



## Daily Oil Market Comment

12/07/04

Futures prices eased on Friday night on some profit taking following the spike in Thursday's prices. Prices are also down 25 cents per barrel this morning in after hours ACCESS trading but traders see the downside as limited due to concerns of strong demand, continuing Yukos dispute and problems in Nigeria and Iraq. Fundamentally the market is not short of crude and the so called booming demand is only slightly higher than last year. Despite heating oil stocks in the US being 14% higher than last year, the market is still worried about them being too low. Technically the market remains in the uptrend and possible for WTI to get back to \$41-42/bbl.

Singapore prices were up with the crude market at the time, fundamentally remain under some pressure with good selling interest. Expect Singapore prices to be down 50-60 cents per barrel this morning.

Closing Prices July 9, 2004:

WTI	\$39.96/bbl	-\$0.37/bbl
Brent	\$37.05/bbl	-\$0.72/bbl
IPE Gasoil	\$345.50/t	-\$0.75/t = -\$0.10/bbl
MOPS Kero	\$47.90/bbl	+\$0.30/bbl

## Asian Day Market Movement

Market Movement Friday 9th July:

The US market rallied in the afternoon following the release of the weekly data.

The reason for the rally is that the US demand is still strong and product stocks are still on the low side ahead of the peak demand season

despite very high import levels.

Market waiting for the latest developments in Russia between the government and Yukos.

No further problems from Nigeria or Iraq.

Prices at 19:00

WTI:	40.23	-0.10/bbl
Brent:	37.70	-0.07/bbl
IPE Gasoil:	347.25	+1.00/MT = +0.13/bbl
Spore Kero:	48.00	+0.40/bbl