



# Missouri Department of Natural Resources Division of Energy

## MISSOURI ENERGY BULLETIN

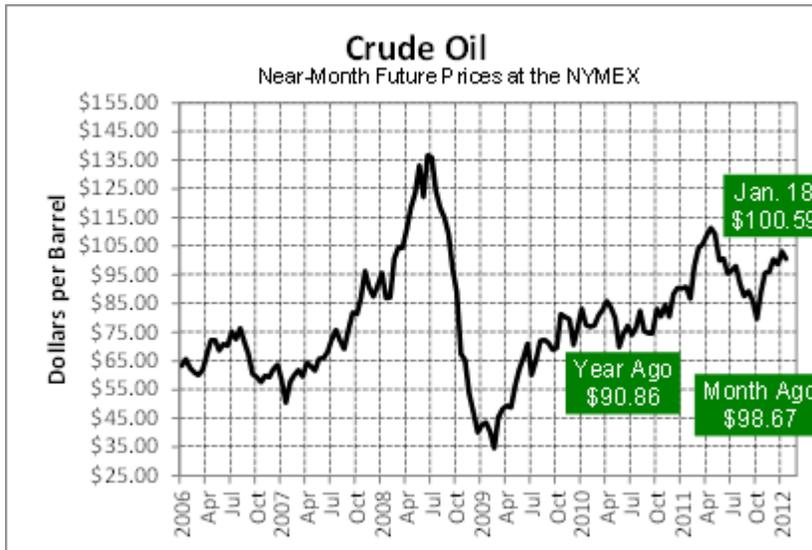
Jan. 20, 2012

### Crude Oil

U.S. crude oil prices increased \$1.92 per barrel compared to last month, reaching \$100.59 per barrel. Crude oil prices stand 2 percent higher than this point last month and 11 percent higher than this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	01-18-12	12-21-11	change	01-19-11	change
NYMEX	\$100.59	\$98.67	up 2%	\$90.86	up 11%

- At the New York Mercantile Exchange (NYMEX) crude oil futures for Jan. delivery ended \$1.92, or 2 percent, higher on January 18 to close at \$100.59 per barrel. This increase generally reflects threats in the international trading structure rather than increases in domestic demand.



- Current demand for Crude Oil has fallen since its peak in Oct. Nevertheless, futures on Jan. 18 rose in reaction to upcoming Iranian exercises in the Strait of Hormuz and upcoming meetings by the European Union to consider economic sanctions against Tehran. The actions are in response to a United Nations' atomic agency report concluding that previous efforts have not stopped the regime from clandestine nuclear-bomb work. The new

sanctions target companies that provide goods or services to Iran's oil and natural gas industries. On the positive side, Libyan production is returning to the global market, and expectations are high for the resumption of Iraqi production after the first of the year.

- The current U.S. crude oil futures settlement price is 11 percent higher than this time last year.
- Crude oil stocks rose by 7.6 million barrels between Dec. 19, 2011 and Jan. 13, 2012, an increase of 2 percent. Crude oil stocks were at the same level as at this time last year.

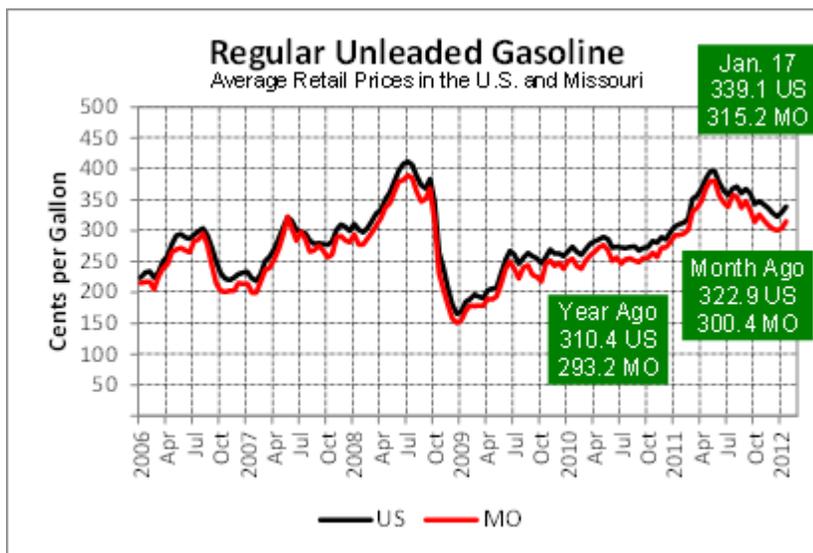
- According to the Jan. 18 Energy Information Administration (EIA) weekly fuels report, U.S. commercial oil inventories (excluding the Strategic Oil Reserve) increased 1.5 MMB to 331.2 for the week ending January 13. U.S. crude supplies are at the upper limit of the average range for this time of year. Since January 2009 total stocks of crude oil have been below the current level for only 16 of the past 159 weeks.
- Crude imports for the week ending Jan. 13 were 14.6 MMB/D, a decrease of 0.35 MMB from the prior week. Imports at this time last year averaged 14.7 MMB/D. Crude oil inventories represent 22.5 days of forward cover compared to 22.8 days at this time last year.
- U.S. refinery crude runs were down 352,000 barrels per day with refiners processing 14.6 MMB/D of crude for the week ended January 13.
- Gasoline output increased by 0.6 percent on the week as refiners drew down existing crude stocks. Gasoline output is up 0.05 MMB/D compared to last week and down 0.08 MMB/D compared to last year at this time. Distillate output increased at 0.40 MMB/D for the week ending Jan. 13 and stands 17.8 MMB/D lower compared to the production level at this time last year.

