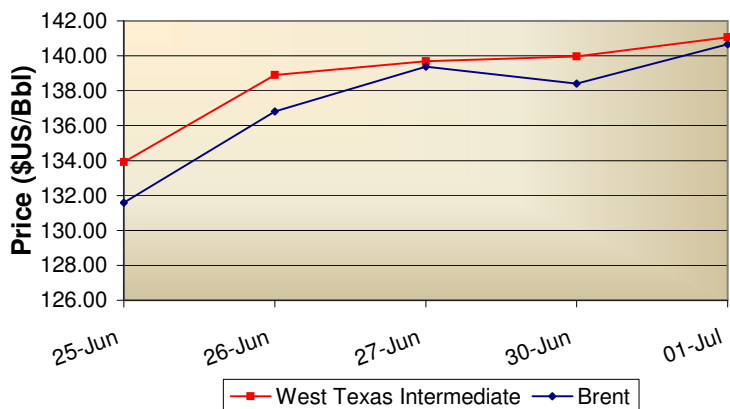


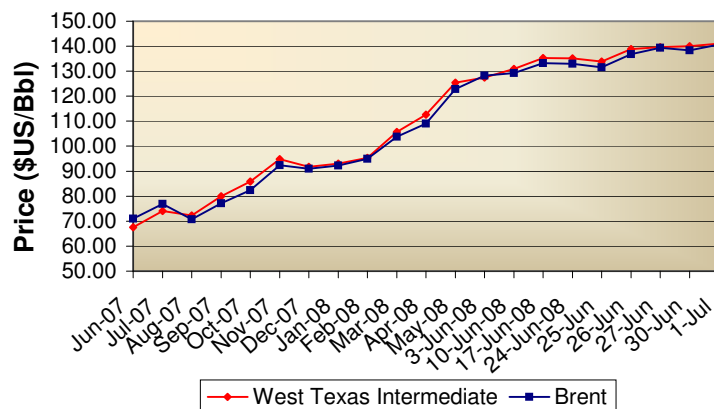
Weekly Crude Price Report - For the Week Ending July 1, 2008

Benchmark Crudes (US\$/bbl)	June 18 - June 24 Average	Current Week					June 25 - July 1 Average	July Month- to-Date	2008 Year to-Date
		25-Jun	26-Jun	27-Jun	30-Jun	1-Jul			
- West Texas Intermediate	135.13	133.92	138.91	139.69	139.96	141.06	138.71	141.06	111.35
- Brent Crude	133.03	131.59	136.82	139.38	138.40	140.67	137.37	140.67	109.54

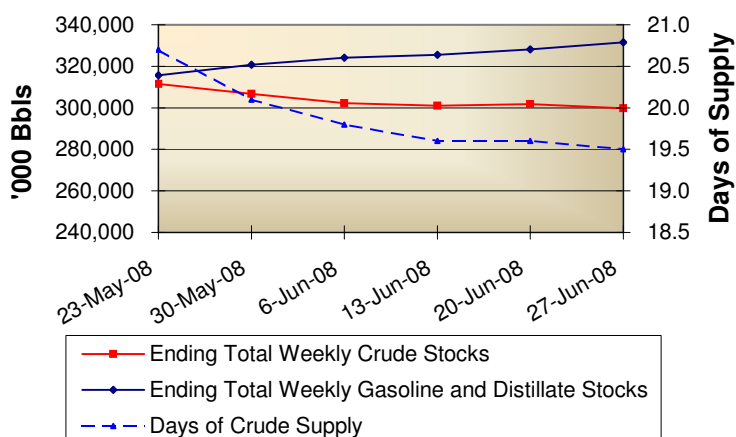
This Week's Price Action



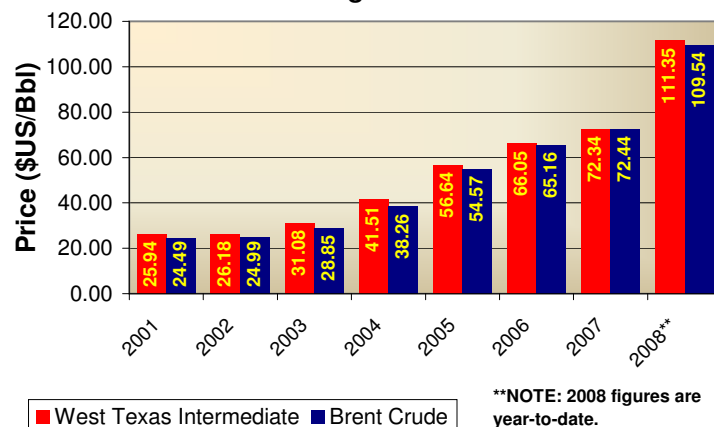
Price Action Over Most Recent 12 Months



Ending US Crude Stocks & Days of Supply



Annual Average Crude Prices



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

COMMENTARY:

► For the June 25 - July 1 period, the average price for West Texas Intermediate was higher by \$3.57 week-over-week, at \$138.71. Brent prices gained \$4.34 week-over-week, averaging \$137.37.

► US Crude stocks decreased by 1.98 million bbls this week. At the same time, days of crude supply was down 0.1 at 19.5 days of supply. Gasoline and distillate stocks increased by 3.36 million bbls.

► Prices resumed their climb this week, adding to already elevated levels. In fact, the spot price for both WTI and Brent ended the period (on July 1) above \$140. US crude stocks appear to be tight, with just 19.5 days of supply on hand. Last year at the same time, days of supply on hand was at 23.1. The Iranian Oil Minister said Tuesday that oil markets were well supplied and that there was no need for increased production. Meanwhile, in its latest medium term market report, the International Energy Agency has said that it sees little evidence that speculation in futures markets are causing high prices. The IEA contends that low spare production capacity, geopolitical concerns, the weak US dollar, higher costs, and tight refining capacity are primary drivers of the current high 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.

Government of Newfoundland and Labrador
Department of Natural Resources
Energy Branch
Energy Economics Division

