



Missouri Department of Natural Resources Division of Energy

MISSOURI ENERGY BULLETIN

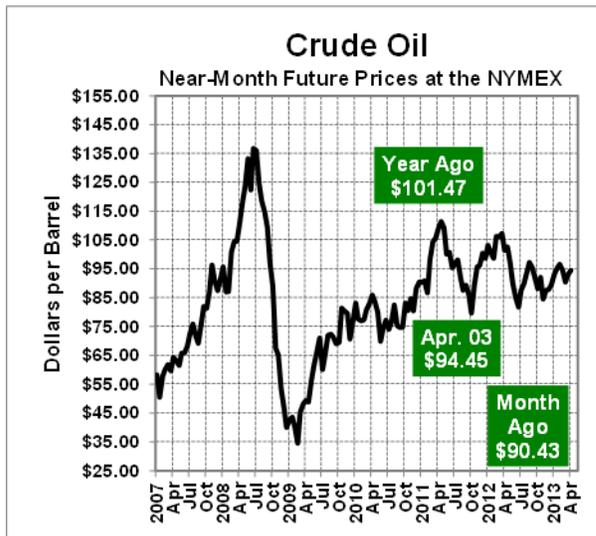
April 5, 2013

(Data is for the week ended March 29, 2013, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased \$4.02, or 4 percent, to \$94.45 per barrel in the past month and stand 7 percent lower than at this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	04-03-13	03-06-13	change	04-05-12	change
NYMEX	\$94.45	\$90.43	up 4%	\$101.47	down 7%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for May delivery ended \$2.74 lower on April 3 to close at \$94.45 per barrel, after the weekly federal fuels report showed domestic oil stockpiles increased to the highest level in more than 22 years.
- Oil prices were pressured lower on a weaker-than-forecast report about private sector job growth and sluggish growth in the services sector. Investors also took a step back after San Francisco Federal Reserve Bank President John Williams said that if the economy improves, as he suspects it will, the Federal Reserve could

start tapering its bond purchase program. Williams said he expects to continue seeing a substantial improvement in the job market by this summer. The Federal Reserve's stimulus measures, including its commitment to low interest rates and several rounds of bond buying, have been largely credited for fueling the stock market rally.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$94.45 is \$7.02, or 7 percent, lower.
- Total petroleum products supplied to market over the last four-week period averaged 18.6 million barrels per day (MMB/D), up by 2.2 percent compared to the similar period last year. According to the April 3 Energy Information Administration (EIA) weekly fuels report, U.S. oil inventories

increased 2.7 MMB at 388.6 MMB. U.S. crude supplies are now 26.2 MMB higher than at this time last year.

- Crude imports decreased at 7.9 MMB/D, down 0.2 MMB/D from the prior week. Imports at this time last year averaged 9.8 MMB/D. Crude oil inventories represent 26.6 days of forward cover compared to 25.0 days at this time last year.
- U.S. refinery crude runs increased 122,000 barrels per day (B/D) with refiners processing 15.0 MMB/D of crude. U.S. refinery capacity use was 86.3 percent, up 0.6 percent from the prior week and up 0.6 percent compared to this time last year.
- Gasoline output decreased at 8.7 MMB/D on the week and 49,000 B/D lower compared to the production level at this time last year. Distillate output increased at 4.3 MMB/D, and stands 8,000 B/D lower compared to the production level at this time last year.

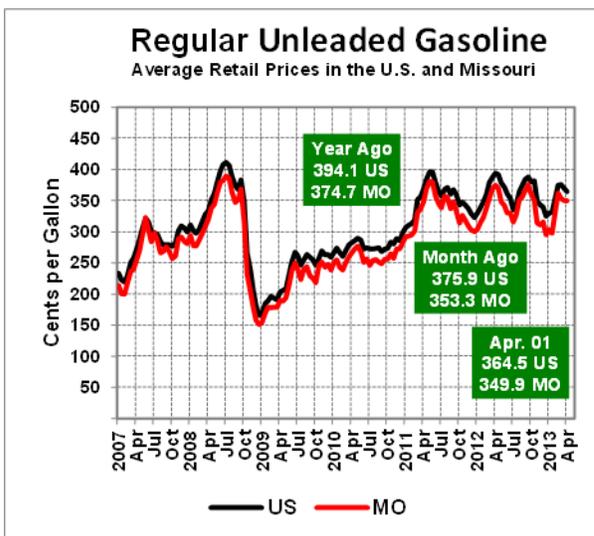
Transportation Fuels

On April 1, Missouri’s statewide average retail price for gasoline was about \$3.50 per gallon, down 3.4 cents in the past month and down 7 percent in the past year.

