



Daily Oil Market Comment

22/11/04

Oil prices soared on Friday night on a wave of short covering as heating oil and gasoil futures surged on strong buying based on low stocks ahead of winter and forecasts for colder weather for the next 10 days. Technically the market remains in the downtrend with WTI needing to close above \$49.40/bbl to reverse the trend. However, Friday night's surge will give the bulls more confidence to try and push the market higher.

Singapore prices were up \$0.45/bbl in line with futures at the time but the markets remain well offered and Hin Leong continuing to buy gasoil cargoes. Expect Singapore prices to be up at least \$1.50/bbl this morning. Increased demand for gasoil and jet fuel from China will also support the markets.

Closing prices Friday November 19, 2004:

WTI	\$48.89/bbl	+\$2.51/bbl
Brent	\$44.89/bbl	+\$2.17/bbl
IPE Gasoil	\$449.75/t	+\$26.00/t = +\$3.49/bbl

Asian Day Market Movement

Oil prices were firmer today on the back on increasing distillate futures due to low stocks ahead of winter. Technically the market remains in a downtrend but with distillate futures firming this may support the crude markets.

Singapore prices were firmer on the back of the futures but both gasoil and kerosene remain well offered. Trading Company Hin Leong continued his buying spree buying a cargo of gasoil at a premium. China is seeking 3 cargoes of jet fuel for December.

Prices as at 5:30pm Singapore Time Friday November 19, 2004:

WTI (Jan)	\$46.66/bbl	+\$0.28/bbl
Brent (Jan)	\$43.25/bbl	+\$0.53/bbl
IPE gasoil	\$437.75/t	+\$14.00/t = +\$1.88/bbl
Singapore Kero	\$57.35/bbl	+\$0.55/bbl