank (ECB) this week, so the focus will be on what Fed Chair Jerome Powell and ECB President Christine Lagarde say about future rate increases.

A majority of economists polled by Reuters still expect this will be the last increase of the current U.S. tightening cycle, after data this month showed signs of disinflation, eliminating the need for the Fed to lift rates further.

Higher interest rates increase borrowing costs and can slow economic growth and reduce oil demand.

In China, the world's second-largest economy and second-biggest oil consumer, leaders pledged to step up policy support for the economy amid a tortuous post-COVID recovery, focusing on boosting domestic demand, signalling more stimulus steps.

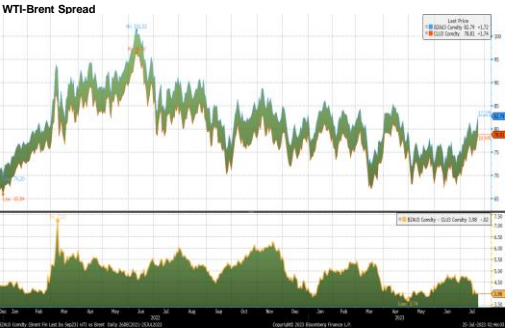
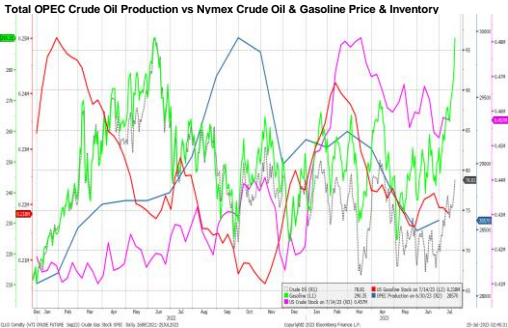
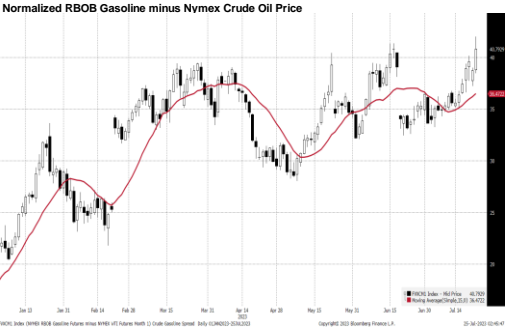
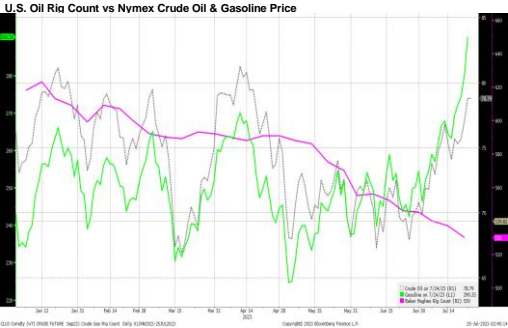
U.S. natural gas futures eased about 1% on Monday on rising output and forecasts for less demand next week than previously expected.

(Source: Reuters)

Energy Table					
Contract		Sett	Chg	High	Low
Nymex Crude Oil	SEP 23	78.74	1.81	79.28	76.44
Natural Gas	AUG 23	2.685	-0.014	2.767	2.684
RB Gasoline	AUG 23	289.51	10.23	294.75	278.41
Heating Oil	AUG 23	277.05	3.02	283.89	272.20
Brent Fin Last Day	SEP 23	82.84	1.77	83.16	80.42
US Dollar Index		101.40	0.324	101.425	100.889

