



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

January 15, 2019

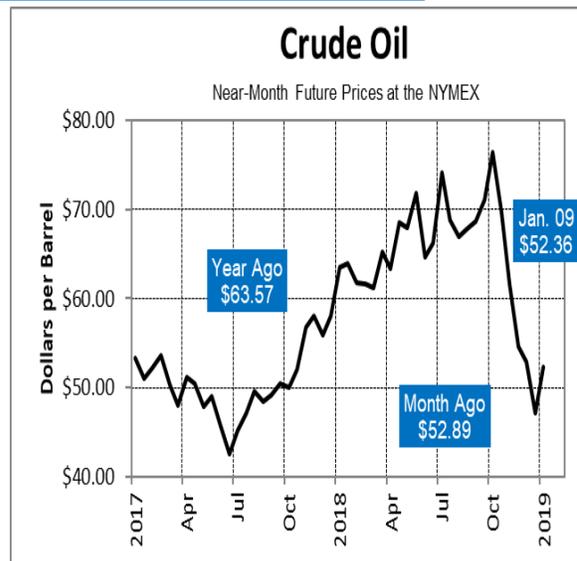
(Data are for the week ending January 4, 2019, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$0.53 to \$52.36 per barrel in the past month and are 18 percent lower compared to this time last year.

| Crude Oil - Near Month Future Prices (dollars per barrel) | | | | | |
|--|-----------------|-----------------|----------------|-----------------|-----------------|
| | <u>01-09-19</u> | <u>12-05-18</u> | <u>change</u> | <u>01-10-18</u> | <u>change</u> |
| NYMEX | \$52.36 | \$52.89 | down 1% | \$63.57 | down 18% |

- Crude oil futures for February delivery on the NYMEX ended \$2.58, or 5.18 percent, higher on January 9 to settle at \$52.36 per barrel. The price for crude oil futures is \$0.53, or 1 percent, below the month-ago level.
- November crude oil production for the U.S., Russia, and Saudi Arabia was at or near record levels, which contributed to the recently observed decline in prices. Uncertainty in the magnitude of global economic growth in the proceeding months has created uncertainty in global oil demand growth.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$52.36 is \$11.21, or 18 percent, lower.
- Domestic crude production was unchanged relative to the prior week at 11.7 million barrels per day (MMB/D). Last year at this time, production stood at approximately 9.5 MMB/D. Total crude imports were up over the prior week at approximately 7.8 MMB/D. Imports at this time last year were approximately 7.7 MMB/D.
- U.S. crude oil supplies dropped 1.7 MMB on the week to 439.7 MMB. U.S. supplies are 20.2 MMB higher compared to this time last year.



- U.S. refinery crude runs were lower over the prior week with refiners processing approximately 17.6 MMB/D. U.S. refinery capacity utilization was lower on the week at 96.1 percent. Last year at this time, capacity use stood at 95.3 percent.
- Gasoline output was lower on the week at approximately 9.4 MMB/D. Output was approximately 9.5 MMB/D at this time last year. Distillate output was lower than the prior week at approximately 5.6 MMB/D. Last year at this time, production stood at 5.3 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.5 MMB/D, down by about 0.7 percent compared to the same period last year.

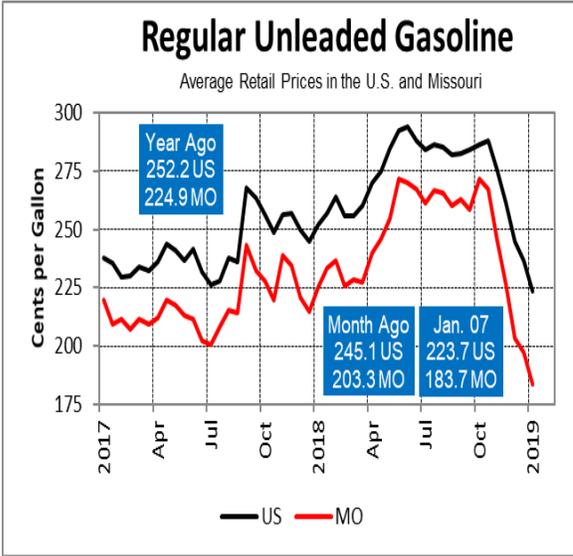
Transportation Fuels

On January 7, Missouri’s statewide average retail price for gasoline was approximately \$1.97 per gallon, down 29.4 cents in the past month and down 17.8 cents in the past year.

