

## Division of Energy

# MISSOURI ENERGY BULLETIN

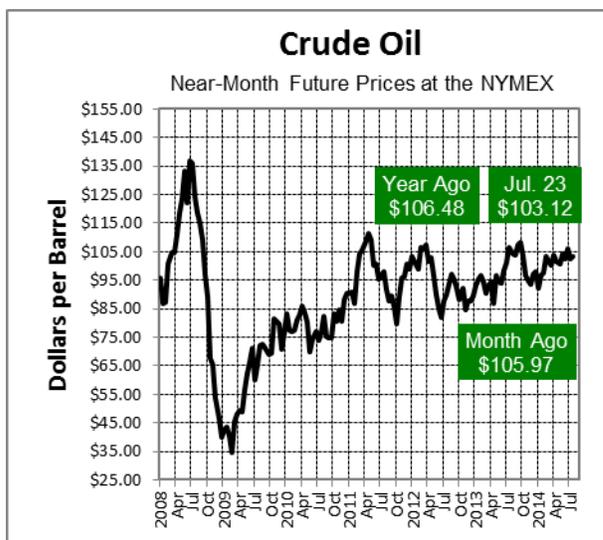
July 25, 2014

*(Data is for the week ended July 18, 2014, unless stated otherwise.)*

### Crude Oil

U.S. crude oil prices decreased \$2.85, or 3 percent, to \$103.12 per barrel in the past month, and stand 3 percent lower compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	07-23-14	06-18-14	change	07-17-13	change
NYMEX	\$103.12	\$105.97	down 3%	\$106.48	down 3%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for September 2014 delivery ended \$0.73 or 0.7 percent higher on the July 23 trade day to settle at \$103.12 per barrel, as US crude supplies decreased for the week ended July 18.
- According to the Energy Information Administration (EIA), crude supplies at Cushing, Oklahoma, the delivery point for WTI futures, decreased by 1.45 million barrels (MMB) to 18.8 MMB last week, the lowest since November 2008.
- Crude values remain relatively soft on confidence that domestic crude production will continue to offset any “war” premium

to oil prices driven by the conflicts in the Ukraine and Middle East.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$103.12 is \$3.36, or 3 percent, lower.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period averaged 19.3 MMB/D, down by 2.0 percent compared to the same period last year.

- According to the July 23 weekly EIA fuels report, U.S. oil inventories decreased 4.0 MMB at 371.1 MMB. U.S. crude supplies are now 6.9 MMB higher than at this time last year.
- Crude imports were unchanged from the prior week at 7.4 MMB/D. Imports at this time last year averaged 8.0 MMB/D. Domestic crude production was slightly higher at 8.6 MMB/D on the week. Last year at this time, production stood at 7.6 MMB/D.
- U.S. refinery crude runs were unchanged from the prior week with refiners processing about 16.6 MMB/D of crude. U.S. refinery capacity use was unchanged on the week at 93.8 percent, the highest level since August 2005. Last year at this time, capacity use stood at 92.3 percent.
- Gasoline output was unchanged on the week at 9.8 MMB/D. Last year at this time, production stood at 9.3 MMB/D. Distillate output increased from the prior week at 5.2 MMB/D. Last year at this time, production stood at 5.0 MMB/D.

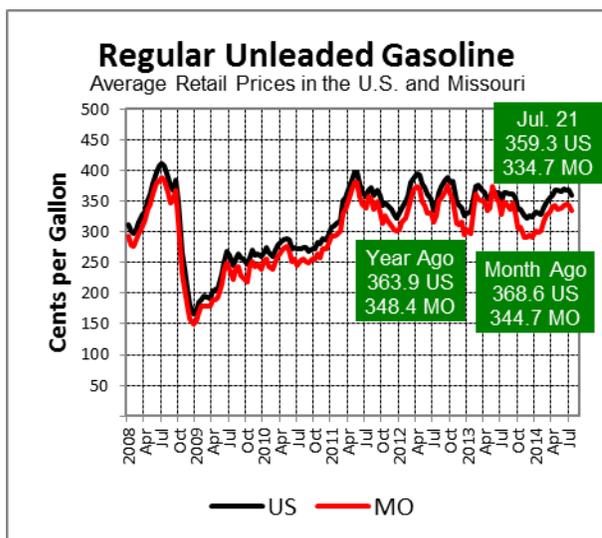
## Transportation Fuels

On July 21, Missouri's statewide average retail price for gasoline was about \$3.35 per gallon, down \$0.10 in the past month and down 13.7 cents, or 4 percent, in the past year.

