



China Aviation Oil (Singapore) Corporation Ltd
中國航油（新加坡）股份有限公司

Daily Oil Market Comment

01/07/04

Asian Day Market Movement

Oil prices fell slightly during the Asian trading day on profit taking following the surge in futures prices overnight. Concerns still remain over low product stocks in both US and Europe, whereas crude stocks are sufficient. Technically the market remains in short term downtrend.

Singapore kero prices increased more than crude on aggressive bidding on swaps by J.Aron & BP. Fundamentally kero remains well offered in both Singapore and the Middle East whilst Gasoil is tight. However, despite the fundamentals, the regrade widened in excess of 50 cents per barrel due to the aggressive swaps bidding. Expect Singapore prices to be up about \$1.55/bbl today.

Oil Prices as at 5:30PM Singapore Time July 1, 2004 and movement from yesterday's settlements:

WTI	\$36.82/bbl	-\$0.23/bbl
Brent	\$34.34/bbl	-\$0.16/bbl
IPE Gasoil	\$321.75/t	No change
Singapore Kero	\$44.30/bbl	+\$1.55/bbl