| <i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i> | | | | | |
|---|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>01-07-19</u> | <u>12-03-18</u> | <u>change</u> | <u>01-09-18</u> | <u>change</u> |
| US | 223.7 | 245.1 | down 9% | 252.2 | down 11% |
| Missouri | 183.7 | 203.3 | down 10% | 224.9 | down 18% |

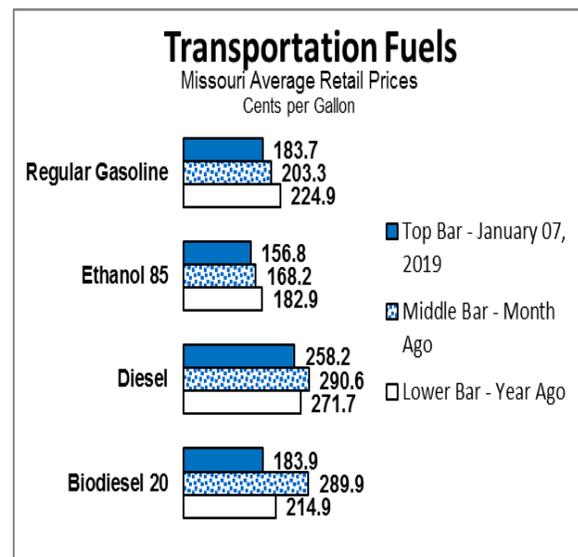
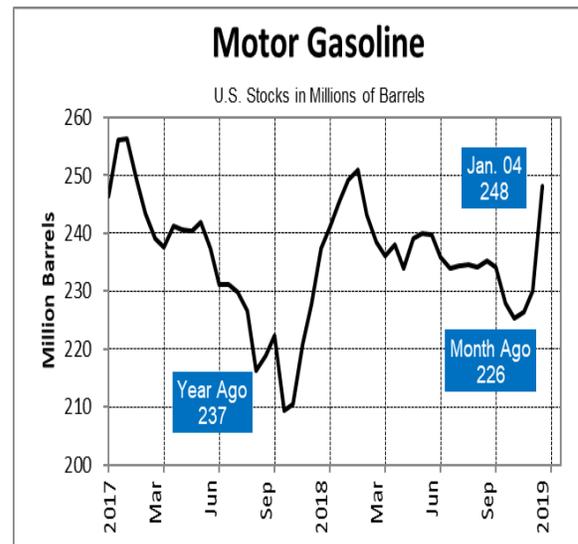
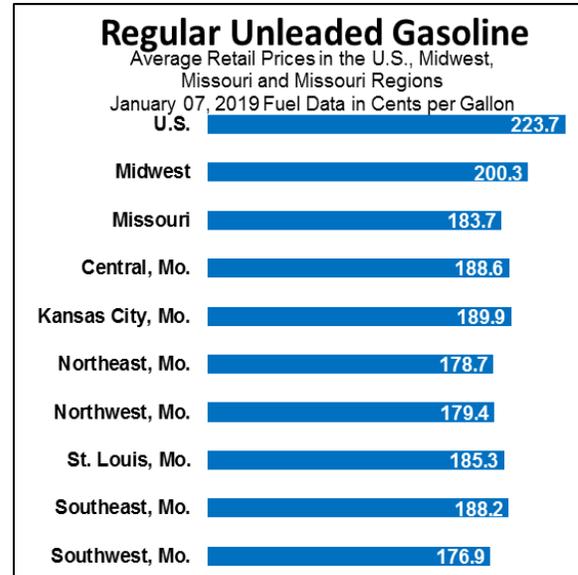
| <i>Diesel Fuel - Retail Prices (cents per gallon)</i> | | | | | |
|---|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>01-07-19</u> | <u>12-03-18</u> | <u>change</u> | <u>01-09-18</u> | <u>change</u> |
| US | 301.3 | 320.7 | down 6% | 299.6 | up 1% |
| Missouri | 258.2 | 290.6 | down 11% | 271.7 | down 5% |

