



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

March 26, 2018

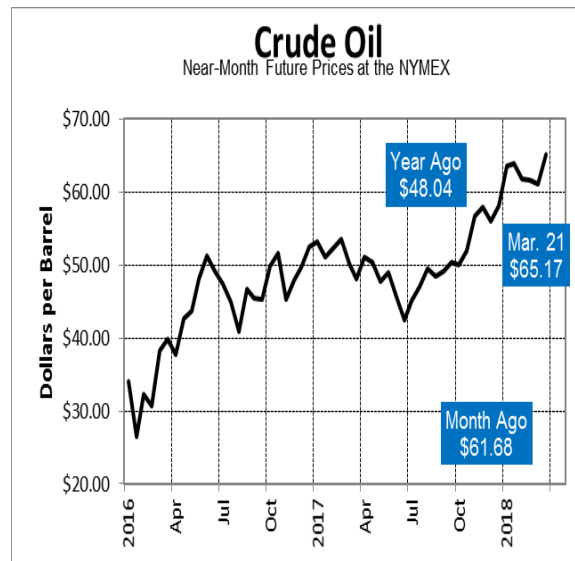
(Data are for the week ended March 16, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$3.49 to \$65.17 per barrel in the past month, 36 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	03-21-18	02-21-18	change	03-22-17	change
NYMEX	\$65.17	\$61.68	up 6%	\$48.04	up 36%

- Crude oil futures for April delivery on the NYMEX ended \$1.63, or 2.6 percent, higher on March 21 to settle at \$65.17 per barrel closing in on a 3-year peak set in late January on a surprise decline in US inventories, strong compliance on OPEC production cuts, and persistent concern related to the Iran nuclear deal.
- Data released by the EIA on March 21 showed an unexpected 2.6 million barrel (MMB) draw in crude inventories. Analysts had expected a 2.5 MMB build.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$65.17 is \$17.13, or 36 percent, higher.



- Domestic crude production was higher compared to the prior week at over 10.4 MMB/D. Last year at this time, production stood at nearly 9.2 MMB/D. Total crude imports were lower from the prior week at nearly 7.1 MMB/D. Imports at this time last year averaged over 8.3 MMB/D.
- U.S. crude oil supplies decreased 2.6 MMB on the week to 428.3 MMB. U.S. supplies are 104.8 MMB lower compared to this time last year.

- U.S. refinery crude runs were higher from the prior week with refiners processing nearly 16.8 MMB/D. U.S. refinery capacity utilization was higher on the week at 91.7 percent. Last year at this time, capacity use stood at 87.4 percent.
- Gasoline output was lower on the week at over 9.9 MMB/D. Output was nearly 9.8 MMB/D at this time last year. Distillate output was higher from the prior week at over 4.6 MMB/D. Last year at this time, production stood at nearly 4.8 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.5 MMB/D, up by 4.9 percent compared to the same period last year.

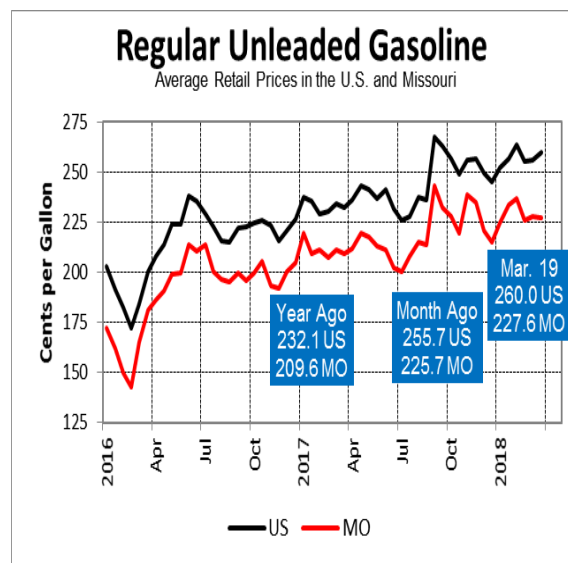
Transportation Fuels

On March 19, Missouri's statewide average retail price for gasoline was over \$2.27 per gallon, up 1.9 cents in the past month and up 18.0 cents in the past year.

