

Crude Price Report - For the Period August 4, 2010 to August 10, 2010

Benchmark Crudes (US\$/bbl)	July 28 - August 3 Average	Current Period					August 4 - August 10 Average	August Month-to-Date	2010 Year-to-Date
		4-Aug	5-Aug	6-Aug	9-Aug	10-Aug			
West Texas Intermediate	\$79.60	\$82.49	\$82.00	\$80.67	\$81.46	\$80.24	\$81.37	\$81.52	\$78.18
Brent	\$79.66	\$83.76	\$82.90	\$81.28	\$81.54	\$79.89	\$81.87	\$82.13	\$77.42

COMMENTARY:

► For the August 4 - August 10 period, the average price for West Texas Intermediate was up by \$1.78 week-over-week, at \$81.37. Brent prices were up by \$2.22 week-over-week, averaging \$81.87.

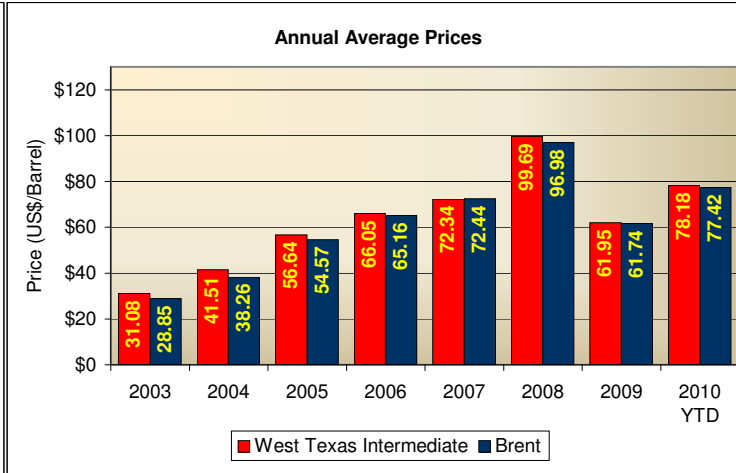
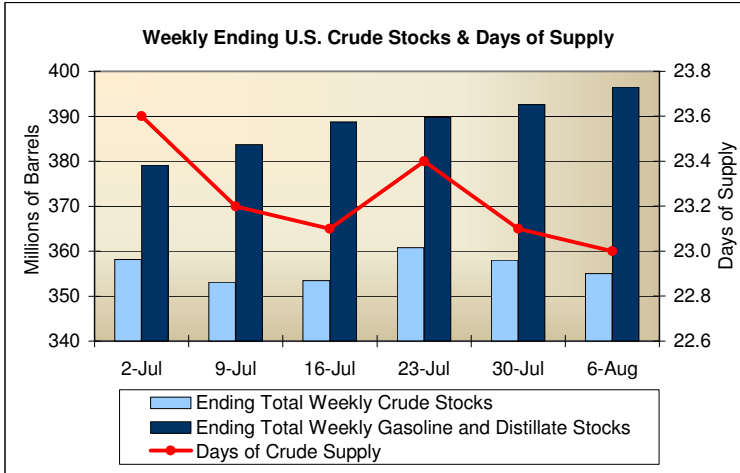
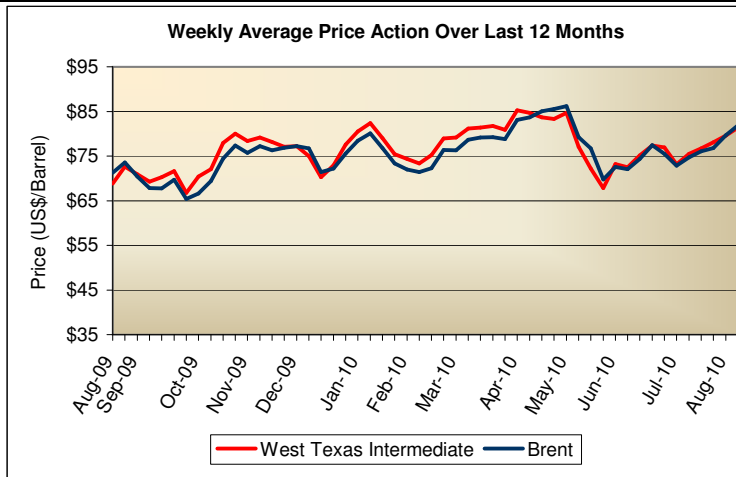
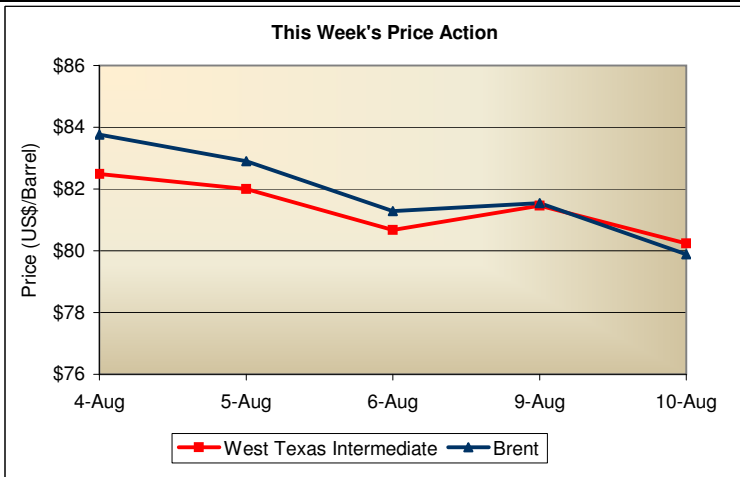
► WTI began the period at \$82.49, ending lower at \$80.24 on August 10. Brent prices began the period at \$83.76, ending lower at \$79.89 on August 10.

► The average crude prices for 2010 year-to-date increased from the previous period with WTI up \$0.11 to \$78.18 and Brent up \$0.15 to \$77.42.

► US crude stocks decreased by 2.988 million bbls this period. The days of crude supply decreased by 0.1 days from 23.1 days in the previous period. US gasoline and distillate stocks increased by 3.865 million bbls.

► On August 10, the EIA released its Short-Term Energy Outlook. The EIA expects WTI crude oil spot prices will average \$81 per barrel in the fourth quarter of 2010 and approximately \$84 per barrel in 2011. EIA expects world oil prices will rise slowly as world oil demand increases because of projected global economic growth, continued production restraint by members of the Organization of the Petroleum Exporting Countries (OPEC) and slower growth in non-OPEC oil supply. EIA projects that world oil consumption will grow by 1.6 million barrels per day (bbl/d) and 1.5 million bbl/d in 2010 and 2011, respectively. Countries outside of the OECD, especially China, Saudi Arabia, and Brazil, represent most of the expected growth in world oil consumption. Among the OECD countries, only the United States is expected to show significant increases in oil consumption of about 0.15 million bbl/d in both 2010 and 2011. EIA's non-OPEC oil supply forecast expects 720,000 bbl/d growth in 2010 primarily from the United States, Brazil and Azerbaijan. Forecast non-OPEC production falls with a 160,000 bbl/d decline in 2011 led by reduced production from Mexico and the North Sea. EIA projects total OPEC petroleum liquids production to increase by 1.0 and 1.2 million bbl/d in 2010 and 2011, respectively.

► According to Bloomberg, China reduced net imports of crude oil in July from a record reached in June as slower economic growth curbed fuel demand. Net crude purchases fell to 18.8 million metric tons, from 22.1 million tons the previous month, according to preliminary data.



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 2003 to 2010 are simple averages calculated from daily prices as reported by EIA.

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