



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

Daily Oil Market Comment

15/06/04

Futures prices ended mixed overnight as the US prices fell to wipe out the gains of Thursday but London prices were a touch higher. US prices fell on reports that OPEC 10 will be producing 27.4 million barrels per day in June which is the highest rate for 6 years. Fundamentally, the market is full of crude oil but concerns remain about US product stocks. Technically the markets remain in short term down trend. However, prices remain in the longer term uptrend channel and WTI needs to fall below \$37.25 to break this channel. Previously this channel has been a strong support for the bulls and the markets have bounced back up.

Singapore prices were weaker on aggressive offers of both gasoil and kero in the market as traders have to try and move their stock. Expect prices to be down 15 cents this morning.

Closing Prices for June 14, 2004:

WTI	\$37.59/bbl	-\$0.86/bbl
Brent	\$35.49/bbl	+\$0.02/bbl (July contract expires tonight)
IPE Gasoil	\$313.25/t	+\$0.25/t = +\$0.03/bbl
MOPS Kero	\$42.90/bbl	-\$0.65/bbl