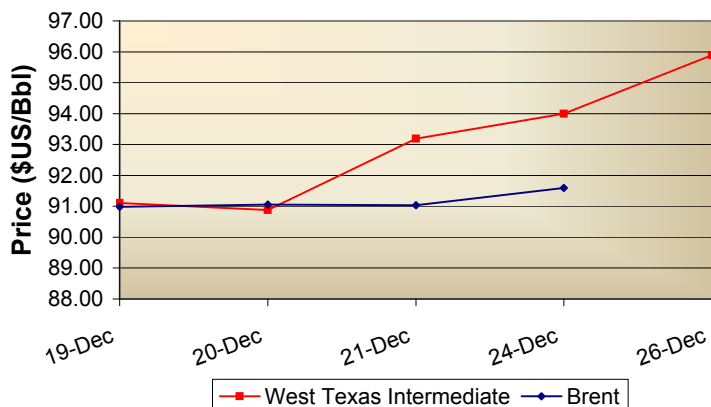


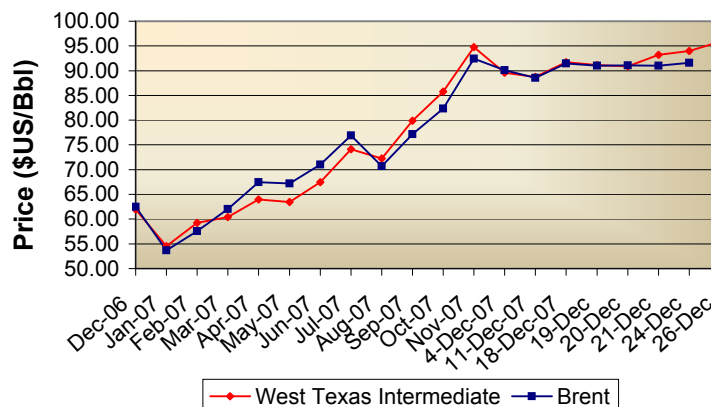
Weekly Crude Price Report - For the Week Ending December 26, 2007

	Week Ended	Current Week					December 19 - December 26 Average	December Month-to-Date	2007 Year-to-Date
Benchmark Crudes (US\$/bbl)	18-Dec-07	19-Dec	20-Dec	21-Dec	24-Dec	26-Dec			
- West Texas Intermediate	91.74	91.11	90.88	93.19	94.00	95.89	93.01	90.89	72.05
- Brent Crude	91.43	90.98	91.06	91.03	91.59	N/A	91.17	90.15	72.17

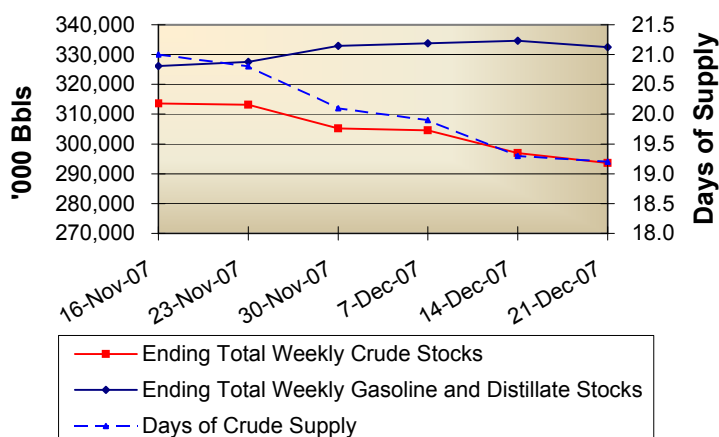
This Week's Price Action



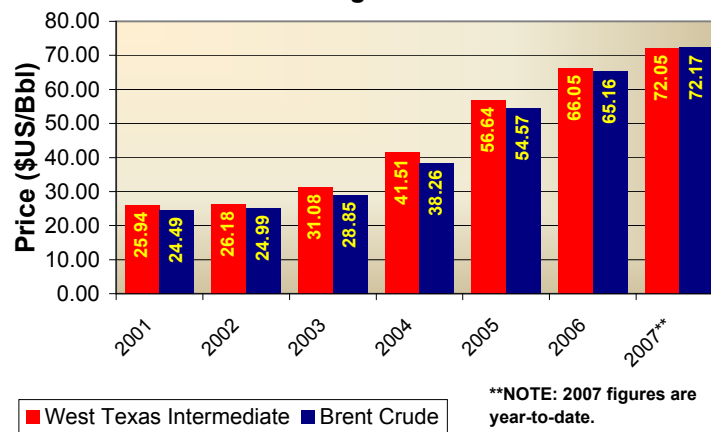
Price Action Over Most Recent 12 Months



Ending US Crude Stocks & Days of Supply



Annual Average Crude Prices



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

COMMENTARY:

► For the December 19 - December 26 period, West Texas Intermediate closed lower by \$5.96 week-over-week, ending at \$95.89. Brent gained \$0.88 week-over-week to close at \$91.59 (Dec. 24).

► US Crude stocks decreased by 3.3 million bbls. At the same time, days of crude supply declined by 0.1 to 19.2 days of supply. Gasoline and distillate stocks decreased by 2.1 million bbls.

► Although news and data has been in short supply over the holiday period, that which has been seen has been relatively benign. Nevertheless, prices for both WTI and Brent continue to trade at or near highs for the year. Outlooks for economic growth are not particularly encouraging in the US and other major economies, and although this has been a drag on oil demand growth forecasts, supply-demand balances are still tight enough (and the US dollar weak enough) that prices are still being supported near historic highs. Analysts continue to look for a minor easing of prices in the first part of 2008, but no-one appears to be expecting anything approaching a significant decline or correction in the current high prices.

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

