



Department of Economic Development
 Division of Energy

MISSOURI ENERGY BULLETIN

April 19, 2018

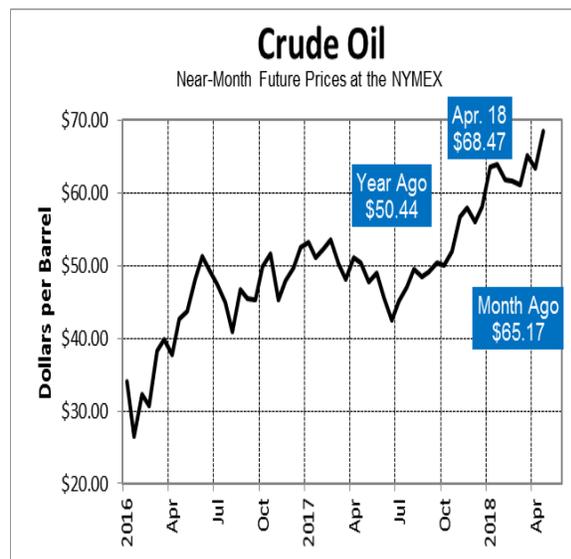
(Data are for the week ended April 13, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$3.30 to \$68.47 per barrel in the past month, 36 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>04-18-18</u>	<u>03-21-18</u>	<u>change</u>	<u>04-19-17</u>	<u>change</u>
NYMEX	\$68.47	\$65.17	up 5%	\$50.44	up 36%

- Crude oil futures for May delivery on the NYMEX ended \$1.95, or 2.9 percent higher, on April 18 to settle at \$68.47 per barrel, on a decline in US crude inventories and after sources signaled Saudi Arabia wants to see the crude price closer to \$100 per barrel.
- OPEC and 10 other producers have cut output by a joint 1.8 million bpd (MMB/D) since January 2017 and pledged to do so until the end of this year. OPEC's ministerial committee tasked with monitoring the cartel's supply-cutting deal with non-OPEC countries, led by Russia, meets in the Saudi city of Jeddah on April 20.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$68.47 is \$18.03, or 36 percent, higher.
- Domestic crude production was unchanged compared to the prior week at over 10.5 MMB/D. Last year at this time, production stood at nearly 9.3 MMB/D. Total crude imports were lower from the prior week at over 7.9 MMB/D. Imports at this time last year averaged over 7.8 MMB/D.



- U.S. crude oil supplies decreased 1.1 MMB on the week to 427.6 MMB. U.S. supplies are 104.8 MMB lower compared to this time last year.
- U.S. refinery crude runs were lower from the prior week with refiners processing nearly 17.0 MMB/D. U.S. refinery capacity utilization was lower on the week at 92.4 percent. Last year at this time, capacity use stood at 92.9 percent.
- Gasoline output was higher on the week at over 10.2 MMB/D. Output was nearly 9.8 MMB/D at this time last year. Distillate output was lower from the prior week at nearly 5.1 MMB/D. Last year at this time, production stood at nearly 5.2 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at over 20.8 MMB/D, up by 5.7 percent compared to the same period last year.

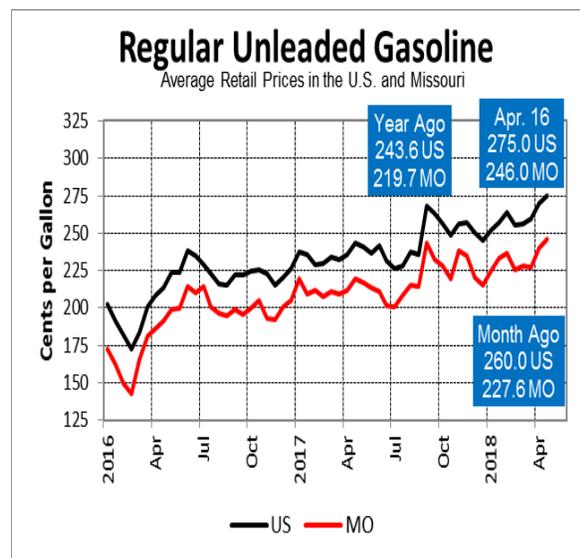
Transportation Fuels

On April 16, Missouri's statewide average retail price for gasoline was over \$2.46 per gallon, up 18.5 cents in the past month and up 26.3 cents in the past year.

