



Daily Oil Market Comment

23/11/04

Oil prices ended down on the day after an initial rally during Asian trading. Prices came off when New York opened with brokers putting the action down to profit taking after rallying \$2.50/bbl on Friday. Sentiment was also turned a bit bearish when the International Monetary Fund announced it was reducing its forecast for global economic growth from 4.3% to 4.0% due to high oil prices. Technically the market remains in the downtrend. Trading on the after hours ACCESS system has WTI down another 28 cents.

Singapore prices rallied \$2.23/bbl as they tried to catch up with the futures markets but prices were not as strong as the physical market remains well offered and Hin Leong too a breather from its buying spree although BP purchased its second cargo in a row. Singapore prices should ease \$0.65/bbl this morning.

Closing Prices Monday November 22, 2004:

WTI	\$48.64/bbl	-\$0.25/bbl
Brent	\$44.38/bbl	-\$0.51/bbl
IPE Gasoil	\$435.75/t	-\$14.00/t = -\$1.88/bbl

Asian Day Market Movement

Oil prices continued to surge with more short covering during Asian trading. Although there was no additional news, sentiment has turned back to bullish with the low stocks in Europe and The US. Technically the market is now trading above the trend reversal point which should see renewed buying.

Singapore prices surged \$2.50/bbl as prices caught up with futures move on Friday but prices are not matching the price increases in the West as cargoes remain well offered in Asia. BP has now turned buyer of gasoil whilst Hin Leong took a break from buying today.

Prices As At 5:30pm Singapore Time Monday November 22. 3004:

WTI	\$49.45/bbl	+\$0.56/bbl
Brent	\$45.58/bbl	+\$0.69/bbl
IPE Gasoil	\$458.50/t	+\$8.75/t = +\$1.17/bbl
Singapore Kero	\$59.75/bbl	+\$2.50/bbl