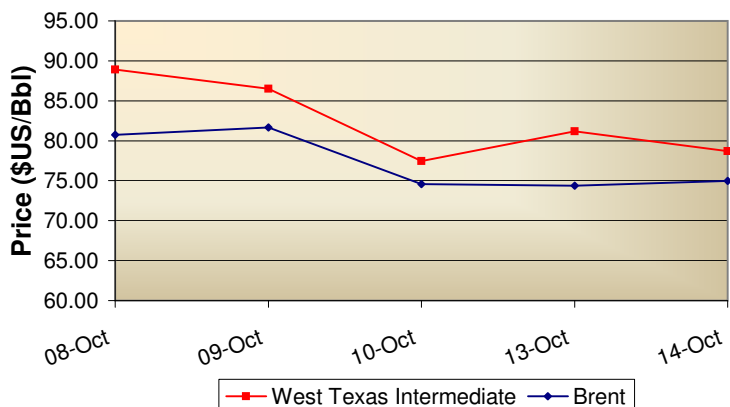


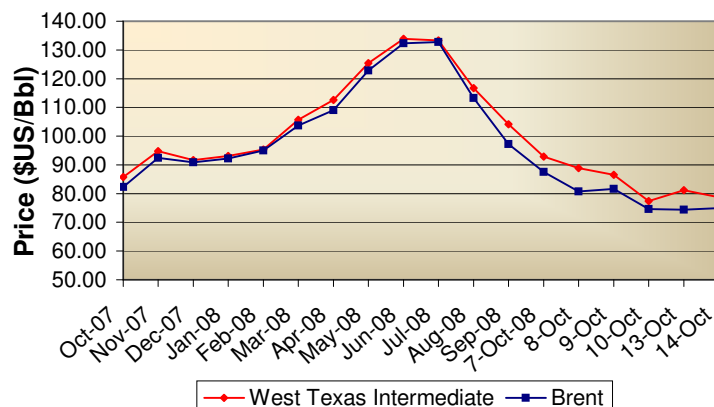
# Weekly Crude Price Report - For the Week Ending October 14, 2008

Benchmark Crudes (US\$/bbl)	October 1 - October 7 Average	Current Week					October 8 - October 14 Average	October Month-to- Date	2008 Year to-Date
		8-Oct	9-Oct	10-Oct	13-Oct	14-Oct			
- West Texas Intermediate	92.86	88.91	86.50	77.44	81.17	78.69	82.54	87.70	112.24
- Brent Crude	87.58	80.76	81.65	74.58	74.37	74.98	77.27	82.42	109.67

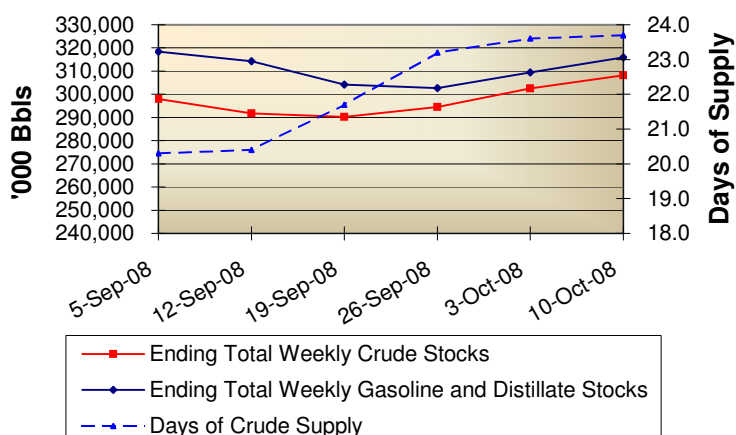
**This Week's Price Action**



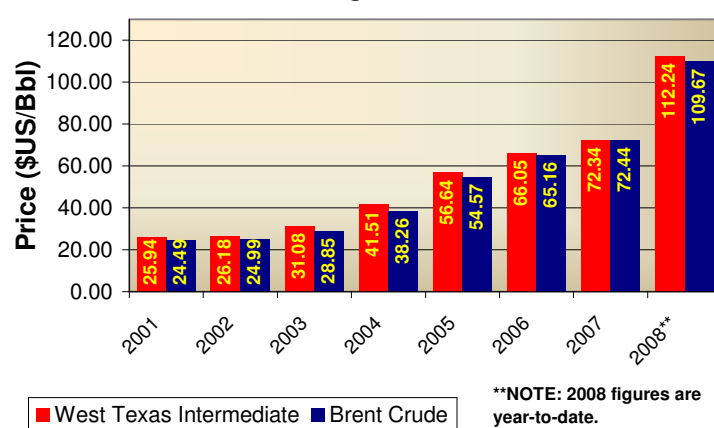
**Price Action Over Most Recent 12 Months**



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



**Annual Average Crude Prices**



## COMMENTARY:

► For the October 8 - October 14 period, the average price for West Texas Intermediate was lower by \$10.32 week-over-week, at \$82.54. Brent prices lost \$10.31 week-over-week, averaging \$77.27.

► US Crude stocks increased by 5.61 million bbls this week. At the same time, days of crude supply was higher by 0.1 at 23.7 days of supply. US gasoline and distillate stocks increased by 6.52 million bbls.

► Prices have continued to decline with further large drops of more than \$10 in the average price of WTI and Brent this week. WTI is now down more than \$59 or nearly 42% since mid-July. Brent has declined by more than \$62 or nearly 45% over the same period. There is on-going downward pressure on prices resulting from weak economic conditions and credit tightness which have been factors in reduced crude demand in the past number of months. Forecasts for crude demand in the near term are also weak. In addition, production and refining capacity continues to gradually come back on line in the Gulf Coast Region. This has been a factor in a build in crude stocks recently and the combined effect of higher stocks with lower demand has led to an increase in days of crude supply on hand by 5.0 days since July.

## 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

Newfoundland  
Labrador