



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN
June 22, 2018

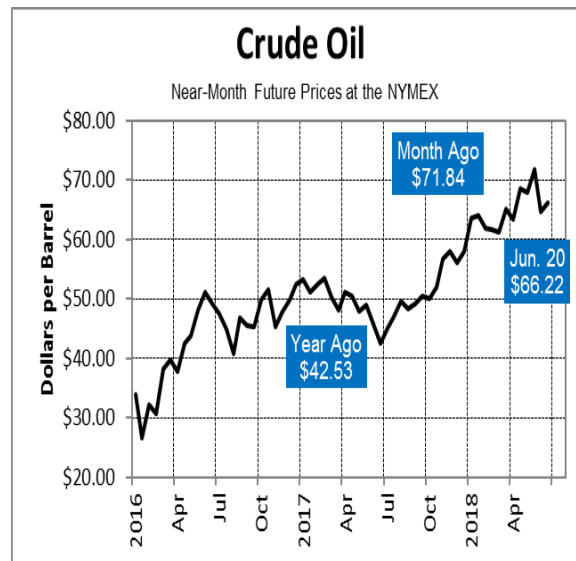
(Data are for the week ended June 15, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$5.62 to \$66.22 per barrel in the past month, but are 56 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	06-20-18	05-23-18	change	06-21-17	change
NYMEX	\$66.22	\$71.84	down 8%	\$42.53	up 56%

- Crude oil futures for July delivery on the NYMEX ended \$1.15, or 1.8 percent, higher on June 20 to settle at \$66.22 per barrel. Following a price decline on Thursday, prices rose on Friday in advance of a meeting of the Organization of Petroleum Exporting Countries (OPEC).
- OPEC will meet on Friday, June 22 in Vienna to discuss a possible increase in oil production. The cartel has not produced as much as was agreed to in 2016, and that agreement was itself meant to reduce the supply of oil.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$66.22 is \$23.69, or 56 percent, higher.



- Domestic crude production was unchanged compared to the prior week at approximately 10.9 million barrels per day (MMB/D). Last year at this time, production stood at approximately 9.4 MMB/D. Total crude imports were higher over the prior week at over 8.2 MMB/D. Imports at this time last year averaged nearly 7.9 MMB/D.
- U.S. crude oil supplies dropped 5.9 MMB on the week to 426.5 MMB. U.S. supplies are 82.6 MMB lower compared to this time last year.

- U.S. refinery crude runs were up over the prior week with refiners processing approximately 17.7 MMB/D. U.S. refinery capacity utilization was higher on the week at 96.7 percent. Last year at this time, capacity use stood at 94.0 percent.
- Gasoline output was lower on the week at approximately 10.1 MMB/D. Output was approximately 10.2 MMB/D at this time last year. Distillate output was higher than the prior week at almost 5.5 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 20.3 MMB/D, up by 0.9 percent compared to the same period last year.

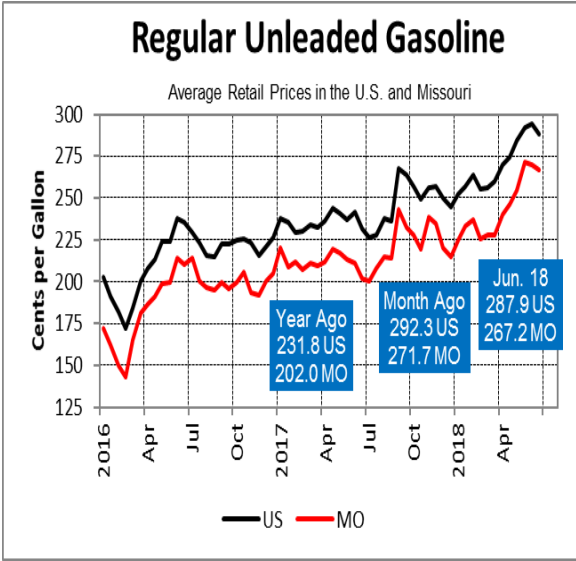
Transportation Fuels

On June 18, Missouri’s statewide average retail price for gasoline was over \$2.67 per gallon, down 4.5 cents in the past month and up 65.1 cents in the past year.

