



## Division of Energy

# MISSOURI ENERGY BULLETIN

July 27, 2015

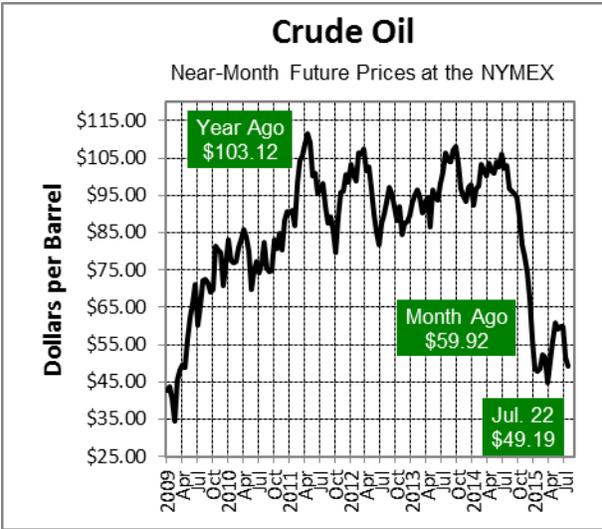
*(Data is for the week ended July 17, 2015, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices decreased by \$10.73 to \$49.19 per barrel in the past month and stand 52 percent lower compared to this time last year.**

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>07-22-15</u>	<u>06-17-15</u>	<u>change</u>	<u>07-23-14</u>	<u>change</u>
NYMEX	\$49.19	\$59.92	down 18%	\$103.12	down 52%

- On the NYMEX, crude oil futures for August delivery ended \$1.67, or 3.3 percent, lower on the July 22 trade day to settle at \$49.19 per barrel, the first settlement below \$50 in more than 3 months, after weekly data showed an unexpected increase in crude inventories.
- Futures fell to the lowest settlement since April 2, 2015 and have declined 17 percent this month on renewed concerns that the global glut of oil is continuing to outweigh demand. Some traders say \$50 per barrel is a key psychological level that could encourage some who had bet on higher prices to close out those positions, pushing the market even lower.



- Compared to this time last year, the U.S. crude oil futures settlement price of \$49.19 is \$53.93, or 52 percent, lower.
- According to the July 22 weekly Energy Information Administration (EIA) fuels report, U.S. crude inventories increased 2.5 million barrels (MMB) to 463.9 MMB. U.S. crude supplies are now 92.8 MMB higher compared to this time last year.

- Crude imports increased from the prior week at 7.9 MMB/D, 0.5 MMB/D higher compared to imports at this time last year. Domestic crude production was unchanged at about 9.6 MMB/D on the week. Last year at this time, production stood at about 8.6 MMB/D.
- U.S. refinery crude runs increased from the prior week with refiners processing 16.9 MMB/D of crude. U.S. refinery capacity use was up on the week at 95.5 percent. Last year at this time, capacity use stood at 93.8 percent.
- Gasoline output was up on the week at 9.8 MMB/D. Likewise, gasoline production at this time last year averaged 9.8 MMB/D. Distillate output was unchanged from the prior week at 5.1 MMB/D. Last year at this time, production stood at about 5.2 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.0 MMB/D, up by 3.4 percent compared to the same period last year.

