



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

August 24, 2018

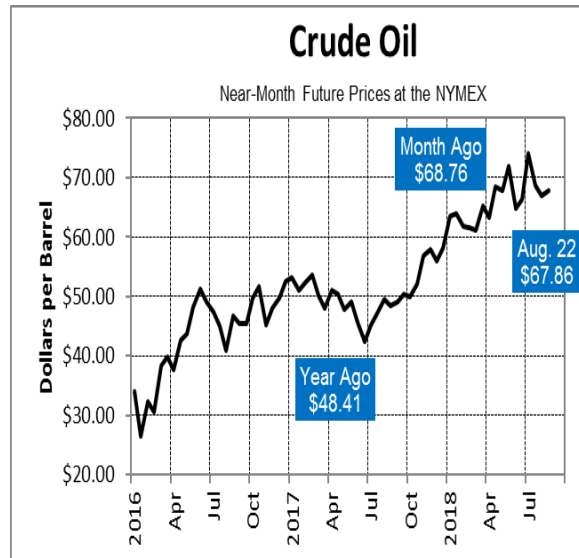
(Data are for the week ended August 17, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$0.90 to \$67.86 per barrel in the past month and are 40 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>08-22-18</u>	<u>07-18-18</u>	<u>change</u>	<u>08-23-17</u>	<u>change</u>
NYMEX	\$67.86	\$68.76	down 1%	\$48.41	up 40%

- Crude oil futures for August delivery on the NYMEX ended \$2.02, or 2.98 percent, higher on August 22 to settle at \$67.86 per barrel. The price for crude oil futures is \$0.90, or 1 percent, below the month-ago level.
- On Tuesday, the American Petroleum Institute reported that 5.17 million barrels (MMB) were drawn from U.S. crude oil inventories the prior week, far above analyst expectations of a 1.497 MMB draw.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$67.86 is \$19.45, or 40 percent, higher.



- Domestic crude production was up over the prior week at 11.0 million barrels per day (MMB/D). Last year at this time, production stood at approximately 9.5 MMB/D. Total crude imports were lower over the prior week at approximately 7.5 MMB/D. Imports at this time last year were approximately 8.8 MMB/D.
- U.S. crude oil supplies dropped 5.8 MMB on the week to 408.4 MMB. U.S. supplies are 54.8 MMB lower compared to this time last year.

- U.S. refinery crude runs were lower over the prior week with refiners processing almost 17.9 MMB/D. U.S. refinery capacity utilization was unchanged on the week at 98.1 percent. Last year at this time, capacity use stood at 95.4 percent.
- Gasoline output was lower on the week at approximately 10.2 MMB/D. Output was approximately 10.6 MMB/D at this time last year. Distillate output was higher than the prior week at over 5.4 MMB/D. Last year at this time, production stood at 5.1 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.8 MMB/D, down by 1.1 percent compared to the same period last year.

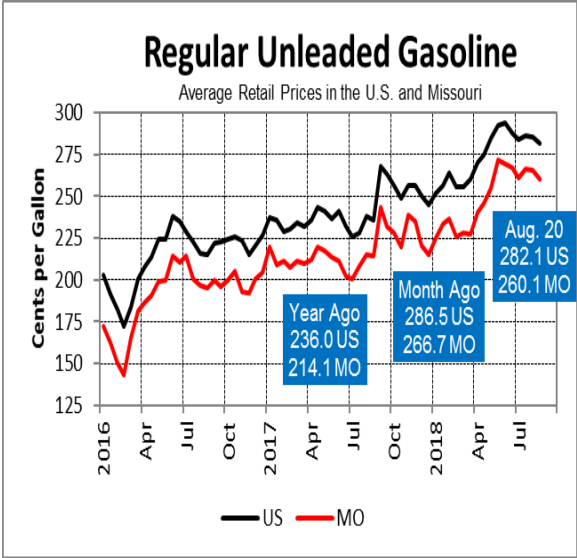
Transportation Fuels

On August 20, Missouri’s statewide average retail price for gasoline was over \$2.60 per gallon, down 6.6 cents in the past month and up 46.0 cents in the past year.

