



Daily Oil Market Comment

27/07/04

Futures prices eased slightly overnight on some minor profit taking in a market lacking fresh (read bullish) news. Market sentiment remains extremely bullish on fears of low stocks, tight refinery capacity, terrorism fears and the Funds being long. Despite the market seeming to stall with WTI at \$41.70/bbl, the risk is still to the upside. Technically the market remains in a strong uptrend. After hours ACCESS trading has WTI down 13 cents in some continued profit taking by Japanese traders this morning.

Singapore prices continued their upward march in a bullish market. Physical kero remains well offered with little buying interest whilst gasoil remained well bid with 4 cargoes traded. Yet, in the paper market, kero swaps remain well bid, especially by the banks. Expect Singapore prices to be down about 20 cents this morning.

Closing Prices July 26, 2004:

WTI	\$41.44/bbl	-\$0.27/bbl
Brent	\$38.11/bbl	-\$0.16/bbl
IPE Gasoil	\$358.00/t	+\$0.75/t = +\$0.10/bbl
MOPS Kero	\$50.325/bbl	+\$0.575/bbl

Asian Day Market Movement

Oil prices were generally firmer during Asian trading today with little news in the market. Sentiment remains bullish on the back of tight refining capacity and refinery problems in Europe and Korea.

Singapore prices a lot firmer as they caught up to Friday night's Futures rally. Physical gasoil remains well bid and kero well offered but still the paper swaps see more bidding on kero paper. Expect Singapore prices to be up \$0.60/bbl today.

Prices as at 5:30PM Singapore Time:

WTI	\$41.78/bbl	+\$0.07/bbl
Brent	\$38.38/bbl	+\$0.11/bbl
IPE Gasoil	\$360.00/t	+\$2.75/t = +\$0.37/bbl
Singapore Kero	\$5040/bbl	+\$0.60/bbl