



## Daily Oil Market Comment

24/09/04

Oil prices ended up for the sixth straight day and WTI closed at its second highest level as the market discounted news that crude from the US Strategic Reserve would be released to 2 refineries as not enough to overcome the reduction in production from Hurricane Ivan. Technically the market remains in the uptrend with the next target price of \$49.40/bbl for WTI (the record high achieved in August). Trading in the after hours ACCESS system has WTI down \$0.23/bbl on slight profit taking.

Singapore prices were up \$0.80 per barrel on the back of aggressive bids in the swaps markets despite the physical markets being well offered. Prices and refining margins remain at historic highs and there is no shortage of product seen in Asia. Expect prices to be up 10-20 cents per barrel today.

Closing Prices Thursday September 23, 2004:

WTI	\$48.46/bbl	+\$0.11/bbl
Brent	\$45.13/bbl	+\$0.20/bbl
IPE Gasoil	\$423.00/t	+\$0.50/t =+\$0.07/bbl

## Asian Day Market Movement

Oil prices were mixed today with futures down slightly but Singapore prices (yet again) catching up to the previous night's futures move. Oil futures down on news that two US refineries had asked to borrow 2.5 million barrels of crude oil from the Strategic reserve. Otherwise the market remains bullish due to the aftereffects of Hurricane Ivan. Technically the market remains in the uptrend.

Singapore prices are up nearly \$1.00/barrel as they catch up to overnight gains from the futures markets. Physical buyers remain supportive but not aggressive with only one kerosene cargo traded from Hin Leong to Vitol. Physical kerosene remains well offered.

Prices As At 5:30pm Singapore Time Thursday September 23, 2004:

WTI	\$47.93/bbl	-\$0.42/bbl
Brent	\$44.60/bbl	-\$0.33/bbl
IPE Gasoil	\$418.25/t	-\$4.25/t = -\$0.57/bbl
Singapore Kero	\$58.5/bbl	+\$0.95/bbl