



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

February 22, 2018

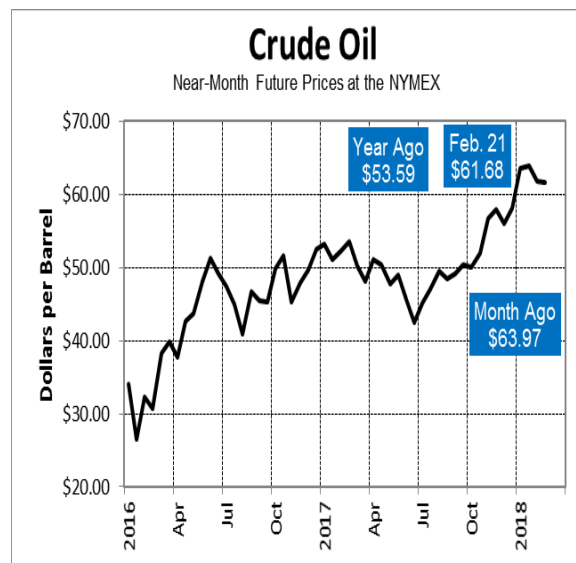
(Data are for the week ended February 16, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$2.29 to \$61.68 per barrel in the past month, 15 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>02-21-18</u>	<u>01-17-18</u>	<u>change</u>	<u>02-22-17</u>	<u>change</u>
NYMEX	\$61.68	\$63.97	down 4%	\$53.59	up 15%

- Crude oil futures for April delivery on the NYMEX ended \$0.11, or 0.2 percent, lower on February 21 to settle at \$61.68 per barrel. Higher oil prices and rising output should feed increased investment in U.S. drilling and production, in turn boosting shale output. Rising U.S. shale output has hindered efforts by OPEC and other producers, led by Russia, to reduce bloated global oil inventories and prop up oil prices by cutting output.
- According to the Energy Information Administration (EIA), domestic crude supplies decreased 1.6 MMB for the week ended February 16, marking the 9th consecutive weekly drop in U.S. oil supplies.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$61.68 is \$8.09, or 15 percent, higher.



- Domestic crude production was unchanged compared to the prior week at nearly 10.3 MMB/D. Last year at this time, production stood at over 9.0 MMB/D. Total crude imports were lower from the prior week at over 7.0 MMB/D. Imports at this time last year averaged nearly 7.3 MMB/D.
- U.S. crude oil supplies decreased 1.6 MMB on the week to 420.5 MMB. U.S. supplies are 98.2 MMB lower compared to this time last year.
- U.S. refinery crude runs were lower from the prior week with refiners processing over 15.8 MMB/D. U.S. refinery capacity utilization was lower on the week at 88.1 percent. Last year at this time, capacity use stood at 84.3 percent.
- Gasoline output was higher on the week at over 10.1 MMB/D. Output was over 9.4 MMB/D at this time last year. Distillate output was lower from the prior week at nearly 4.5 MMB/D. Last year at this time, production stood at nearly 4.5 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.6 MMB/D, up by 4.3 percent compared to the same period last year.

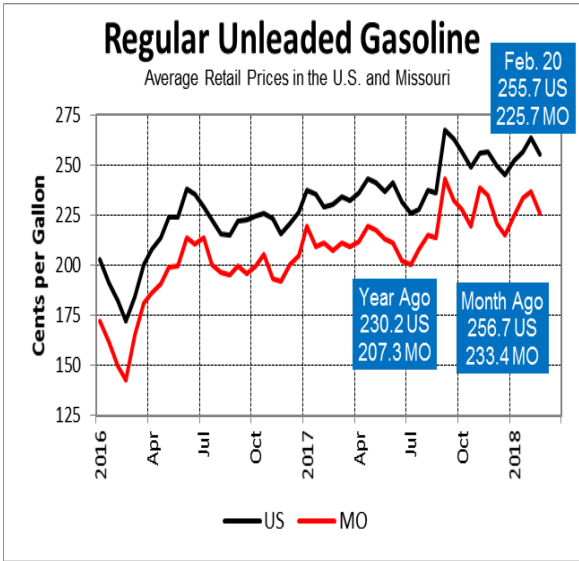
Transportation Fuels

On February 20, Missouri’s statewide average retail price for gasoline was over \$2.25 per gallon, down 7.7 cents in the past month and up 18.4 cents in the past year.

