



Department of Economic Development
 Division of Energy

MISSOURI ENERGY BULLETIN

May 25, 2018

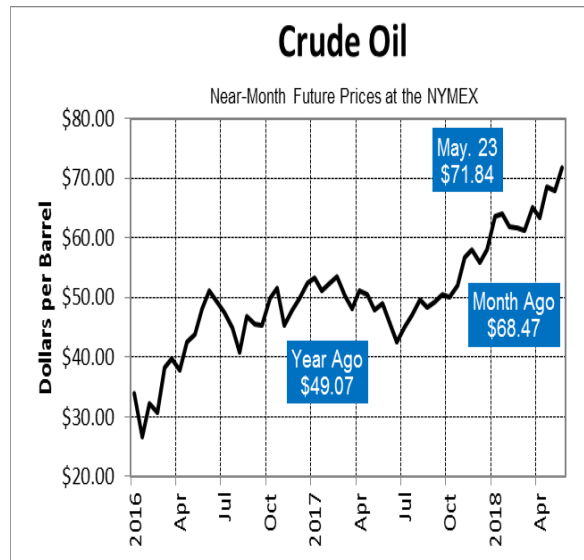
(Data are for the week ended May 18, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$3.37 to \$71.84 per barrel in the past month, 46 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	05-23-18	04-18-18	change	05-17-17	change
NYMEX	\$71.84	\$68.47	up 5%	\$49.07	up 46%

- Crude oil futures for June delivery on the NYMEX ended \$0.29, or 0.4 percent, lower on May 23 to settle at \$71.84 per barrel, with the U.S. Energy Information Administration (EIA) noting a large increase in crude oil inventories for the prior week.
- A report on OilPrice.com indicated a possible shift away from oil production cuts by OPEC as a response to declining Venezuelan output and the imposition of sanctions on Iran by the U.S. CNBC has also warned of a potential for future price increases over the next few years as emissions regulations on maritime shipping come into effect.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$71.84 is \$22.77, or 46 percent, higher.
- Domestic crude production was slightly higher compared to the prior week at approximately 10.7 MMB/D. Last year at this time, production stood at over 9.3 MMB/D. Total crude imports were higher over the prior week at approximately 8.2 MMB/D. Imports at this time last year averaged almost 8.3 MMB/D.



- U.S. crude oil supplies rose 5.7 MMB on the week to 438.1 MMB. U.S. supplies are 78.2 MMB lower compared to this time last year.
- U.S. refinery crude runs were lower from the prior week with refiners processing over 16.6 MMB/D. U.S. refinery capacity utilization was higher on the week at 91.8 percent. Last year at this time, capacity use stood at 93.5 percent.
- Gasoline output was lower on the week at approximately 10.1 MMB/D. Output was over 10.2 MMB/D at this time last year. Distillate output was lower from the prior week at over 4.9 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 20.4 MMB/D, up by 1.5 percent compared to the same period last year.

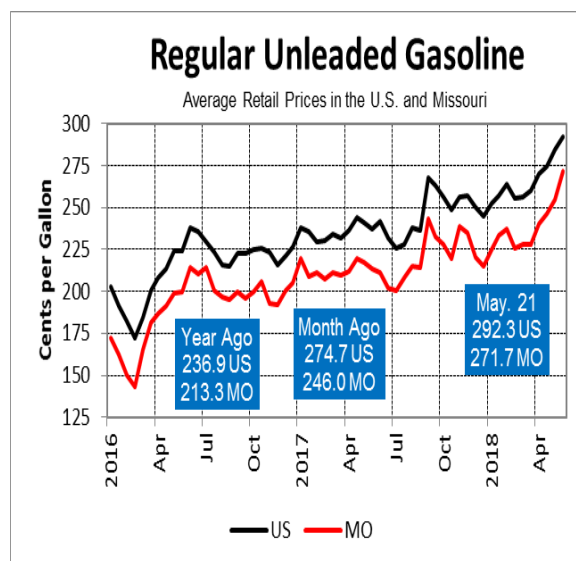
Transportation Fuels

On May 21, Missouri's statewide average retail price for gasoline was almost \$2.72 per gallon, up 25.7 cents in the past month and up 58.4 cents in the past year.

