



Daily Oil Market Comment

31/08/04

London Markets were closed yesterday which made it a slow day for Singapore. However, prices fell heavily again overnight in New York as traders and funds continued to take profit and sell down the market. Traders ignored the fresh attacks on Iraqi pipelines over the weekend and reportedly are looking at short term fundamentals for crude where upcoming refining maintenance will drop the demand for crude (but should also decrease product stocks). Technically the market remains in downtrend.

Singapore prices were slightly lower in a market lacking aggressive buyers or sellers. Singapore kero remains well offered. Singapore prices should ease by 80 cents per barrel this morning.

Closing Prices Monday August 30, 2004:

WTI	\$42.28/bbl	-\$0.90/bbl
Brent	Closed	
IPE Gasoil	Closed	

Asian Day Market Movement

Oil prices were slightly firmer in a very quiet market due to London markets being closed for a public holiday. Prices firmer on reports over the weekend of more Iraqi pipelines being sabotaged. Technically the market is in a downtrend but with strong support at \$42.90 for WTI so we expect prices to hold.

Singapore prices firmer on aggressive gasoil swaps bidding with the physical very quiet. Singapore gasoil generally better bid and kero well offered but bids and offers remain well apart. Expect Singapore prices to be up \$0.20/bbl today.

Prices as at 5:30PM Singapore Time Monday August 30, 2004:

WTI	\$43.30/bbl	+\$0.12/bbl
Brent	Closed	
IPE Gasoil	Closed	
Singapore Kero	\$51.50/bbl	+\$0.20/bbl