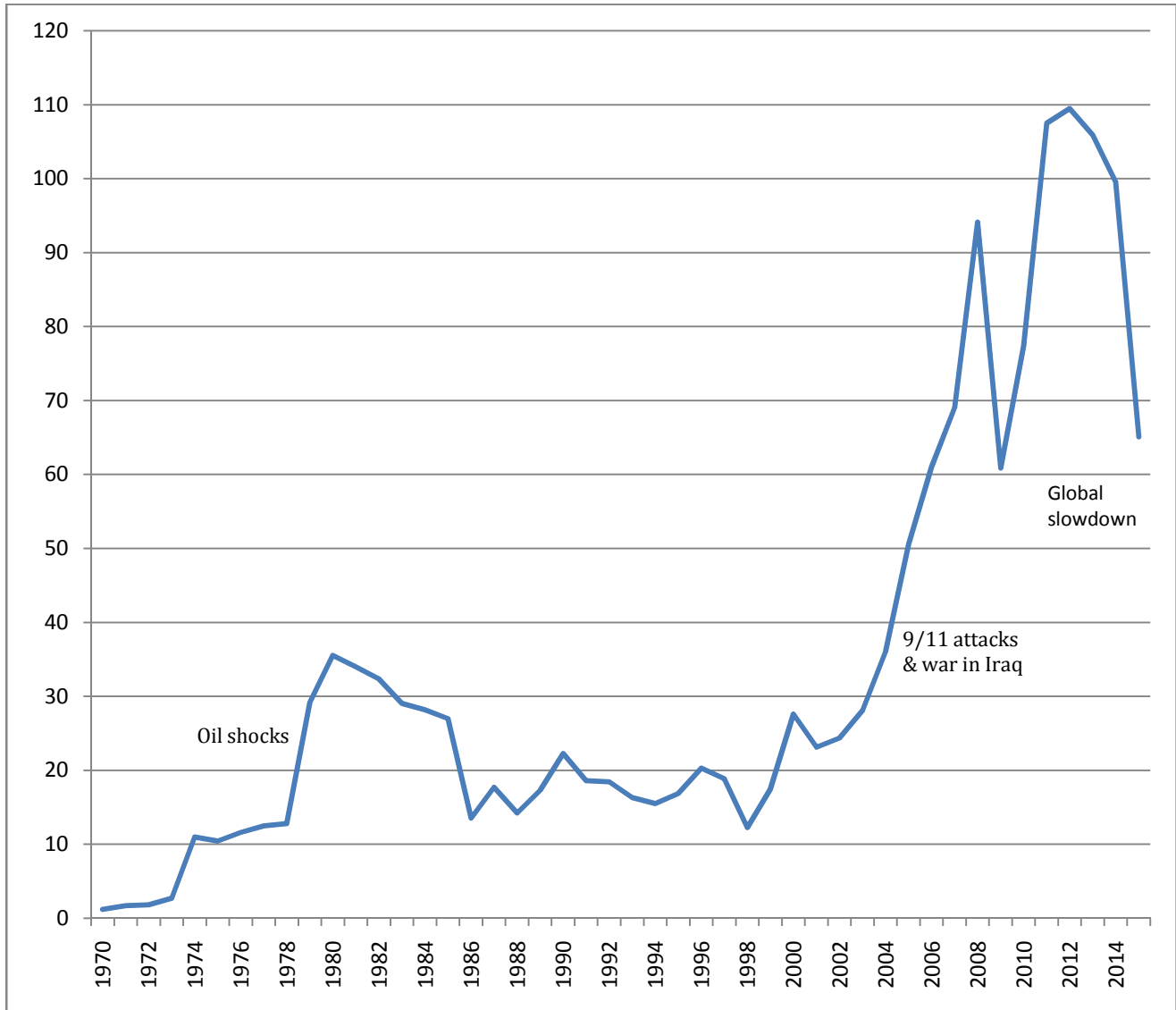


AVERAGE YEARLY PRICE OF OIL 1970-2015  
(\$ PER BARREL, WTI)



(Source: Bureau of Labor Statistics)

West Texas intermediate (WTI) is a benchmark price of oil in the energy sector. The trend in WTI over the past 44 years has been sharply higher. The price spikes from the oil shocks of the 1970's are obvious, as is the dramatic leap in the price of WTI after the attacks of 9/11. The downtrend evident in the chart from 2013 has continued into 2016. The 2015 average price per barrel fell to \$69.00 from \$105 in 2013. WTI fell below \$28 on February 10, 2016. Economic decay in China and the Euro zone, massive supply additions by U.S. shale oil and gas drillers, and a concerted effort by the OPEC nations to maintain supply in the face of weakening demand (some say to hurt Russia others say to hurt U.S. shale oil and gas extraction), will keep downward pressure on WTI. Geo-political risks in the Middle East and Russia could easily and quickly reverse the downtrend. The cost for production for many U.S. shale drillers and for Russia is above current WTI prices as of March 2016.