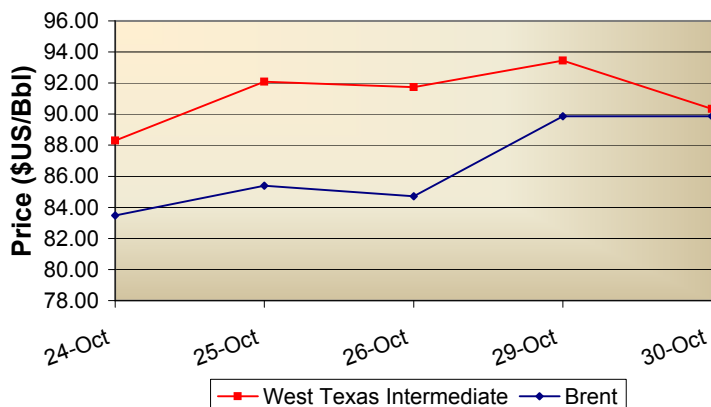


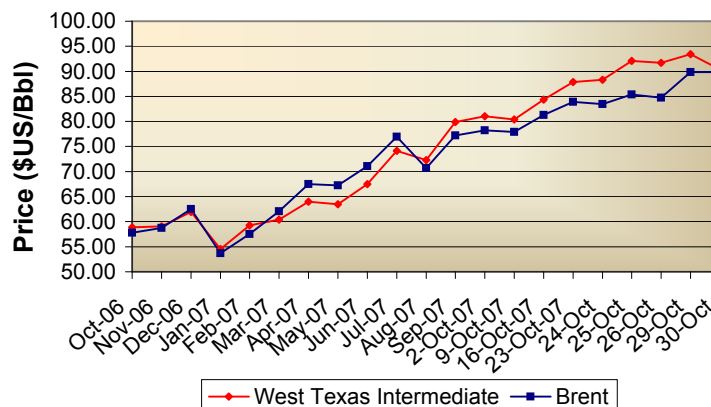
Weekly Crude Price Report - For the Week Ending October 30, 2007

	Week Ended	Current Week					October 24 - October 30 Average	October Month-to-Date	2007 Year-to-Date
Benchmark Crudes (US\$/bbl)	23-Oct-07	24-Oct	25-Oct	26-Oct	29-Oct	30-Oct			
- West Texas Intermediate	84.37	88.30	92.09	91.73	93.45	90.33	91.18	85.42	68.15
- Brent Crude	81.29	83.47	85.40	84.71	89.87	89.87	86.66	82.00	68.67

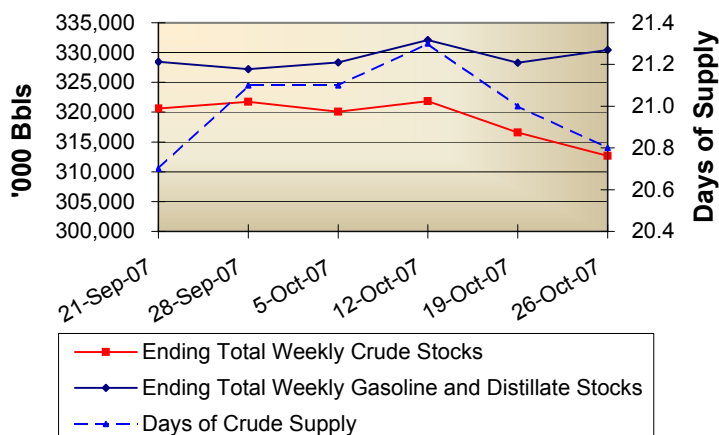
This Week's Price Action



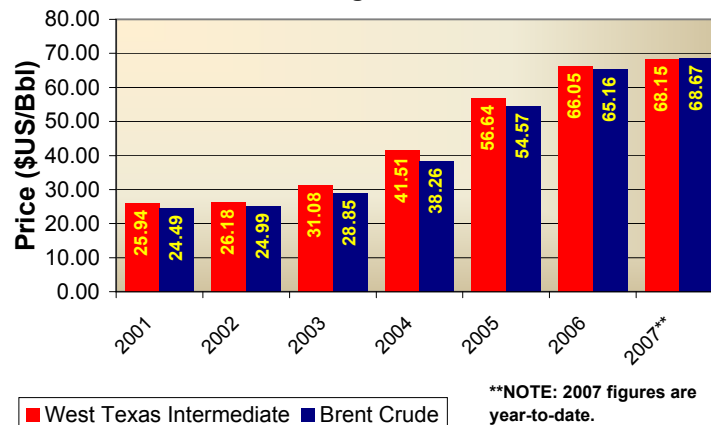
Price Action Over Most Recent 12 Months



Ending US Crude Stocks & Days of Supply



Annual Average Crude Prices



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

COMMENTARY:

► For the October 23 - October 30 period, West Texas Intermediate closed higher by \$3.88 week-over-week, ending the week at \$90.33. Brent gained \$7.56 week-over-week to close at \$89.87.

► US Crude stocks decreased by 3.9 million bbls. At the same time, days of crude supply decreased by 0.2 to 20.8 days of supply. Gasoline and distillate stocks increased by 2.1 million bbls.

► Consensus was for a 0.4 million bbl build in stocks as opposed to the 3.9 million bbl draw that was ultimately recorded. In addition, the very weak US dollar is driving demand as US dollar denominated commodities such as crude become relatively cheaper to purchase in local currencies. All this has made markets extremely jittery regarding winter supplies and traders seem quite willing to test new highs, even as they question the sustainability of the continuing run up in prices. Fundamentals of supply and demand, while tight, don't fully explain the huge price increases of recent months, particularly in view of reduced geopolitical concerns as reports of a Turkish - Iraqi Kurdish ceasefire begin to emerge. This is leading some analysts to conclude that speculators are driving at least a portion of the higher prices. In any case, markets are edging ever closer to \$100 crude and volatility seems to be the order of the day.

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