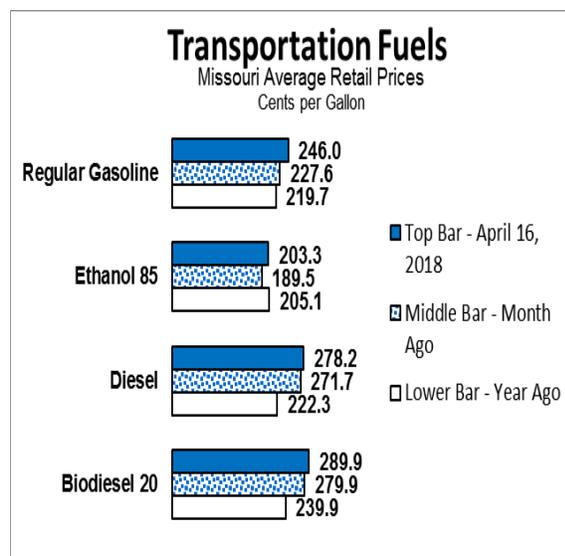
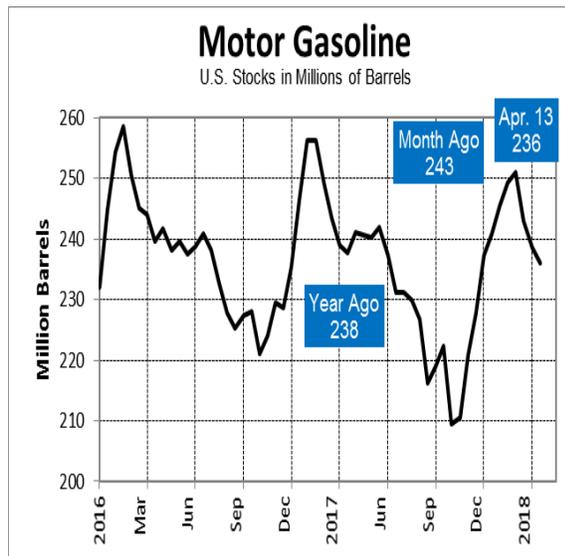
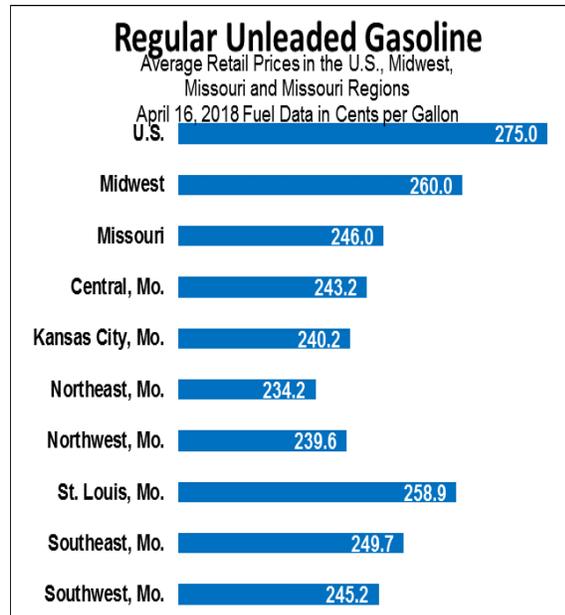
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	04-16-18	03-19-18	change	04-17-17	change
US	275.0	260.0	up 6%	243.6	up 13%
Missouri	246.0	227.6	up 8%	219.7	up 12%

Diesel Fuel - Retail Prices (cents per gallon)					
	04-16-18	03-19-18	change	04-17-17	change
US	310.4	297.2	up 4%	259.7	up 20%
Missouri	278.2	271.7	up 2%	222.3	up 25%

- On April 16, Missouri's average retail price for gasoline was \$2.46 per gallon, up 18.5 cents in the past month.
- Missouri's average price for diesel fuel was over \$2.78 per gallon, up 6.5 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 26.3 cents per gallon, or 12 percent, higher while the average retail diesel fuel price is 55.9 cents per gallon, or 25 percent, higher.
- At \$2.75, the U.S. average price for regular gasoline is 15.0 cents per gallon, higher compared to last month.
- The U.S. average price for regular gasoline is 31.4 cents per gallon, or 13 percent, higher compared to this time last year. In the past week, the U.S. average increased by 5.3 cents per gallon.



