



Daily Oil Market Comment

04/10/04

Oil prices rallied late Friday night to settle for the first time above \$50/bbl. Prices firmed over concerns that Nigerian rebels would disrupt production as well as news that 29% of US Gulf crude production is still shut in following delays to repairs after Hurricane Ivan. Technically the market remains in the uptrend with the next target for WTI at \$50.80/bbl. However, trading in After Hours ACCESS has WTI down \$0.47/bbl this morning following reports Nigerian rebels have agreed to a new ceasefire over the weekend.

Singapore prices were down \$0.40/bbl on aggressive offers in both the physical markets and swaps markets but no physical trades were done. Physical cargoes remain well offered but sentiment remains bullish heading into winter. Expect Singapore prices to be \$0.20/bbl this morning.

Closing prices Friday October 1st, 2004:

WTI	\$50.12/bbl	+\$0.48/bbl
Brent	\$46.62/bbl	+\$0.24/bbl
IPE Gasoil	\$441.00/t	-\$5.75/t = -\$0.77/bbl

Asian Day Oil Market Movement

Oil prices were mixed during Asian trading hours with crude futures down but gasoil futures up. Prices are slightly weaker on profit taking following the surprising build in US crude stocks and news that Nigerian rebels had called a ceasefire with the government. However, market sentiment remains bullish with stocks still low and demand still strong. Technically the market remains in uptrend.

Singapore prices only slightly lower with aggressive offers still seen on physical cargoes whilst swaps markets remain well bid in line with gasoil futures. Sentiment remains bullish for distillates going into winter with low stocks in Japan and Europe. Singapore prices are expected to be down only \$0.05/bbl today.

Prices as at 5:30pm Singapore Time Thursday September 30, 2004:

WTI	\$49.30/bbl	-\$0.21/bbl
Brent	\$45.83/bbl	-\$0.25/bbl
IPE Gasoil	\$432.75/t	+\$0.25/t = +\$0.03/bbl
Singapore Kero	\$58.95/bbl	-\$0.05/bbl