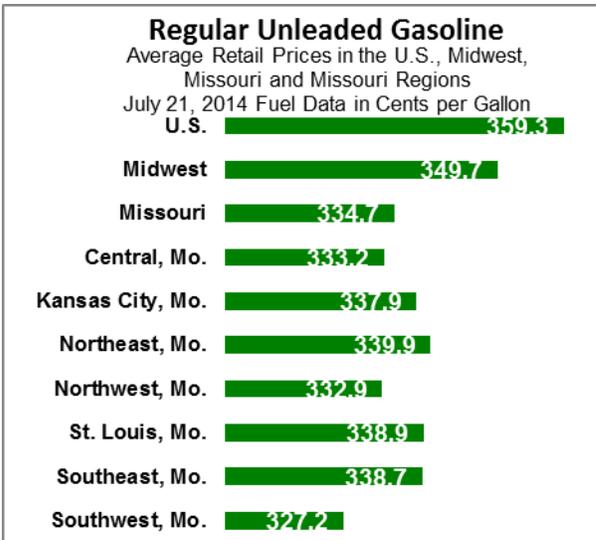
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	07-21-14	06-16-14	change	07-15-13	change
US	359.3	368.6	down 3%	363.9	down 1%
Missouri	334.7	344.7	down 3%	348.4	down 4%

Diesel Fuel - Retail Prices (cents per gallon)					
	07-21-14	06-16-14	change	07-15-13	change
US	386.9	368.6	up 5%	363.9	up 6%
Missouri	364.2	368.3	down 1%	367.1	down 1%

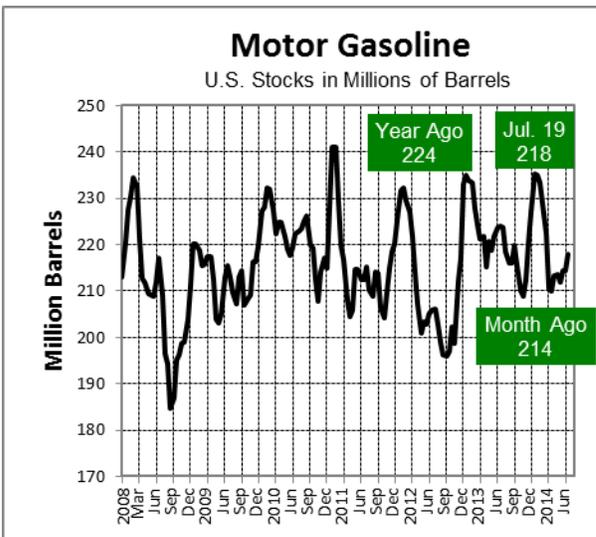
- On July 21, Missouri's average retail price for gasoline was about \$3.45 per gallon, down \$0.10 in the past month and down 13.7 cents, or 4 percent, in the past year.
- The average price for diesel fuel was down 4.1 cents per gallon, or 1 percent, in the past month.



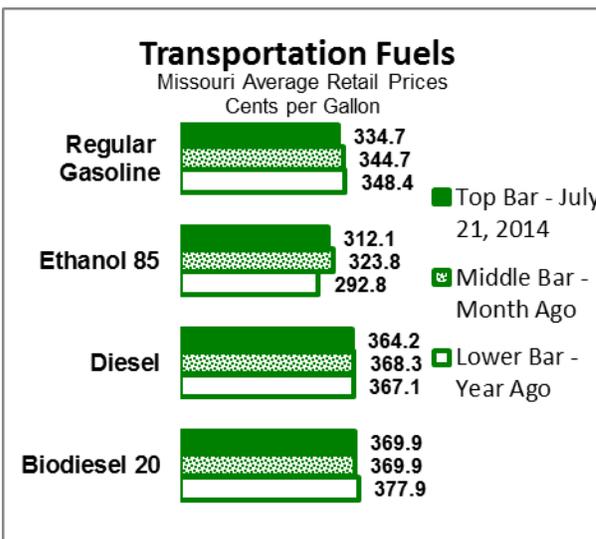
- Missouri's average retail gasoline price is 13.7 cents, or 4 percent, lower, while the average retail diesel fuel price is 2.9 cents, or 1 percent, lower for the comparable period in July 2013.
- The U.S. average price for regular gasoline is 9.3 cents per gallon, or 3 percent, lower compared to last month at about \$3.59 per gallon.
- The U.S. average was down 4.6 cents compared to this time last year. In the past week, the U.S. average decreased by about 4.2 cents per gallon.



- Gasoline imports were unchanged from the prior week at 0.6 MMB/D. Imports were 0.3 MMB/D last year at this time.
- Implied demand for gasoline was down last week at nearly 8.8 MMB/D. At this time last year, demand was nearly 9.0 MMB/D.
- In the past four weeks, U.S. gasoline demand has averaged about 9.0 MMB/D compared with 9.1 MMB/D for the same four-week period last year.
- U.S. gasoline supplies increased at 217.9 MMB on the week. U.S. gasoline inventories are down 4.8 MMB compared to this time last year and trend within the middle of the five-year average for this time of year.



