



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

June 8, 2018

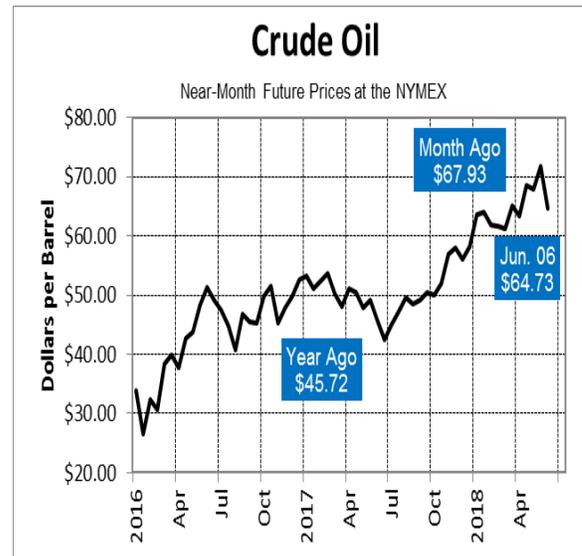
(Data are for the week ended June 1, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$3.20 to \$64.73 per barrel in the past month, 42 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>06-06-18</u>	<u>05-02-18</u>	<u>change</u>	<u>06-07-17</u>	<u>change</u>
NYMEX	\$64.73	\$67.93	down 5%	\$45.72	up 42%

- Crude oil futures for July delivery on the NYMEX ended \$0.79, or 1.2 percent, lower on June 6 to settle at \$64.73 per barrel, with the U.S. Energy Information Administration (EIA) reporting an unexpected increase in U.S. inventories over the prior week.
- The increase in supplies came despite analysts’ predictions and was accompanied by an increase in U.S. production. Concern about Venezuelan crude oil deliveries had previously led to crude oil price increases while contributing to OPEC’s lowered supply target.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$64.73 is \$19.01, or 42 percent, higher.
- Domestic crude production was slightly higher compared to the prior week at approximately 10.8 million barrels per day (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 7.9 MMB/D. Imports at this time last year averaged nearly 8.3 MMB/D.
- U.S. crude oil supplies rose 2.1 MMB on the week to 436.6 MMB. U.S. supplies are 76.6 MMB lower compared to this time last year.



- U.S. refinery crude runs were up over the prior week with refiners processing approximately 17.4 MMB/D. U.S. refinery capacity utilization was higher on the week at 95.4 percent. Last year at this time, capacity use stood at 94.1 percent.
- Gasoline output was lower on the week at approximately 9.7 MMB/D. Output was over 9.9 MMB/D at this time last year. Distillate output was higher than the prior week at over 5.3 MMB/D. Last year at this time, production stood at nearly 5.3 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at over 20.1 MMB/D, up by 0.2 percent compared to the same period last year.

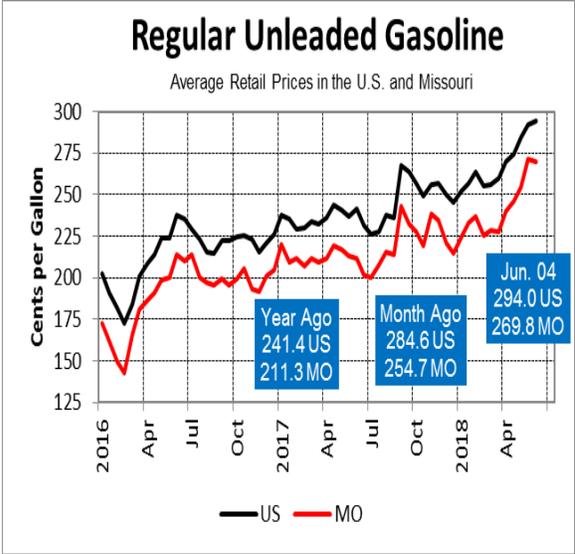
Transportation Fuels

On June 4, Missouri’s statewide average retail price for gasoline was almost \$2.70 per gallon, up 15.1 cents in the past month and up 58.5 cents in the past year.

