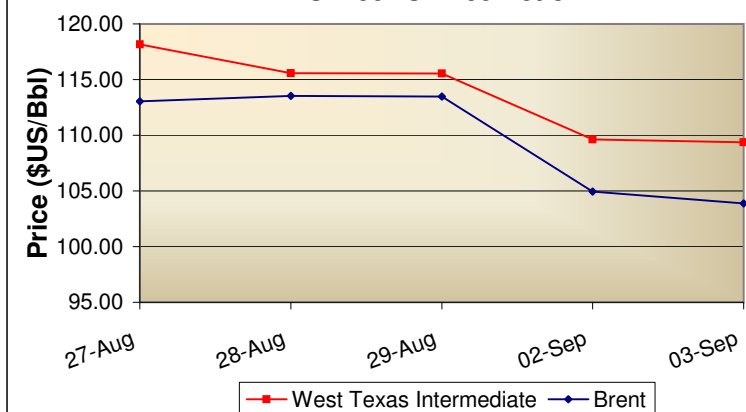


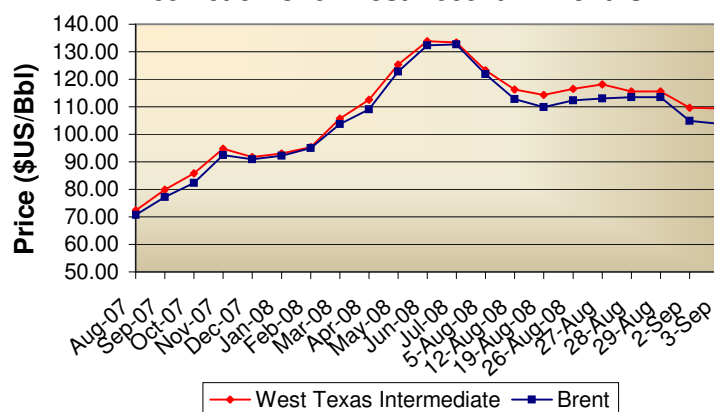
Weekly Crude Price Report - For the Week Ending September 3, 2008

Benchmark Crudes (US\$/bbl)	August 20 - August 26 Average	Current Week					August 27 - September 3 Average	September Month-to- Date	2008 Year to-Date
		27-Aug	28-Aug	29-Aug	2-Sep	3-Sep			
- West Texas Intermediate	116.47	118.17	115.58	115.55	109.63	109.38	113.66	109.51	114.64
- Brent Crude	112.38	113.05	113.54	113.49	104.94	103.88	109.78	104.41	112.73

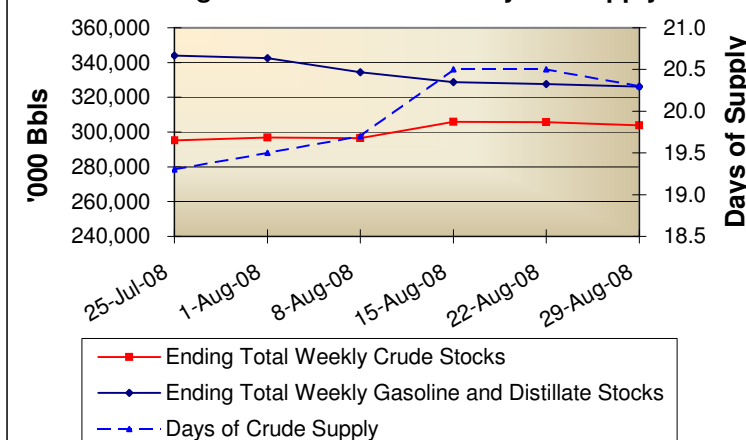
This Week's Price Action



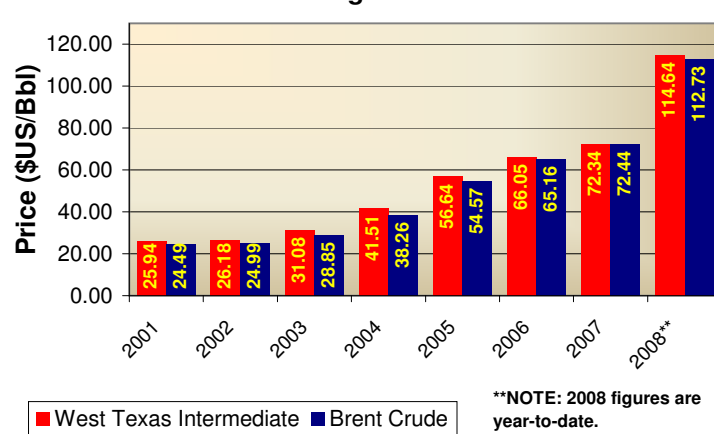
Price Action Over Most Recent 12 Months



Ending US Crude Stocks & Days of Supply



Annual Average Crude Prices



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

COMMENTARY:

► For the August 27 - September 3 period, the average price for West Texas Intermediate was lower by \$2.81 week-over-week, at \$113.66. Brent prices lost \$2.60 week-over-week, averaging \$109.78.

► US Crude stocks decreased by 1.90 million bbls this week. At the same time, days of crude supply was lower by 0.2 at 20.3 days of supply. US gasoline and distillate stocks decreased by 1.45 million bbls.

► After stabilizing last week, prices gave up all of last week's gains and are again trading 20-21% below where they were in mid-July. This week's data spanned the Labour Day weekend, which is typically a spike in gasoline demand for the driving season. As has been pointed out in this report frequently in recent weeks however, high pump prices, in conjunction with other factors, have led to sharply decreased demand, and it remains to be seen whether the typical Labour Day demand spike actually materialized. Hurricane Gustav did not have as significant an impact on production or refining facilities as was feared last week. This was the primary driver of the crude price jump last week and the return to normal weather conditions precipitated the rebound dip in 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

