



# Missouri Department of Natural Resources Division of Energy

## MISSOURI ENERGY BULLETIN

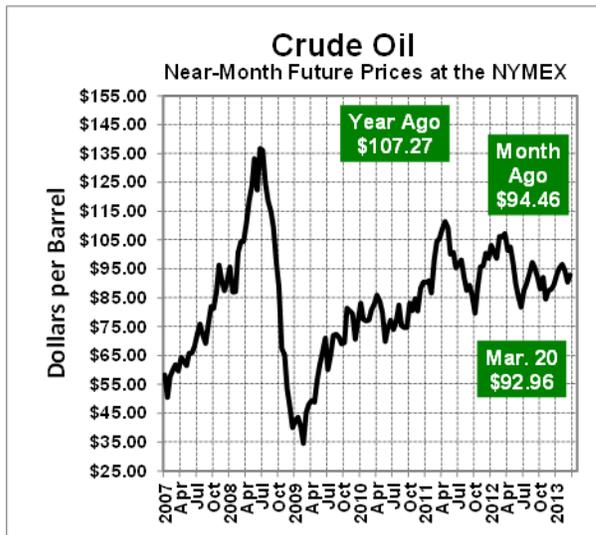
March 22, 2013

*(Data is for the week ended March 15, 2013, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices decreased \$1.50, or 2 percent, to \$92.96 per barrel in the past month and stand 13 percent lower than at this time last year.**

Crude Oil - Near Month Future Prices (dollars per barrel)					
	03-20-13	02-20-13	change	03-21-12	change
NYMEX	\$92.96	\$94.46	down 2%	\$107.27	down 13%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for April delivery ended \$0.80, or 0.9 percent, higher on March 20 to close at \$92.96 per barrel, after the weekly federal fuels report showed crude inventories unexpectedly decreased.
- Oil prices also advanced as the Federal Reserve pledged to continue its \$85 billion in monthly bond purchases until the outlook for the labor market has improved substantially, according to a statement released at the end of a 2-day gathering of policy makers. Oil supplies fell for the first time since January. The Federal Reserve's asset purchases will remain divided

between \$40 billion a month of mortgage-backed securities and \$45 billion a month of Treasury securities, according to the Central Bank.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$92.96 is \$14.31, or 13 percent, lower.
- Total petroleum products supplied to market over the last four-week period averaged 18.3 million barrels per day (MMB/D), up by 0.9 percent compared to the similar period last year. According to the March 20 Energy Information Administration (EIA) weekly fuels report, U.S. oil inventories

decreased 1.3 MMB at 382.7 MMB. U.S. crude supplies are now 36.4 MMB higher than at this time last year.

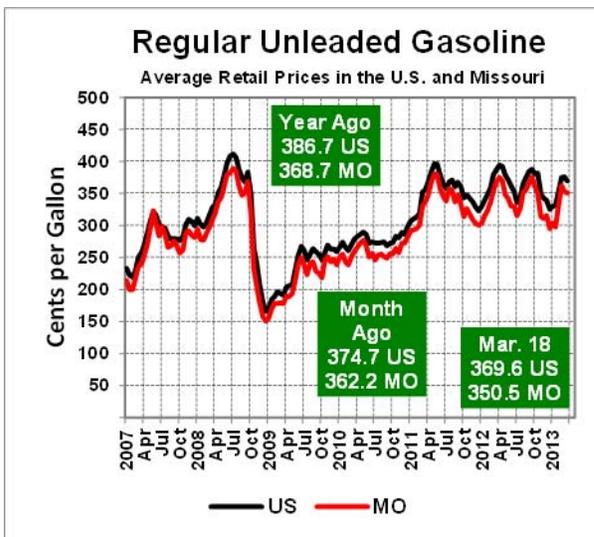
- Crude imports decreased at 7.3 MMB/D, down 0.2 MMB/D from the prior week. Imports at this time last year averaged 8.2 MMB/D. Crude oil inventories represent 26.8 days of forward cover compared to 23.9 days at this time last year.
- U.S. refinery crude runs increased 520,000 barrels per day (B/D) with refiners processing 14.5 MMB/D of crude. U.S. refinery capacity use was 83.5 percent, up 2.6 percent from the prior week and up 1.3 percent compared to this time last year.
- Gasoline output decreased at 8.6 MMB/D on the week yet stands 53,000 B/D higher compared to the production level at this time last year. Distillate output increased at 4.3 MMB/D, and stands 18,000 B/D higher compared to the production level at this time last year.