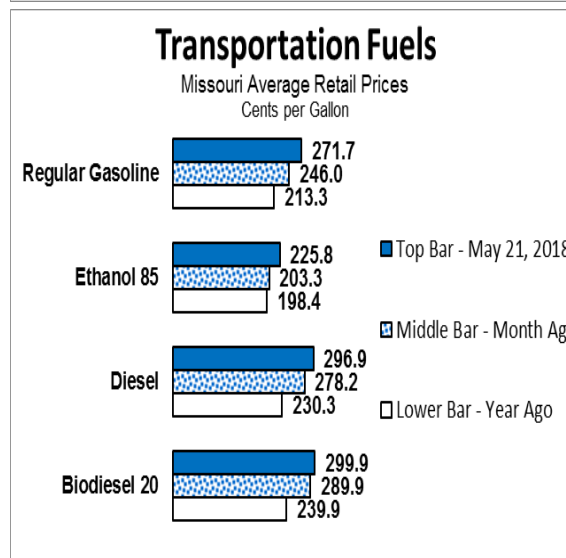
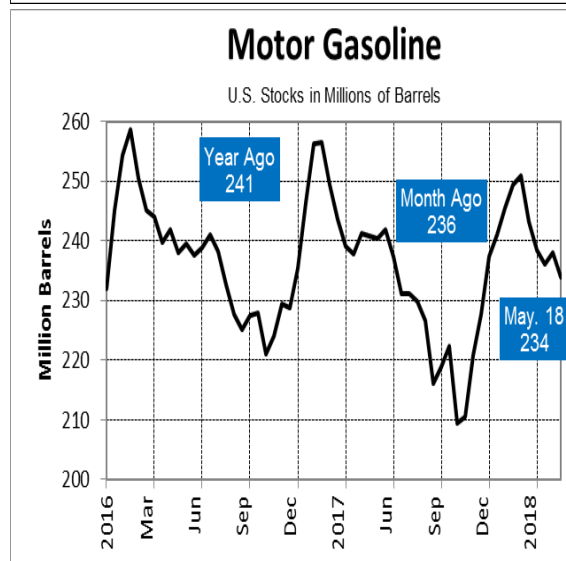
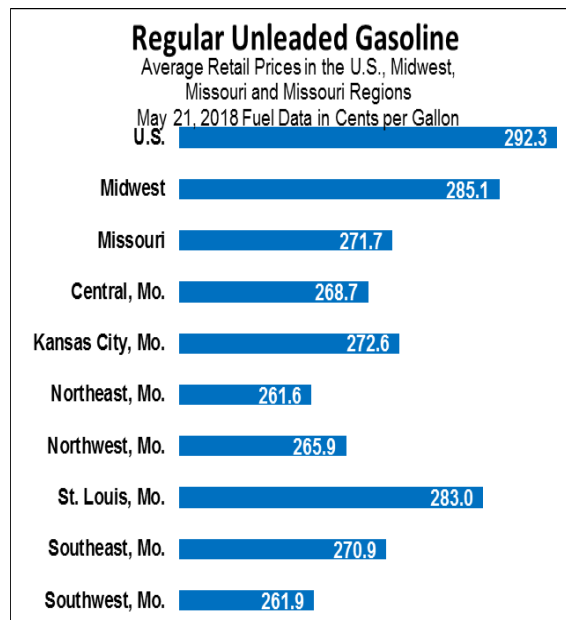
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	05-21-18	04-16-18	change	05-15-17	change
US	292.3	274.7	up 6%	236.9	up 23%
Missouri	271.7	246.0	up 10%	213.3	up 27%

Diesel Fuel - Retail Prices (cents per gallon)					
	05-21-18	04-16-18	change	05-15-17	change
US	327.7	310.4	up 6%	254.4	up 29%
Missouri	296.9	278.2	up 7%	230.3	up 29%

- On May 21, Missouri's average retail price for gasoline was almost \$2.72 per gallon, up 25.7 cents in the past month.
- Missouri's average price for diesel fuel was nearly \$2.97 per gallon, up 18.7 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 58.4 cents per gallon, or 27 percent, higher while the average retail diesel fuel price is 66.6 cents per gallon, or 29 percent, higher.
- At over \$2.92, the U.S. average price for regular gasoline is 17.6 cents per gallon, or 6 percent, higher compared to last month.
- The U.S. average price for regular gasoline is 55.4 cents per gallon, or 23 percent, higher compared to this time last year. In the past week, the U.S. average increased by 5.0 cents per gallon.



