



## Daily Oil Market Comment

08/09/04

Oil prices ended mixed overnight as WTI fell as it caught up to the previous day's Brent move but Brent ended up slightly on buying on the close of the market. There was little news impacting oil markets and prices look like they have strong support at \$43/bbl for WTI. The market will unlikely make a big move until the US inventory data is released on Thursday night. Technically the market remains in a short term downtrend.

Singapore kero prices fell about 90 cents per barrel on more aggressive offers in both physical and paper markets whilst gasoil fell only 15 cents on more aggressive bidding. Expect Singapore prices to be up 30 cents per barrel this morning.

Closing prices Tuesday September 7, 2004:

|            |             |                         |
|------------|-------------|-------------------------|
| WTI        | \$43.31/bbl | -\$0.68/bbl             |
| Brent      | \$40.76/bbl | +\$0.14/bbl             |
| IPE Gasoil | \$373.50/t  | -\$0.50/t = -\$0.07/bbl |

## Asian Day Market Movement

Oil prices continued their weakness during Asian trading day as traders continue to liquidate length on a lack of bullish news. WTI futures were catching up to Brent's fall last night. However, the price fall is expected to be limited as traders wait for more price direction from US inventory data on Thursday.

Singapore kero prices were lower in line with more aggressive offers in swaps market and the physical market where there were six offers and only 1 bid. Gasoil was better bid but prices will be only be slightly weaker. Expect Singapore kero prices to be down about 70 cents per barrel today.

Prices As At 5:30PM Singapore Time Tuesday September 7, 2004:

|                |             |                         |
|----------------|-------------|-------------------------|
| WTI            | \$42.96/bbl | -\$1.10/bbl             |
| Brent          | \$40.37/bbl | -\$0.25/bbl             |
| IPE Gasoil     | \$369.25/t  | -\$4.75/t = -\$0.64/bbl |
| Singapore Kero | \$51.90/bbl | -\$0.70/bbl             |