

**Fundamentals:**

OIL prices settled up by over \$2 per barrel on Wednesday on signs of tighter supply, a weaker dollar and optimism over a Chinese demand recovery.  
Capping gains, the OPEC+ decision to hold its Dec. 4 meeting virtually signals little likelihood of a policy change, a source with direct knowledge of the matter told Reuters on Wednesday.

Brent crude futures settled up \$2.40, or 2.8%, to \$85.43 per barrel while U.S. West Texas Intermediate (WTI) crude futures settled up \$2.35, or 3.01%, to \$80.55.  
Support followed expectations of tighter crude supply.

U.S. crude oil stocks plunged by nearly 13 million barrels, the most since 2019, in the week ended Nov. 25, according to the Energy Information Administration.

But heating oil demand fell for the second consecutive week heading into winter, curbing price support.

Likewise, U.S. oil output climbed 2.4% to 12.27 million barrels per day (bpd) in September, government figures showed on Wednesday, the highest since the onset of the COVID-19 pandemic.

The International Energy Agency expects Russian crude production to be curtailed by some 2 million barrels of oil per day by the end of the first quarter next year, its chief Fatih Birol told Reuters on Tuesday.

Russia would not supply oil to countries imposing a price cap, Russia's foreign ministry spokesperson Maria Zakharova said.

On the demand side, further support came from optimism over a demand recovery in China, the world's largest crude buyer.

China reported fewer COVID-19 infections than on Tuesday, while the market speculated that weekend protests could prompt an easing in travel restrictions.

Guangzhou, a southern city, relaxed COVID prevention rules in several districts on Wednesday.

U.S. natural gas futures slipped on Wednesday as forecasts for less cold weather than previously feared lowered demand expectations for heating, while robust production levels further weighed on the market.

Front-month gas futures for January delivery fell 30.5 cents, or 4.2%, to settle at \$6.930 per million British thermal units, having dropped over 5% earlier to a session low of \$6.806.

Data provider Refinitiv forecast 406 heating degree days (HDDs), which are used to estimate demand to heat homes and businesses, over the next two weeks in the Lower 48 U.S. states, is slightly lower than the outlook on Tuesday.

Refinitiv said average gas output in the U.S. Lower 48 states has risen to 99.6 bcf/d in November, up from 99.4 bcf/d in October.

However, U.S. gas futures ended the month over 9% higher. Prices are also up about 90% so far this year as much higher global prices feed demand for U.S. exports due to supply disruptions and sanctions linked to Russia's invasion of Ukraine.

Meanwhile, Freport LNG has said it plans to start producing LNG again in mid-December and reach full capacity of about 2.1 billion cubic feet per day (bcfd) in March.

Freport LNG, however, has not yet submitted a request to restart the plant to the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA), sources familiar with the company's filings have told Reuters.

(Source: Reuters)

**Energy Table**

Contract	Sett	Chg	High	Low
Nymex Crude Oil JAN 23	80.55	2.26	81.38	78.40
Natural Gas JAN 23	6.930	-0.267	7.305	6.806
RB Gasoline JAN 23	238.47	8.71	239.15	228.74
Heating Oil JAN 23	336.35	10.87	336.84	324.50
Brent Fin Last Day FEB 23	86.76	2.51	87.39	84.46
US Dollar Index	106.03	-0.797	107.195	105.778

**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	2598	1500	-1478	-1500	12000	438945
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	
11/30/2022 23:30	DOE U.S. Crude Oil Inventories	Nov-25	-3123k	-12581k	-3690k
11/30/2022 23:30	DOE Cushing OK Crude Inventory	Nov-25	--	-415k	-887k
11/30/2022 23:30	DOE U.S. Gasoline Inventories	Nov-25	2250k	2770k	3058k
11/30/2022 23:30	DOE U.S. Distillate Inventory	Nov-25	1492k	1492k	3547k
11/30/2022 23:30	DOE U.S. Refinery Utilization	Nov-25	0.45%	1.30%	1.00%
11/30/2022 23:30	DOE Crude Oil Implied Demand	Nov-25	--	19934	19690
11/30/2022 23:30	DOE Gasoline Implied Demand	Nov-25	--	9455.3	9224.9
11/30/2022 23:30	DOE Distillate Implied Demand	Nov-25	--	4956.3	4987.6
12/01/2022 23:30	EIA Natural Gas Storage Change	Nov-25	-82	--	-80
11/30/2022 23:30	EIA Working Natural Gas Implied Flow	Nov-25	-82	--	-80
12/03/2022 02:00	Baker Hughes U.S. Rig Count	Dec-02	--	--	784
12/03/2022 02:00	Baker Hughes U.S. Rotary Gas Rigs	Dec-02	--	--	155
12/03/2022 02:00	Baker Hughes U.S. Rotary Oil Rigs	Dec-02	--	--	627