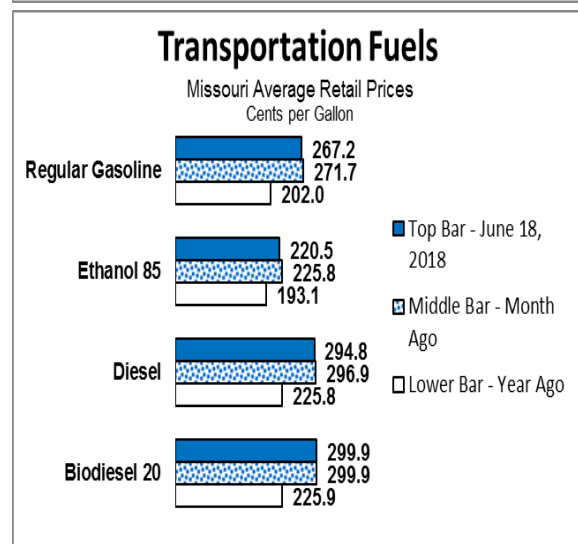
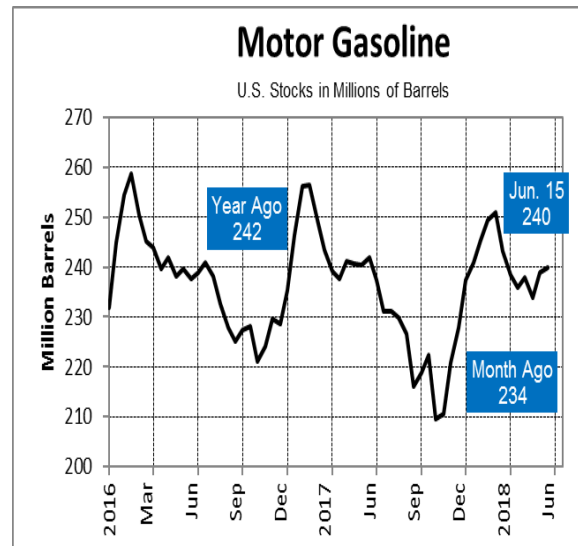
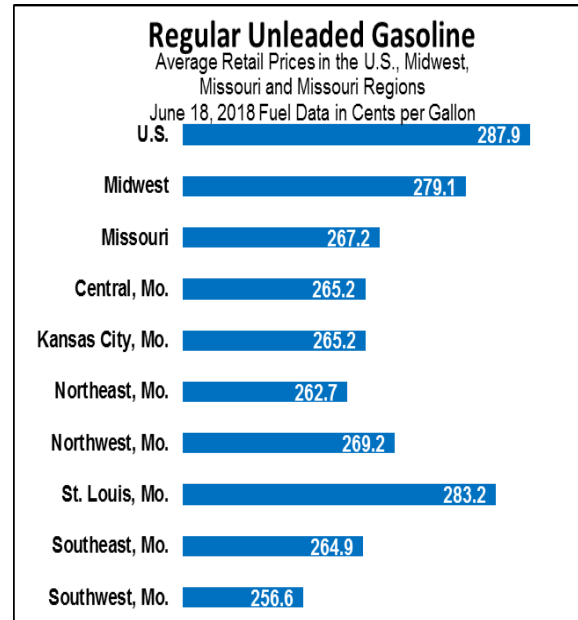
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>06-18-18</u>	<u>05-21-18</u>	<u>change</u>	<u>06-21-17</u>	<u>change</u>
US	287.9	292.3	down 2%	231.8	up 24%
Missouri	267.2	271.7	down 2%	202.0	up 32%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>06-18-18</u>	<u>05-21-18</u>	<u>change</u>	<u>06-21-17</u>	<u>change</u>
US	324.4	327.7	down 1%	248.9	up 30%
Missouri	294.8	296.9	down 1%	225.8	up 31%

- On June 18, Missouri’s average retail price for gasoline was over \$2.67 per gallon, down 4.5 cents in the past month.
- Missouri’s average price for diesel fuel was nearly \$2.95 per gallon, down 2.1 cents in the past month.
- Compared to last year at this time, Missouri’s average retail gasoline price is 65.1 cents per gallon, or 32 percent, higher while the average retail diesel fuel price is 69.0 cents per gallon, or 31 percent, higher.
- At almost \$2.88, the U.S. average price for regular gasoline is 4.4 cents per gallon, or 2 percent, lower compared to last month.
- The U.S. average price for regular gasoline is 56.1 cents per gallon, or 24 percent, higher compared to this time last year. In the past week, the U.S. average decreased by 3.2 cents per gallon.
- Gasoline imports increased from the prior week at approximately 0.9 MMB/D. Last year at this time, imports stood at over 0.9 MMB/D.