- On January 7, Missouri’s average retail price for gasoline was approximately \$1.84 per gallon, down 19.6 cents in the past month.
- Missouri’s average price for diesel fuel was about \$2.58 per gallon, down 32.4 cents in the past month.
- Compared to last year at this time, Missouri’s average retail gasoline price is 41.2 cents per gallon, or 18 percent, lower while the average retail diesel fuel price is 13.5 cents per gallon, or 5 percent, lower.



- At approximately \$2.24, the U.S. average price for regular gasoline is 21.4 cents per gallon, or 9 percent, lower compared to last month.
- The U.S. average price for regular gasoline is 28.5 cents per gallon, or 11 percent, lower compared to this time last year. In the past week, the U.S. average increased by 2.9 cents per gallon.

- Gasoline imports increased from the prior week at approximately 0.5 MMB/D. Last year at this time, imports stood at approximately 0.3 MMB/D.
- Implied demand for gasoline was higher on the week at approximately 8.7 MMB/D. Demand stood at approximately 8.8 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged approximately 9.0 MMB/D.
- U.S. gasoline supplies were up 8.1 MMB on the week at 248.1 MMB. U.S. supplies are 10.8 MMB higher than this time last year.
- Distillate stocks increased 10.6 MMB on the week at 140 MMB and stand 3.1 MMB lower compared to the same period last year.
- Distillate demand was lower on the week at approximately 3.0 MMB/D. Demand stood at approximately 3.7 MMB/D at this time last year. On a four-week average, distillate demand was lower at approximately 3.8 MMB/D.
- On January 7, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$1.57 per gallon, 26.9 cents per gallon, or 14.6 percent, lower than the average price for conventional motor gasoline.
- On January 7, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$1.84 per gallon, 74.3 cents per gallon, or 28.8 percent, lower than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated December 11, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016, \$2.42 in 2017, and \$2.73 in 2018, are projected to average \$2.50 in 2019.



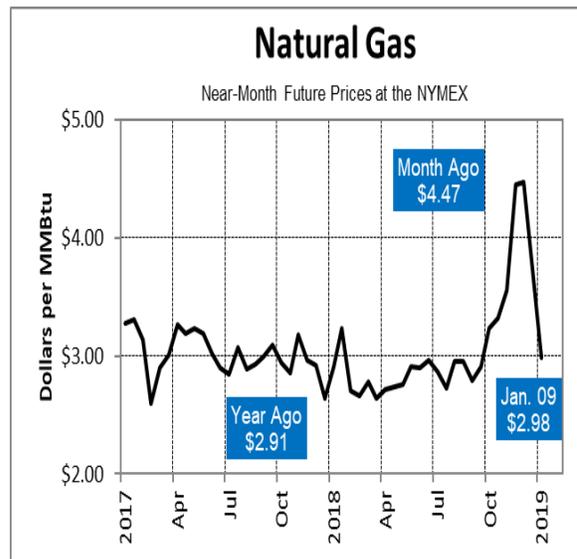
Natural Gas

Approximately 51.4 percent (1,218,420) 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 January 9, 2019, natural gas futures on the NYMEX closed at \$2.98 per million British thermal units (MMBtu), down approximately \$1.49, or 33.3 percent, in the past month.

| Natural Gas - Near Month Future Prices (dollars per MMBtu) | | | | | |
|--|----------|----------|----------|----------|--------|
| | 01-09-19 | 12-05-18 | change | 01-10-18 | change |
| NYMEX | \$2.98 | \$4.47 | down 33% | \$2.91 | up 2% |

