



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

August 12, 2019

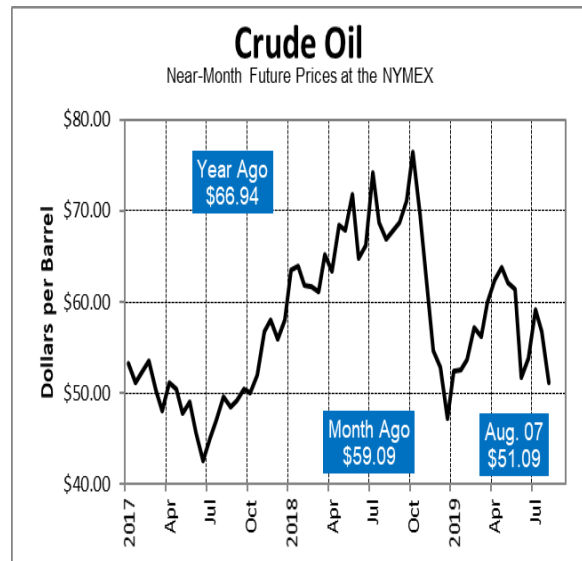
(Data are for the week ending August 9, 2019, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$8.00 to \$51.09 per barrel in the past month and are 24 percent lower compared to this time last year.

<i>Crude Oil - Near Month Future Prices (dollars per barrel)</i>					
	<u>08-07-19</u>	<u>07-01-19</u>	<u>change</u>	<u>08-08-18</u>	<u>change</u>
NYMEX	\$51.09	\$59.09	down 14%	\$66.94	down 24%

- On August 7th, crude oil futures for delivery on the NYMEX ended lower on the week to settle at \$51.09 per barrel. The price for crude oil futures is \$8.00, or 14 percent, below the month-ago level.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$51.09 is \$15.85, or 24 percent, lower.
- According to the analysis section in EIA’s *This Week in Petroleum*, The United States recently extended the time period for several companies to continue operations in Venezuela involving state-owned Petróleos de Venezuela (PdVSA) by three months to October 25, 2019. This extension should provide some short-term continuity for crude oil production operations there; however, U.S. sanctions will still limit the production from Venezuela’s energy sector. Additionally, the possibility of energy sector disruptions remain and could remove crude oil from the global markets.



- Domestic crude production was higher relative to the prior week at 12.3 million barrels per day (MMB/D). Last year at this time, production stood at approximately 10.8 MMB/D.
- Total crude imports were up over the prior week at approximately 7.1 MMB/D. Imports at this time last year were approximately 7.9 MMB/D.

- U.S. crude oil supplies increased 2.4 MMB on the week to 438.9 MMB. U.S. supplies are 31.5 MMB higher compared to this time last year.
- U.S. refinery crude runs were higher relative to the prior week with refiners processing approximately 17.8 MMB/D. U.S. refinery capacity utilization was higher on the week at 96.4 percent. Last year at this time, capacity use stood at approximately 95.2 percent.
- Gasoline output was higher on the week at approximately 10.4 MMB/D. Output was approximately 9.9 MMB/D at this time last year. Distillate output was higher than the prior week at approximately 5.3 MMB/D. Last year at this time, production stood at 5.2 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 21.2 MMB/D, 0.2 percent higher compared to the same period last year.