- Implied demand for gasoline was lower on the week at over 9.3 MMB/D. Demand stood at over 9.8 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 3.2 MMB on the week at 240.0 MMB. U.S. supplies are 1.9 MMB lower than this time last year.
- Distillate stocks increased 2.7 MMB on the week at 117.4 MMB and stand 35.1 MMB lower compared to the same period last year.
- Distillate demand was lower on the week at over 3.8 MMB/D. Demand stood at approximately 4.2 MMB/D at this time last year. On a four-week average, distillate demand was higher at over 4.0 MMB/D.
- On June 18, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was almost \$2.21 per gallon, 46.7 cents per gallon, or 17.5 percent, lower than the average price for conventional motor gasoline.
- On June 18, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$3.00 per gallon, 5.1 cents per gallon, or 1.7 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated June 12, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016 and \$2.42 in 2017, are projected to average \$2.77 in 2018.



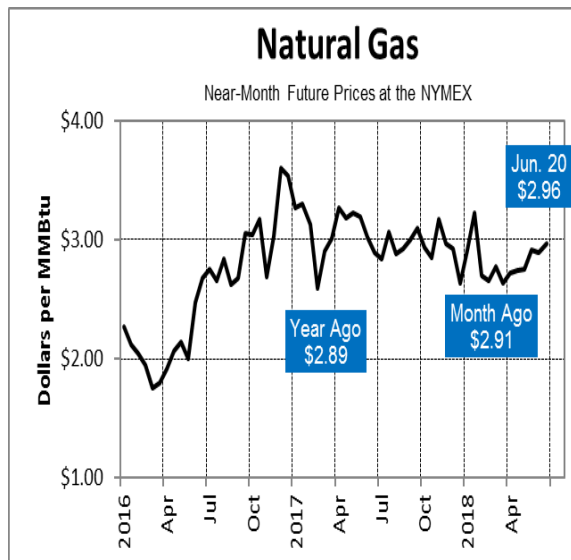
Natural Gas

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 20, 2018, natural gas futures on the NYMEX closed at \$2.96 per million British thermal units (MMBtu), up approximately \$0.05, or 2 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	06-20-18	05-23-18	change	06-21-17	change
NYMEX	\$2.96	\$2.91	up 2%	\$2.89	up 2%

- The July 2018 NYMEX futures contract settled at \$2.96 per MMBtu on June 20, up more than 6 cents from the prior settlement.
- In the past month, the futures contract has increased 5.0 cents, or 2 percent.
- Futures are up \$0.07, or 2 percent, in the past year.
- According to EIA's June 21, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 757 Bcf, or 27.4 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 June 15. Working natural gas stocks are 2,004 Bcf, which is approximately 27 percent lower than the year-ago level and 20 percent lower than the five-year (2013–17) average for this week.
- Temperatures in the Lower 48 states averaged 72 degrees Fahrenheit (°F), 2°F higher than the normal and the same as last year at this time. Temperatures increased 2°F over the report week. Cooling degree days in most regions were above the normal.
- According to the EIA, total U.S. consumption of natural gas increased by 4 percent compared with the previous report week. In the residential and commercial sectors, consumption declined by 11 percent. Natural gas consumed for power generation rose 12 percent week over week following warmer weather in much of the contiguous U.S. Industrial sector consumption decreased by 1 percent week over week. Natural gas exports to Mexico remained unchanged.



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)					
	<u>06-04-18</u>	<u>05-07-18</u>	<u>change</u>	<u>06-05-17</u>	<u>change</u>
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 54.1 MMB as of June 15, 2018, 9.5 MMB, or 14.9 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories increased by 1.2 MMB to over 17.7 MMB last week. Midwest inventories stood at approximately 17.6 MMB at this time last year.
- U.S. propane consumption was lower week over week at over 0.5 MMB/D. Consumption stood at almost 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>

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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