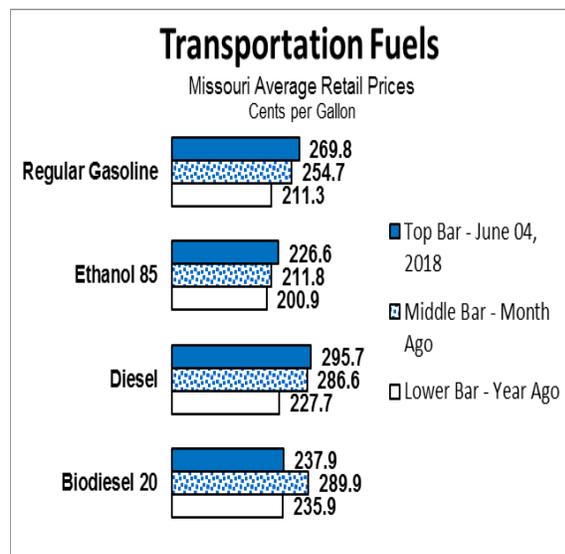
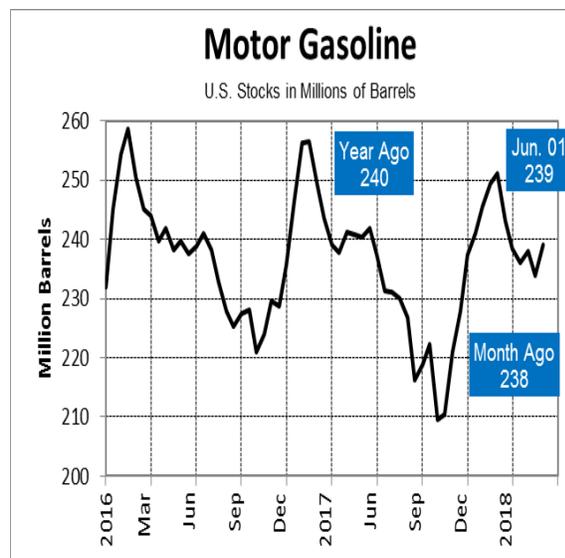
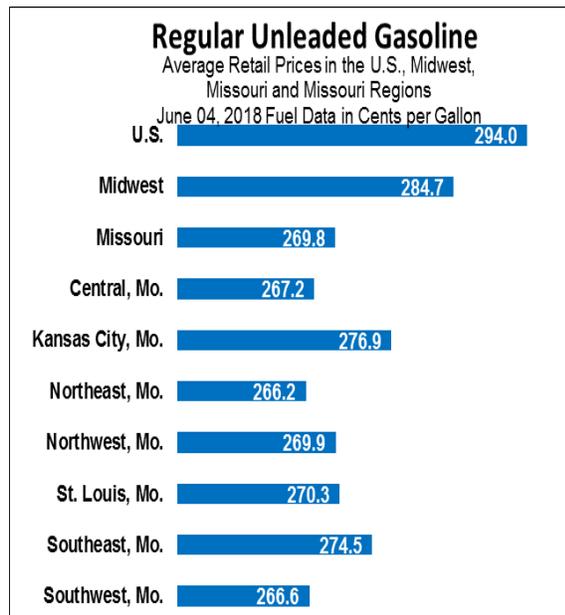
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>06-04-18</u>	<u>04-30-18</u>	<u>change</u>	<u>06-05-17</u>	<u>change</u>
US	294.0	284.6	up 3%	241.4	up 22%
Missouri	269.8	254.7	up 6%	211.3	up 28%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>06-04-18</u>	<u>04-30-18</u>	<u>change</u>	<u>06-05-17</u>	<u>change</u>
US	328.5	315.7	up 4%	256.4	up 28%
Missouri	295.7	286.6	up 3%	227.7	up 30%

- On June 4, Missouri’s average retail price for gasoline was almost \$2.70 per gallon, up 15.1 cents in the past month.
- Missouri’s average price for diesel fuel was nearly \$2.96 per gallon, up 9.1 cents in the past month.
- Compared to last year at this time, Missouri’s average retail gasoline price is 58.5 cents per gallon, or 28 percent, higher while the average retail diesel fuel price is 68.0 cents per gallon, or 30 percent, higher.
- At \$2.94, the U.S. average price for regular gasoline is 9.4 cents per gallon, or 3 percent, higher compared to last month.
- The U.S. average price for regular gasoline is 52.6 cents per gallon, or 22 percent, higher compared to this time last year. In the past week, the U.S. average decreased by 2.2 cents per gallon.
- Gasoline imports decreased from the prior week at approximately 0.8 MMB/D. Last year at this time, imports stood at almost 0.8 MMB/D.



