



Daily Oil Market Comment

01/09/04

Prices ended marginally lower overnight but up from the days lows. Market was initially very bearish on reports that Iraq was still pumping 1.75 million barrels per day and President Putin said Russia will pump 9.1 million barrels per day or an additional 6.9% in 2005. However the market bounced back on some short covering ahead of the release of the weekly US Inventory data later tonight. Technically the market remains in a short term downtrend. After hours ACCESS trading has WTI up \$0.17/bbl this morning.

Singapore prices were lower with futures during Asian trading but little activity was seen with bids and offers on physical cargoes wide apart. Physical kero remains well offered. Expect Singapore prices to be up 10 cents per barrel this morning.

Closing Prices Tuesday August 31, 2004:

WTI	\$42.12/bbl	-\$0.16/bbl
Brent	\$39.61/bbl	-\$1.03/bbl
IPE Gasoil	\$352.50/t	-\$6.75/t = -\$0.91/bbl

Asian Day Market Movement

Oil prices were slightly lower during Asian trading as market continues to be pulled down by technical selling. London markets reopened today and caught up with New York's drop.

Singapore prices were also lower in line with crude futures. No physical deals done today as buyers and seller remain wide apart even though kero remains well offered, the sellers are less aggressive following the fall in outright prices. Expect Singapore prices to be down 75 cents per barrel today.

Prices as at 5:30PM Singapore Tuesday August 31, 2004:

WTI	\$42.21/bbl	-\$0.07/bbl
Brent	\$39.74/bbl	-\$0.90/bbl
IPE Gasoil	\$355.75/t	-\$3.50/t = -\$0.47/bbl
Singapore Kero	\$50.35/bbl	-\$0.75/bbl