### Transportation Fuels

**On March 18, Missouri’s statewide average retail price for gasoline was more than \$3.50 per gallon, down 11.7 cents in the past month and down 5 percent in the past year.**

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	03-18-13	02-19-13	change	03-19-12	change
US	369.6	374.7	down 1%	386.7	down 4%
Missouri	350.5	362.2	down 3%	368.7	down 5%

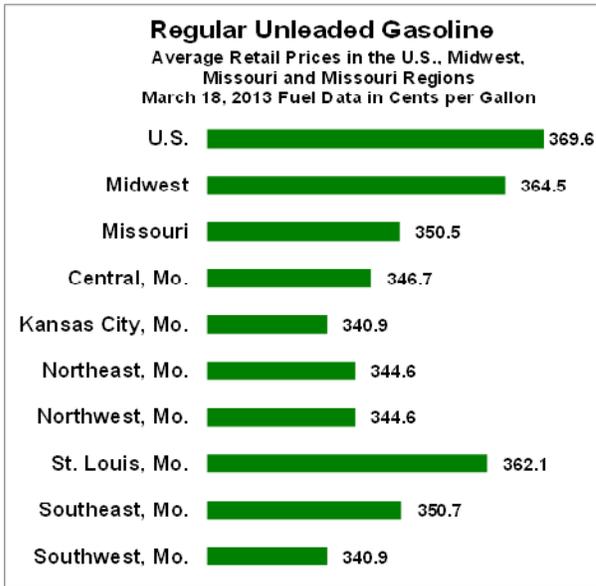
Diesel Fuel - Retail Prices (cents per gallon)					
	03-18-13	02-19-13	change	03-19-12	change
US	404.7	415.7	down 3%	414.2	down 2%
Missouri	384.4	393.8	down 2%	392.1	down 2%



- On March 18, Missouri’s average retail price for gasoline was more than \$3.50 per gallon, a decrease of 11.7 cents in the past month. The average price for diesel fuel was down 9.4 cents per gallon in the past month. Missouri’s average retail gasoline price is 18.2 cents, or 5 percent, lower, while the average diesel fuel price is 7.7 cents, or 2 percent, lower for the comparable period in March 2012.
- The U.S. average price for regular gasoline was down by 5.1 cents, or 1 percent, per gallon compared to last month at \$3.69 per gallon. The U.S. average was down by 17.1 cents compared to this time last year. In the

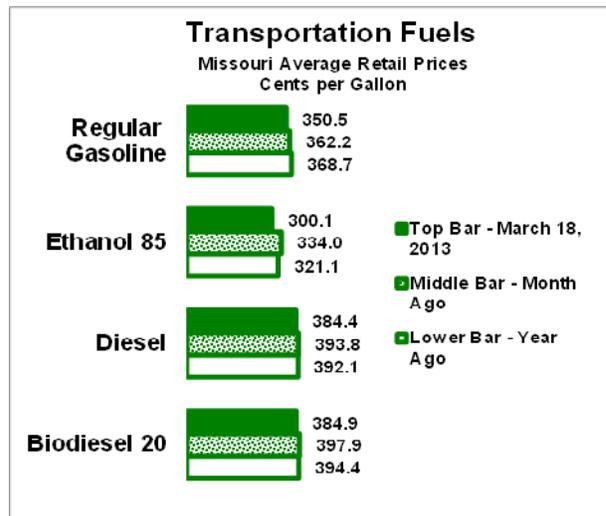
past week, the U.S. average decreased by 1.4 cents.

- Gasoline imports decreased by 340,000 B/D, or nearly 50 percent from the prior week, at 0.4 MMB/D, 245,000 B/D lower than last year at this time.