Transportation Fuels

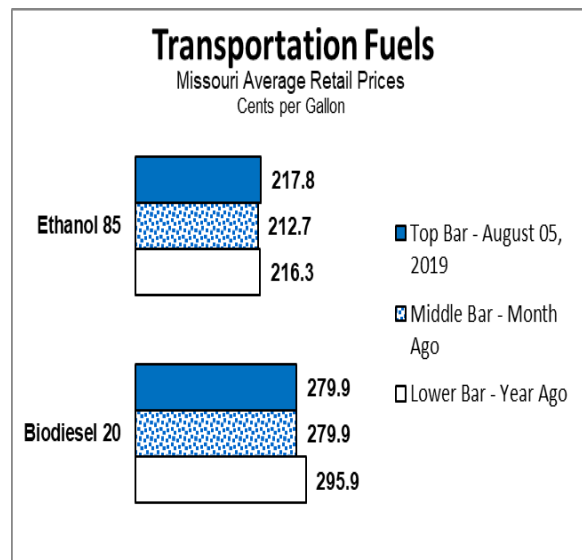
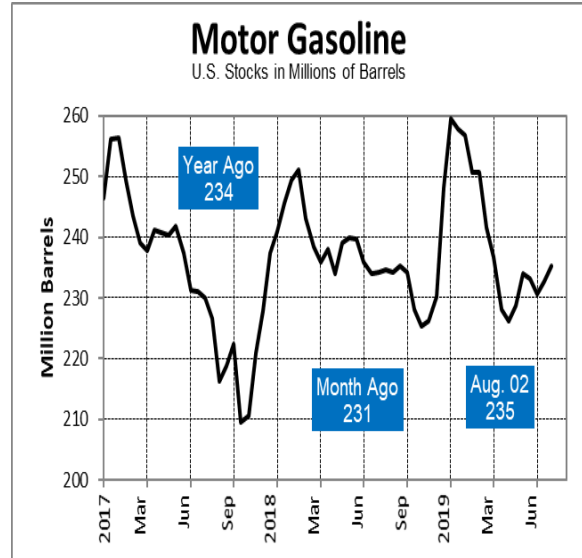
(Note: Gasoline and diesel prices may be obtained from the American Automobile Association (AAA) and the U.S. Energy Information Administration (EIA), as described below. Effective 06/25/2019, the Division of Energy no longer conducts phone surveys to obtain the prices for these fuels.)

For access to additional information on regional and national gasoline prices, stocks, production, and demand, please visit: <https://www.eia.gov/petroleum/weekly/gasoline.php>. To navigate to the above URL from EIA's home page, select the "Sources & Uses" tab at the top of the page, click on "This Week in Petroleum," and then click on the "GASOLINE" tab.

For access to and additional information on Missouri gasoline and diesel price averages by city and county, please visit: <https://gasprices.aaa.com/?state=MO>.

- On August 5th, at approximately \$2.69, the U.S. average price for regular gasoline was 6.0 cents per gallon, or 2 percent, lower compared to last month.
- The U.S. average price for regular gasoline is 16.4 cents per gallon, or 6 percent, lower compared to this time last year. In the past week, the U.S. average decreased by approximately 2.7 cents.
- Gasoline imports increased from the prior week at approximately 1.2 MMB/D. Last year at this time, imports stood at approximately 0.9 MMB/D.
- Implied demand for gasoline was higher on the week at approximately 9.7 MMB/D. Demand stood at approximately 9.3 MMB/D at this time last year.

- In the past four weeks, U.S. gasoline demand has averaged approximately 9.5 MMB/D.
- U.S. gasoline supplies were up 4.5 MMB on the week at 235.2 MMB. U.S. supplies are approximately 1.3 MMB higher than this time last year.
- Distillate stocks increased 1.6 MMB on the week at 137.5 MMB and stand 12.1 MMB higher compared to the same period last year.
- Distillate demand was higher on the week at approximately 3.9 MMB/D. Demand stood at approximately 4.0 MMB/D at this time last year. On a four-week average, distillate demand was higher at approximately 3.9 MMB/D.
- On August 5th, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was approximately \$2.18 per gallon.
- On August 5th, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was almost \$2.80 per gallon.
- According to the U.S. Energy Information Administration's (EIA) latest *Short Term Energy Outlook* dated August 6, 2019, U.S. regular gasoline retail prices, which averaged \$2.42 per gallon in 2017, \$2.73 in 2018, and averaged \$2.62 to date in 2019, are projected to average \$2.71 in 2020.