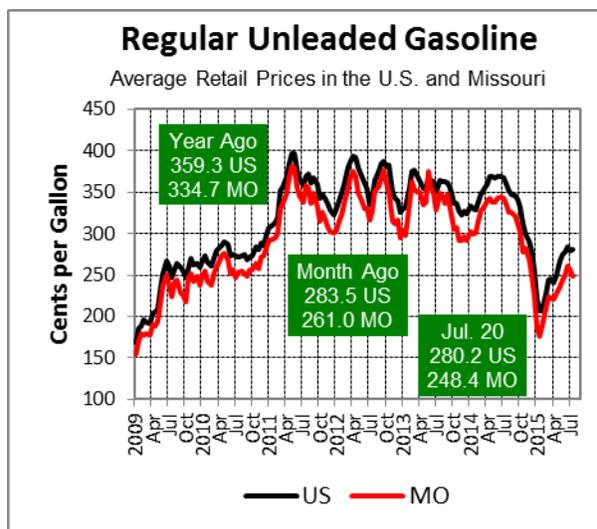
## Transportation Fuels

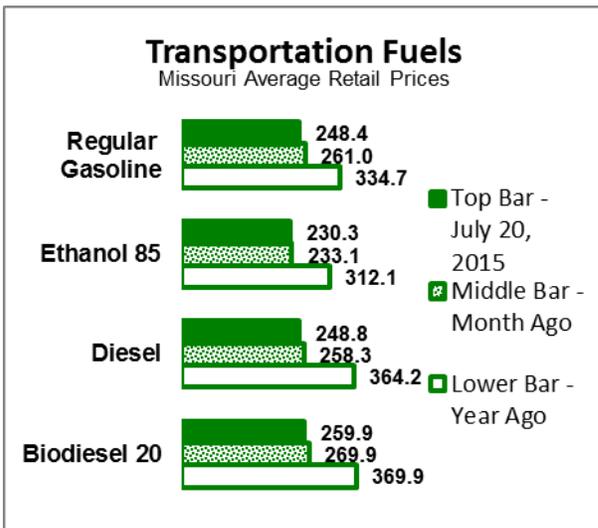
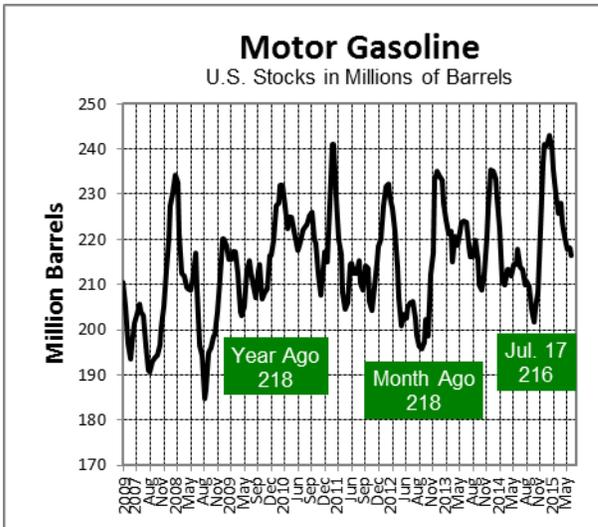
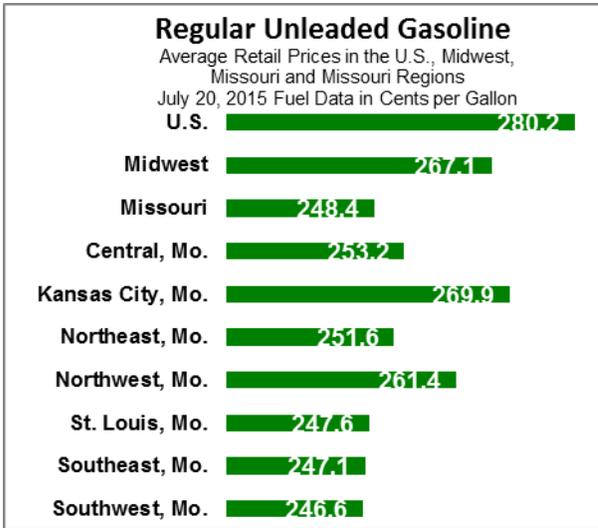
**On July 20, Missouri's statewide average retail price for gasoline was about \$2.48 per gallon, down 12.6 cents in the past month and down 86.3 cents in the past year.**

<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>07-20-15</u>	<u>06-15-15</u>	<u>change</u>	<u>07-21-14</u>	<u>change</u>
US	280.2	283.5	down 1%	359.3	down 22%
Missouri	248.4	261.0	down 5%	334.7	down 26%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>07-20-15</u>	<u>06-15-15</u>	<u>change</u>	<u>07-21-14</u>	<u>change</u>
US	278.2	287.0	down 3%	386.9	down 28%
Missouri	248.8	258.3	down 4%	364.2	down 32%

- On July 20, Missouri's average retail price for gasoline was about \$2.48 per gallon, up 12.6 cents in the past month.
- Missouri's average price for diesel fuel was \$2.49 per gallon, down 9.5 cents per gallon, or 4 percent, in the past month.
- Missouri's average retail gasoline price is 86.3 cents per gallon, or 26 percent, lower while the average retail diesel fuel price is 115.4 cents per gallon, or 32 percent, lower for the comparable period in July 2014.
- At \$2.80, the U.S. average price for regular gasoline is 3.3 cents per gallon, or 1 percent, lower compared to last month.
- The U.S. average was down 79.1 cents per gallon, or 22 percent, compared to this time last year. In the past week, the U.S. average decreased by 3.2 cents per gallon.





- Gasoline imports increased from the prior week at 0.8 MMB/D, about 0.2 MMB/D higher compared to last year at this time.
- Implied demand for gasoline increased at nearly 9.7 MMB/D. At this time last year, demand was 8.8 MMB/D.
- In the past four weeks, U.S. gasoline demand has averaged 9.6 MMB/D, 0.6 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies decreased 1.7 MMB on the week to 216.3 MMB. U.S. supplies are down 1.6 MMB compared to this time last year and trend within the five-year average for this time of year.
- Distillate stocks increased at 141.5 MMB and stand 15.6 MMB higher compared to the same period last year.
- Distillate demand increased on the week at nearly 4.0 MMB/D. Demand stood at 3.9 MMB/D at this time last year. On a four-week average, distillate demand was higher at 3.8 MMB/D.
- On July 20, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.30 per gallon, 18.1 cents or 7.3 percent lower than the average price for conventional motor gasoline.
- On July 20, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$2.60 per gallon, 11.1 cents or 4.5 percent higher than the average retail price for conventional diesel fuel.
- According to the July 7, 2015, *Short Term Energy Outlook*, regular gasoline retail prices are forecast to average \$2.48 per gallon in 2015 compared with \$3.36 per gallon in 2014.

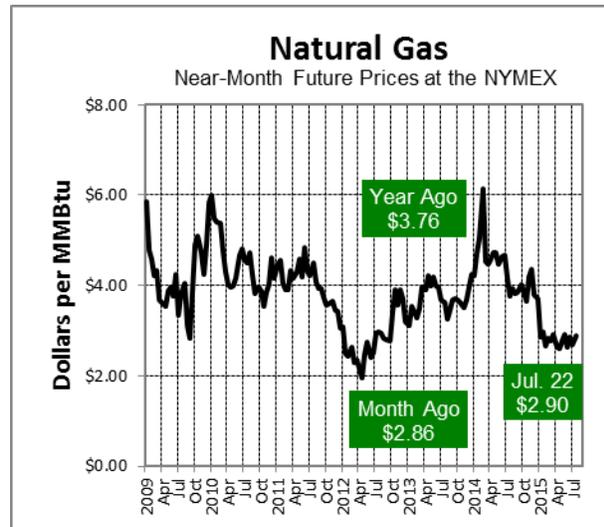
## Natural Gas

Approximately 52 percent (1,236,651) of Missouri households use natural gas to heat their homes. (Data updated from the most recent U.S. Census report.) Natural gas is also used to produce goods and electricity.

**On July 22, natural gas futures at the NYMEX closed at \$2.90 per million British thermal units (MMBtu), up \$0.04, or 1 percent, in the past month.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	07-22-15	06-17-15	change	07-23-14	change
NYMEX	\$2.90	\$2.86	up 1%	\$3.76	down 23%

- The August NYMEX contract settled at \$2.90 per MMBtu on the July 22 trade day, an increase of 5.9 cents. Futures are up 4 cents in the past month.
- In the past year, natural gas values have decreased by \$0.86 per MMBtu, or 23 percent.
- For the reporting week, July 15 to July 22, the price of the August 2015 contract fell by 2 cents from \$2.92 per MMBtu to \$2.90 per MMBtu.



- According to the EIA, U.S. natural gas consumption was up by 1.5 percent this week, driven by increased power sector demand. The hot summer weather pushed up home-cooling demand, causing power burn to rise by 3.4 percent, or 1.1 Bcf/d. Consumption was up 0.3 percent in the industrial sector, but down 1.5 percent in the residential/commercial sector.
- Working gas in storage totaled 2,828 Bcf, 2.9 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 622 Bcf, or 28.2 percent, higher than last year at this time.
- From the week ending April 3 (the beginning of the injection season) through the week ending July 17, net storage injections totaled 1,367 Bcf, or about the same as the 1,373 Bcf injected during the same 16 weeks in 2014. During these weeks for the years 2010-14, net injections into storage averaged 1,096 Bcf.
- The estimated average unit value of the natural gas storage holders put into storage from April 3 to July 17 this year is \$2.76 per MMBtu, 39 percent lower than the average value of \$4.53 per MMBtu for the same 16 weeks last year.

## Propane

Approximately 10 percent (227,100) 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 2015, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2015.)*

**On July 6, the average Missouri retail price for residential propane was about \$1.29 per gallon, 3.1 cents lower in the past month and down 51.1 cents in the past year.**

<b>Propane - Retail Prices (cents per gallon)</b>					
	<u>07-06-15</u>	<u>06-01-15</u>	<u>change</u>	<u>07-07-14</u>	<u>change</u>
<b>Missouri</b>	<b>128.8</b>	<b>131.9</b>	<b>down 2%</b>	<b>179.9</b>	<b>down 28%</b>

- According to the Division of Energy's most recent statewide propane price survey conducted July 6, the average Missouri retail residential propane price was about \$1.29 per gallon, 3.1 cents lower in the past month and down 51.1 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.93 per gallon. The lowest retail price was \$0.96 per gallon.
- U.S. propane stocks increased by 0.3 MMB last week to 87.7 MMB as of July 17, 2015, 22.2 MMB (34.0%) higher than a year ago. Midwest inventories increased by 0.6 MMB to 25.3 MMB, 3.7 MMB (16.9%) higher than a year ago.
- U.S. demand for propane increased on the week to about 1.1 MMB/D as of July 17, 2015. Propane demand is slightly 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>.