

Weekly Crude Price Report - For the Week Ending February 26, 2008

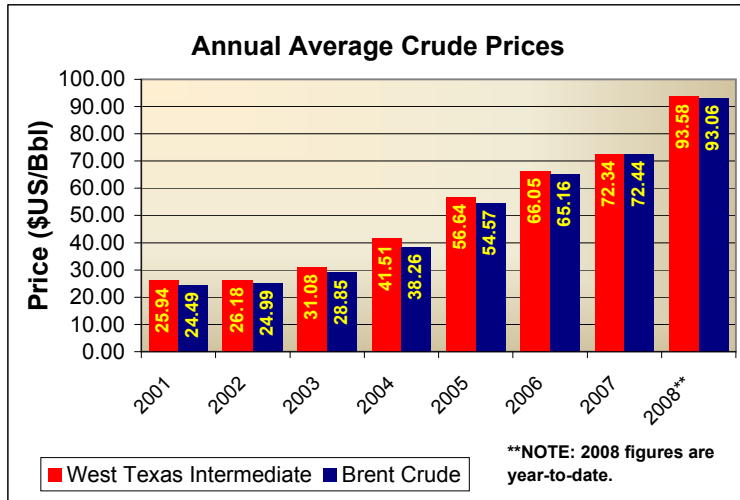
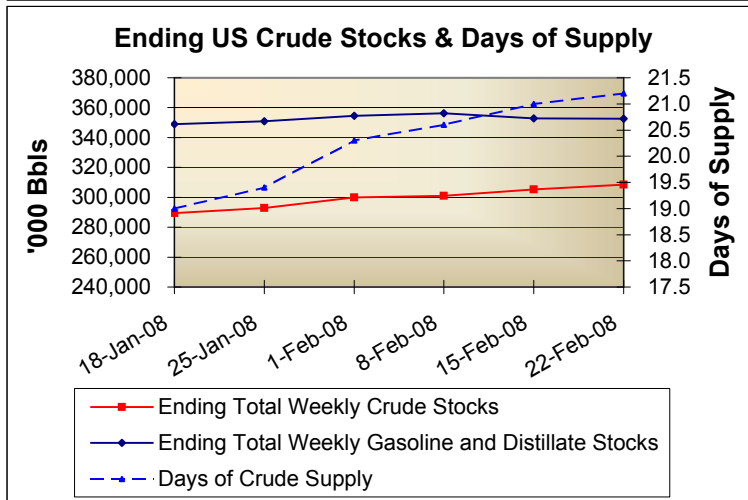
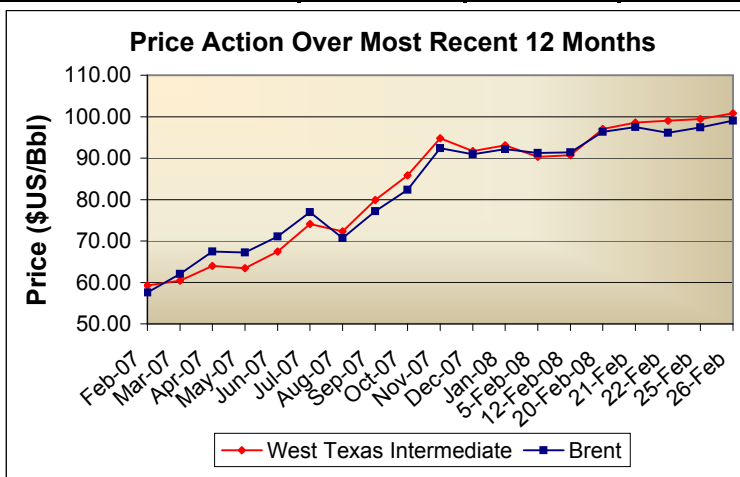
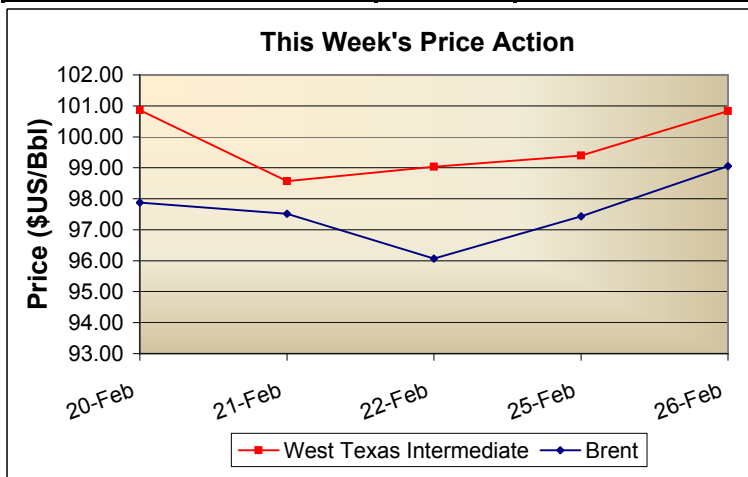
Benchmark Crudes (US\$/bbl)	Week Ended	Current Week					February 20 - February 26 Average	February Month-to-Date	2008 Year-to-Date
	20-Feb-08	20-Feb	21-Feb	22-Feb	25-Feb	26-Feb			
- West Texas Intermediate	97.02	100.86	98.57	99.03	99.40	100.83	99.74	94.34	93.58
- Brent Crude	96.32	97.88	97.52	96.07	97.43	99.05	97.59	94.16	93.06

COMMENTARY:

► For the February 20 - February 26 period, West Texas Intermediate closed lower by \$0.03 week-over-week, ending at \$100.83. Brent gained \$1.17 week-over-week to close at \$99.05.

► US Crude stocks increased by 3.2 million bbls. At the same time, days of crude supply increased by 0.2 to 21.2 days of supply. Gasoline and distillate stocks decreased by 0.2 million bbls.

► WTI was flat this week and Brent increased mildly - both ending at or near the psychologically important \$100 level. Economic data has been uniformly weak on all fronts in the United States, and the spectre of "stagflation" - a destabilizing mixture of stagnant economic growth and inflation, is being talked about. This difficult economic state has not been seen since the 1970's. Nevertheless, at the fundamental level, economic weakness typically means weakness in oil demand which in turn usually leads to lower oil prices - one of the key drivers of the current inflationary trend. For this reason, traders and analysts are at a loss to explain the current high price environment in the face of such significant economic weakness. With most forecasters now calling for at least a mild recession in the US, conventional wisdom is that prices cannot stay this high for long. This being said, sellers have not been in great evidence and prices seem stable right now.



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.

