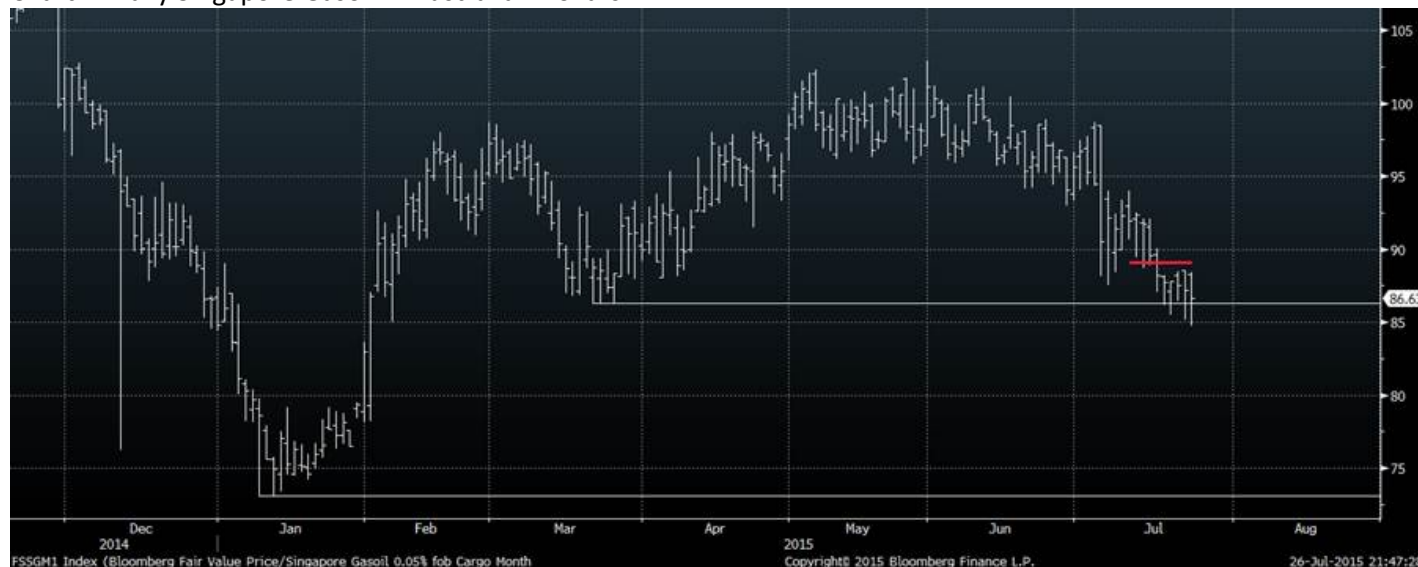


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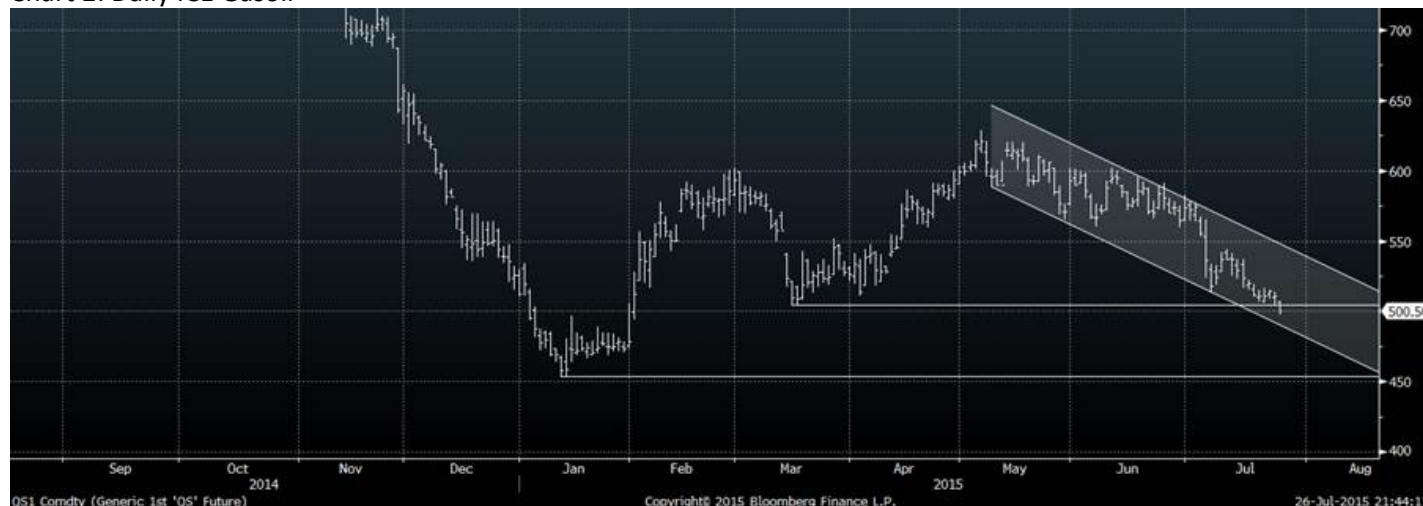
Domestic Market: The domestic diesel TGP fell 1.0cpl week-on-week and is 5.1% lower than the highs established 4th June. We are expecting prices to continue their downward trend this week with a further 1.0cpl decline by Friday. The declining AUD has meant the full 20% decline in international oil prices hasn't flowed through to domestic prices.