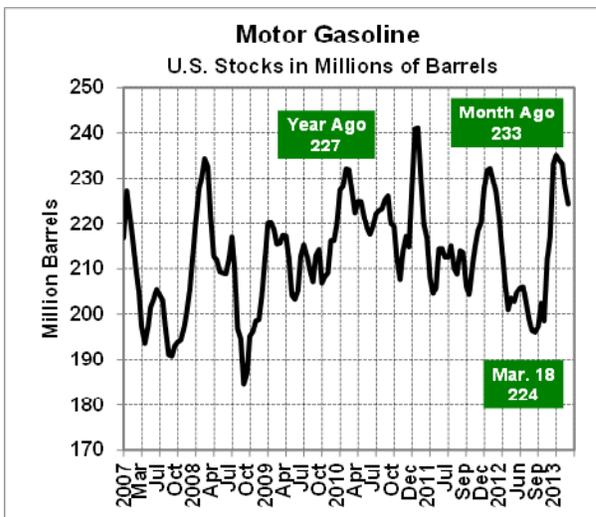


- Implied demand for gasoline decreased at 8.3 MMB/D from the prior week, about 55,000 B/D lower compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has averaged about 8.5 MMB/D, 123,000 B/D or 1.5 percent higher compared to the same 4-week period last year.
- U.S. gasoline supplies decreased 1.5 MMB at 222.8 MMB on the week. Gasoline stocks represent 26.3 days of supply for the U.S. based on implied demand during the past 4-week average. U.S. gasoline inventories are down 4.1 MMB compared to this time last year and trend at the middle of the five-year average for this time of year.

- Distillate stocks decreased at 119.8 MMB and stand 16.8 MMB lower compared to the same period last year. Distillate demand was up at 3.6 MMB/D on the week and up 363,000 B/D compared to the same period last year. On the week, distillate demand, which includes diesel fuel, kerosene and home heating oil, was up 232,000 B/D. On a four-week average, distillate demand was up 5,000 B/D compared to the same period last year at 3.6 MMB/D.
- On March 18, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$3.00 per gallon, 51 cents or 17 percent lower than the average price for conventional motor gasoline.



- On March 18, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$3.85 per gallon, about 1 cent or less than 1 percent higher than the statewide average retail price for conventional diesel fuel.
- According to EIA's March 12, 2013, *Short Term Energy Outlook*, lower crude oil prices will result in a monthly average regular gasoline price of \$3.67 per gallon over the next few months, with the annual average regular gasoline retail price declining from \$3.63 per gallon in 2012 to \$3.55 per gallon in 2013 and \$3.38 per gallon in 2014.

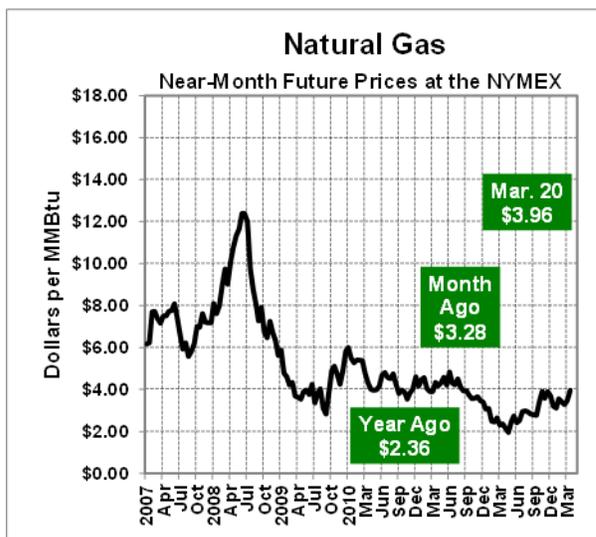


## Natural Gas

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.