### Transportation Fuels

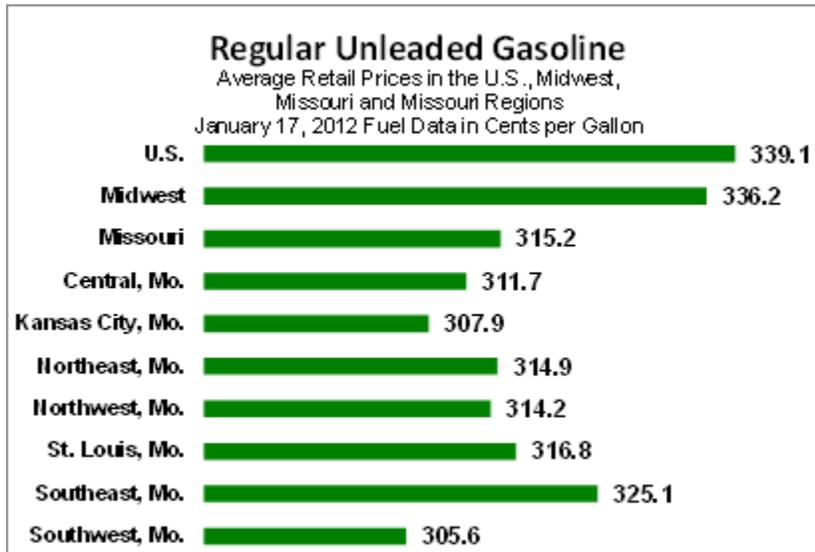
**On Jan. 3, Missouri's statewide average retail price for gasoline was \$3.15 per gallon, up 5% the past month.**

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	01-17-12	12-19-11	change	01-18-11	change
US	339.1	322.9	up 5%	310.4	up 9%
Missouri	315.2	300.4	up 5%	293.2	up 8%

Diesel Fuel - Retail Prices (cents per gallon)					
	01-17-12	12-19-11	change	01-18-11	change
US	385.4	382.8	up 1%	340.7	up 13%
Missouri	361.9	361.4	up 0%	323.9	up 12%

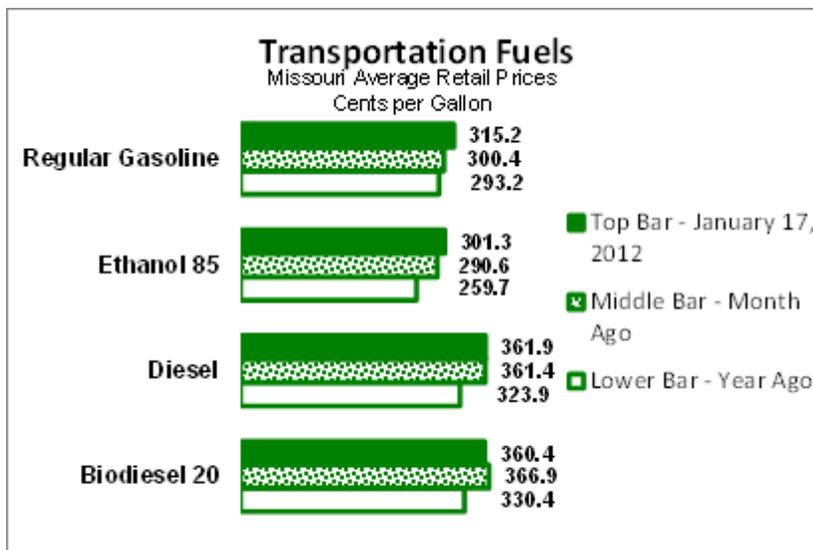


- On Jan. 17, Missouri's average retail price for gasoline was \$3.152 per gallon, which is a 5 percent increase over the past month. The average price for diesel fuel was \$3.619 per gallon, which is essentially unchanged over the past month. Compared to the second week in Jan. 2011 Missouri's average retail gasoline price is \$0.22 or 8 percent higher, while the average diesel fuel price is \$0.38, or 12 percent, higher.



