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Exploration and Production

Marker prices	2Q'03	1Q'03	2Q'02
Brent dated (\$/bbl)	26.03	31.47	25.07
WTI (\$/bbl)	29.02	34.00	26.30
ANS USWC (\$/bbl)	27.04	33.16	25.04
US gas Henry Hub first of month index (\$/mmbtu)	5.40	6.53	3.38
UK gas price - National Balancing Point (p/therm)	17.44	21.28	12.10

Compared to 1Q'03, liquid realisations are expected to move broadly in line with the change in marker prices. Compared to 1Q'03, the Henry Hub gas marker price is expected to decrease by \$1.13/mmbtu. However, US gas realisations are expected to decrease by a smaller amount due to a narrowing of basin differentials.

Gas, Power and Renewables

North American gas marketing margins are expected to be significantly lower than 1Q'03 as gas price volatility has decreased. NGL margins are anticipated to be lower than 1Q'03 in line with normal seasonality.

Refining and Marketing

Refining Indicator Margins (\$/bbl)

	2Q'03	1Q'03	2Q'02
USA			
- West Coast	6.34	6.77	4.46
- Gulf Coast	3.59	6.14	2.62
- Midwest	4.73	4.14	3.76
North West Europe	2.15	3.70	0.59
Singapore	0.67	2.98	0.18
Refining Global Indicator Margin* (\$/bbl.)	3.27	4.52	2.05

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*The refining Global Indicator Margin (GIM) is a weighted average based on BP's portfolio. Actual margins may vary because of refinery configuration, crude slate and operating practices.

2Q'03 refining margins are expected to be lower than 1Q'03. The marketing environment is projected to be up in 2Q'03 versus both 1Q'03 and 2Q'02 due to falling oil prices and despite continuing economic slowdown.

Petrochemicals

Weighted Chemicals Indicator Margin (\$/te)

2Q'03	1Q'03	4Q'02	2Q'02
n/a	90 (prov)	108	109

*The Chemicals Indicator Margin is a weighted average of externally-based product margins. It is based on market data collected by Nextant (formerly Chem Systems) in their quarterly market analyses, then weighted on BP's product portfolio. This is described more fully in the Group's quarterly results releases.

Petrochemical margins in 2Q'03 are expected to be better than in 1Q'03 as feedstock costs fell during the quarter, though this benefit will be partially offset by reduced product demand in Asia.

Stock Purchases

During the quarter the company purchased for cancellation 144 million of its shares at a cost of around \$1 billion. Shares in issue as at July 1, 2003 were 22,102 million.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BP p.l.c.
(Registrant)

Dated: 2nd July 2003

/s/ D. J. PEARL
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D. J. PEARL

