



Daily Oil Market Comment

30/09/04

Oil prices eased for the first time in 2 weeks as US inventory data showed a surprise build in crude oil stocks. The futures market was very volatile with WTI trading between \$48.50 & \$50.00/bbl. The market was expecting crude stocks to draw following delay to deliveries from Hurricane Ivan. However, the reduction in refinery utilization more than offset the reduction in supply. The market was also down on news that Nigerian rebels and the government have agreed to a ceasefire while negotiations take place. Technically the market still remains in the uptrend. Prices on the after hours ACCESS trading has WTI down \$0.18/bbl this morning.

Singapore prices were down \$0.65/bbl on the back of lower crude prices as well as more aggressive offers at the historic high prices. Trader Hin Leong was the only buyer of both gasoil and kerosene. Physical kerosene remains well offered but traders are still bullish as we head into winter with low Japanese stocks. Singapore prices should be down approximately \$0.40/bbl this morning.

Closing Prices Wednesday September 29, 2004:

WTI	\$49.51/bbl	-\$0.39/bbl
Brent	\$46.08/bbl	-\$0.37/bbl
IPE Gasoil	\$432.50/t	+\$2.75/t =+\$0.37/bbl

Asian Day Market Movement

Oil prices were slightly weaker during Asian trading day on some profit taking at historic highs. The market remains bullish on expected draws to US inventory for the 9th straight week following Hurricane Ivan as well as potential supply disruptions in Nigeria from a potential guerilla war. Technically the market remains in an uptrend.

Singapore prices were weaker to day on the back of weaker futures as well as more aggressive offers in the physical market with prices at record highs. Trader Hin Leong purchased 2 gasoil cargoes and 1 kerosene cargo following the aggressive offers. Prices should be down \$0.65/bbl today.

Prices As At 5:30pm Singapore Time Wednesday September 29, 2004:

WTI	\$49.66/bbl	-\$0.24/bbl
Brent	\$46.12/bbl	-\$0.33/bbl
IPE Gasoil	\$428.50/t	-\$1.25/t = -\$0.17/bbl
Singapore Kero	\$59.00/bbl	-\$0.65/bbl