



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

Daily Oil Market Comment

26/10/04

Oil prices fell overnight after the contracts traded at record highs on news that Norwegian oil workers were extending a strike. The market fell when the Norwegian government intervened and ended the 16 week strike. Technically the market is still in uptrend with WTI needing to close below \$53.30 to break the trend. The market is still supported by fears that distillate stocks are too low in Europe and the USA ahead of winter. Analysts are forecasting that distillate drops will again show a draw when this weeks stocks data is released on Wednesday night.

Singapore prices eased \$0.30/bbl on the back of some aggressive swaps selling by traders. The physical market remains extremely quiet with no trades done due to the high prices. Expect Singapore prices to be down another \$0.40/bbl this morning.

Closing Prices Monday October 25, 2004:

WTI	\$54.54/bbl	-\$0.63/bbl
Brent	\$50.48/bbl	-\$0.44/bbl
IPE Gasoil	\$492.75/r	+\$0.75/t = +\$0.10/bbl