- Gasoline imports increased from the prior week at approximately 1.1 MMB/D. Last year at this time, imports stood at over 0.7 MMB/D.
- Implied demand for gasoline was higher on the week at almost 9.7 MMB/D. Demand stood at over 9.7 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged over 9.5 MMB/D.
- U.S. gasoline supplies were up 1.9 MMB on the week at 233.9 MMB. U.S. supplies are 6.0 MMB lower than this time last year.
- Distillate stocks decreased 0.9 MMB on the week at 114.0 MMB and stand 32.3 MMB lower compared to the same period last year.
- Distillate demand was lower on the week at over 3.6 MMB/D. Demand stood at approximately 4.4 MMB/D at this time last year. On a four-week average, distillate demand was lower at almost 4.2 MMB/D.
- On May 21, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was almost \$2.26 per gallon, 45.9 cents per gallon, or 16.9 percent, lower than the average price for conventional motor gasoline.
- On May 21, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$3.00 per gallon, 3.0 cents per gallon, or 1.0 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated May 8, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016 and \$2.42 in 2017, are projected to average \$2.79 in 2018.



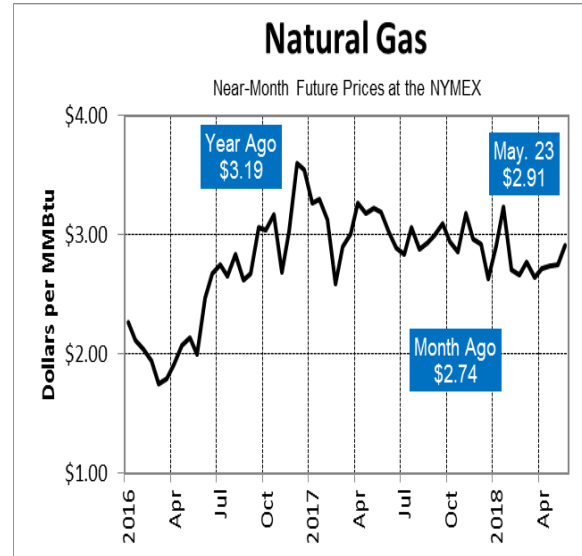
Natural Gas

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 May 23, 2018, natural gas futures on the NYMEX closed at \$2.91 per million British thermal units (MMBtu), up approximately \$0.18, or 6 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>05-23-18</u>	<u>04-18-18</u>	<u>change</u>	<u>05-17-17</u>	<u>change</u>
NYMEX	\$2.91	\$2.74	up 6%	\$3.19	down 9%

- The June 2018 NYMEX futures contract settled at \$2.91 per MMBtu on May 23, up less than 1 cent from the prior settlement.
- In the past month, the futures contract has increased 17.5 cents, or 6 percent.
- Futures are down \$0.28, or 9 percent, in the past year.
- According to EIA's May 24, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 804 Bcf, or 33.0 percent, lower than last year at this time.
- According to the EIA, net injections into working gas totaled 91 billion cubic feet (Bcf) for the week ending May 18. Working natural gas stocks are 1,629 Bcf, which is 33 percent lower than the year-ago level and over 23 percent lower than the five-year (2013–17) average for this week.
- Temperatures in the Lower 48 states averaged 63 degrees Fahrenheit (°F), 1°F higher than the normal and the same as last year at this time. Temperatures increased overall, with an increase in cooling demand leading to higher usage for electricity generation later in the report week. Cooling degree days in the West North Central region were higher than normal.
- According to the EIA, total U.S. consumption of natural gas fell by 1 percent compared with the previous report week. In the residential and commercial sectors, consumption declined by 1 percent even though cooling demand increased later in the report week. Natural gas consumed for power generation dropped by 3 percent week over week. Industrial sector consumption remained steady 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 May 7, the average Missouri retail price for residential propane was nearly \$1.62 per gallon, up 15.2 cents, or 10 percent, in the past year.

Propane - Retail Prices (cents per gallon)					
	<u>05-07-18</u>	<u>04-02-18</u>	<u>change</u>	<u>05-04-17</u>	<u>change</u>
Missouri	161.9	168.8	down 4%	146.7	up 10%

- According to the Division of Energy's most recent statewide propane price survey conducted May 7, the average Missouri retail residential propane price was nearly \$1.62 per gallon, up 15.2 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was almost \$2.00 per gallon. The lowest retail price was \$1.29 per gallon.
- U.S. propane/propylene stocks increased slightly last week to 41.1 MMB as of May 18, 2018, 13.5 MMB, or 24.7 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories increased by 1.1 MMB to nearly 12.0 MMB last week. Midwest inventories stood at nearly 14.0 MMB at this time last year.
- U.S. propane consumption was the same week over week at nearly 1.0 MMB/D. Consumption stood at over 0.8 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>.