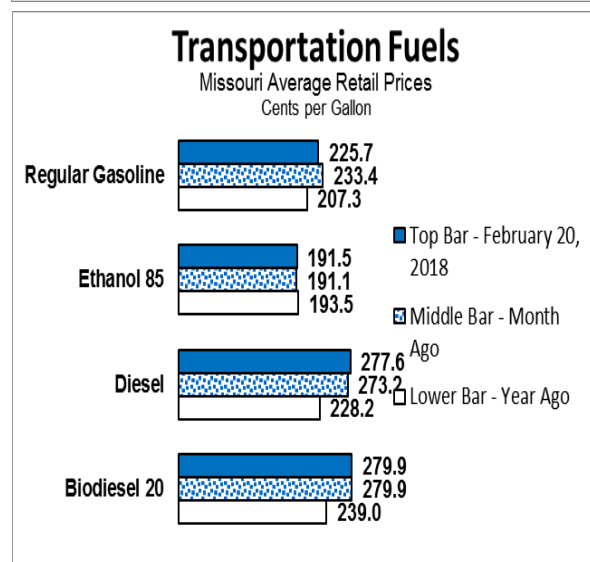
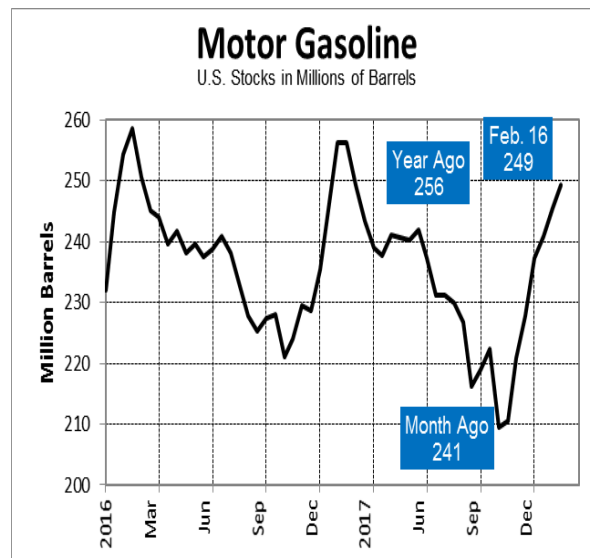
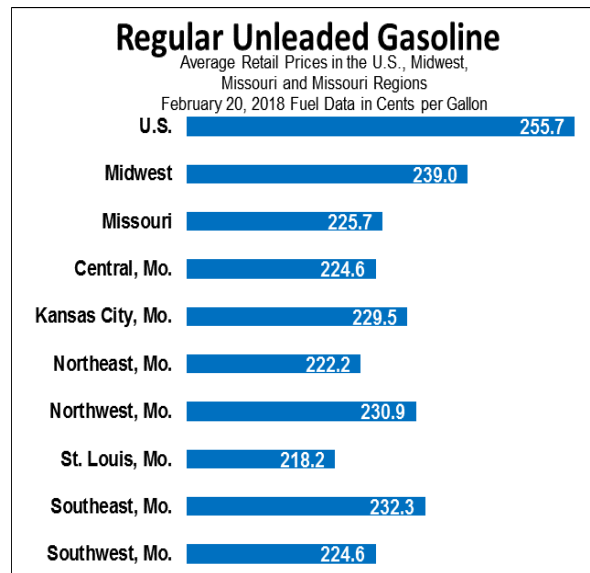
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>02-20-18</u>	<u>01-22-18</u>	<u>change</u>	<u>02-21-17</u>	<u>change</u>
US	255.7	256.7	down 0%	230.2	up 11%
Missouri	225.7	233.4	down 3%	207.3	up 9%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>02-20-18</u>	<u>01-22-18</u>	<u>change</u>	<u>02-21-17</u>	<u>change</u>
US	302.7	303.0	down 0%	257.2	up 18%
Missouri	277.6	273.2	up 2%	228.2	up 22%

- On February 20, Missouri’s average retail price for gasoline was over \$2.25 per gallon, down 7.7 cents in the past month.
- Missouri’s average price for diesel fuel was nearly \$2.78 per gallon, up 4.5 cents in the past month.
- Compared to last year at this time, Missouri’s average retail gasoline price is 18.4 cents per gallon, or 9 percent, higher while the average retail diesel fuel price is 49.4 cents per gallon, or 22 percent, higher.
- At nearly \$2.56, the U.S. average price for regular gasoline is 1.0 cent per gallon, lower compared to last month.



- The U.S. average price for regular gasoline is 25.5 cents per gallon, or 11 percent, higher compared to this time last year. In the past week, the U.S. average decreased by 0.05 cents per gallon.
- Gasoline imports decreased from the prior week at nearly 0.4 MMB/D. Last year at this time, imports stood at nearly 0.4 MMB/D.
- Implied demand for gasoline was lower on the week at 9.0 MMB/D. Demand stood at nearly 8.7 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.1 MMB/D.
- U.S. gasoline supplies were higher on the week at 249.3 MMB. U.S. supplies are 7.1 MMB lower compared to this time last year.
- Distillate stocks decreased 2.4 MMB on the week at 138.9 MMB and stand 26.2 MMB lower compared to the same period last year.
- Distillate demand increased on the week at over 4.2 MMB/D. Demand stood at nearly 4.3 MMB/D at this time last year. On a four-week average, distillate demand was higher at over 4.1 MMB/D.
- On February 20, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was nearly \$1.92 per gallon, 34.2 cents, or 15.2 percent, lower than the average price for conventional motor gasoline.
- On February 20, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.80 per gallon, 2.3 cents per gallon, or 0.9 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated February 6, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016, and \$2.42 in 2017, are projected to average \$2.62 in 2018.