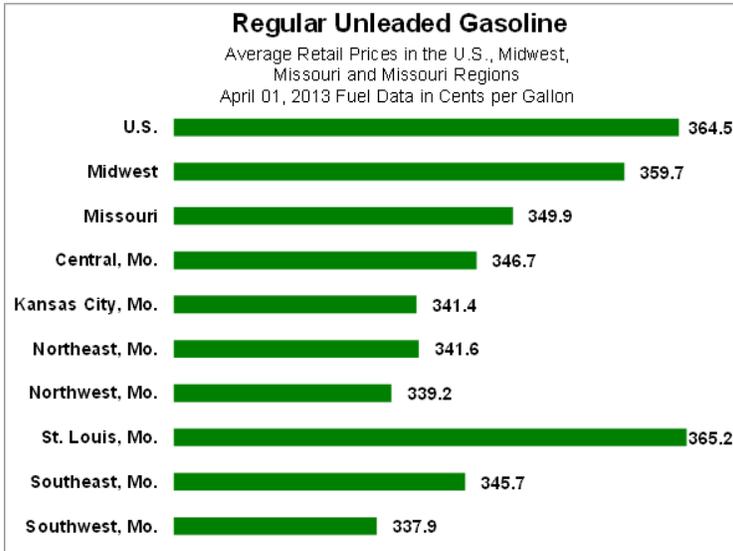
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	04-01-13	03-04-13	change	04-02-12	change
US	364.5	375.9	down 3%	394.1	down 8%
Missouri	349.9	353.3	down 1%	374.7	down 7%

Diesel Fuel - Retail Prices (cents per gallon)					
	04-01-13	03-04-13	change	04-02-12	change
US	364.5	375.9	down 3%	414.2	down 12%
Missouri	379.4	391.4	down 3%	393.0	down 3%

- On April 1, Missouri’s average retail price for gasoline was about \$3.50 per gallon, a decrease of 3.4 cents in the past month. The average price for diesel fuel was down 12 cents per gallon in the past month. Missouri’s average retail gasoline price is 24.8 cents, or 7 percent, lower, while the average diesel fuel price is 13.6 cents, or 3 percent, lower for the comparable period in April 2012.



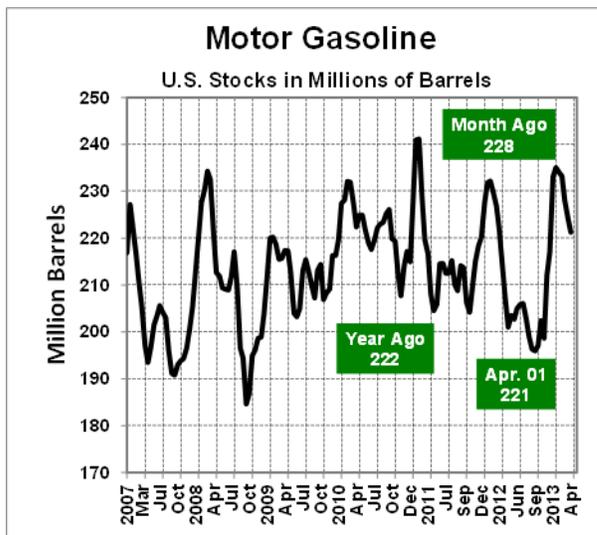
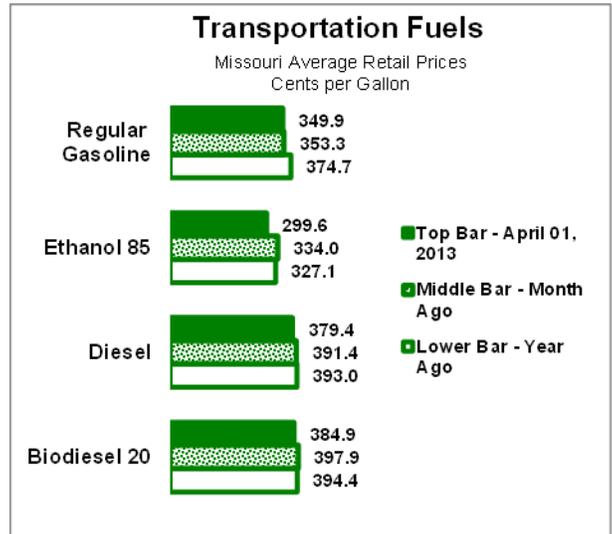
- The U.S. average price for regular gasoline was down by 11.4 cents, or 3 percent, per gallon compared to last month at \$3.64 per gallon. The U.S. average was down by 29.6 cents compared to this time last year. In the past week, the U.S. average decreased by 3.5 cents.



