

Crude Price Report - For the Period January 19, 2011 to January 25, 2011

Benchmark Crudes (US\$/bbl)	January 12- January 18 Average	Current Period					January 19- January 25 Average	January Month-to-Date	2011 Year-to-Date
		19-Jan	20-Jan	21-Jan	24-Jan	25-Jan			
West Texas Intermediate	\$91.54	90.85	88.56	88.22	86.74	85.08	\$87.89	\$89.60	\$89.60
Brent	\$97.85	98.42	96.27	96.84	96.76	96.76	\$97.01	\$96.37	\$96.37

COMMENTARY:

► For the January 19 - January 25 period, the average price of West Texas Intermediate was down by \$3.65 week-over-week, at \$87.89/bbl. The average price of Brent was down by \$0.84 week-over-week, at \$97.01/bbl.

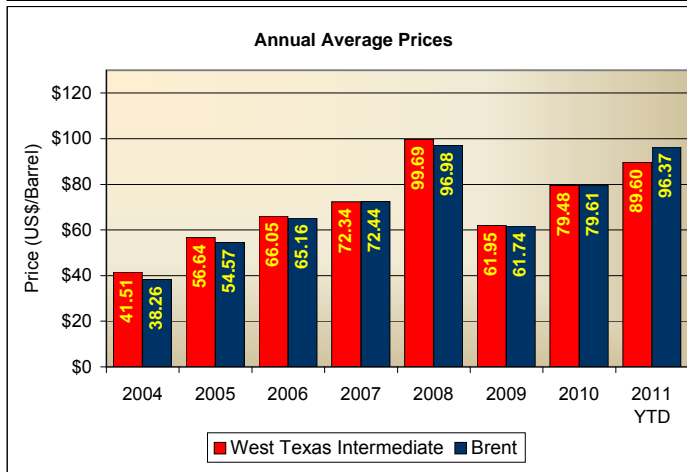
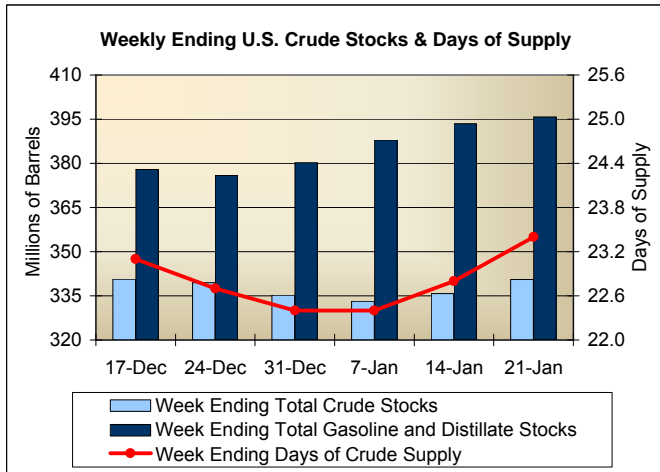
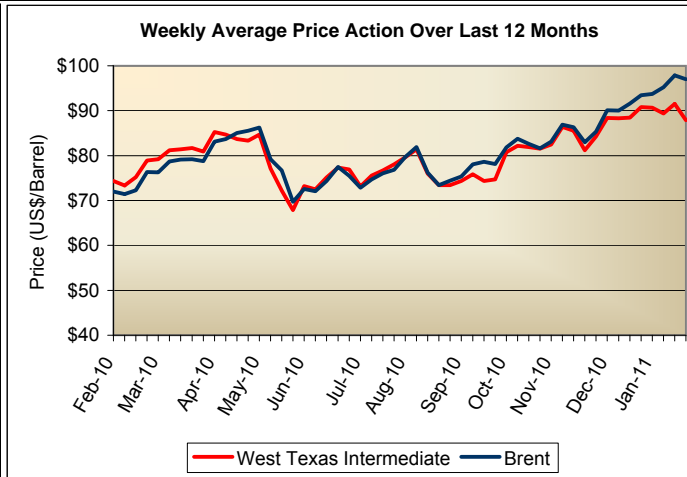
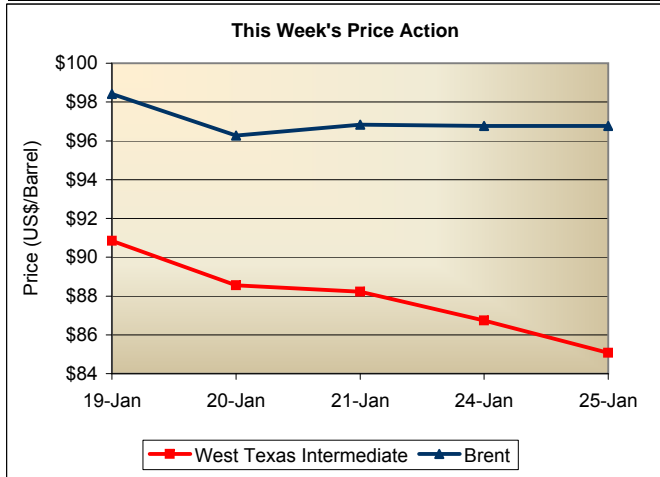
► WTI began the period at \$90.85/bbl and ended lower at \$85.08/bbl on Jan. 25. Brent began the period at \$98.42/bbl and ended slightly lower at \$96.76/bbl on Jan. 25.