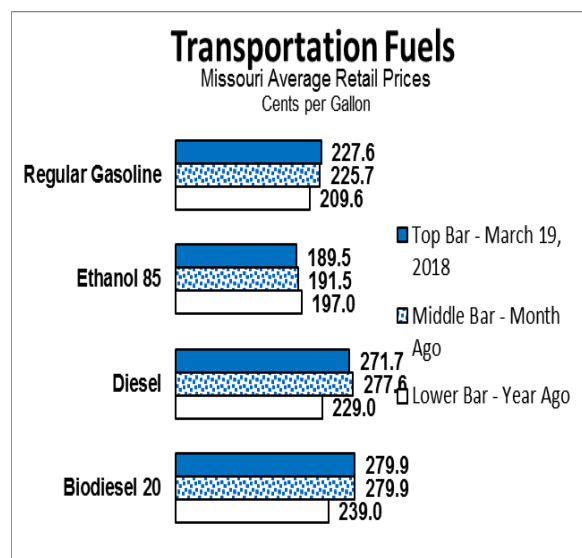
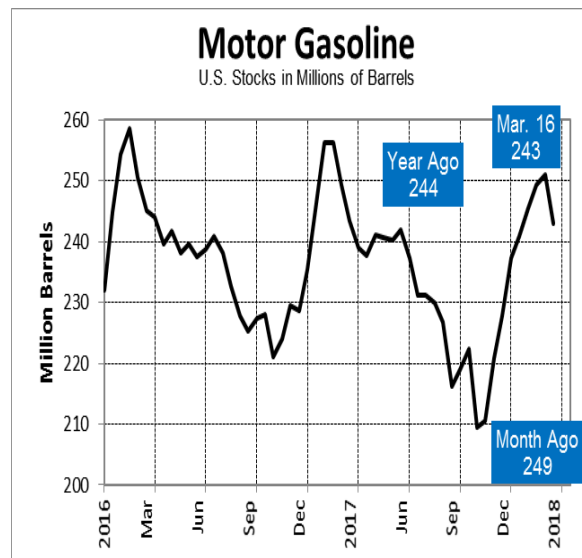
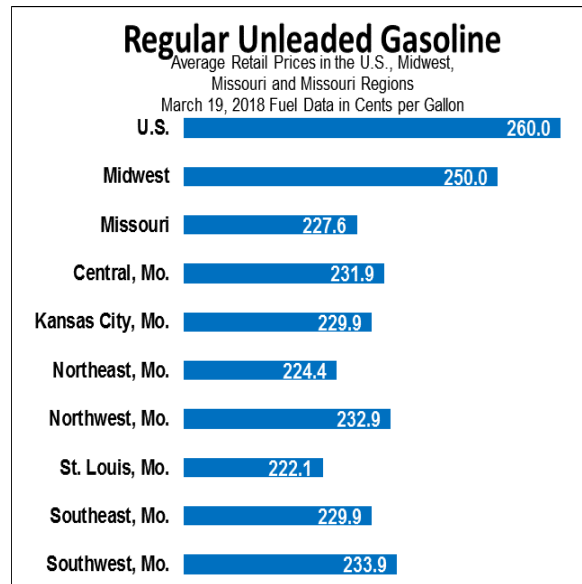
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	03-19-18	02-20-18	change	03-20-17	change
US	260.0	255.7	up 2%	232.1	up 12%
Missouri	227.6	225.7	up 1%	209.6	up 9%

Diesel Fuel - Retail Prices (cents per gallon)					
	03-19-18	02-20-18	change	03-20-17	change
US	297.2	302.7	down 2%	253.9	up 17%
Missouri	271.7	277.6	down 2%	229.0	up 19%

- On March 19, Missouri's average retail price for gasoline was over \$2.27 per gallon, up 1.9 cents in the past month.
- Missouri's average price for diesel fuel was over \$2.71 per gallon, down 5.9 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 18.0 cents per gallon, or 9 percent, higher while the average retail diesel fuel price is 42.7 cents per gallon, or 19 percent, higher.
- At \$2.60, the U.S. average price for regular gasoline is 4.3 cents per gallon, higher compared to last month.
- The U.S. average price for regular gasoline is 27.9 cents per gallon, or 12 percent, higher compared to this time last year. In the past week, the U.S. average increased by 3.9 cents per gallon.



- Gasoline imports decreased from the prior week at nearly 0.6 MMB/D. Last year at this time, imports stood at over 0.3 MMB/D.
- Implied demand for gasoline was lower on the week at over 9.3 MMB/D. Demand stood at 9.2 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.3 MMB/D.
- U.S. gasoline supplies were lower on the week at 243.1 MMB. U.S. supplies are 0.4 MMB lower compared to this time last year.
- Distillate stocks decreased 2.0 MMB on the week at 131.0 MMB and stand 24.3 MMB lower compared to the same period last year.
- Distillate demand was higher on the week at over 3.9 MMB/D. Demand stood at over 4.0 MMB/D at this time last year. On a four-week average, distillate demand was higher at nearly 4.0 MMB/D.
- On March 19, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was nearly \$1.90 per gallon, 38.1 cents, or 16.7 percent, lower than the average price for conventional motor gasoline.
- On March 19, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.80 per gallon, 8.2 cents per gallon, or 2.9 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated March 6, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016, and \$2.42 in 2017, is projected to average \$2.60 in 2018.



