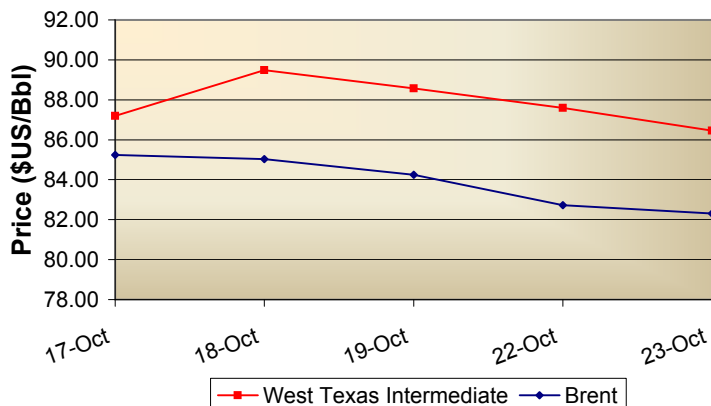


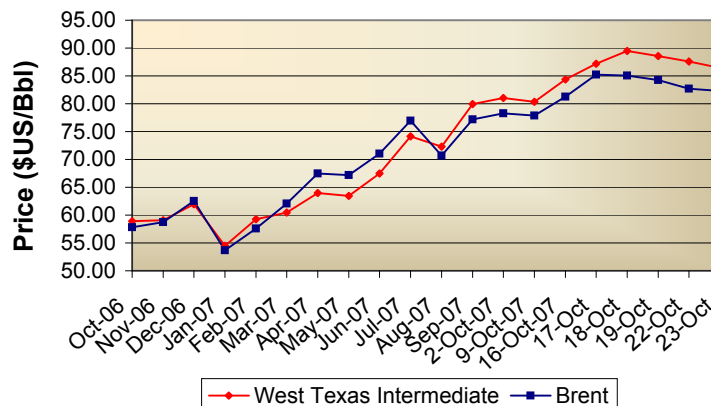
Weekly Crude Price Report - For the Week Ending October 23, 2007

	Week Ended	Current Week					October 17 - October 23 Average	October Month-to-Date	2007 Year-to-Date
Benchmark Crudes (US\$/bbl)	16-Oct-07	17-Oct	18-Oct	19-Oct	22-Oct	23-Oct			
- West Texas Intermediate	84.37	87.19	89.48	88.58	87.60	86.45	87.86	83.72	67.59
- Brent Crude	81.29	85.24	85.03	84.25	82.72	82.31	83.91	80.63	68.23

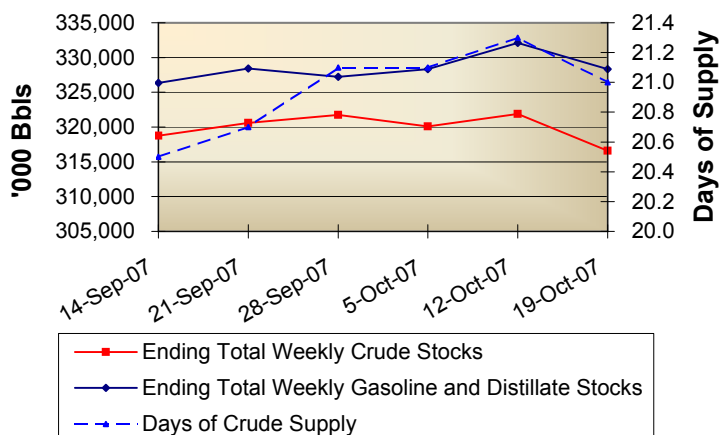
This Week's Price Action



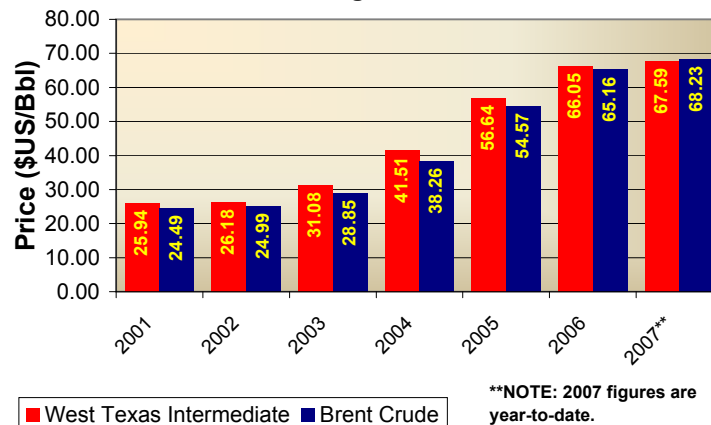
Price Action Over Most Recent 12 Months



Ending US Crude Stocks & Days of Supply



Annual Average Crude Prices



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

COMMENTARY:

► For the October 17 - October 23 period, West Texas Intermediate closed lower by \$1.13 week-over-week, ending the week at \$86.45. Brent lost \$2.12 week-over-week to close at \$82.31.

► US Crude stocks decreased by 5.3 million bbls. At the same time, days of crude supply decreased by 0.3 to 21.0 days of supply. Gasoline and distillate stocks decreased by 3.8 million bbls.

► Despite working upwards slightly in the early part of the period, both WTI and Brent prices eased later in the week and ultimately both crudes finished down. More significantly, US crude stocks were down a stunning 5.3 million bbls when the consensus analyst expectation was for a build of approximately 300,000 bbls. A deeper examination of stocks data indicates that there was a sharp drop in the extremely volatile import figure and this was the primary source of the lower stocks. Import figures can be erratic and are often skewed by simple delays in incoming tankers. This fact has likely muted the response of markets which have not been impacted in the least by the news. Tensions continue to run high between the Turks and the Iraqi Kurds, and supply-side concerns appear to be acting as a floor for prices. In this environment, it seems unlikely that there will be any significant dip in prices in the near future.

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

Newfoundland
Labrador