



Daily Oil Market Comment

09/06/04

Futures prices came off heavily again overnight on forecasts of more gasoline stock builds in the US and higher OPEC production. The market initially rallied on the news that a pipeline from Kirkuk in Iraq had been blown up. However, on reports that France and Germany will support the US/UK UN Draft for the new Iraqi government then lead to a bearish sentiment. Fundamentally the market stays in the short term downtrend. After hours ACCESS trading is down 25 cents this morning.

Singapore prices firmed with the previous days futures movement. Despite kero being well offered in Singapore, prices were less aggressive, obviously to not dampen the market before our tender. BP still trying to support kero physical market. Despite gasoil being better bid than offered, the banks are bidding up the regrade, probably to cover some customer business. Expect prices to be down about \$1/barrel this morning.

Closing Prices June 8, 2004:

WTI	\$37.28/bbl	-\$1.38/bbl
Brent	\$35.05/bbl	-\$0.91/bbl
IPE Gasoil	\$313.75/t	+\$2.25/t =+\$0.30/bbl
MOPS Kero	\$42.85/bbl	+\$0.275/bbl