



## Daily Oil Market Comment

19/07/04

Futures prices ended up yet again in a bullish market where traders did not want to go into the weekend short. Market is still driven by perception of tightening refining capacity and fears of terrorist attacks. Technically the market remains in an uptrend with September WTI needing to trade at \$37.80/bbl to break the trend. Trading in after hours ACCESS during this morning already has prices down 45 cents per barrel in the absence of any terrorist attacks on the weekend.

Singapore prices were much stronger on Friday on the back of aggressive swaps bidding despite physical markets being well offered. Expect Singapore prices to remain unchanged this morning.

Closing prices July 16, 2004:

WTI Aug	\$41.25/bbl	+\$0.48/bbl (contract expires tomorrow night)
WTI Sep	\$41.30/bbl	+\$0.37/bbl
Brent Sep	\$38.00/bbl	+\$0.52/bbl
IPE Gasoil	\$352.75/t	+\$4.75/t = +\$0.64/bbl
MOPS Kero	\$47.975/bbl	+\$0.725/bbl

## Asian Day Market Movement

Oil prices rose during Asian trading day as traders go long heading into the weekend. There is no other news affecting the market. Prices still high on fears of terrorist attacks affecting supply when demand is strong. As some analysts are saying, prices are being based on the "worse case scenario" rather than current fundamentals.

Singapore prices rose more than crude futures on the back of stronger heating oil futures and more aggressive swaps bidding by BP on gasoil and J.Aron on kero. Expect Singapore prices to rise about 70 cents per barrel today.

Prices as at 5:30PM Singapore Time:

WTI Sep	\$41.10/bbl	+\$0.17/bbl
Brent Sep	\$37.79/bbl	+\$0.31/bbl
IPE Gasoil	\$350.00/t	+\$2.00/t = +\$0.27/bbl
Singapore Kero	\$47.95/bbl	+\$0.70/bbl