- Implied demand for gasoline was lower on the week at almost 9.0 MMB/D. Demand stood at over 9.3 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged almost 9.5 MMB/D.
- U.S. gasoline supplies were up 4.6 MMB on the week at 239.0 MMB. U.S. supplies are 1.3 MMB lower than this time last year.
- Distillate stocks increased 2.2 MMB on the week at 116.8 MMB and stand 34.3 MMB lower compared to the same period last year.
- Distillate demand was lower on the week at over 3.5 MMB/D. Demand stood at approximately 3.5 MMB/D at this time last year. On a four-week average, distillate demand was lower at over 3.9 MMB/D.
- On June 4, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was almost \$2.27 per gallon, 43.2 cents per gallon, or 16.0 percent, lower than the average price for conventional motor gasoline.
- On June 4, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.38 per gallon, 57.8 cents per gallon, or 19.5 percent, lower 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.



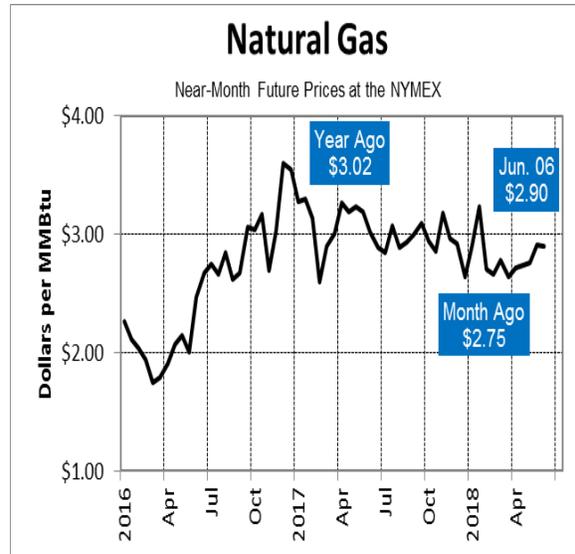
Natural Gas

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 June 6, 2018, natural gas futures on the NYMEX closed at \$2.90 per million British thermal units (MMBtu), up approximately \$0.14, or 5 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>06-06-18</u>	<u>05-02-18</u>	<u>change</u>	<u>06-07-17</u>	<u>change</u>
NYMEX	\$2.90	\$2.75	up 5%	\$3.02	down 4%

- The July 2018 NYMEX futures contract settled at \$2.90 per MMBtu on June 6, up less than 1 cent from the prior settlement.
- In the past month, the futures contract has increased 14.2 cents, or 5 percent.
- Futures are down \$0.12, or 4 percent, in the past year.
- According to EIA's June 7, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 799 Bcf, or 30.5 percent, lower than last year at this time.
- According to the EIA, net injections into working gas totaled 92 billion cubic feet (Bcf) for the week ending June 1. Working natural gas stocks are 1,817 Bcf, which is approximately 31 percent lower than the year-ago level and 22 percent lower than the five-year (2013–17) average for this week.
- Temperatures in the Lower 48 states averaged 73 degrees Fahrenheit (°F), 7°F higher than the normal and 7°F higher than last year at this time. Temperatures increased 7°F over the report week. Cooling degree days in all regions but the Pacific region were above the normal.
- According to the EIA total U.S. consumption of natural gas increased by 2 percent compared with the previous report week. In the residential and commercial sectors, consumption increased by 19 percent due to cooling demand in New England later in the report week. Natural gas consumed for power generation dropped by 1 percent week over week. Industrial sector consumption increased by 1 percent week over week. Natural gas exports to Mexico decreased by 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 June 4, the average Missouri retail price for residential propane was nearly \$1.62 per gallon, up 20.3 cents, or 14 percent, in the past year.

Propane - Retail Prices (cents per gallon)					
	06-04-18	05-07-18	change	06-05-17	change
Missouri	161.9	161.9	down <1%	141.6	up 14%

- According to the Division of Energy's most recent statewide propane price survey conducted June 4, the average Missouri retail residential propane price was nearly \$1.62 per gallon, up 20.3 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 \$1.30 per gallon.
- U.S. propane/propylene stocks increased last week to 47.1 MMB as of June 1, 2018, 12.0 MMB, or 20.3 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories increased by 1.6 MMB to nearly 14.6 MMB last week. Midwest inventories stood at approximately 15.5 MMB at this time last year.
- U.S. propane consumption was lower week over week at over 0.6 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>

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

To learn more about Missouri energy issues, please visit:

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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>.