



Daily Oil Market Comment

21/09/04

Oil futures firmed again on news that Yukos had stopped 100,000 barrels per day of crude deliveries to China via rail due to financial problems and news that Chevron was having trouble restarting their refinery in the US Gulf following Hurricane Ivan. Technically the market remains in uptrend. As a result of the hurricane, US stocks are expected to be low again which will support prices.

Singapore prices were up following Friday night's futures hike but prices did not rise as much as products remain well offered. BP is still supporting the kero market with aggressive bidding in the swaps market whilst Hin Leong and Shell are supporting the gasoil physical market. Expect Singapore prices to be relatively unchanged this morning.

Closing Prices Monday September 20, 2004:

WTI Oct	\$46.35/bbl	+\$0.76/bbl
WTI Nov	\$46.19/bbl	+\$0.60/bbl
Brent Nov	\$42.91/bbl	+\$0.46/bbl
IPE Gasoil	\$398.75/t	+\$5.75/.t = +\$0.77/bbl

Asian Day Market Movement

Oil prices were up following news that Yukos had stopped exporting crude to China via railcars due to their inability to pay the high costs. Market remains bullish and subject to spikes on any disruptions. Technically the market is in a short term uptrend.

Singapore prices were up on the back of of Fridays spike but physical kero remains well offered with BP continuing to support the market by aggressively buying the swaps. HIn Leong & Shell continue to bid for physical gasoil. Expect Singapore prices to be up \$1.00/bbl today.

Closing Prices Monday September 20, 2004:

WTI Oct	\$45.86/bbl	+\$0.27/bbl
WTI Nov	\$45.83/bbl	+\$0.24/bbl
Brent	\$42.62/bbl	+\$0.17/bbl
IPE gasoil	\$398.00/t	+\$5.00/t = +\$0.67/bbl
Singapore Kero	\$55.80/bbl	+\$1.00/bbl