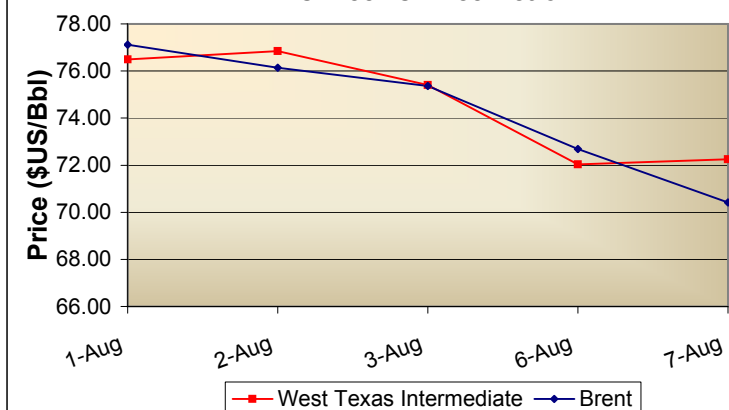


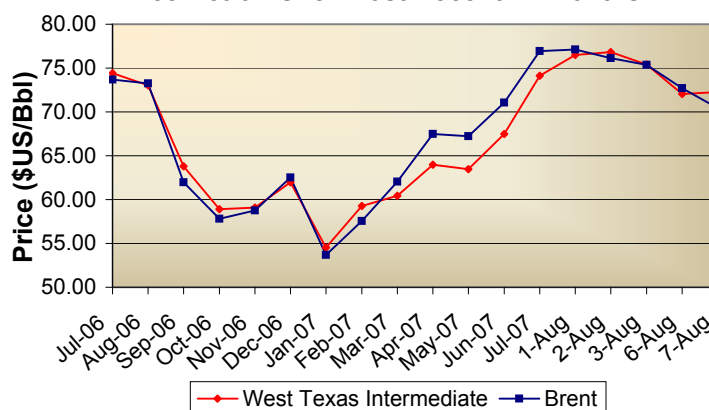
Weekly Crude Price Report - For the Week Ending August 7, 2007

Benchmark Crudes (US\$/bbl)	Week Ended	Current Week					August 1 - August 7 Average	August Month-to-Date	2007 Year-to-Date
	31-Jul-07	1-Aug	2-Aug	3-Aug	6-Aug	7-Aug			
- West Texas Intermediate	76.55	76.49	76.84	75.41	72.03	72.25	74.60	74.60	63.73
- Brent Crude	76.43	77.11	76.14	75.36	72.69	70.42	74.34	74.34	65.51

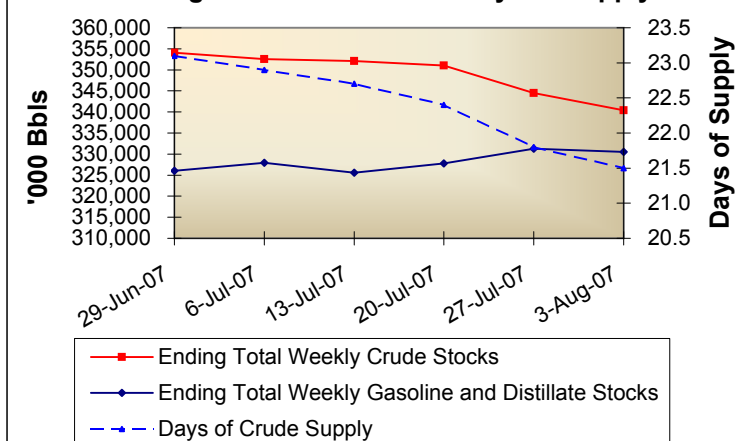
This Week's Price Action



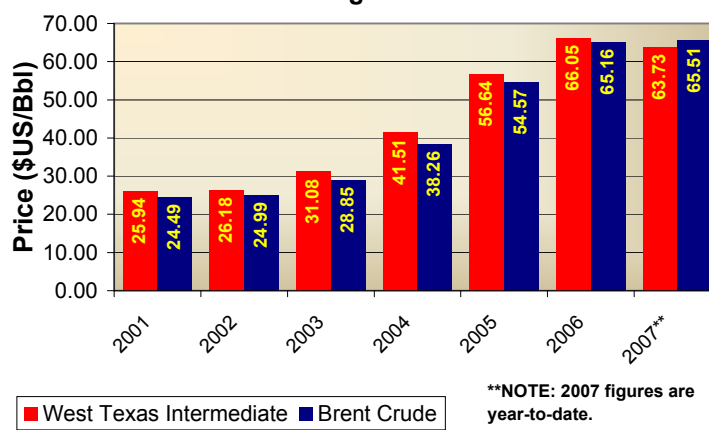
Price Action Over Most Recent 12 Months



Ending US Crude Stocks & Days of Supply



Annual Average Crude Prices



**NOTE: 2007 figures are year-to-date.

COMMENTARY:

► For the August 1 - August 7 period, West Texas Intermediate closed lower by \$5.95 week-over-week, ending the week at \$72.25. Brent lost \$6.59 week-over-week to close at \$70.42.

► US Crude stocks decreased by 4.1 million bbls. At the same time, days of crude supply decreased by 0.3 to 21.5 days of supply. Gasoline and distillate stocks decreased by 0.7 million bbls.

► Crude prices dipped sharply this week, with WTI losing over 7.5% on the week. Brent losses were even deeper as prices were pared by over 8.5%. Meanwhile, crude stocks are continuing at above average levels even though US ending crude stocks have decreased by over 11 million bbls in the last two weeks. Traders and analysts seem to be holding diverging opinions about where markets are heading. Some think that high stocks indicate the market is flush with crude and that prices will drop. Others think that refinery output is still not keeping up with gasoline demand and that refineries will be forced to draw more crude, firming prices before the summer is out. These conflicting opinions may indicate volatility in markets as they adopt an uneasy holding pattern until some clear direction emerges.

Sources/Notes:

1. West Texas Intermediate and Brent Crude prices are spot prices as reported weekly by the Energy Information Administration (EIA) of the Department of Energy (DOE) in the United States.
2. Inventory stocks are reported weekly by the EIA and include all inventories held with "primary" enterprises such as refiners and wholesalers of crude. Secondary and tertiary inventories held by retailers or end users are not included. Crude stocks include all unrefined crude; gasoline stocks include all grades of gasoline; and distillate stocks include all grades of distillates (including home heating fuel and diesel fuel).
3. Annual and monthly average prices for spot WTI and Brent crude from 2001 to 2007 are simple averages calculated from daily prices as reported by EIA.

Government of Newfoundland and Labrador
Department of Natural Resources
Energy Branch
Energy Economics Division

