



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

Daily Oil Market Comment

18/06/04

Futures prices surged overnight due to a number of various factors - (1) Halt to Iraqi exports following pipeline explosions and more car bombings (2) Refinery problems in the US where an ExxonMobil Cracker is down (makes gasoline) (3) Refinery problems in Rotterdam which will reduce exports to the US (3) Talk of strikes in Norway which could reduce exports. Technically the market remains on short term downtrend but if prices rise another 50 cents this trend could be broken. After hours ACCESS trading is up 12 cents this morning.

Singapore prices were firmer in line with crude during Asian time despite aggressive selling on the physical market by Hin Leong on gasoil and BP on kero. Paper swaps however still well bid by Vitol on gasoil and the banks on kero. Expect Singapore prices to be up 75-85 cents this morning.

Closing Prices June 17, 2004:

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|------------|--------------|-------------------------|
| WTI Jul | \$38.46/bbl | +\$1.14/bbl |
| WTI Aug | \$38.81/bbl | +\$1.16/bbl |
| Brent Aug | \$36.21/bbl | +\$1.01/bbl |
| IPE Gasoil | \$318.50/t | +\$9.75/t = +\$1.30/bbl |
| MOPS Kero | \$42.875/bbl | +\$0.275/bbl |