- Gasoline imports increased from the prior week at over 0.7 MMB/D. Last year at this time, imports stood at over 0.8 MMB/D.
- Implied demand for gasoline was higher on the week at over 9.8 MMB/D. Demand stood at over 9.2 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.4 MMB/D.
- U.S. gasoline supplies were 3.0 MMB lower on the week at 236.0 MMB. U.S. supplies are 1.7 MMB lower compared to this time last year.
- Distillate stocks decreased 3.1 MMB on the week at 125.3 MMB and stand 22.9 MMB lower compared to the same period last year.
- Distillate demand was higher on the week at nearly 4.4 MMB/D. Demand stood at nearly 4.2 MMB/D at this time last year. On a four-week average, distillate demand was higher at nearly 4.2 MMB/D.
- On April 16, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was over \$2.03 per gallon, 42.7 cents, or 17.4 percent, lower than the average price for conventional motor gasoline.
- On April 16, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.90 per gallon, 11.7 cents per gallon, or 4.0 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated April 1, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016, and \$2.42 in 2017, is projected to average \$2.64 in 2018.



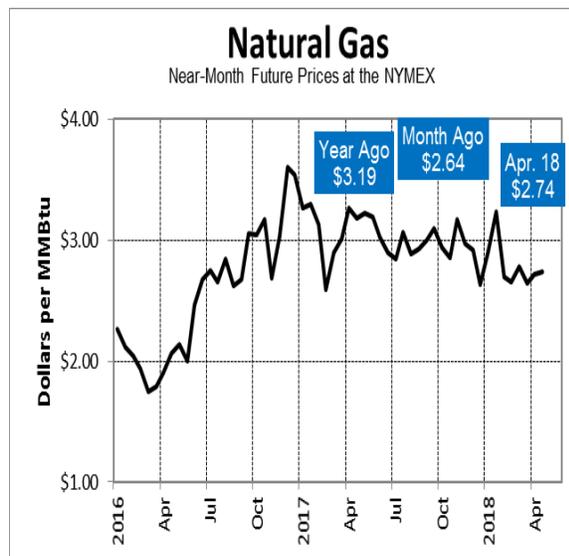
Natural Gas

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 April 18, 2018, natural gas futures on the NYMEX closed at \$2.74 per million British thermal units (MMBtu), up \$0.10, or 4 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>04-18-18</u>	<u>03-21-18</u>	<u>change</u>	<u>04-19-17</u>	<u>change</u>
NYMEX	\$2.74	\$2.64	up 4%	\$3.19	down 14%

- The May 2018 NYMEX futures contract settled at \$2.74 per MMBtu on April 18, up less than 1 cent from the prior settlement.
- In the past month, the futures contract has increased 10.0 cents, or 4 percent.
- Futures are down \$0.45, or 14 percent, in the past year.
- According to EIA's April 5, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 808 Bcf, or 38.3 percent, lower than last year at this time.
- According to the EIA, net withdrawals from working gas totaled 36 billion cubic feet (Bcf) for the week ending April 13. Working natural gas stocks are 1,299 Bcf, which is 38 percent lower than the year-ago level and 26 percent lower than the five-year (2013–17) average for this week.
- Temperatures in the Lower 48 states averaged 46 degrees Fahrenheit (°F), 5°F lower than the normal and 9°F lower than last year at this time. Temperatures in the heavy natural gas-consuming areas of the Midwest and East regions posted significantly colder-than-normal temperatures. The average temperature for the Lower 48 states was somewhat lower than during the prior storage week.
- According to the EIA, total U.S. consumption of natural gas fell by 9 percent compared with the previous report week. In the residential and commercial sectors, consumption declined by 22 percent as warm temperatures in the South and West offset increases in heating demand in the Midwest and Northeast. Natural gas consumed for power generation climbed by 2 percent week over week. Industrial sector consumption decreased by 3 percent week over week. Natural gas exports to Mexico decreased 1 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.

(Note: Beginning April 2018, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2018.)

On April 2, the average Missouri retail price for residential propane was nearly \$1.69 per gallon, up 13.5 cents, or 9 percent, in the past year.

Propane - Retail Prices (cents per gallon)					
	<u>04-02-18</u>	<u>03-05-18</u>	<u>change</u>	<u>04-03-17</u>	<u>change</u>
Missouri	168.8	176.3	down 4%	155.2	up 9%

- According to the Division of Energy's most recent statewide propane price survey conducted April 2, the average Missouri retail residential propane price was nearly \$1.69 per gallon, up 13.5 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.00 per gallon. The lowest retail price was \$1.49 per gallon.
- U.S. propane/propylene stocks increased slightly last week to 35.9 MMB as of April 13, 2018, 11.1 MMB or 23.6 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories decreased by nearly 0.2 MMB to nearly 9.0 MMB last week. Midwest inventories stood at nearly 11.2 MMB at this time last year.
- U.S. propane consumption was slightly lower on the week at nearly 1.1 MMB/D. Consumption stood at nearly 1.0 MMB/D last year at this time.

For more information on propane, please visit:

<https://energy.mo.gov/resources/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>.