- Gasoline imports increased by 89,000 B/D from the prior week at 0.6 MMB/D, 290,000 B/D lower than last year at this time.
- Implied demand for gasoline increased at 8.5 MMB/D from the prior week, about 260,000 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, 104,000 B/D or 1.2 percent lower compared to the same 4-week period last year.
- U.S. gasoline supplies decreased

0.6 MMB at 220.7 MMB on the week. Gasoline stocks represent 26.1 days of supply for the U.S. based on implied demand during the past 4-week period. U.S. gasoline inventories are down 1.2 MMB compared to this time last year and trend at the upper range of the five-year average for this time of year.

- Distillate stocks decreased at 113.0 MMB and stand 22.9 MMB lower compared to the same period last year. Distillate demand was down at 3.9 MMB/D on the week and up 284,000 B/D compared to the same period last year. On the week, distillate demand, which includes diesel fuel, kerosene and home heating oil, was down 341,000 B/D. On a four-week average, distillate demand was up 197,000 B/D compared to the same period last year at 3.8 MMB/D.
- On April 1, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85



percent ethanol, was nearly \$3.00 per gallon, 50 cents or 14 percent lower than the average price for conventional motor gasoline.

- On April 1, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$3.85 per gallon, 6 cents or 1.6 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

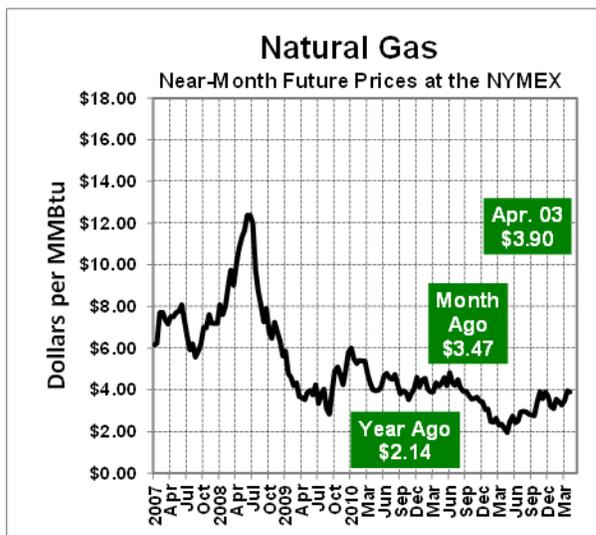
regular gasoline price of \$3.67 per gallon over the next few months, with the annual average regular gasoline retail price declining from \$3.63 per gallon in 2012 to \$3.55 per gallon in 2013 and \$3.38 per gallon in 2014.

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 April 3, natural gas futures at the NYMEX closed at \$3.90 per million British thermal units (MMBtu), up 43 cents from a month ago and up \$1.76 compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	04-03-13	03-06-13	change	04-04-12	change
NYMEX	\$3.90	\$3.47	up 12%	\$2.14	up 82%



- At the NYMEX, natural gas futures for May 2013 delivery ended 6.9 cents lower on April 3 to close at \$3.90 per MMBtu. In the past month, natural gas values have increased \$0.43 or 12 percent.
- The NYMEX futures price declined week-on-week. The near-month (May) NYMEX price declined by 17 cents per MMBtu over the report period, from \$4.07 per MMBtu last Wednesday, March 27 to \$3.90 per MMBtu on April 3. The 12-Month Strip (the average of May 2013 to April 2014 contracts) similarly declined over the report period, decreasing by 13 cents per MMBtu and ending the week at \$4.11 per MMBtu.
- According to EIA, domestic consumption decreased 16.3 percent over the previous week, with declines in all of the consuming sectors. Use of natural gas for power generation declined 11.3 percent, with large declines in the southeast. Residential and commercial consumption averaged 25.0 percent lower than last week but was still 39.0 percent higher than a year ago. The eastern half of the country was somewhat cooler than normal this week, whereas, last year at this time, most of the country was significantly warmer than normal.
- Working gas in storage totaled 1,687 billion cubic feet (Bcf), 2.1 percent below the five-year average inventory level for the week, according to EIA's *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 779 Bcf, or 31.6 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 April 1, the average Missouri retail price for residential propane was about \$1.69 per gallon, unchanged in the past month, and down 21 percent compared to last year at this time.

Propane - Retail Prices (cents per gallon)					
	04-01-13	03-04-13	change	04-16-12	change
Missouri	168.8	168.9	down 0%	202.9	down 21%

- According to the Division of Energy's statewide propane price survey conducted April 1, the average Missouri retail residential propane price was about \$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 1.1 MMB to end at 39.7 MMB. Propane inventories are now 5 MMB, or 11.3 percent, lower compared to the same period last year. Implied demand for propane decreased 37,000 B/D at 1.4 MMB/D on the week, and up 424,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories decreased 8,000 barrels on the week. At 9.4 MMB, Midwest inventories are 7.8 MMB, or 45 percent, lower than the 17.2 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; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm