



Division of Energy

MISSOURI ENERGY BULLETIN

August 11, 2014

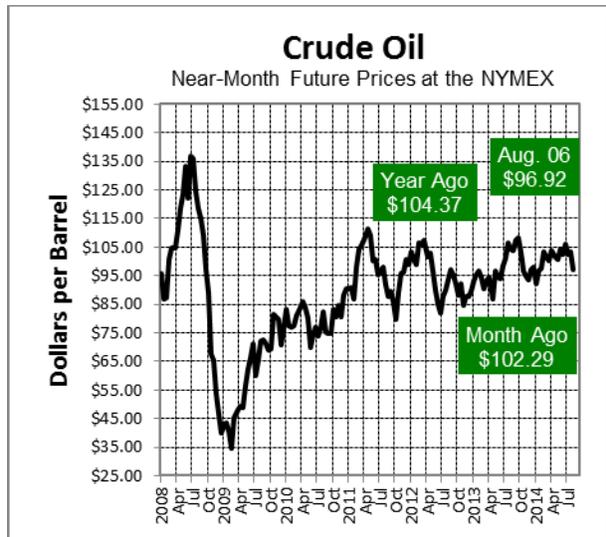
(Data is for the week ended August 1, 2014, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased \$5.37, or 5 percent, to \$96.92 per barrel in the past month, and stand 7 percent lower compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	08-06-14	07-09-14	change	08-07-13	change
NYMEX	\$96.92	\$102.29	down 5%	\$104.37	down 7%

- At the New York Mercantile Exchange (NYMEX), crude oil futures for September 2014 delivery ended \$0.46 or 0.5 percent lower on the August 6 trade day to settle at \$96.92 per barrel, dropping to a 6-month low as refineries slowed their operations.
- According to the Energy Information Administration (EIA), crude supplies at Cushing, Oklahoma, the delivery point for WTI futures, increased by 83,000 barrels to 18.0 million barrels (MMB), the first inventory build in a month.
- Crude values continue to trend below \$100 per barrel as domestic supplies remain strong on lower refinery demand and stable imports.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$96.92 is \$7.45, or 7 percent, lower.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period averaged 19.6 MMB/D, down by 0.1 percent compared to the same period last year.
- According to the August 6 weekly EIA fuels report, U.S. oil inventories decreased 1.8 MMB at 365.6 MMB. U.S. crude supplies are now 2.3 MMB higher than at this time last year.



- Crude imports were unchanged from the prior week at just over 7.5 MMB/D. Imports at this time last year averaged 7.9 MMB/D. Domestic crude production was unchanged at 8.5 MMB/D on the week. Last year at this time, production stood at 7.6 MMB/D.
- U.S. refinery crude runs were slightly lower from the prior week with refiners processing about 16.4 MMB/D of crude. U.S. refinery capacity use down on the week at 92.4 percent. Last year at this time, capacity use stood at 90.9 percent.
- Gasoline output was up on the week at 9.8 MMB/D. Last year at this time, production stood at 9.6 MMB/D. Distillate output decreased from the prior week at 4.8 MMB/D. Last year at this time, production stood at 4.9 MMB/D.

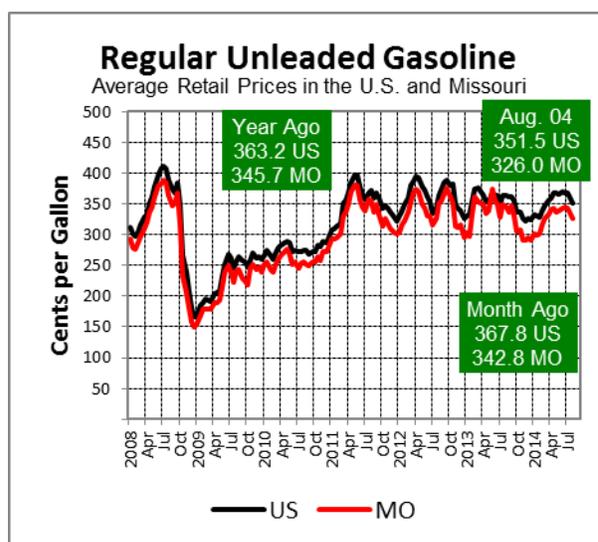
Transportation Fuels

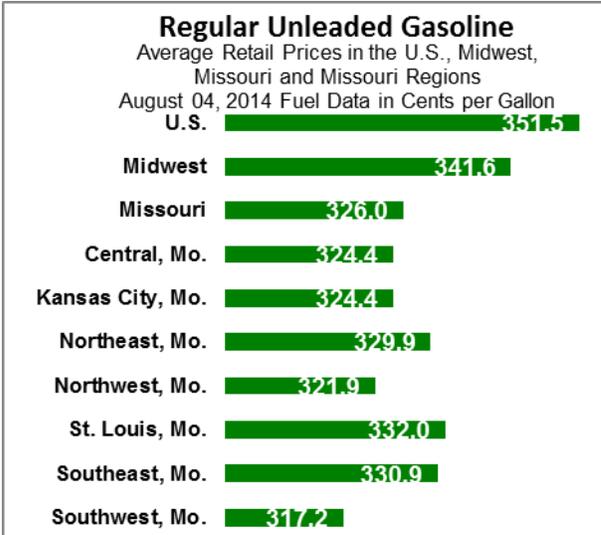
On August 4, Missouri's statewide average retail price for gasoline was about \$3.26 per gallon, down 16.8 cents in the past month and down 19.7 cents, or 6 percent, in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	08-04-14	07-07-14	change	08-05-13	change
US	351.5	367.8	down 4%	363.2	down 3%
Missouri	326.0	342.8	down 5%	345.7	down 6%

Diesel Fuel - Retail Prices (cents per gallon)					
	08-04-14	07-07-14	change	08-05-13	change
US	385.3	391.3	down 2%	363.2	up 6%
Missouri	362.1	367.3	down 1%	370.0	down 2%

- On August 4, Missouri's average retail price for gasoline was about \$3.26 per gallon, down 16.8 cents in the past month and down 19.7 cents, or 6 percent, in the past year.
- The average price for diesel fuel was down 5.2 cents per gallon, or 1 percent, in the past month.
- Missouri's average retail gasoline price is 19.7 cents, or 6 percent, lower, while the average retail diesel fuel price is 7.9 cents, or 2 percent, lower for the comparable period in August 2013.
- The U.S. average price for regular gasoline is 16.3 cents per gallon, or 4 percent, lower compared to last month at about \$3.52 per gallon.
- The U.S. average was down 11.7 cents compared to this time last year. In the past week, the U.S. average decreased by about 2.4 cents per gallon.

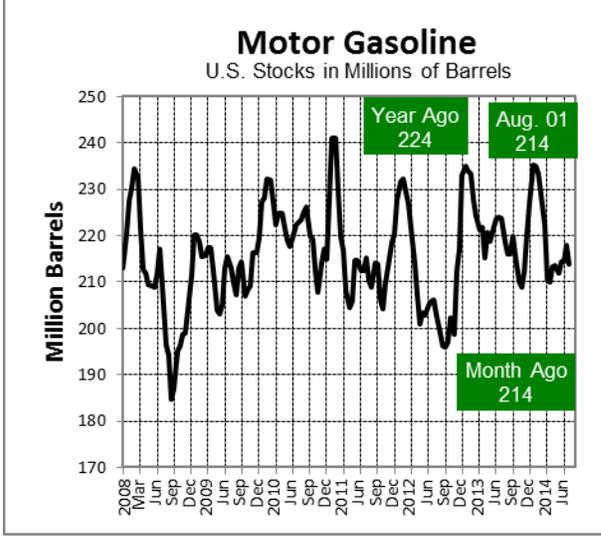




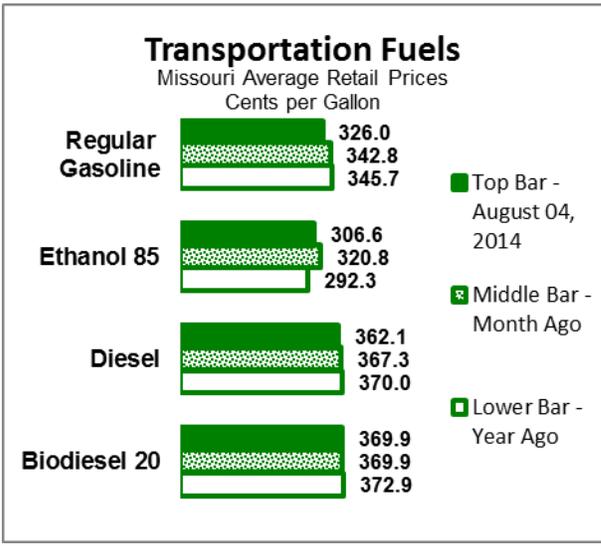
- Gasoline imports were lower from the prior week at 0.4 MMB/D. Imports were 0.6 MMB/D last year at this time.
- Implied demand for gasoline was up at nearly 9.4 MMB/D. At this time last year, demand was over 9.2 MMB/D.
- In the past four weeks, U.S. gasoline demand has averaged about 9.1 MMB/D compared with 9.0 MMB/D for the same four-week period last year.
- U.S. gasoline supplies decreased at 213.8 MMB on the week. U.S. gasoline inventories are down 9.8 MMB compared to

this time last year and trend within the middle of the five-year average for this time of year.

- Distillate stocks decreased to 124.9 MMB and stand 1.5 MMB lower compared to the same period last year.
- Distillate demand was up at 4.0 MMB/D on the week. Demand stood at 3.9 MMB/D at this time last year.
- On a four-week average, distillate demand was unchanged at 3.9 MMB/D. Demand was about 4.0 MMB/D last year at this time.
- On August 4, Missouri's average retail price for E85 motor fuel, conventional motor fuel



containing 85 percent ethanol, was about \$3.07 per gallon, 19.4 cents or 6.0 percent lower than the average price for conventional motor gasoline.



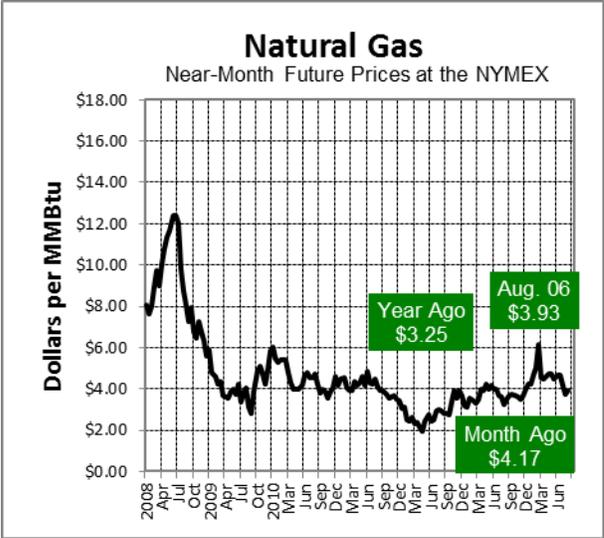
- On August 4, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$3.70 per gallon, 7.8 cents or 2.1 percent higher than the average retail price for conventional diesel fuel.
- According to the July 8, 2014, *Short Term Energy Outlook*, EIA forecasts the regular 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 August 6, natural gas futures at the NYMEX closed at \$3.93 per million British thermal units (MMBtu), down \$0.24, or 6 percent, compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	08-06-14	07-09-14	change	08-07-13	change
NYMEX	\$3.93	\$4.17	down 6%	\$3.25	up 21%



- At the NYMEX, natural gas futures for September 2014 delivery ended 3.6 cents higher on the August 6 trade day to close at \$3.93 per MMBtu. In the past year, natural gas values have increased by \$0.68 per MMBtu, or 21 percent.

- For the reporting week, July 30 to August 6, the price of the September 2014 contract increased by 14 cents, from \$3.79 to \$3.93 per MMBtu.

- According to the EIA, total U.S. natural gas consumption fell 2.6 percent this week with decreases across all major sectors. Consumption of natural gas for power

generation declined 3 percent as temperatures this week were both cooler than last week and cooler than normal. Industrial consumption declined slightly.

- Working gas in storage totaled 2,389 Bcf, 20.3 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 538 Bcf, or 18.4 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 August 4, the average Missouri retail price for residential propane was nearly \$1.80 per gallon, unchanged in the past month and up 23.7 cents or 15 percent in the past year.

Propane - Retail Prices (cents per gallon)					
	<u>08-04-14</u>	<u>07-07-14</u>	<u>change</u>	<u>08-05-13</u>	<u>change</u>
Missouri	179.6	179.9	down 0%	155.9	up 15%

- According to the Division of Energy's most recent statewide propane price survey conducted August 4, the average Missouri retail residential propane price was nearly \$1.80 per gallon, unchanged in the past month and up 23.7 cents, or 15 percent, compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.00 per gallon. The lowest retail price was about \$1.56 per gallon.
- U.S. propane stocks increased by 1.3 MMB to 68.5 MMB, 6.7 MMB or 10.8 percent higher than a year ago. Midwest inventories increased by about 0.5 MMB at 22.9 MMB. Midwest inventories are now 2.0 MMB, or 8.7 percent, higher than the 20.9 MMB reported at this time last year.
- Implied demand for propane increased at 1.0 MMB/D on the week. Propane demand is 126,000 B/D lower 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; Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.