► The average crude prices for 2011 year-to-date for WTI decreased from the previous period with WTI down \$0.78 to \$89.60/bbl. Brent increased from the previous period up \$0.29 to \$96.37/bbl.

► US crude oil stocks increased by 4.836 million bbls this period. The days of crude supply increased by 0.6 days from the previous period at 22.8 days. US gasoline and distillate stocks increased by 2.264 million bbls.

► On January 21, 2011, the American Petroleum Institute (API) reported that total U.S. petroleum deliveries (a measure of demand) was up 1.2% in December 2010 against December 2009 and up 2.3% for 2010 compared with 2009, evidence the U.S. economy continues to gain momentum. Both gasoline and diesel deliveries were up for full year 2010 over 2009, gasoline by 0.6% and distillates by 4.8%. U.S. refinery activity increased, finishing a strong year. Total inputs to crude distillation units moved 1.5% higher this December against last and refinery utilization increased by 4.4% from December 2009 to 85.7%. Domestic crude oil production rose by 1.3% in December 2010 over December 2009, reaching 5.52 million barrels a day. Crude production in the Lower-48 was up while Alaska production slipped slightly. December's crude oil and product imports, at 10.6 million barrels per day were down from November but slightly up from December a year ago, driven by increases in crude imports. Crude imports at 8.8 million barrels per day were up by 8.1% while total product imports, at 1.8 million barrels per day, were down by 24.3%. API chief economist John Felmy noted that the distillate numbers suggest the nation's industrial sector continues to rebound.

► On January 24, 2011, Reuters reported a Florida Republican congressman has sent a proposed bill to Congress seeking to block Cuba's plans to start its first full-scale offshore oil exploration with a deepwater rig located off the Florida Keys. If approved, the draft bill could mean trouble to Spanish oil company, Repsol, which leads a consortium of international oil companies looking to drill for oil beneath Cuba's part of the Gulf of Mexico. The proposed legislation would give the U.S. Interior Secretary the authority to deny leases to companies that do business with any nation currently facing U.S. trade sanctions. The exploration project is key for Cuba, which needs oil to sustain its economy and end its dependence on Venezuela, which provides about 115,000 barrels per day. Congressman Vern Buchanan said Cuba's plans involve drilling in waters deeper than the BP Gulf spill and questioned whether Havana was capable of dealing with a potential oil spill. Repsol, along with Statoil and ONGC Videsh, have contracted a Chinese-built drilling rig to drill one or two exploratory wells near Cuba's northwestern coast. The rig was expected to arrive in Cuban waters in the 1Q 2011, but has been delayed until mid-summer.



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 2004 to 2011 are simple averages calculated from daily prices as reported by EIA.