

Crude Price Report - For the Period December 22, 2010 to December 28, 2010

Benchmark Crudes (US\$/bbl)	December 15- December 21 Average	Current Period					December 22- December 28 Average	December Month-to-Date	2010 Year-to-Date
		22-Dec	23-Dec	24-Dec	27-Dec	28-Dec			
West Texas Intermediate	\$88.47	89.83	90.84	Holiday	90.99	91.48	\$90.79	\$88.89	\$79.34
Brent	\$91.59	93.55	93.63	Holiday	93.08	93.52	\$93.45	\$91.19	\$79.45

COMMENTARY:

► For the December 22 - December 28 period, the average price of West Texas Intermediate was up by \$2.32 week-over-week, at \$90.79. The average price of Brent was up by \$1.86 week-over-week, at \$93.45. No data was reported for Friday, December 24 due to the Christmas holiday.

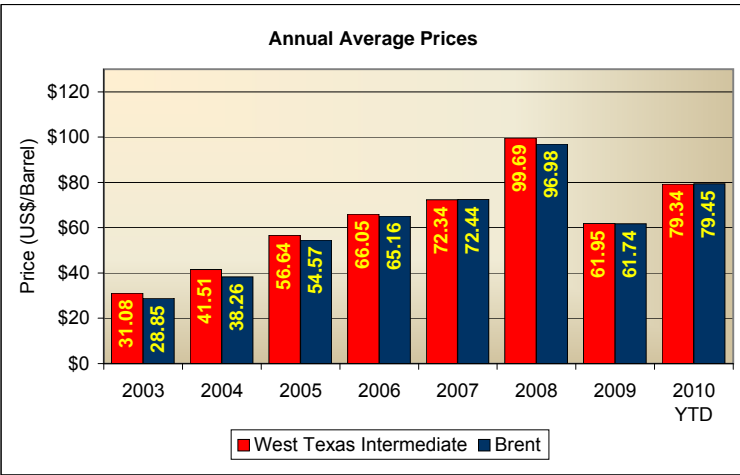
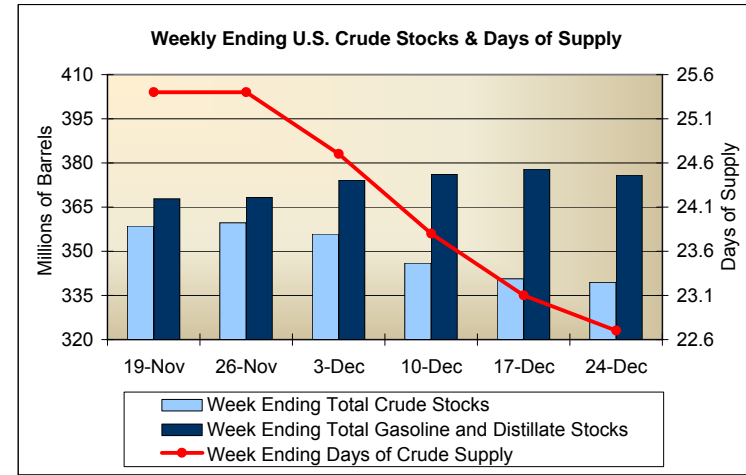
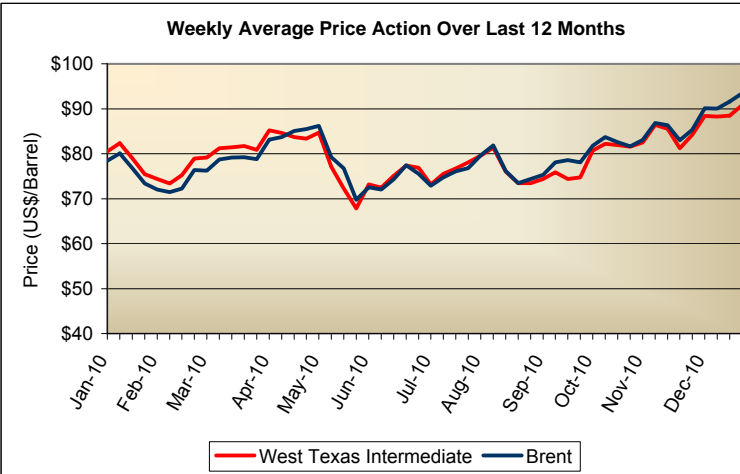
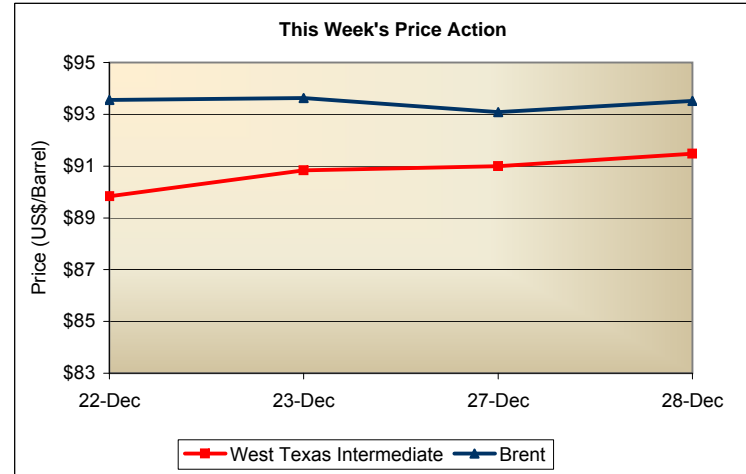
► WTI began the period at \$89.83 and ended higher at \$91.48 on December 28. Brent began the period at \$93.55 and ended slightly lower at \$93.52 on December 28.

► The average crude prices for 2010 year-to-date for WTI increased from the previous period with WTI up \$0.19 to \$79.34. Brent increased from the previous period up \$0.23 to \$79.45.

► US crude oil stocks decreased by 1.258 million bbls this period. The days of crude supply decreased by 0.4 days from the previous period at 23.1 days. US gasoline and distillate stocks decreased by 2.073 million bbls.

► On December 27, Bloomberg reported that according to an Oil Movements report, OPEC will reduce shipments for the first time since October, as demand for winter fuels falls. Shipments are expected to drop to 23.51 million barrels a day (mbbls/d) in the four weeks ending Jan. 8 from 23.56 mbbls/d in the four week period ending Dec. 11 (the data excludes shipments from Ecuador and Angola). Exports from Middle Eastern producers, including those from non-OPEC members Oman and Yemen, is expected to remain unchanged at 17.46 mbbls/d. OPEC maintained its current oil production quota of 24.845 mbbls/d at a meeting on Dec. 11 in Quito, Ecuador, as member nations considered the global recovery strong enough to withstand price gains.

► On December 27, Reuters reported that Iraq's oil production currently exceeds 2.6 mbbls/d, the first time it has reached that level in 20 years, according to the new oil minister Abdul Kareem Luaibi. According to the minister, Iraq plans to raise oil output to 3 mbbls/d by the end of 2011 and to 12 mbbls/d in six to seven years' time. According to industry analysts, 6-7 mbbls/d is a more realistic target for Iraq. The oil minister also said that Kurdish exports (which previously accounted for exports of around 100,000 barrels per day) were expected to resume soon, but said there was no specific timeline. The dispute between Iraqi Kurdistan and the central government in Baghdad over contracts to develop the northern oilfields halted exports from the region last year.



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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