



Daily Oil Market Comment

18/11/04

Oil prices rallied overnight following the release of US inventory data which showed distillate stocks fell for the 9th straight week and remain dangerously low before winter. Demand remains strong and low stocks in Europe are keeping imports down. Technically the market remains in a downtrend with WTI needing to settle above \$49.20 to reverse the trend.

Singapore prices were down \$0.88/bbl with futures and aggressive swaps selling when trading company Hin Leong failed to buy any more kerosene and gasoil cargoes. The market remains well offered in Asia. Singapore prices are expected to increase over \$1.00/bbl today.

Closing Prices Wednesday November 17, 2004:

WTI (Dec)	\$46.84/bbl	+\$0.73/bbl
WTI (Jan)	\$47.12/bbl	+\$0.92/bbl
Brent (Jan)	\$42.76/bbl	+\$0.47/bbl
IPE Gasoil	\$419.00/t	+\$12.50/t = +\$1.68/bbl

Asian Day Market Movement

Oil prices were again weaker during Asian trading with traders expecting the US Inventory statistics to show builds for both crude and products. Technically the market remains weak and in a downtrend.

Singapore prices were weaker in line with futures and the absence of trading company Hin Leong in the physical markets. The markets remain well offered with bids and offers well apart. Kerosene weakening as Japanese kerosene stocks improve each week.

Prices As At 5:30pm Singapore Time, Wednesday November 17, 2004:

WTI (Dec)	\$45.94/bbl	-\$0.17/bbl
WTI (Jan)	\$46.03/bbl	-\$0.17/bbl
Brent (Jan)	\$42.01/bbl	-\$0.28/bbl
IPE Gasoil	\$405.50/t	-\$1.00/t = -\$0.13/bbl
Singapore Kero	\$55.15/bbl	-\$0.65/bbl