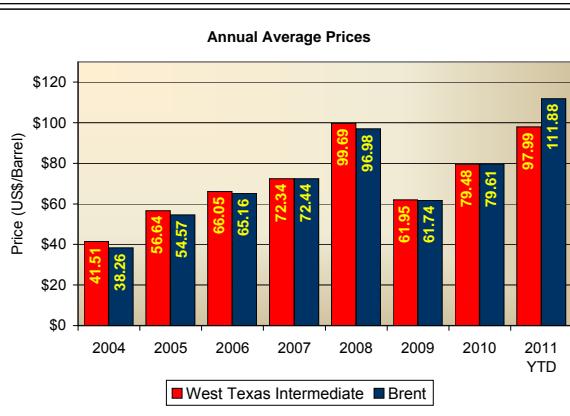
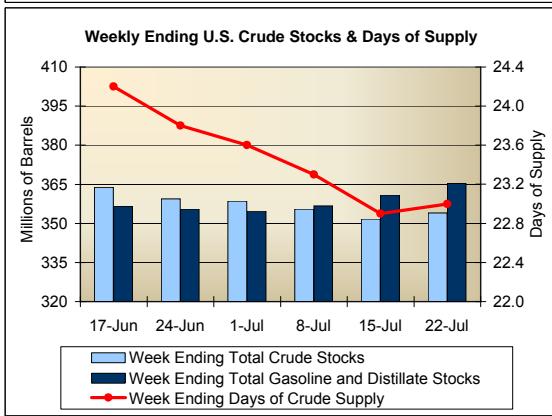
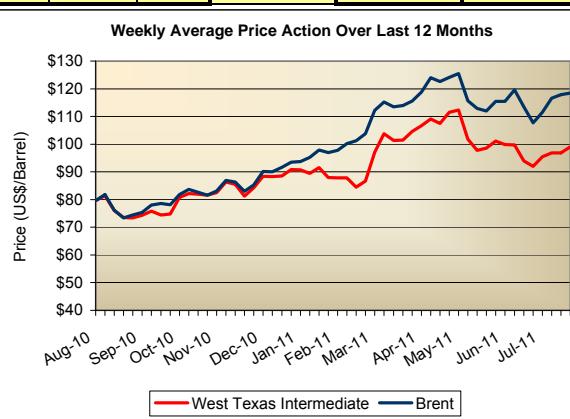
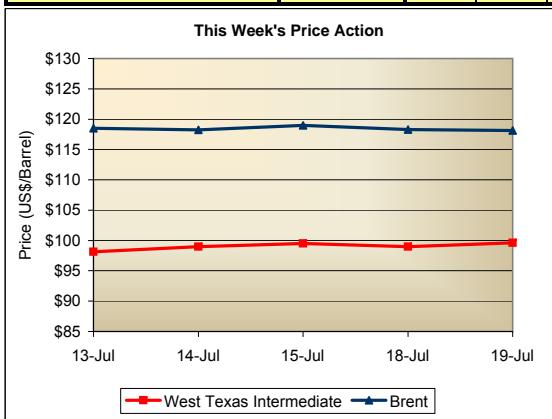


Crude Price Report - For the Period July 20, 2011 to July 26, 2011

Benchmark Crudes (US\$/bbl)	July 13- July 19 Average	Current Period					July 20- July 26 Average	July Month-to-Date	2011 Year-to-Date
		20-Jul	21-Jul	22-Jul	25-Jul	26-Jul			
West Texas Intermediate	\$96.89	98.11	98.96	99.53	98.97	99.61	\$99.04	\$97.38	\$97.99
Brent	\$117.83	118.52	118.25	118.99	118.27	118.14	\$118.43	\$116.91	\$111.88



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.

COMMENTARY:

- For the July 20 - July 26 period, the average price of West Texas Intermediate was up by \$2.15 week-over-week, at \$99.04/bbl. The average price of Brent was up by \$0.60 week-over-week, at \$118.43/bbl.
- WTI began the period at \$98.11/bbl and ended higher at \$99.61/bbl on July 26. Brent began the period at \$118.52/bbl and ended lower at \$118.14/bbl on July 26.
- The average crude price for 2011 year-to-date for WTI increased from the previous period up \$0.04 to \$97.99/bbl. Brent increased from the previous period up \$0.24 to \$111.88/bbl.
- U.S. crude oil stocks increased by 2.296 million bbls this period. The days of crude supply increased by 0.1 days to 23.0 days from 22.9 days in the previous period. U.S. gasoline and distillate stocks increased by 4.407 million bbls.
- On July 21, 2011, the International Energy Agency (IEA) issued a press release regarding the findings of the IEA Secretariat's 30-day review of the Libya Collective Action where 60 million barrels of oil was released in response to the disruption of oil supplies from Libya. The review concluded that the Action served a market need and at this time does not plan to seek the release of additional stocks, as stocks are still entering the market. The extra supplies of crude from the U.S. Strategic Petroleum Reserve and products has had a number of positive impacts in the market such as, rendering light-sweet crudes more economic for refiners at a time of peak transport fuel demand. The IEA noted a sharp rise in OPEC oil production from May to June and expect a possible further rise of 150 – 200 thousand barrels per day in July. The IEA estimates that higher OPEC production and the Libya Collective Action should largely cover the expected 1.3 million barrels per day (mmbbls/day) increase in the Q3 2011 amount of crude oil necessary from OPEC and/or implicit stock changes to balance world demand and supply. However, a number of uncertainties remain including, the duration of the Libyan disruption, future OPEC supply and the final impact of the stock release itself. The IEA Secretariat plans to closely monitor market conditions and augment the Libya Collective Action if market conditions warrant it.
- On July 22, 2011, the American Petroleum Institute (API) reported that total U.S. petroleum deliveries (a measure of demand) rose in June 2011 compared with May 2011 and with June 2010 and were up 1.9% for the first six months of 2011 over the same period in 2010. U.S. gasoline demand was close to June 2010, but up from both April 2011 and May 2011. Ultra-low sulphur distillate deliveries were at a record high, up by 7.9% from June 2010, and total distillate demand was 7.2% higher. For the month of June, 2011 distillate production was at a three-year high while jet fuel production was at a six-year high. Strong refinery production resulted in reduced petroleum product imports, which declined more than 30% in June compared with June 2010. Crude imports and total imports also declined in June 2011 compared to June 2010 by 4.8% and 10%, respectively. Crude oil production was down 2% from June 2010, to a two-year low and showed year-over-year declines for the second month in a row. According to preliminary data, offshore oil wells drilled declined by 82% decline in the Q2 2011 compared with Q2 2010. Despite the offshore drilling decline, API estimates onshore oil well completions were at the highest second quarter level since 1985. Crude stocks (excluding Strategic Petroleum Reserves) fell by 2.9% from May 2011 and 1.5% from June 2010, but were still at the second highest stock level for any June since 1990. With the exception of jet fuel stocks and residual fuel stocks, all key refined products' stock levels showed declines in June 2011 compared with May 2011. API's chief economist noted that gasoline demand appears to be held back by high unemployment and consumer uncertainty, while ultra-low sulfur diesel demand numbers suggest U.S. manufacturing is picking up.