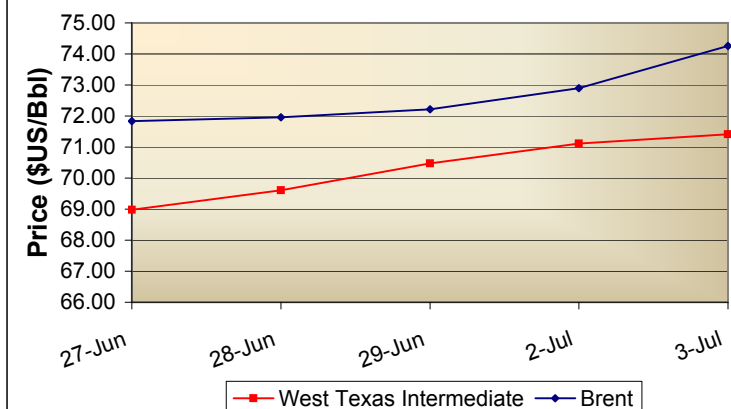


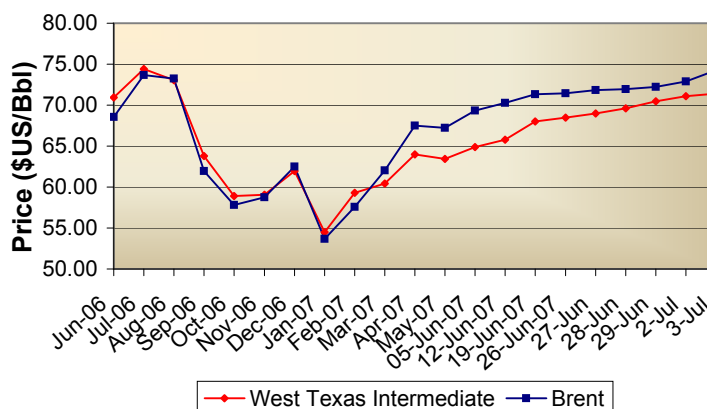
Weekly Crude Price Report - For the Week Ending July 3, 2007

Benchmark Crudes (US\$/bbl)	Week Ended	Current Week					June 27 - July 3 Average	June Average	2007 Year-to-Date
	26-Jun-07	27-Jun	28-Jun	29-Jun	2-Jul	3-Jul			
- West Texas Intermediate	68.46	68.98	69.61	70.47	71.11	71.41	70.32	67.49	61.70
- Brent Crude	71.43	71.84	71.96	72.22	72.90	74.26	72.64	71.05	63.38

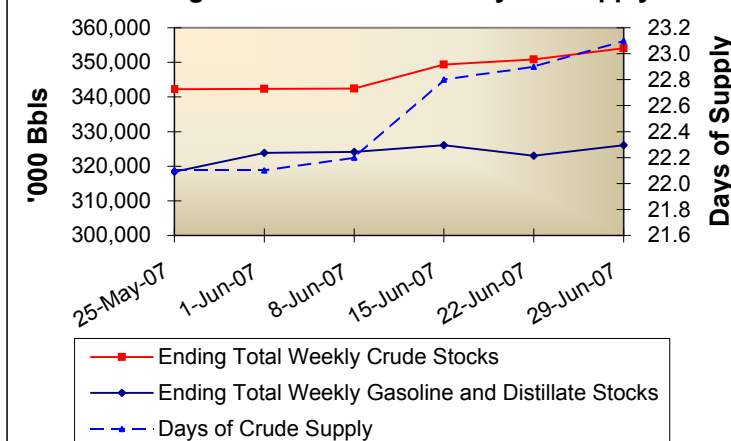
This Week's Price Action



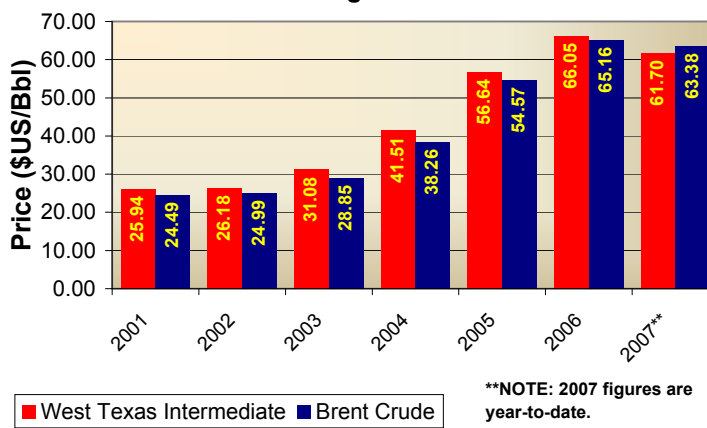
Price Action Over Most Recent 12 Months



Ending US Crude Stocks & Days of Supply



Annual Average Crude Prices



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

COMMENTARY:

► For the June 27 - July 3 period, West Texas Intermediate closed higher by \$3.63 week-over-week, ending the week at \$71.41. Brent gained \$2.85 week-over-week to close at \$74.26.

► US Crude stocks increased by 3.2 million bbls. At the same time, days of crude supply increased by 0.2 to 23.1 days of supply. Gasoline and distillate stocks increased by 3.0 million bbls.

► Crude prices were up strongly this week after last week's decline and fundamentals still appear to be supporting prices. Although gasoline inventories were up by 3.0 million bbls this week, this merely recouped last week's unexpected 3.0 million bbl decline, leaving this weeks stocks well below where analysts expected to see them even two weeks ago. Although there was some anecdotal evidence earlier in the summer that drivers were moderating their gasoline demand in the face of high prices, this has not been borne out in the statistics and we see that demand continues to be strong. With low levels of stocks on hand, markets appear vulnerable to refinery outages or other supply disruptions. This is a significant concern as the heart of the hurricane season approaches.

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

