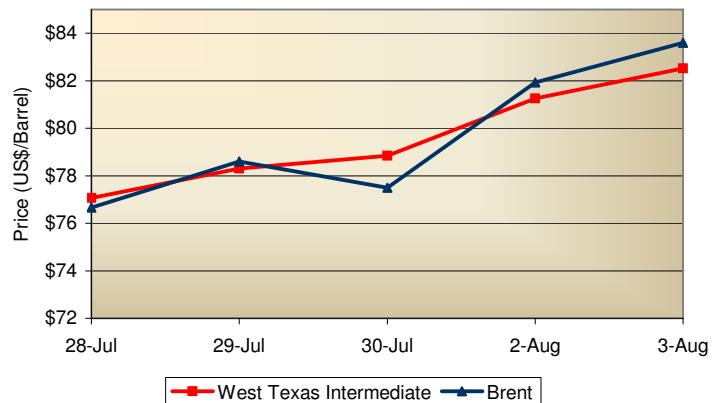


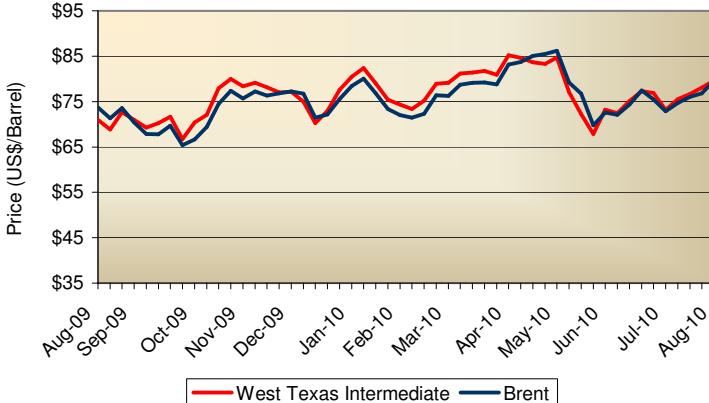
## Crude Price Report - For the Period July 28, 2010 to August 3, 2010

Benchmark Crudes (US\$/bbl)	July 21 - July 27 Average	Current Period					July 28 - August 3 Average	August Month-to-Date	2010 Year-to-Date
		28-Jul	29-Jul	30-Jul	2-Aug	3-Aug			
West Texas Intermediate	\$78.07	\$77.06	\$78.30	\$78.85	\$81.25	\$82.52	\$79.60	\$81.89	\$78.07
Brent	\$76.81	\$76.66	\$78.60	\$77.50	\$81.93	\$83.60	\$79.66	\$82.77	\$77.27

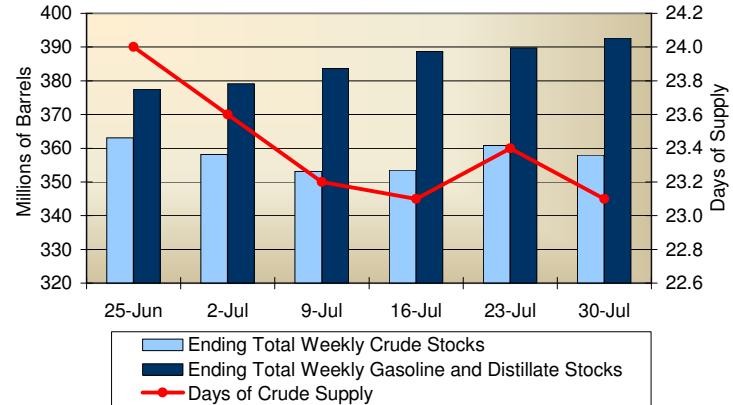
This Week's Price Action



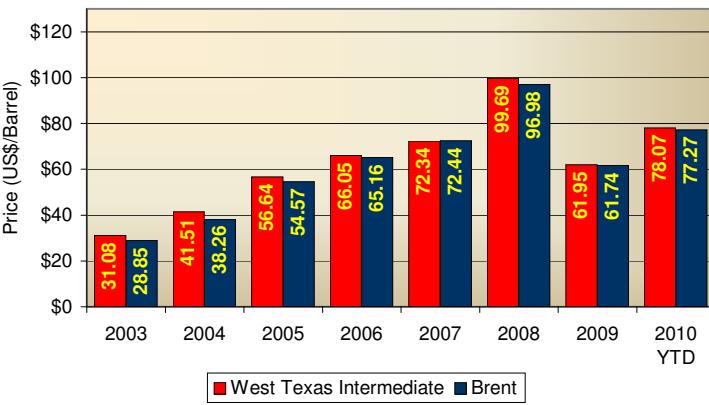
Weekly Average Price Action Over Last 12 Months



Weekly Ending U.S. Crude Stocks & Days of Supply



Annual Average Prices



### COMMENTARY:

- For the July 28 - August 3 period, the average price for West Texas Intermediate was up by \$1.53 week-over-week, at \$79.60. Brent prices were up by \$2.85 week-over-week, averaging \$79.66.
- WTI began the period at \$77.06, ending higher at \$82.52 on August 3. Brent prices began the period at \$76.66, ending higher at \$83.60 on August 3.
- The average crude prices for 2010 year-to-date increased from the previous period with WTI up \$0.05 to \$78.07 and Brent up \$0.08 to \$77.27.
- US crude stocks decreased by 2.784 million bbls this period. The days of crude supply decreased by 0.3 days from 23.4 days in the previous period. US gasoline and distillate stocks increased by 2.902 million bbls.
- According to Reuters, Russian oil output reached a record-high level in July and stayed above 10 million barrels per day (bpd) for the eleventh consecutive month. The main driver of the growth was attributed to the Rosneft's Yuganskneftegaz fields according to an analyst with the Bank of Moscow. In the article, analysts warned that the oil production in Russia would be starting to decrease due to depletion of Western Siberian oil fields and high taxation. Russia's natural gas production continued its decline amid falling demand in Europe and at home. Russia's overall gas output fell to 1.42 billion cubic metres (bcm) per day in July from 1.49 bcm per day in June, while daily production at energy giant Gazprom was cut to 1.08 bcm from 1.12 bcm.

- According to Reuters, Nigeria wants its OPEC oil quota revised upwards to around 2 million bpd, the level it was at before militancy in the Niger Delta curbed its output in recent years. According to Deziani Allison-Madueke in an interview in London, current output, including condensate, was around 2.5 million bpd and that Nigeria could ramp up to 3 million bpd within 6-12 months if it were not for the OPEC quota.

### 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