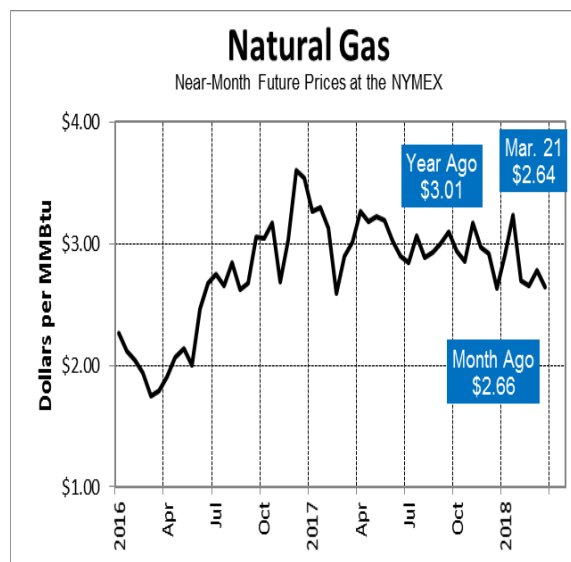
Natural Gas

Approximately 51.6 percent (1,220,485) 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 March 21, 2018, natural gas futures on the NYMEX closed at \$2.64 per million British thermal units (MMBtu), down \$0.02, or 1 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>03-21-18</u>	<u>02-21-18</u>	<u>change</u>	<u>03-22-17</u>	<u>change</u>
NYMEX	\$2.64	\$2.66	down 1%	\$3.01	down 12%

- The April 2018 NYMEX futures contract settled at \$2.64 per MMBtu on March 21, down nearly 4.0 cents from the prior settlement.
- In the past month, the futures contract has decreased 2.0 cents, or 1 percent.
- Futures are down \$0.37, or 12 percent, in the past year.
- According to EIA’s March 22, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 667 Bcf, or 31.6 percent, lower than last year at this time.
- According to the EIA, net withdrawals from working gas totaled 86 Bcf for the week ending March 16. Working natural gas stocks are 1,446 Bcf, which is 32 percent lower than the year-ago level and 19 percent lower than the five-year (2013–17) average for this week.
- Temperatures in the Lower 48 states averaged 43 degrees Fahrenheit (°F), the same as the normal and 3°F higher than last year at this time. The average temperature was the same as the prior storage week.
- According to the EIA, total U.S. consumption of natural gas fell by 5 percent compared with the previous report week. Natural gas consumed for power generation declined by 1 percent week over week. Industrial sector consumption decreased by 3 percent week over week. In the residential and commercial sectors, consumption declined by 9 percent as temperatures warmed in the Southeast. Natural gas export levels to Mexico were the same as last week, averaging 4.3 Bcf/d.



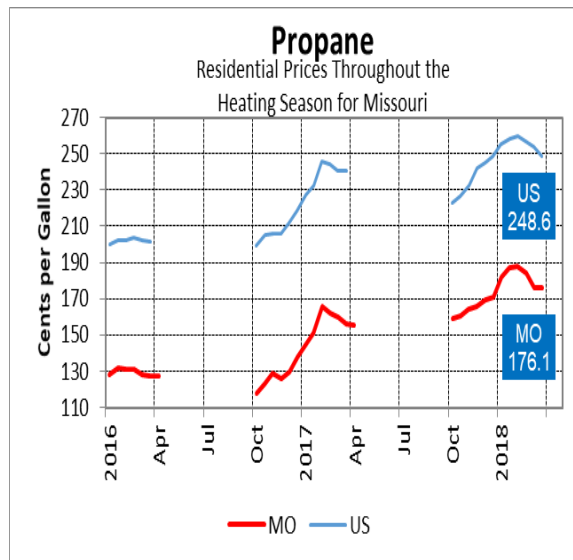
Propane

Approximately 9.2 percent (216,853) 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.

On March 19, the average Missouri retail price for residential propane was over \$1.76 per gallon, up 19.7 cents, or 13 percent, in the past year.

Propane - Retail Prices (cents per gallon)					
	03-19-18	02-20-18	change	03-20-17	change
Missouri	176.1	183.9	down 4%	156.4	up 13%

- According to the Division of Energy's most recent statewide propane price survey conducted March 19, the average Missouri retail residential propane price was over \$1.76 per gallon, up 19.7 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.65 per gallon. The lowest retail price was \$1.49 per gallon.
- U.S. propane/propylene stocks decreased by nearly 2.1 MMB last week to 36.8 MMB as of March 16, 2018. Midwest inventories decreased by over 0.1 MMB to nearly 9.9 MMB last week. Midwest inventories stood at nearly 12.0 MMB at this time last year.
- U.S. propane consumption decreased on the week at over 1.2 MMB/D. Consumption stood at over 1.1 MMB/D last year at this time.



For more information on propane, please visit:

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

To access previous issues of the Energy Bulletin, or to subscribe, please visit: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>

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<http://energy.mo.gov/energy/about/comprehensive-state-energy-plan>.

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>.