

**Fundamentals:**

Oil prices gained about 1% on Wednesday after a larger-than-expected decline in U.S. crude stocks, but gains were capped by concerns about rising global inventories in thin trading ahead of the U.S. Independence Day holiday.

Brent crude futures rose \$1.10, or 1.3%, to settle at \$87.34 a barrel. U.S. West Texas Intermediate (WTI) crude futures gained \$1.07, or 1.3%, to \$83.85.

The U.S. Energy Information Administration (EIA) reported a 12.2 million draw in the country's crude oil barrels in storage last week, which was larger than analysts' expectations in a Reuters poll for a 650,000-barrel draw.

"Strong exports, a slight drop in imports, and a rebound in refinery runs colluded to draw crude inventories by a whopping 12 million barrels," said Kpler oil analyst Matt Smith.

But the market's reaction was muted partly due to lower trading volumes ahead of Independence Day, analysts noted.

Potential supply disruptions to Hurricane Beryl have also kept prices elevated, although concerns eased after the U.S. National Hurricane Center said the storm was expected to weaken by the time it entered the Gulf of Mexico this week. The rain and wind impacts could still disrupt Mexico's offshore oil production as well as its export infrastructure and tighten supply, said Andrew Lipow, president of Lipow Oil Associates. Mexico is a major crude oil exporter.

OPEC output rose for a second consecutive month in June, a Reuters survey found on Tuesday, which weighed on oil prices. Higher supply from Nigeria and Iran offset the impact of voluntary supply cuts by other members and the wider OPEC+ alliance.

"OPEC+ was reported to have increased production in June despite pledges to keep quotas in check through the third quarter, and lingering concerns over a tepid recovery in China sent a bearish signal," Panmure Gordon's Kelly said.

Also dampening prices were surveys that showed that China's services activity expanded at the slowest pace in eight months and confidence hit a four-year low in June. Overall business growth across the euro zone also slowed sharply last month. China is the largest importer of crude barrels, and a slowdown in the country's economic activity can damage oil demand.

U.S. natural gas futures eased about 1% to a seven-week low on Wednesday on a rise in output so far in July and the oversupply of gas still in storage.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil	AUG 24 83.88	0.91	83.93	82.46
Natural Gas	AUG 24 2.418	-0.017	2.480	2.410
RB Gasoline	AUG 24 260.13	1.31	260.29	253.98
Heating Oil	AUG 24 263.43	-0.22	263.62	259.31
Brent Fin Last Day	SEP 24 87.17	0.93	87.38	85.89
US Dollar Index	105.36	-0.364	105.804	105.049

**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	-58	-2500	-262	-1100	12700	439662
4/8/2023	5851	2300	-2661	-200	12600	445622

**Fundamental Data:**

Event	Period	Avg Survey	Actual	Prior
07/03/2024 22:30	DOE U.S. Crude Oil Inventories	Jun-28 -1000k	-12157k	3591k
07/03/2024 22:30	DOE Cushing OK Crude Inventory	Jun-28 --	345k	-226k
07/03/2024 22:30	DOE U.S. Gasoline Inventories	Jun-28 -1000k	-2214k	2654k
07/03/2024 22:30	DOE U.S. Distillate Inventory	Jun-28 -800k	-1535k	-377k
07/03/2024 22:30	DOE U.S. Refinery Utilization	Jun-28 0.80%	1.30%	-1.30%
07/03/2024 22:30	DOE Crude Oil Implied Demand	Jun-28 --	21484	19298
07/03/2024 22:30	DOE Gasoline Implied Demand	Jun-28 --	10394.4	9845
07/03/2024 22:30	DOE Distillate Implied Demand	Jun-28 --	5419.3	5088.9
07/04/2024 00:00	EIA Natural Gas Storage Change	Jun-28 31	32	52
07/04/2024 00:00	EIA Working Natural Gas Implied Flow	Jun-28 31	32	52

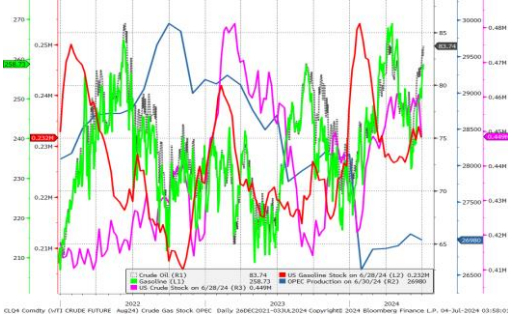
**U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price**



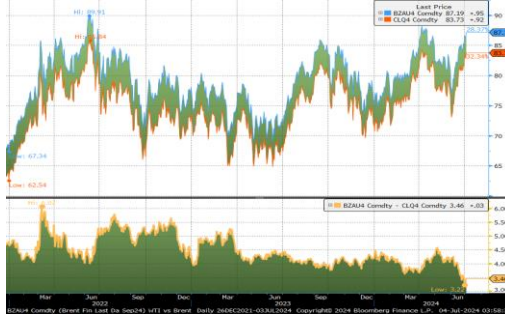
**Normalized RBOB Gasoline minus Nymex Crude Oil Price**



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

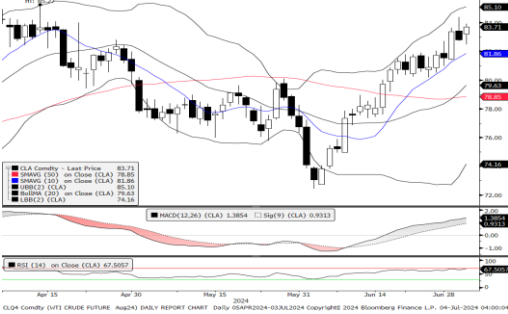


**WTI-Brent Spread**



Source: Bloomberg

**Nymex Crude Daily Chart**



**Nymex RBOB Gasoline Daily Chart**



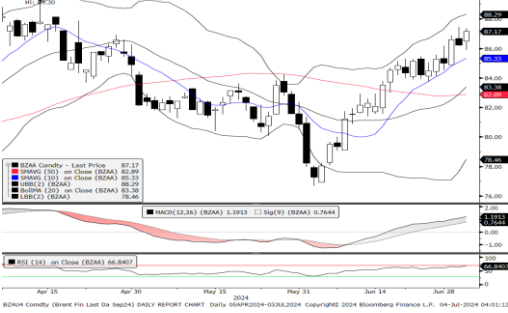
**Nymex Natural Gas Daily Chart**



**Nymex Heating Oil Daily Chart**



**Nymex Brent Last Day Daily Chart**



**Technical Analysis**

Crude Oil		Natural Gas		Gasoline	
1st Resistance:	85.14	1st Resistance:	2.454	1st Resistance:	264.03
1st Support:	82.62	1st Support:	2.382	1st Support:	256.23
MACD:	1.386	MACD:	-0.076	MACD:	3.208
MACD DIFF:	0.455	MACD DIFF:	-0.070	MACD DIFF:	1.868
RSI:	67.536	RSI:	34.906	RSI:	67.471
2nd Resistance: 86.40		2nd Resistance: 2.491		2nd Resistance: 267.93	
2nd Support: 81.36		2nd Support: 2.345		2nd Support: 252.33	

Heating Oil		Brent Fin Last Day	
1st Resistance:	267.38	1st Resistance:	88.48
1st Support:	259.48	1st Support:	85.86
MACD:	3.847	MACD:	1.192
MACD DIFF:	1.685	MACD DIFF:	0.427
RSI:	66.633	RSI:	66.843
2nd Resistance: 271.33		2nd Resistance: 89.79	
2nd Support: 255.53		2nd Support: 84.55	

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