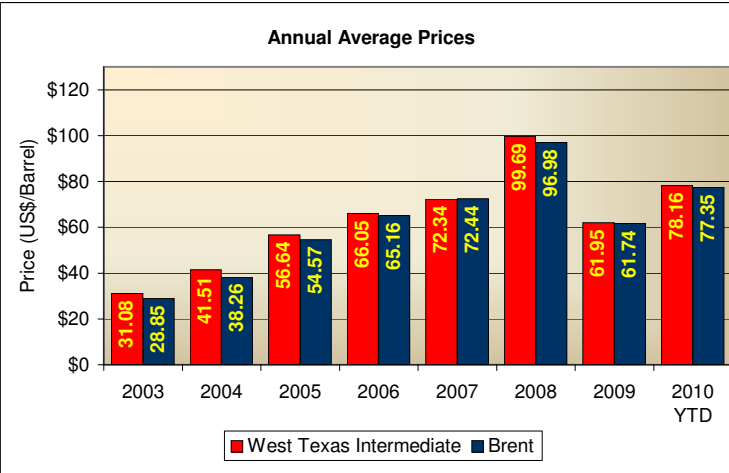
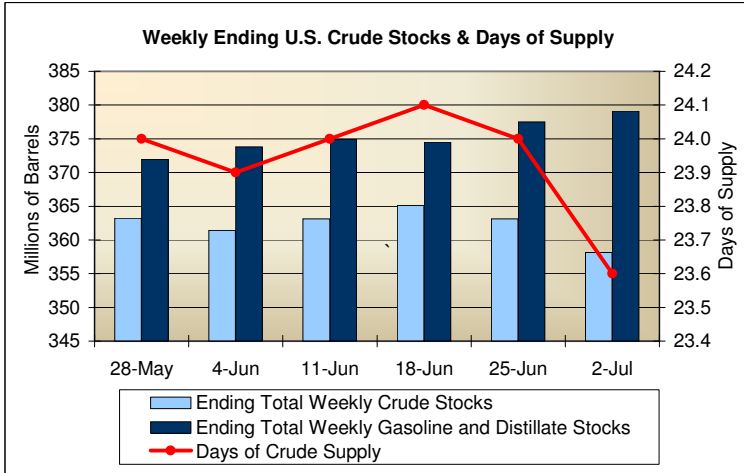
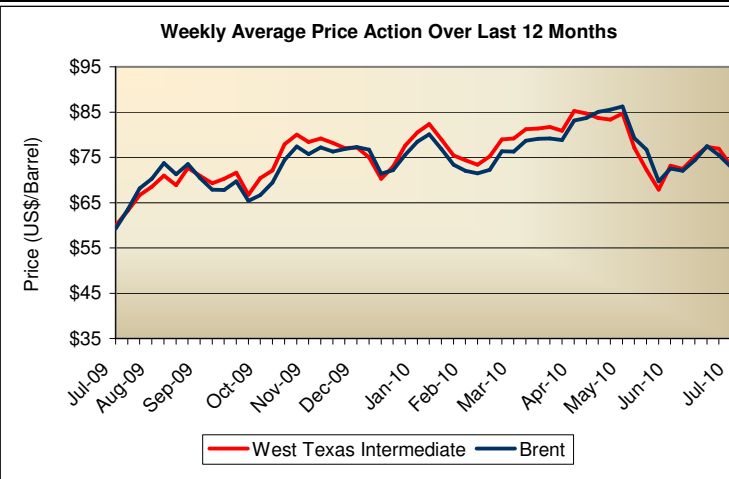
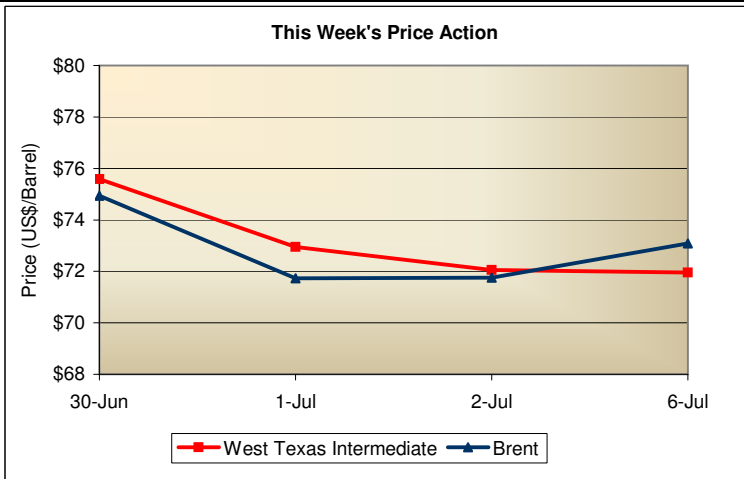


Crude Price Report - For the Period June 30, 2010 to July 6, 2010

Benchmark Crudes (US\$/bbl)	June 23 - June 29 Average	Current Period					June 30 - July 6 Average	July Month-to-Date	2010 Year-to-Date
		30-Jun	1-Jul	2-Jul	5-Jul	6-Jul			
West Texas Intermediate	\$76.90	\$75.59	\$72.95	\$72.06	no data	\$71.96	\$73.14	\$72.32	\$78.16
Brent	\$75.49	\$74.94	\$71.73	\$71.75	no data	\$73.08	\$72.88	\$72.19	\$77.35



COMMENTARY:

- ▶ For the June 30 - July 6 period, the average price for West Texas Intermediate was lower by \$3.76 week-over-week, at \$73.14. Brent prices were lower by \$2.62 week-over-week, averaging \$72.88. There was no data entry for July 5 due to the observation of Independence Day in the United States.
- ▶ WTI began the period at \$75.59 falling over week to a low of \$71.96 on July 6. Brent prices began the period at \$74.94, ending lower at \$73.08 on July 6.
- ▶ The average crude prices for 2010 year-to-date decreased from the previous period with WTI down \$0.16 to \$78.16 and Brent down \$0.15 to \$77.35.
- ▶ US crude stocks decreased by 4.961 million bbls this period. The days of crude supply decreased by 0.4 days from 24.0 days in the previous period. US gasoline and distillate stocks increased by 1.641 million bbls.
- ▶ According to a Bloomberg and Reuters report, Russian oil output reached a record-high level in June and stayed above 10 million barrels per day for the tenth consecutive month, allowing Moscow to retain the world's top position ahead of Saudi Arabia. Production increased 2.4% from June last year and exports dropped 4.1% from last month and 4.2% from a year earlier. Russia's overall gas output fell to 1.49 billion cubic metres (bcm) per day in June from 1.65 bcm per day in May. Natural gas production continued to decline due to falling demand in Europe and at home due to high summer temperatures.
- ▶ According to the Associated Press and Wall Street Journal, environmental groups are asking the federal judge to throw out his order overturning a six-month ban on deepwater drilling in the Gulf of Mexico because of his stock in Exxon Mobil Corp. A court filing July 2 by the groups asks U.S. District Judge Martin Feldman to disqualify himself from the case and vacate his June 22 order while a federal appeals court reviews the ruling. Feldman says he learned he owned Exxon Mobil stock a day before he ruled and sold it several hours before he issued the decision. Under federal law, federal judges are prohibited from deciding cases in which they have financial interests in the parties or the outcome of the case. They are also prohibited from deciding cases in which there is the appearance of a conflict. Exxon isn't a party in the case, but the company had one of the 33 existing exploratory rigs shut down by the moratorium.

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.

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