- The February 2019 NYMEX futures contract settled at \$2.98 per MMBtu on January 9, up \$0.03 from the January 2 settlement.
- In the past month, the futures contract has decreased 149 cents, or 33 percent.
- Futures are up \$0.07, or 2.4 percent, in the past year.
- According to EIA's January 10, 2019 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 2,614 billion cubic feet (Bcf), or 7.2 percent, lower than last year at this time.
- According to the EIA, net withdrawals from working gas totaled 91 Bcf for the week ending January 9. Working natural gas stocks are at 2,614 Bcf, which is approximately 7 percent lower than the year-ago level and 15 percent lower than the five-year (2014–18) average for this week.
- Temperatures in the Lower 48 states averaged warmer than normal for the week ending January 9. Temperatures were much warmer than normal across the Midwest and Great Plains. Cooling degree days nationally were 1 above the normal, with the South Atlantic region at 7 cooling degree days above its normal for the week ending January 3. Heating degree days were above the normal nationally.
- According to the EIA, total U.S. consumption of natural gas fell 3 percent for the week ending January 9 compared with the prior report week. In the residential and commercial sectors, consumption decreased by 4 percent. Natural gas consumed for power generation rose 2 percent week over week. Industrial sector consumption fell 1 percent week over week. Natural gas exports to Mexico increased 19 percent over the week.



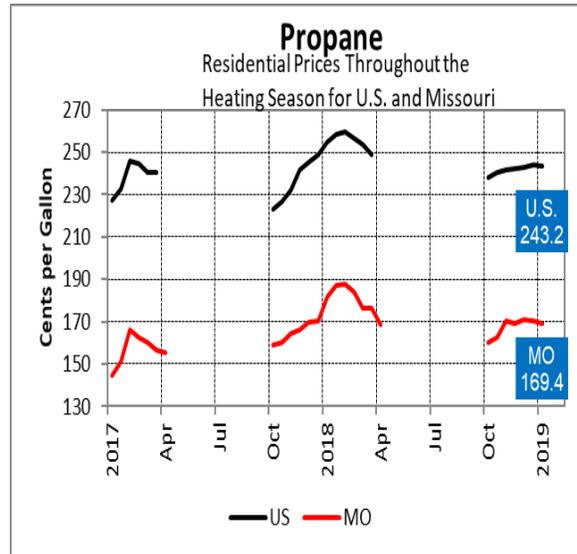
Propane

Approximately 9.0 percent (212,748) 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 January 7, the average Missouri retail price for residential propane was approximately \$1.69 per gallon, down 12.4 cents, or 6.8 percent, in the past year.

| Propane - Retail Prices (cents per gallon) | | | | | |
|--|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>01-07-19</u> | <u>12-03-18</u> | <u>change</u> | <u>01-09-18</u> | <u>change</u> |
| Missouri | 169.4 | 171.1 | down 1% | 181.8 | down 7% |

- According to the Division of Energy's most recent statewide propane price survey conducted January 7, the average Missouri retail residential propane price was approximately \$1.69 per gallon, down 12.4 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was almost \$1.90 per gallon. The lowest retail price was \$1.39 per gallon.
- U.S. propane/propylene stocks decreased over the report week at 68.7 MMB as of January 4, 2019, 2.4 MMB, or 3.4 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories decreased by approximately 0.6 MMB to 20.4 MMB for the report week. Midwest inventories stood at approximately 18.7 MMB at the same time last year.
- U.S. propane consumption was lower week over week at approximately 1.5 MMB/D. Consumption stood at over 1.6 MMB/D at the same time last year.



For more information on propane, please visit:

<https://energy.mo.gov/resources/be-prepared-for-propane>

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<https://energy.mo.gov/energy-bulletins>

To learn more about Missouri energy issues, please visit:

<http://energy.mo.gov/energy>

For more information about the Comprehensive State Energy Plan, please visit:

<https://energy.mo.gov/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 a sample of retail providers located throughout the state. The average price reported is based on these sample prices and may or may not reflect the actual price of a particular retail provider. 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>.