- The U.S. average price for regular gasoline was \$3.39 per gallon, up by 16 cents compared to last month. The U.S. average was about \$0.29 or 9 percent higher compared to this time last year.

- Gasoline imports fell to nearly 0.553 MMB/D for the week ending Jan. 13; about 109,000 barrels per day higher compared to the prior week, and 169,000 barrels per day lower than last year at this time.

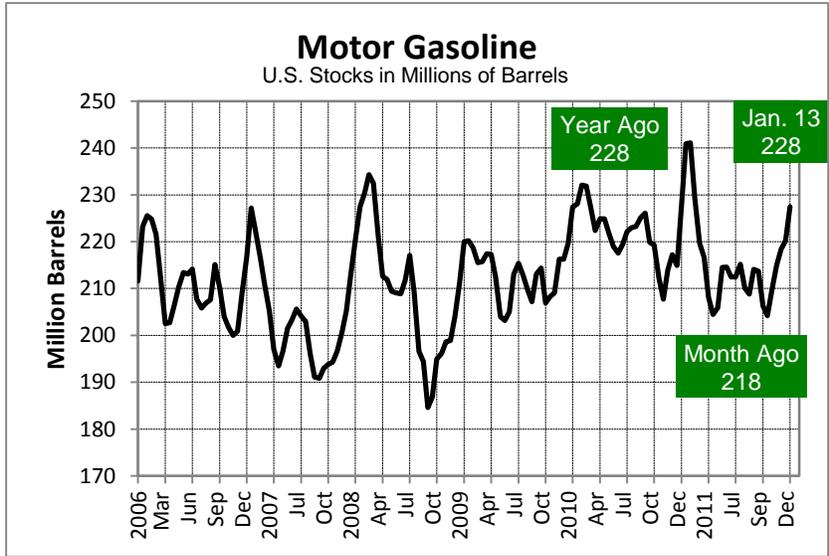


- Implied demand for gasoline for the week of Jan. 13 was down by 183,000 barrels per day from the prior week and 779,000 barrels per day lower compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has averaged about 8.4 MMB/D, 22,000 barrels per day lower compared to the same 4-week period last year.

- Gasoline demand is lower than the year-end values seen over

the past few years. In 2011, the 4-week average demand was 9.0 MMB/D, in 2010 it was 8.8 MMB/D, and in 2009 it was 8.9 MMB/D.

- U.S. gasoline supplies increased 9.1 MMB to 227.5 MMB for the week ending Jan. 13. Gasoline inventories represent 27.0 days of supply for the U.S. based on implied demand during the past 4-week average. U.S. gasoline inventories are unchanged as compared to this time last year and trend in the middle of the five-year average for this time of year.
- Distillate stocks increased 8.9 MMB to 148.0 MMB over the past month and stand 17.8 MMB lower compared to the same period last year. Distillate demand increases to 3.6 MMB/D for the week ending January 13 and was up 24,000 barrels per day compared to the same period last year. On the week, distillate demand, which includes diesel fuel, kerosene and home heating oil, was up 107,000 barrels per day compared to December 30.



- On Jan. 17, Missouri’s average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$3.01 per gallon, 14 cents or 4.4 percent lower than the average price for conventional motor gasoline.
- On Jan. 17, the average retail price for B20, diesel fuel containing 20 percent biofuel, was \$3.60 per gallon, 1.5 cents or 0.4 percent, lower than the statewide average retail price for conventional

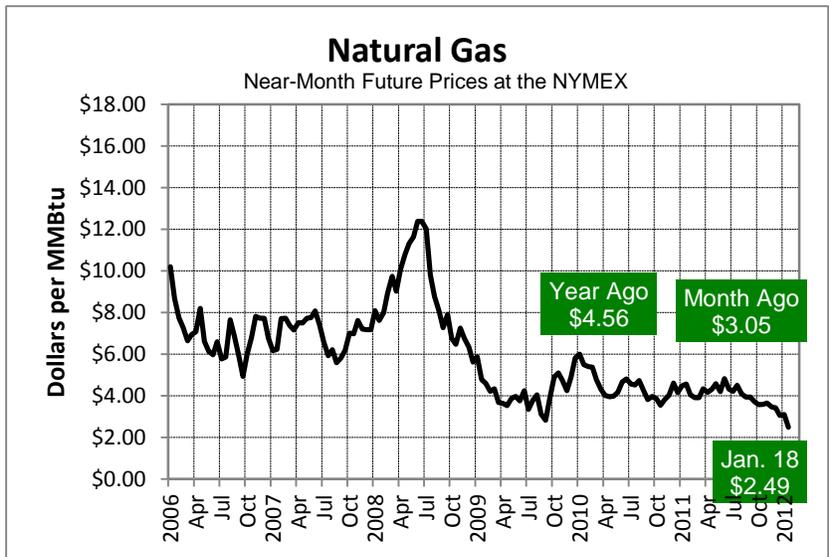
diesel fuel.