**On March 20, natural gas futures at the NYMEX closed at \$3.96 per million British thermal units (MMBtu), up 68 cents from a month ago and up \$1.60 compared to last year at this time.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	03-20-13	02-21-13	change	03-21-12	change
NYMEX	\$3.96	\$3.28	up 21%	\$2.36	up 68%



- At the NYMEX, natural gas futures for April 2013 delivery ended less than 1 cent lower on March 20 to close at \$3.96 per MMBtu. In the past month, natural gas values have increased \$1.60 or 68 percent.
- The April 2013 near-month price increased by 28 cents over the report period, from \$3.68 on March 13 to \$3.96 per MMBtu on March 20. The near-month price closed below \$4.00 per MMBtu on every trading day since September 2011. The 12-Month Strip (the average of April 2013 to March 2014 contracts) similarly rose over the report period, increasing by 22 cents per MMBtu and ending the week at \$4.139 per MMBtu.
- According to EIA, overall natural gas consumption for the nation increased by 2.1 percent. The residential/commercial sector, the biggest gas-consuming sector during the winter, consumed 5.1 percent more gas for the report period. The Midwest and Northeast experienced colder weather than last week, pushing residential/commercial demand higher. Residential/commercial volumes are 101 percent higher than this week last year due to last year's short heating season. Industrial consumption of natural gas increased by 1.1 percent for the report week, while natural gas consumption for power generation was down on average, falling by 2.2 percent.
- Working gas in storage totaled 1,876 billion cubic feet (Bcf), 9.5 percent above the five-year average inventory level for the week, according to EIA's *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 502 Bcf, or 21.1 percent, lower than last year at this time.
- According to EIA's *Short Term Energy Outlook*, released March 12, 2013, Midwest households that heat with natural gas may realize an increase in expenditures by 10.1 percent to \$681 for the 2012/13 heating season based on an increase in consumption of approximately 14.5 percent.

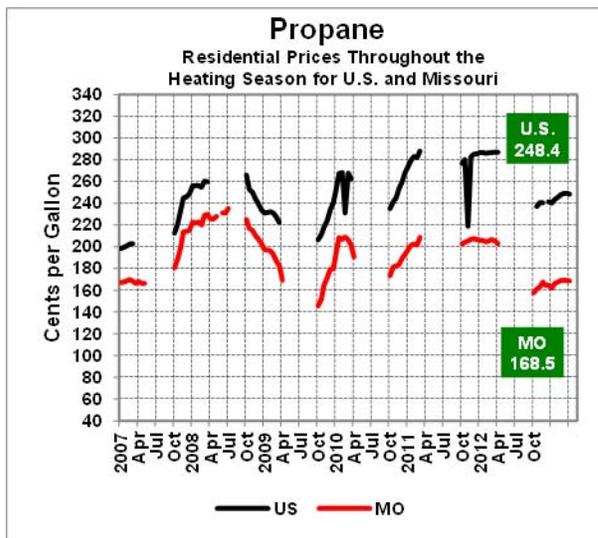
## Propane

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.

**On March 18, the average Missouri retail price for residential propane was about \$1.69 per gallon, unchanged in the past month, and down 17 percent compared to last year at this time.**

Propane - Retail Prices (cents per gallon)					
	03-18-13	02-19-13	change	04-02-12	change
Missouri	168.5	169.1	down 0%	202.9	down 17%

- According to the Division of Energy's statewide propane price survey conducted March 18, the average Missouri retail residential propane price was \$1.69 per gallon, unchanged in the past month.



- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.10 per gallon, while the lowest retail price was about \$1.47 per gallon.
- U.S. inventories of propane decreased 1.2 MMB to end at 41.8 MMB. Propane inventories are now 1 MMB, or 2.3 percent, lower compared to the same period last year. Implied demand for propane decreased 289,000 B/D at 1.4 MMB/D on the week, and up 289,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories increased 8,000 barrels on the week. At 10.3 MMB, Midwest inventories are 6.3 MMB, or 61 percent, lower than the 16.6 MMB reported at this time last year.
- According to EIA's *Short Term Energy Outlook*, released March 12, 2013, Midwest households that heat with propane may realize a decrease in expenditures by 10.1 percent to \$1,382 for the heating season based on a decrease in price of 47 cents per gallon.

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)