- Distillate stocks increased to 125.9 MMB on the week and stand 0.5 MMB lower compared to the same period last year.
- Distillate demand was up at 3.9 MMB/D on the week. Demand stood at 4.3 MMB/D at this time last year.
- On a four-week average, distillate demand was unchanged at 3.8 MMB/D. Demand was 4.1 MMB/D last year at this time.



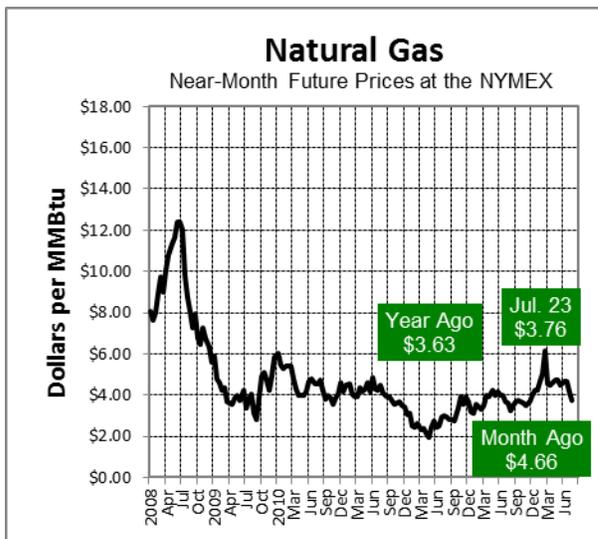
- On July 21, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$3.12 per gallon, 22.6 cents or 6.8 percent lower than the average price for conventional motor gasoline.
- On July 21, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$3.70 per gallon, 5.7 cents or 1.5 percent higher than the average retail price for conventional diesel fuel.
- According to the July 8, 2014, *Short Term Energy Outlook*, EIA forecasts the regular gasoline retail price average at \$3.54 per gallon in 2014.

## Natural Gas

Approximately 53 percent (1,251,339) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity. (Data updated from the most recent U.S. Census report.)

**On July 23, natural gas futures at the NYMEX closed at \$3.76 per million British thermal units (MMBtu), down \$0.90, or 19 percent, compared to last year at this time.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	07-23-14	06-18-14	change	07-17-13	change
NYMEX	\$3.76	\$4.66	down 19%	\$3.63	up 4%



- At the NYMEX, natural gas futures for August 2014 delivery ended 1.0 cent lower on the July 23 trade day to close at \$3.76 per MMBtu. In the past year, natural gas values have increased by \$0.13 per MMBtu, or 4 percent.
- For the reporting week, July 16 to July 23, the price of the August 2014 contract decreased by 36 cents, from \$4.12 to \$3.76 per MMBtu, the lowest price in 8 months.
- According to the EIA, total U.S. natural gas consumption fell 3.0 percent, mainly driven by a 5.6 percent decline in the power sector as most areas east of the Rockies experienced cooler-than-normal

temperatures for much of the report week.

- Working gas in storage totaled 2,219 Bcf, 23.5 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 561 Bcf, or 20.2 percent, lower than last year at this time.

## Propane

Approximately 10 percent (234,133) of Missouri households use propane to heat their homes. (Data updated from the most recent U.S. Census report.) Propane is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

*(Note: Beginning April 2014, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2014.)*

**On July 7, the average Missouri retail price for residential propane was nearly \$1.80 per gallon, down about 6.5 cents in the past month.**

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>07-07-14</u>	<u>06-02-14</u>	<u>change</u>	<u>07-01-13</u>	<u>Change</u>
<b>Missouri</b>	<b>179.9</b>	<b>186.4</b>	<b>down 3%</b>	<b>160.0</b>	<b>up 12%</b>

- According to the Division of Energy's most recent statewide propane price survey conducted July 7, the average Missouri retail residential propane price was nearly \$1.80 per gallon, down about 6.5 cents in the past month and up 19.9 cents, or 12 percent, compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.08 per gallon. The lowest retail price was about \$1.50 per gallon.
- U.S. propane stocks increased by 2.2 MMB last week to 65.5 MMB as of July 18, 2014, 6.0 MMB, or 10.2 percent, higher than a year ago. Midwest inventories increased by 1.4 MMB at 21.6 MMB. Midwest inventories are now 1.2 MMB, or 5.7 percent, higher than the 20.4 MMB reported at this time last year.
- Implied demand for propane increased at 1.0 MMB/D on the week. Propane demand is 35,000 B/D higher compared to this time last year.

**For more information on propane, please visit:**

<http://energy.mo.gov/energy/services/be-prepared-for-propane>

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The *Missouri Energy Bulletin* is distributed twice a month by the Missouri Department of Economic Development's 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 online 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 Economic Development, Division of Energy, P.O. Box 1766, Jefferson City, MO 65102-1766; Phone: 573-751-2254; Fax: 573-751-6860; Email: [energy@ded.mo.gov](mailto:energy@ded.mo.gov); Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.