**Natural Gas**

On Jan. 18, natural gas futures closed at \$2.49 per MMBtu, down 56 cents from a month ago and down \$2.07 compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	01-18-12	12-21-11	change	01-19-11	change
NYMEX	\$2.49	\$3.05	down 18%	\$4.56	down 45%

- Approximately 58 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.
- At the NYMEX, the Jan. 2012 contract during the trading week fell about 56 cents to \$2.49 per MMBtu on January 18 from \$3.05 per MMBtu on Dec. 21.
- Natural Gas stocks fell by about 182 billion cubic feet on January 13 compared to Dec. 19. The relatively steady state in domestic stock is atypical for this time of year. Downward pressure on Natural Gas continues in the face of a milder than expected winter.



- Working gas in storage as of Jan. 13 totaled 3,290 Bcf, 20.8 percent above the 5-year average inventory level for the week according to EIA’s *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 539 Bcf or 19.6 percent higher than last year at this time.

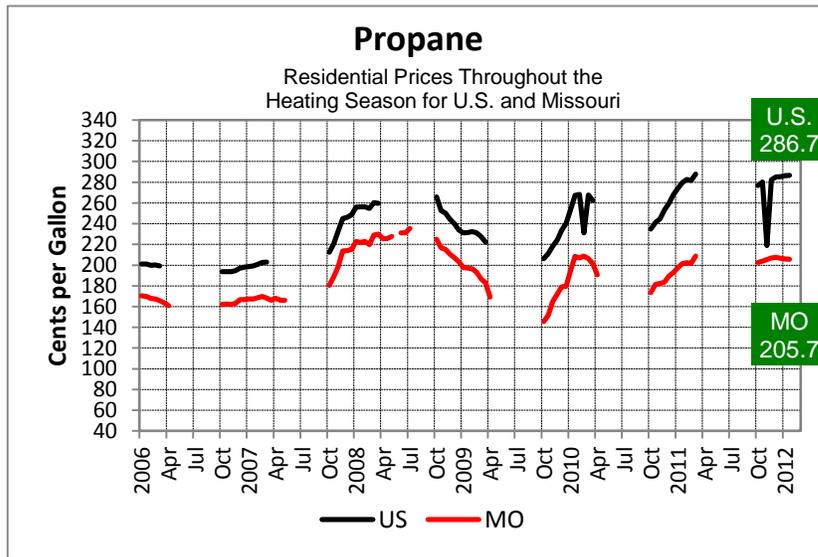
## Propane

On Jan. 17, the average Missouri retail price for residential propane was \$2.057 per gallon, down 1.0 cents per gallon from last month and 2 percent higher compared to last year at this time.

- Approximately 13 percent (293,603) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

Propane - Retail Prices (cents per gallon)					
	<u>01-17-12</u>	<u>12-19-11</u>	<u>change</u>	<u>01-18-11</u>	<u>change</u>
Missouri	205.7	206.7	down 0%	201.3	up 2%

- According to the Division of Energy's statewide propane price survey conducted the week of Jan. 17, retail residential propane prices were down by 1 cent from last month and stand 4.4 cents per gallon or 2 percent higher than last year at this time.



- According to the survey conducted Jan. 17, the highest Missouri retail residential price for propane was nearly \$2.799 per gallon while the lowest retail price was \$1.699 per gallon.

- For the week ending Jan. 13, U.S. inventories of propane increased, as total stocks were down 14 MMB to end at 1,177 MMB. Propane inventories are now 101 MMB higher compared

to the same period last year.

- For the week ending Jan. 13, Midwest propane inventories increased 17 million barrels, compared to last month. At 266 MMB, Midwest inventories are 7 percent higher than this time last year.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources' Division of Energy. The Division of Energy collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the division's Web address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; and Missouri's energy retailers. For more information, contact: MO Dept. of Natural Resources, Division of Energy, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: (573) 751-3443 or (800) 361-4827; Fax: (573) 751-6860; E-mail: [energy@dnr.mo.gov](mailto:energy@dnr.mo.gov); Web Address: [www.dnr.mo.gov/energy/transportation/fb.htm](http://www.dnr.mo.gov/energy/transportation/fb.htm)