Chart 1: Daily Singapore Gasoil in Australian Dollars



International Market: The same factors as last week continue to drive global oil prices, that is, strong production in the US, demand concerns from China and the Iranian nuclear deal. US inventory data showed jumped of over 2.5mln barrels in this week's Department of Energy figures, re-enforcing the supply overhang in the market that has led to a 20% decline in oil prices. Chinese GDP data last week showed growth in line with the government's target level of 7%, however a private PMI data indicated further weakness in Chinese manufacturing.

Chart 2: Daily ICE Gasoil

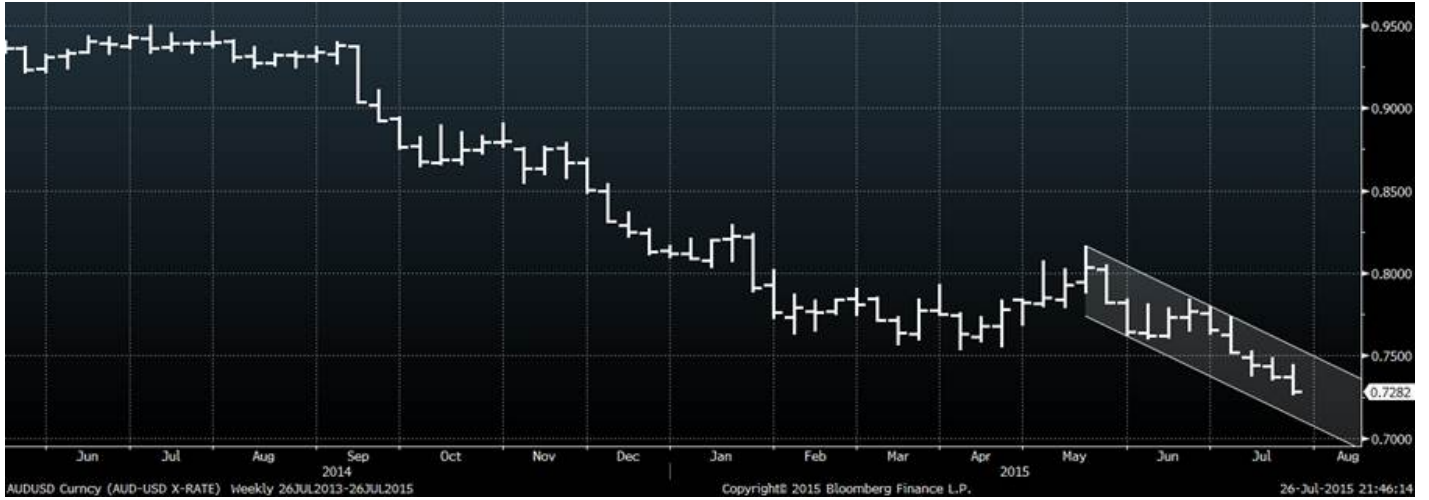


Currency: The Australian Dollar continues its decline, as expected, on the back of weaker Chinese manufacturing data and expectations that the US Federal Reserve is moving closer to raising interest rates. The market now expects the Federal Reserve to increase rates as soon as September, which is leading to capital flows out of risk assets, like to Aussie and into US dollar denominated assets. The Australian Dollar is trending lower and we expect further downside in the coming weeks potentially testing 0.7000.

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Chart 3: Weekly Australian Dollar



Forward Price Indications

INDICATIVE FORWARD PRICING TABLE					
	Aug-15	Sep-15	Oct-15	Q415	Q116
Ultra Low Sulphur Diesel (ACPL Incl. Excise & GST)	1.1877	1.1980	1.2062	1.2129	1.2328