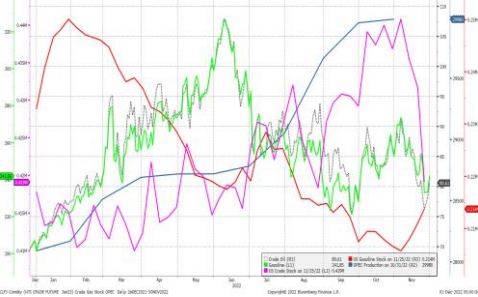
U.S. Oil Rig Count vs Nymex Crude Oil & Gasoline Price



Normalized RBOB Gasoline minus Nymex Crude Oil Price



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

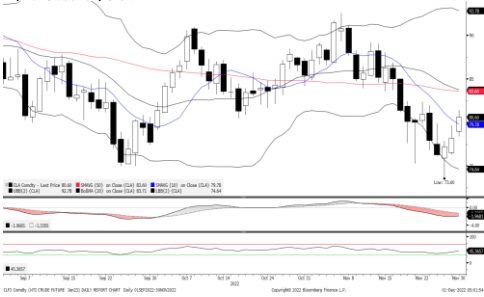


WTI-Brent Spread



Source: Bloomberg

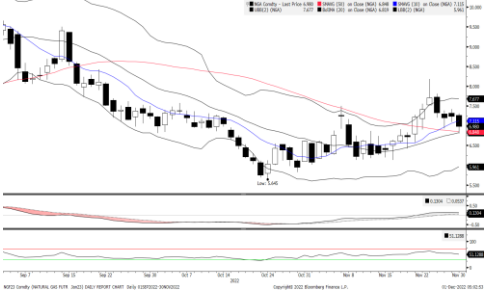
**Nymex Crude Daily Chart**



**Nymex RBOB Gasoline Daily Chart**



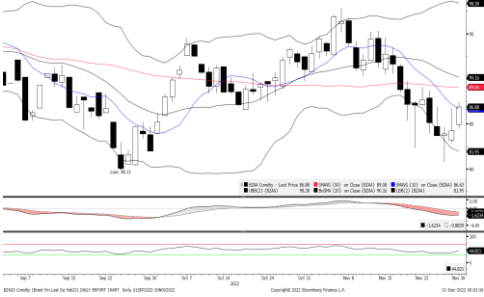
**Nymex Natural Gas Daily Chart**



**Nymex Heating Oil Daily Chart**



**Nymex Brent Last Day Daily Chart**



**Technical Analysis**

**Crude Oil**

1st Resistance:	81.76	2nd Resistance:	82.97
1st Support:	79.34	2nd Support:	78.13
MACD:	-1.980		
MACD DIFF:	-0.641		
RSI:	45.047		

**Heating Oil**

1st Resistance:	341.40	2nd Resistance:	346.44
1st Support:	331.30	2nd Support:	326.26
MACD:	-5.812		
MACD DIFF:	-2.415		
RSI:	47.426		

**Natural Gas**

1st Resistance:	7.034	2nd Resistance:	7.138
1st Support:	6.826	2nd Support:	6.722
MACD:	0.129		
MACD DIFF:	0.076		
RSI:	50.961		

**Brent Fin Last Day**

1st Resistance:	88.06	2nd Resistance:	89.36
1st Support:	85.46	2nd Support:	84.16
MACD:	-1.634		
MACD DIFF:	-0.747		
RSI:	44.505		

Gasoline	242.05	2nd Resistance:	245.62
1st Support:	234.89	2nd Support:	231.32
MACD:	-3.926		
MACD DIFF:	-1.941		
RSI:	46.640		

**Strategy**

	Long	Profit target:	Stop-loss:	Long	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Crude Oil	79.34	80.14	78.95	78.13	78.91	77.74	81.76	80.94	82.17
Natural Gas	6.826	6.894	6.792	6.722	6.789	6.688	7.034	6.964	7.069
Gasoline	234.89	237.24	233.72	231.32	233.63	230.16	242.05	239.63	243.26
Heating Oil	331.30	334.62	329.65	326.26	329.52	324.63	341.40	337.98	343.10
Brent Fin Last Day	85.46	86.31	85.03	84.16	85.00	83.74	88.06	87.18	88.50

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