Bloomberg Survey on U.S. Total Change in Inventories						
Date	Crude Oil		Gasoline		Crude Oil	
	Actual	Survey	Actual	Survey	Production	Inventory
14/7/2023	-708	-2500	-1066	-1500	12300	457420
7/7/2023	5946	-50	-4	-1350	12300	458128
30/6/2023	-1508	-2000	-2549	0	12400	452182
23/6/2023	-9603	-1500	603	1000	12200	453690
16/6/2023	-3831	450	479	800	12200	463293
9/6/2023	7919	-1536	2108	1000	12400	467124
2/6/2023	-452	1500	2745	1000	12400	459205
26/5/2023	-207	-1500	-207	-1100	12200	459567
19/5/2023	-12456	2000	-2053	-1600	12300	455168
12/5/2023	5040	-2000	-1381	-2000	12200	467624
5/5/2023	2951	-2500	-3167	-1500	12300	462584
28/4/2023	-1281	-500	1742	-1500	12300	459633

Fundamental Data:					
Event	Period	Avg Survey	Actual	Prior	
07/26/2023 22:30	DOE U.S. Crude Oil Inventories	Jul-21	--	--	-708k
07/26/2023 22:30	DOE Cushing OK Crude Inventory	Jul-21	--	--	-2891k
07/26/2023 22:30	DOE U.S. Gasoline Inventories	Jul-21	--	--	-1066k
07/26/2023 22:30	DOE U.S. Distillate Inventories	Jul-21	--	--	13k
07/26/2023 22:30	DOE U.S. Refinery Utilization	Jul-21	--	--	0.60%
07/26/2023 22:30	DOE Crude Oil Implied Demand	Jul-21	--	--	19575
07/26/2023 22:30	DOE Gasoline Implied Demand	Jul-21	--	--	9926.9
07/26/2023 22:30	DOE Distillate Implied Demand	Jul-21	--	--	5093.1
07/27/2023 22:30	EIA Natural Gas Storage Change	Jul-21	--	--	41
07/27/2023 22:30	EIA Working Natural Gas Implied Flow	Jul-21	--	--	41
07/29/2023 01:00	Baker Hughes U.S. Rotary Oil Rigs	Jul-28	--	--	530
07/29/2023 01:00	Baker Hughes U.S. Rotary Gas Rigs	Jul-28	--	--	131
07/29/2023 01:00	Baker Hughes U.S. Rig Count	Jul-28	--	--	669



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				Natural Gas				Gasoline			
1st Resistance:	79.92	2nd Resistance:	81.10	1st Resistance:	2.725	2nd Resistance:	2.766	1st Resistance:	293.85	2nd Resistance:	298.20
1st Support:	77.56	2nd Support:	76.38	1st Support:	2.645	2nd Support:	2.604	1st Support:	285.17	2nd Support:	280.82
MACD:	1.614			MACD:	0.020			MACD:	8.323		
MACD DIFF:	0.490			MACD DIFF:	0.003			MACD DIFF:	2.663		
RSI:	66.459			RSI:	53.671			RSI:	74.966		
Heating Oil				Brent Fin Last Day							
1st Resistance:	281.21	2nd Resistance:	285.36	1st Resistance:	84.08	2nd Resistance:	85.33				
1st Support:	272.89	2nd Support:	268.74	1st Support:	81.60	2nd Support:	80.35				
MACD:	6.001			MACD:	1.491						
MACD DIFF:	2.091			MACD DIFF:	0.397						
RSI:	72.291			RSI:	65.690						

Strategy

Crude Oil	Long:	Profit target:	Stop-loss:	Natural Gas	Long:	Profit target:	Stop-loss:	Gasoline	Long:	Profit target:	Stop-loss:
Natural Gas	77.56	78.33	77.17	Natural Gas	76.38	77.14	76.00	Gasoline	81.10	80.29	81.51
Gasoline	2.645	2.671	2.632	Gasoline	2.604	2.630	2.591	Heating Oil	2.766	2.738	2.779
Heating Oil	285.17	288.02	283.74	Heating Oil	280.82	283.63	279.42	Brent Fin Last Day	293.85	295.21	299.69
Brent Fin Last Day	272.89	275.62	271.53	Brent Fin Last Day	268.74	271.43	267.39		285.36	282.51	286.79
	81.60	82.41	81.19		80.35	81.16	79.95		85.33	84.47	85.75

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