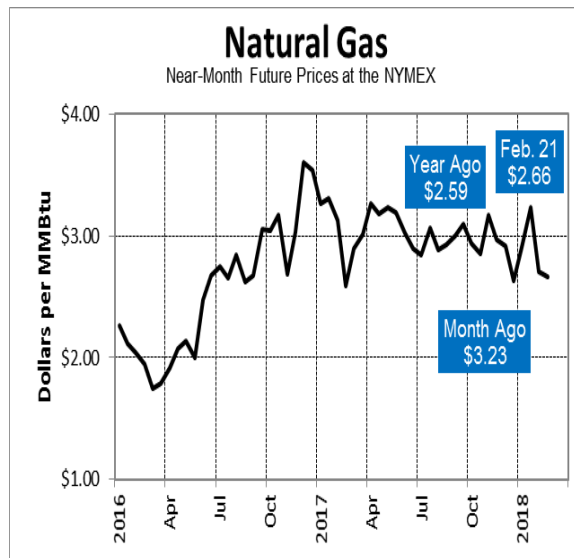
Natural Gas

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 February 21, 2018, natural gas futures on the NYMEX closed at \$2.66 per million British thermal units (MMBtu), down \$0.57, or 18 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>02-21-18</u>	<u>01-17-18</u>	<u>change</u>	<u>02-22-17</u>	<u>change</u>
NYMEX	\$2.66	\$3.23	down 18%	\$2.59	up 3%

- The March 2018 NYMEX futures contract settled at \$2.66 per MMBtu on February 21, up 4.3 cents from the prior settlement.
- In the past month, the futures contract has decreased 57.0 cents, or 18 percent.
- Futures are up \$0.07, or 3 percent, in the past year.
- Working gas in storage was 1,760 billion cubic feet (Bcf), 19.0 percent below the five-year average inventory level for the week. According to EIA's February 22, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 609 Bcf, or 25.7 percent, lower than last year at this time.



- According to the EIA, net withdrawals from storage totaled 124 Bcf for the week ending February 16, compared with the five-year (2013–17) average net withdrawal of 145 Bcf and last year's net withdrawals of 92 Bcf during the same week.
- Temperatures in the Lower 48 states averaged 39 degrees Fahrenheit (°F), 3°F higher than the normal, 3°F lower than last year at this time, and 5°F above the average temperature of the prior storage week.
- According to the EIA, total U.S. consumption of natural gas fell by 14 percent compared with the previous report week. Natural gas consumed for power generation declined by 4 percent week over week. Industrial sector consumption decreased by 6 percent week over week. Residential and commercial sector consumption declined by 24 percent week over week, largely because of warmer temperatures in the eastern half of the country. Natural gas exports to Mexico decreased 3 percent.

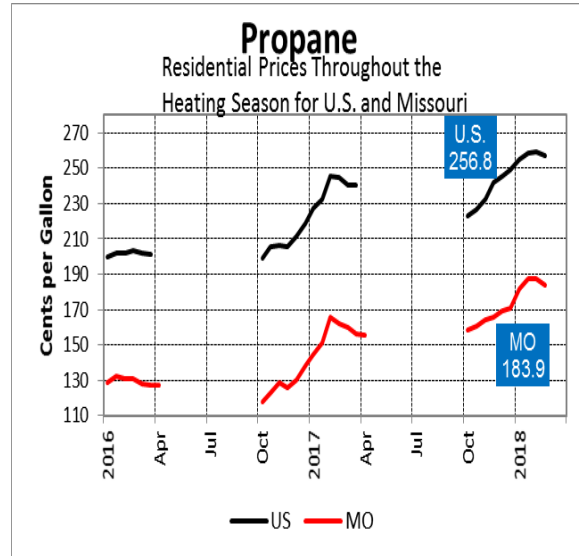
Propane

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 February 20, the average Missouri retail price for residential propane was nearly \$1.84 per gallon, up 21.6 cents, or 13 percent, in the past year.

Propane - Retail Prices (cents per gallon)					
	02-20-18	01-22-18	change	02-21-17	change
Missouri	183.9	187.1	down 2%	162.4	up 13%

- According to the Division of Energy’s most recent statewide propane price survey conducted February 20, the average Missouri retail residential propane price was nearly \$1.84 per gallon, up 21.6 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.40 per gallon. The lowest retail price was nearly \$1.50 per gallon.
- U.S. propane/propylene stocks decreased by 2.5 MMB last week to 43.1 MMB as of February 16, 2018, 8.8 MMB or 17.0 percent,) lower than the five-year average inventory level for this same time of year. Midwest inventories decreased by nearly 1.2 MMB to nearly 10.6 MMB last week. Midwest inventories stood at over 13.7 MMB at this time last year.
- U.S. propane consumption increased on the week at nearly 1.7 MMB/D. Consumption stood at over 1.2 MMB/D last year at this time.



For more information on propane, please visit:
<http://energy.mo.gov/energy/services/be-prepared-for-propane>

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