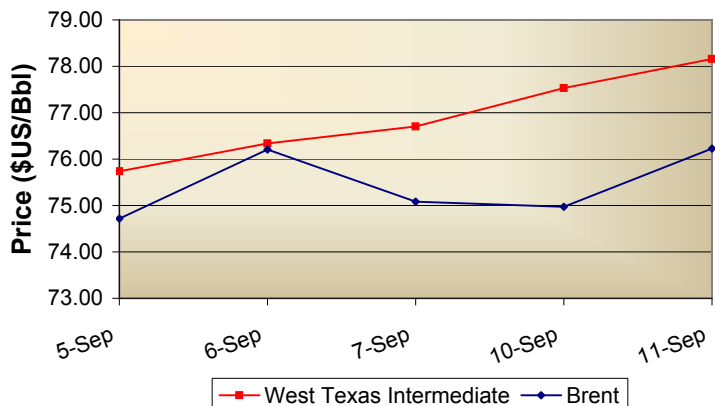


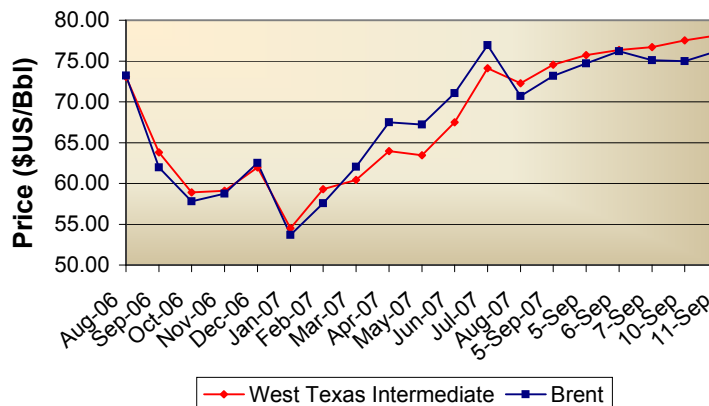
# Weekly Crude Price Report - For the Week Ending September 11, 2007

Benchmark Crudes (US\$/bbl)	Week Ended	Current Week					September 5 - 11 Average	September Month-to-Date	2007 Year-to-Date
	5-Sep-07	5-Sep	6-Sep	7-Sep	10-Sep	11-Sep			
- West Texas Intermediate	74.54	75.74	76.34	76.70	77.53	78.16	76.89	76.59	64.99
- Brent Crude	73.17	74.72	76.21	75.08	74.97	76.23	75.44	75.24	66.28

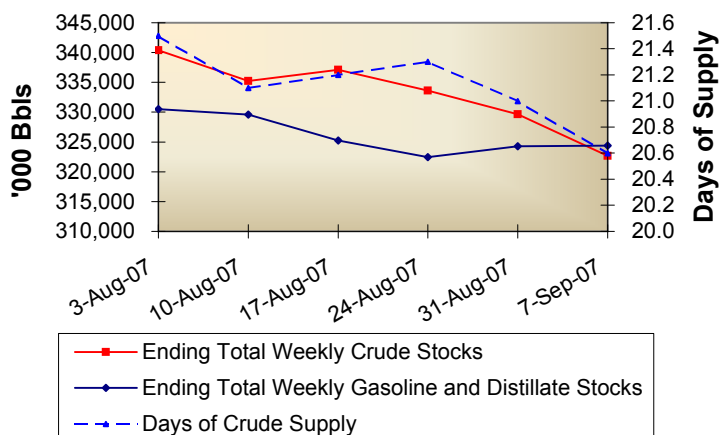
### This Week's Price Action



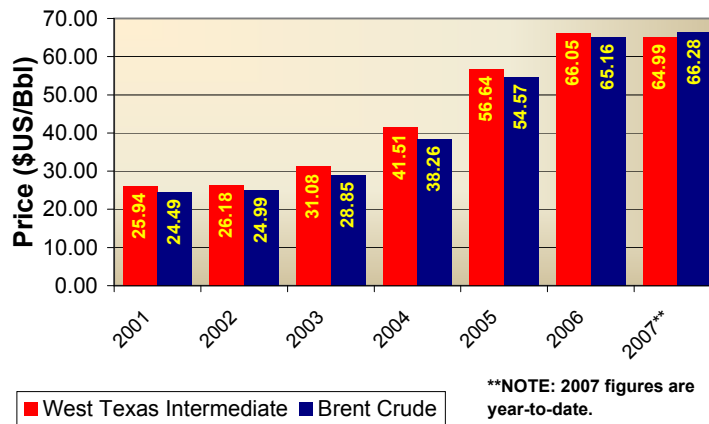
### Price Action Over Most Recent 12 Months



### Ending US Crude Stocks & Days of Supply



### Annual Average Crude Prices



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

## COMMENTARY:

► For the September 5 - September 11 period, West Texas Intermediate closed higher by \$2.42 week-over-week, ending the week at \$78.16. Brent gained \$1.51 week-over-week to close at \$76.23.

► US Crude stocks decreased by 7.0 million bbls. At the same time, days of crude supply decreased by 0.4 to 20.6 days of supply. Gasoline and distillate stocks increased by 0.1 million bbls.

► This week, both WTI and Brent prices continued with solid upswings in price and both crudes are now trading at or above 12 month highs. Both crude stocks and days of supply now sit at their lowest levels since January, a source of concern for traders as attention is shifting to the high-demand winter heating season. This week also saw OPEC yield to mounting evidence that the global supply demand balance for crude is extremely tight and it has announced that it will increase production by 500,000 bbls per day as of November 1. This did not seem to impress markets, however, as global demand continues to run beyond expectations. It increasingly appears that any significant decrease in prices would require a major downturn in economic activity and demand growth. This does not seem likely under current forecasts but is a troubling scenario that cannot be discounted.

## 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

