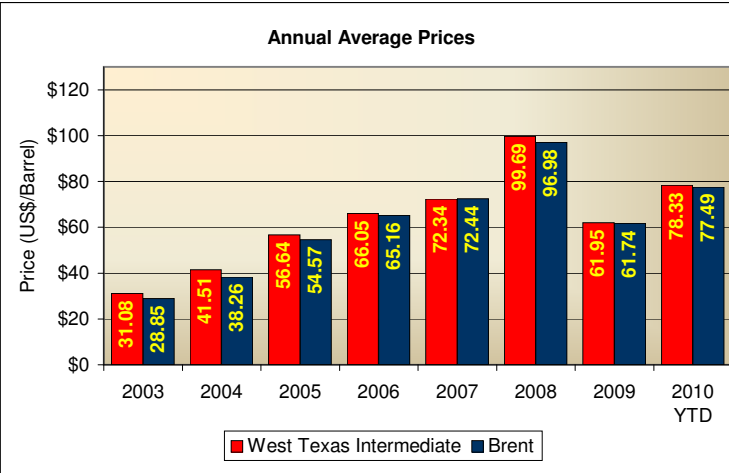
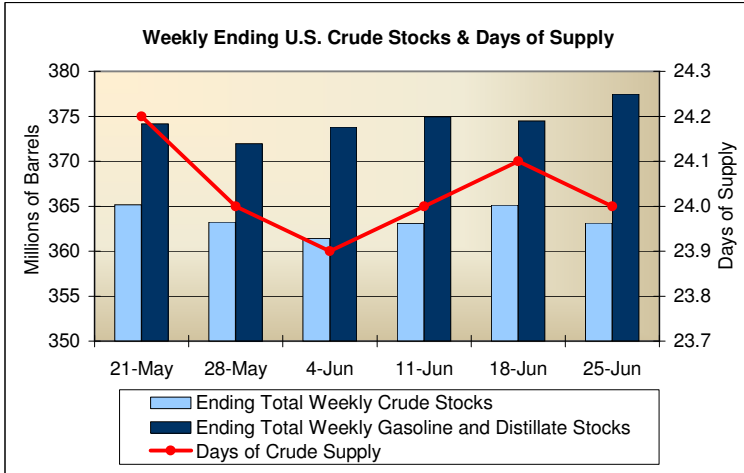
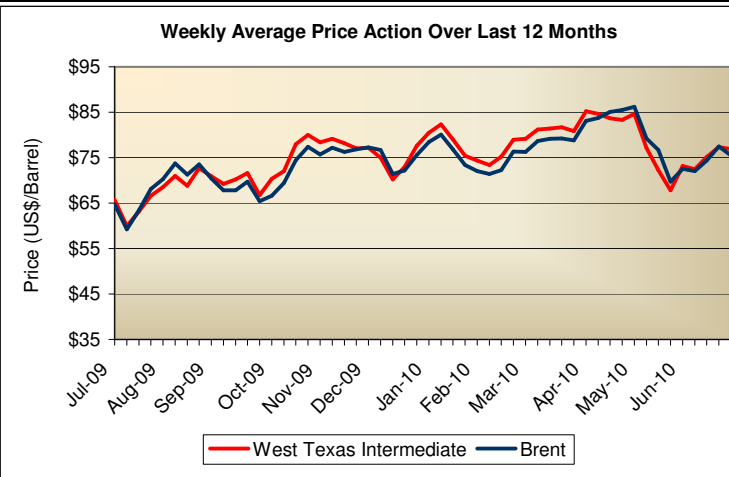
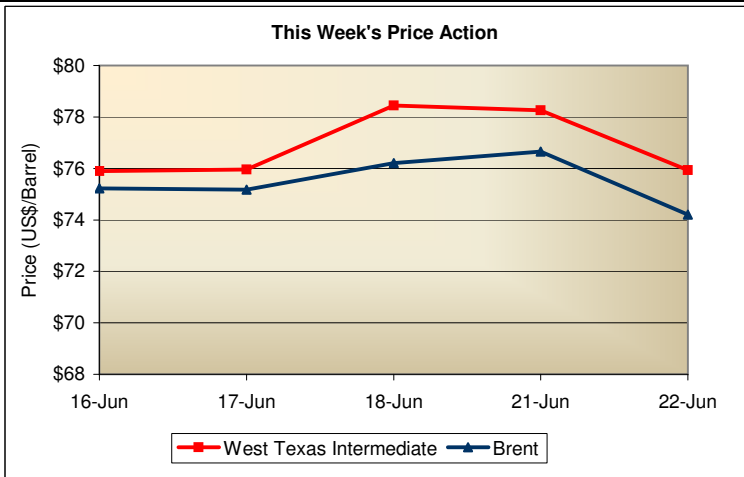


Crude Price Report - For the Period June 23, 2010 to June 29, 2010

Benchmark Crudes (US\$/bbl)	June 16 - June 22 Average	Current Period					June 23 - June 29 Average	June Month-to-Date	2010 Year-to-Date
		23-Jun	24-Jun	25-Jun	28-Jun	29-Jun			
West Texas Intermediate	\$77.33	\$75.90	\$75.96	\$78.45	\$78.26	\$75.93	\$76.90	\$75.32	\$78.33
Brent	\$77.46	\$75.22	\$75.17	\$76.21	\$76.66	\$74.21	\$75.49	\$74.75	\$77.49



COMMENTARY:

- ▶ For the June 23 - June 29 period, the average price for West Texas Intermediate was lower by \$0.43 week-over-week, at \$76.90. Brent prices were lower by \$1.97 week-over-week, averaging \$75.49.
- ▶ WTI began the period at \$75.90 ending at about the same level at \$75.93 on June 29. Brent prices began the period at \$75.22, ending lower at \$74.21 on June 29.
- ▶ The average crude prices for 2010 year-to-date decreased from the previous period with WTI down \$0.06 to \$78.33 and Brent down \$0.09 to \$77.49.
- ▶ US crude stocks decreased by 2.007 million bbls this period. The days of crude supply decreased by 0.1 days from 24.1 days in the previous period. US gasoline and distillate stocks increased by 2.994 million bbls.
- ▶ According to Reuters, the Organization of the Petroleum Exporting Countries (OPEC) crude oil supply fell in June from a 17-month high reached in May due to lower supplies from Iraq, Angola and Nigeria. Supply from the 11 members of the OPEC with output targets, except Iraq, averaged 26.75 million barrels per day (mb/d) in June, down from 26.9 mb/d in May. June supply from the OPEC-11 was 1.91 mb/d higher than the target of 24.84 mb/d putting member compliance in June at 55%, up 4% from May.

- ▶ According to Reuters, Iran has emergency plans to boost gasoline output sharply by early 2012. Iran is the world's fifth-largest oil producer, but lack of refining capacity forces Iran to import up to 40% of its gasoline needs. The threat of sanctions on suppliers to Iran has reduced the pool of companies prepared to sell gasoline to Iran, although Iranian officials say the country faces no problems in buying what it needs. Officials say the country will become self-sufficient in gasoline production over the next few years as it completes the construction of new refineries and also takes measures to curb consumption by phasing out subsidies.

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

