

# Weekly Crude Price Report - For the Week Ending December 23, 2008

Benchmark Crudes (US\$/bbl)	December 10 - December 16 Average	Current Week					December 17 - December 23 Average	December Month-to-Date	2008 Year-to-Date
		17-Dec	18-Dec	19-Dec	22-Dec	23-Dec			
- West Texas Intermediate	45.12	40.17	36.73	33.17	31.10	30.28	34.29	41.81	100.93
- Brent Crude	42.46	41.84	40.19	39.52	38.08	35.27	38.98	41.50	98.23

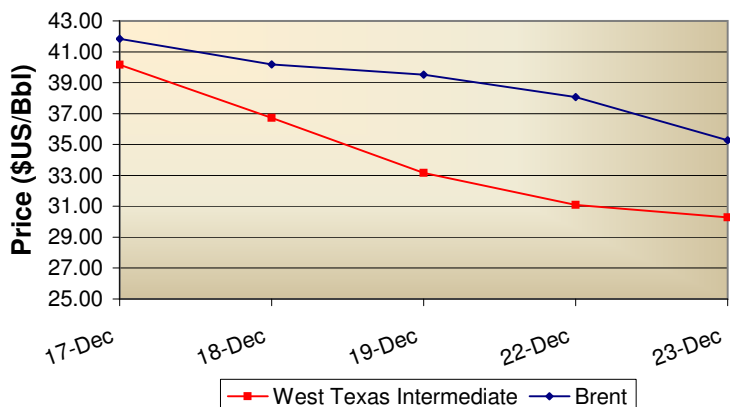
## COMMENTARY:

► For the December 17 - December 23 period, the average price for West Texas Intermediate was lower by \$10.83 week-over-week, at \$34.29. Brent prices decreased by \$3.48 week-over-week, averaging \$38.98.

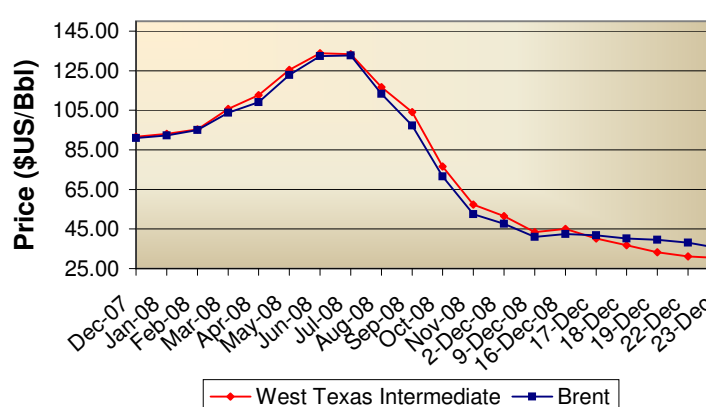
► US Crude stocks decreased by 3.10 million bbls this week. At the same time, days of crude supply was lower by 0.1 at 21.7 days of supply. US gasoline and distillate stocks increased by 5.15 million bbls.

► Prices were sharply lower this week, particularly in WTI which declined more than \$10. This may be partially due to traders closing positions prior to the Christmas break, however global crude demand continues to post outright declines in response to weak economic conditions, giving fundamental support to lower prices. OPEC production cuts recently announced are due to become effective as of January 1st. Some analysts have suggested that if OPEC can achieve compliance by members with its announced cuts, supply and demand will gradually come into balance, particularly in the second half of 2009 when many forecasters are predicting that crude demand will begin to grow again in response to improved economic fundamentals. Should this scenario materialize over the next six to twelve months, high inventories may begin to unwind and there may be some support for crude prices to move higher from current levels.

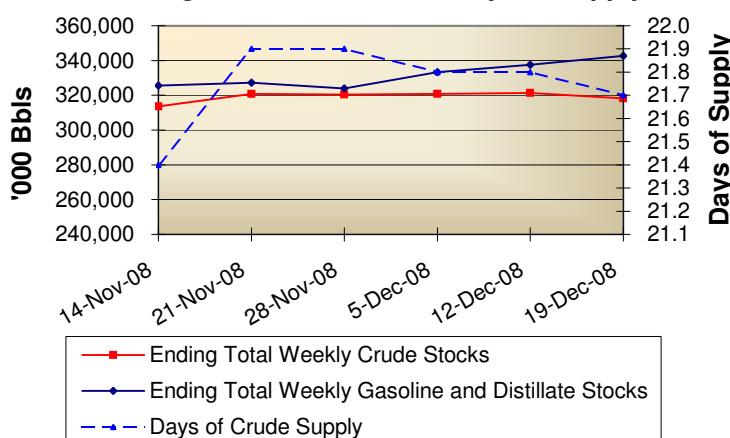
### This Week's Price Action



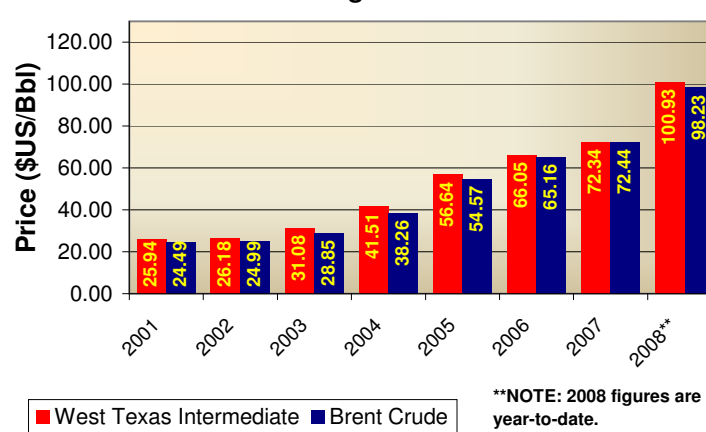
### Price Action Over Most Recent 12 Months



### Ending US Crude Stocks & Days of Supply



### Annual Average Crude 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 2008 are simple averages calculated from daily prices as reported by EIA.