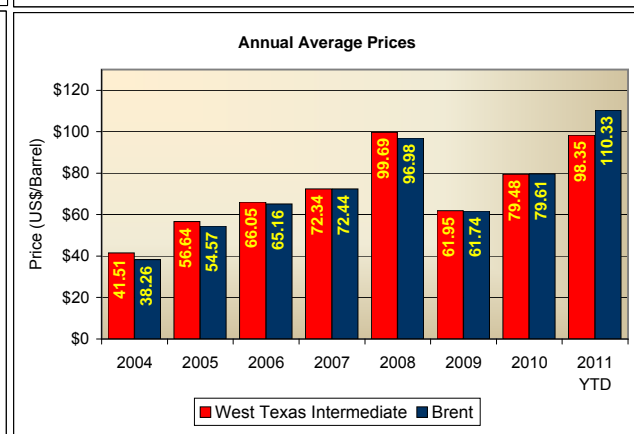
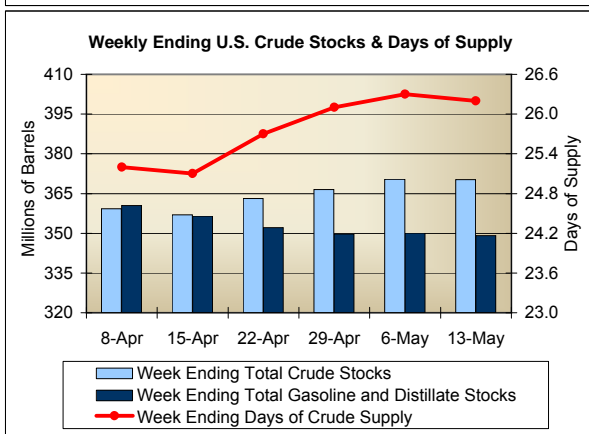
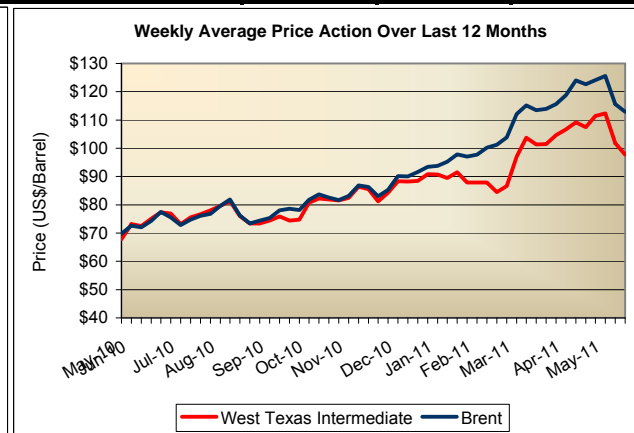
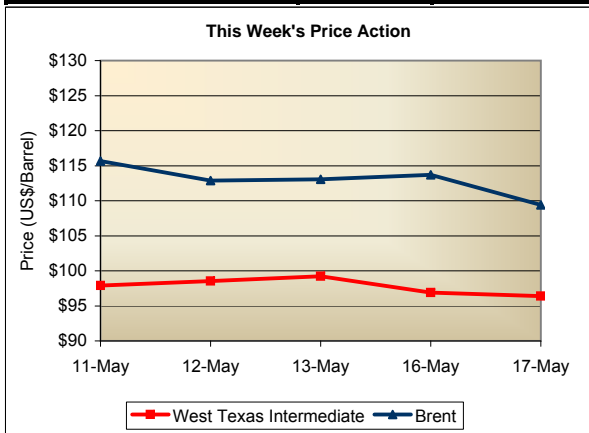


## Crude Price Report - For the Period May 11, 2011 to May 17, 2011

Benchmark Crudes (US\$/bbl)	May 4- May 10 Average	Current Period					May 11- May 17 Average	May Month-to-Date	2011 Year-to-Date
		11-May	12-May	13-May	16-May	17-May			
West Texas Intermediate	\$101.85	97.88	98.53	99.21	96.91	96.40	\$97.79	\$101.82	\$98.35
Brent	\$115.64	115.66	112.87	113.08	113.72	109.39	\$112.94	\$116.13	\$110.33



### Sources/Notes:

- 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.
- 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).
- 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.

### COMMENTARY:

► For the May 11 - May 17 period, the average price of West Texas Intermediate was down by \$4.06 week-over-week, at \$97.79/bbl. The average price of Brent was down by \$2.70 week-over-week, at \$112.94/bbl.

► WTI began the period at \$97.88/bbl and ended lower at \$96.40/bbl on May 17. Brent began the period at \$115.66/bbl and ended lower at \$109.39/bbl on May 17.

► The average crude price for 2011 year-to-date for WTI decreased from the previous period down \$0.03 to \$98.35/bbl. Brent increased from the previous period up \$0.15 to \$110.33/bbl.

► U.S. crude oil stocks decreased by 0.015 million bbls this period. The days of crude supply decreased by 0.1 days to 26.2 days from 26.3 days in the previous period. U.S. gasoline and distillate stocks decreased by 1.038 million bbls.

► On May 11, 2011, OPEC released its Monthly Oil Market Report. -OPEC forecasts world oil demand to increase in 2011. OPEC noted that the volatile oil market is making future estimates challenging as many variables have been affecting oil demand worldwide. World oil demand is estimated at 88.08 millions of barrels per day (mmbbls/day) for 2011.

- OPEC expects non-OPEC oil supply to increase in 2011 due to strong production figures by many non-OPEC producers, as well as changes to start-up and ramp-up schedules. Non-OPEC oil supply is estimated at 52.91 mmbbls/day for 2011.

-OPEC expects the demand for OPEC crude in 2011 to remain relatively unchanged from the previous report. Demand for OPEC crude is estimated at 29.87 mmbbls/day for 2011.

► On May 17, 2011, Reuters reported that the U.S. Senate blocked a move by Democrats to repeal billions of dollars in tax breaks given to oil companies operating in the United States. Although, majority Leader Harry Reid said that paring back the incentives would be included in an upcoming budget deal. Vice President Joe Biden is steering a deal between Democrats and Republicans to increase the debt limit and reduce spending. Lawmakers hope to reach a deal before August 2. Democratic sponsors of the bill, which would have used the savings from ending the tax breaks to pay down \$21 billion of the deficit in ten years, got only 52 of the 60 votes needed. The bill would have cut back tax breaks given to Exxon Mobil, Chevron, ConocoPhillips, BP and Shell Oil. Reducing the tax breaks has long been a goal of President Barack Obama and Democrats. The call to do so has gotten louder ahead of next year's elections and as the big five oil companies made about \$36 billion in profits during the first quarter of the year as oil prices rose to about \$100 a barrel. On May 18, Republicans in the Senate are expected to push a bill to open up offshore oil drilling, which they say has been locked up by Obama regulations after last year's BP oil spill in the Gulf of Mexico.