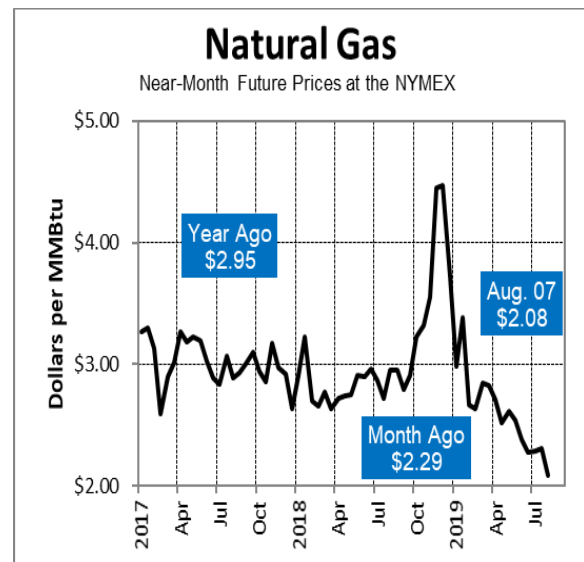
Natural Gas

Approximately 51.0 percent (1,217,836) 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 August 7, 2019, natural gas futures on the NYMEX closed at \$2.08 per million British thermal units (MMBtu), down approximately \$0.21, or 9 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	08-07-19	07-03-19	change	08-08-18	change
NYMEX	\$2.08	\$2.29	down 9%	\$2.95	down 29%

- The September 2019 NYMEX futures contract settled at \$2.08 per MMBtu on August 7, \$0.15 lower than the July 31 settlement.
- In the past month, the futures contract has decreased 21 cents, or 9 percent.
- Futures are down \$0.87, or 29 percent, in the past year.
- According to EIA's *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are at 2,689 billion cubic feet (Bcf), 14.6 percent higher than last year at this time.
- According to the EIA, net injections to working gas totaled 55 Bcf for the week ending August 2.
- For the week ending August 1, temperatures in the Lower 48 states averaged cooler than normal for the Midwestern and Southeastern U.S., but warmer than normal for the Western and Northeastern U.S. Heating degree days nationally were slightly below the normal, while cooling degree days were 7 above the normal.
- According to EIA, total U.S. consumption of natural gas increased 1 percent compared with the prior report week. In the residential and commercial sectors, consumption increased by 4 percent. Natural gas consumed for power generation increased by 3 percent week over week. Industrial sector consumption decreased 2 percent week over week. Natural gas exports to Mexico increased 1 percent over the week.



Propane

Approximately 8.9 percent (213,192) 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 August 5, the average Missouri retail price for residential propane was approximately \$1.69 per gallon, up 28.6 cents, or 20 percent, in the past month.

Propane - Retail Prices (cents per gallon)					
	08-05-19	07-01-19	change	08-06-18	change
Missouri	169.4	140.9	up 20%	151.3	up 12%

- According to the Division of Energy's most recent statewide propane price survey conducted August 5, the average Missouri retail residential propane price was approximately \$1.69 per gallon.
- According to the survey, the highest Missouri retail residential price for propane was \$1.90 per gallon. The lowest retail price was \$1.39 per gallon.
- On August 2, 2019, U.S. propane/propylene stocks had increased over the prior report week at 83.3 MMB. As of August 2, U.S. propane/propylene stocks were 14.5 MMB, or 21 percent, higher than the year-ago inventory level for this same time of year. Midwest inventories increased by approximately 0.5 MMB to 24.6 MMB for the report week. Midwest inventories stood at approximately 22.8 MMB at the same time last year.
- U.S. propane consumption was lower week over week at 0.8 MMB/D. Consumption stood at approximately 1.1 MMB/D at the same time last year.

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:

<http://energy.mo.gov/energy>

For more information about the Comprehensive State Energy Plan, please visit:

<https://energy.mo.gov/comprehensive-state-energy-plan>

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 E-85, B-20, and propane heating fuel prices from a sample of retail providers located throughout the state. The average price reported is based on these sample prices and may or may not reflect the actual price of a particular retail provider. To preserve confidentiality, price data are averaged and reported by region. The bulletin is a public resource made available to state government decision-makers and 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>.