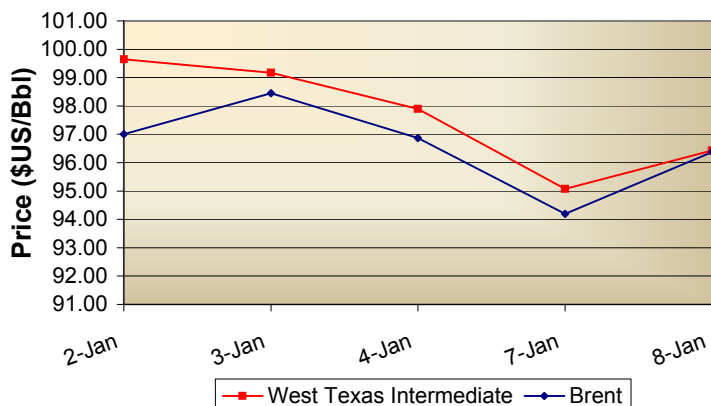


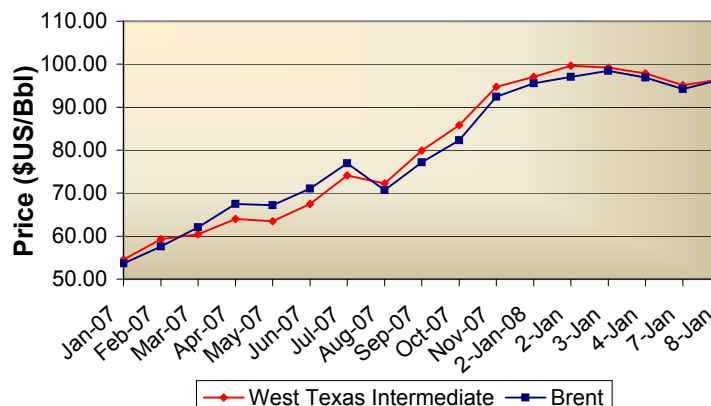
# Weekly Crude Price Report - For the Week Ending January 8, 2008

	Week Ended	Current Week					January 2 - January 8 Average	January Month-to-Date	2008 Year-to-Date
Benchmark Crudes (US\$/bbl)	2-Jan-08	2-Jan	3-Jan	4-Jan	7-Jan	8-Jan			
- West Texas Intermediate	97.06	99.64	99.17	97.90	95.08	96.43	97.64	97.64	97.64
- Brent Crude	95.57	97.01	98.45	96.87	94.19	96.37	96.58	96.58	96.58

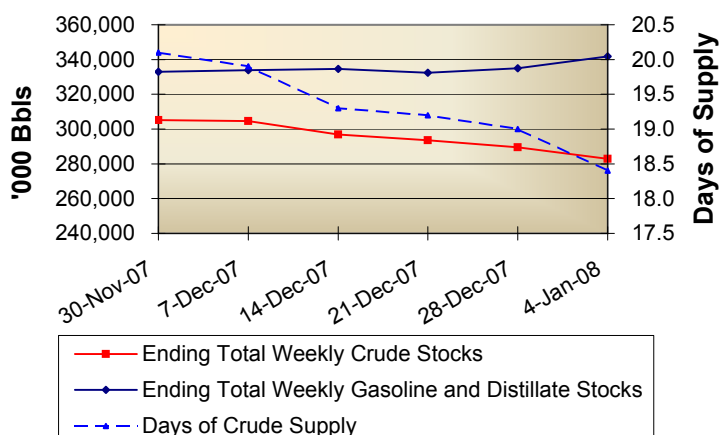
**This Week's Price Action**



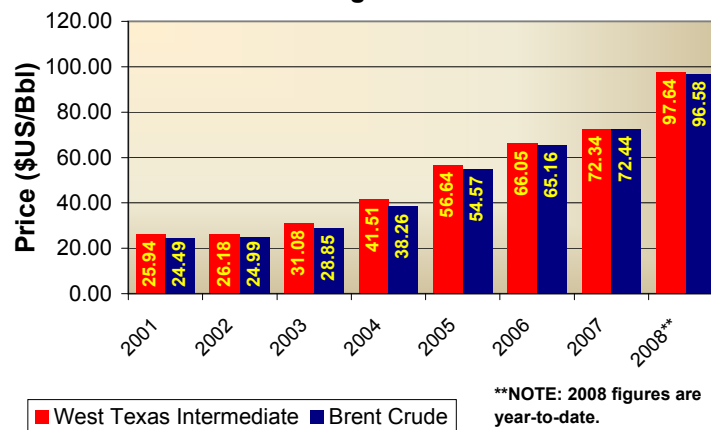
**Price Action Over Most Recent 12 Months**



**Ending US Crude Stocks & Days of Supply**



**Annual Average Crude Prices**



\*\*NOTE: 2008 figures are year-to-date.

## COMMENTARY:

► For the January 2 - January 8 period, West Texas Intermediate closed lower by \$3.21 week-over-week, ending at \$96.43. Brent lost \$0.64 week-over-week to close at \$96.37.

► US Crude stocks decreased by 6.7 million bbls. At the same time, days of crude supply declined by 0.6 to 18.4 days of supply. Gasoline and distillate stocks increased by 6.7 million bbls.

► Prices eased somewhat this week but remain near historic highs amid continued unrest in Nigeria where militants have threatened attacks on oil production facilities and kidnappings of foreign oil workers. Economic data continues to point to a significant downturn and potential recession in the US but markets have not seemed to noticeably respond to the prospects for slower crude demand growth. Prices have been range-bound between \$90 and \$100 for most of the last two and half months and this choppy, sideways trading seems set to continue for the near future. Weakness in the US dollar against major world currencies is making crude (denominated almost exclusively in US dollars) cheaper on the world stage and is likely mitigating the slowdown in demand that might otherwise be felt in the face of the macro-economic conditions. Conditions seem set to continue for the near term.

## 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