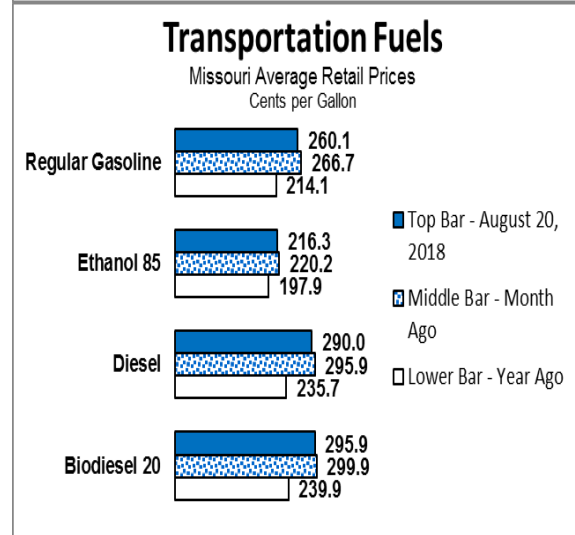
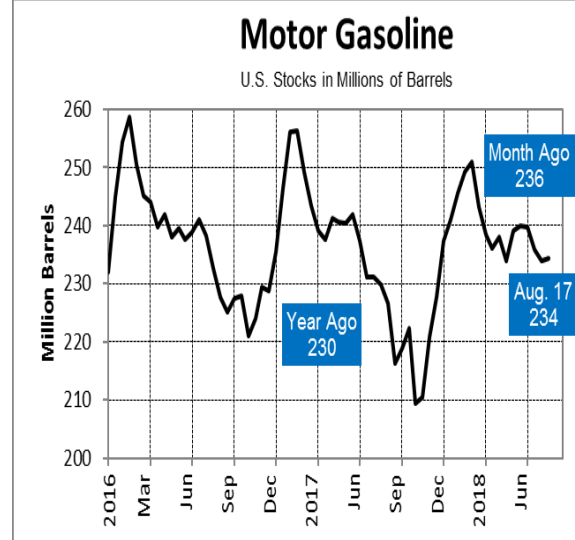
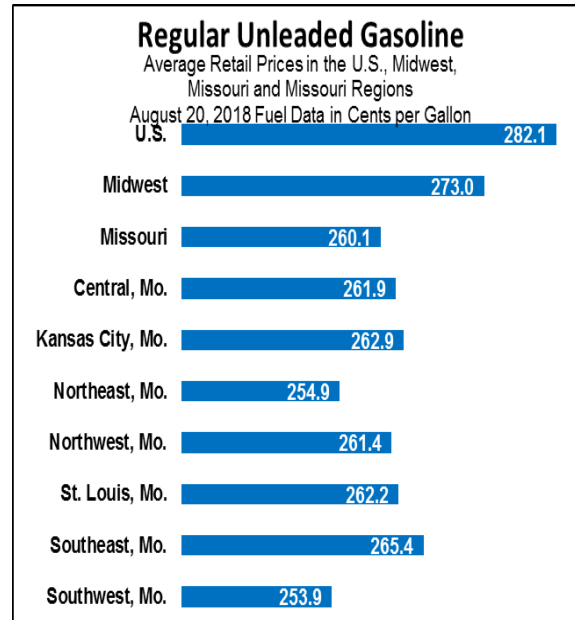
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>08-20-18</u>	<u>07-16-18</u>	<u>change</u>	<u>08-22-17</u>	<u>change</u>
US	282.1	286.5	down 2%	236.0	up 20%
Missouri	260.1	266.7	down 2%	214.1	up 21%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>08-20-18</u>	<u>07-16-18</u>	<u>change</u>	<u>08-22-17</u>	<u>change</u>
US	320.7	323.9	down 1%	259.6	up 24%
Missouri	290.0	295.9	down 2%	235.7	up 23%

- On August 20, Missouri’s average retail price for gasoline was over \$2.60 per gallon, down 6.6 cents in the past month.
- Missouri’s average price for diesel fuel was \$2.90 per gallon, down 5.9 cents in the past month.
- Compared to last year at this time, Missouri’s average retail gasoline price is 46.0 cents per gallon, or 21 percent, higher while the average retail diesel fuel price is 54.3 cents per gallon, or 23 percent, higher.
- At approximately \$2.82, 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 46.1 cents per gallon, or 20 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 increased from the prior week at approximately 0.8 MMB/D. Last year at this time, imports stood at approximately 0.6 MMB/D.
- Implied demand for gasoline was lower on the week at approximately 9.5 MMB/D. Demand stood at over 9.6 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 1.2 MMB on the week at 234.3 MMB. U.S. supplies are 4.4 MMB higher than this time last year.
- Distillate stocks increased 1.8 MMB on the week at 130.8 MMB and stand 17.6 MMB lower compared to the same period last year.
- Distillate demand was higher on the week at approximately 4.1 MMB/D. Demand stood at approximately 4.1 MMB/D at this time last year. On a four-week average, distillate demand was lower at over 3.9 MMB/D.
- On August 20, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was over \$2.16 per gallon, 43.7 cents per gallon, or 16.8 percent, lower than the average price for conventional motor gasoline.
- On August 20, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.96 per gallon, 5.9 cents per gallon, or 2.0 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated August 7, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016 and \$2.42 in 2017, are projected to average \$2.76 in 2018.



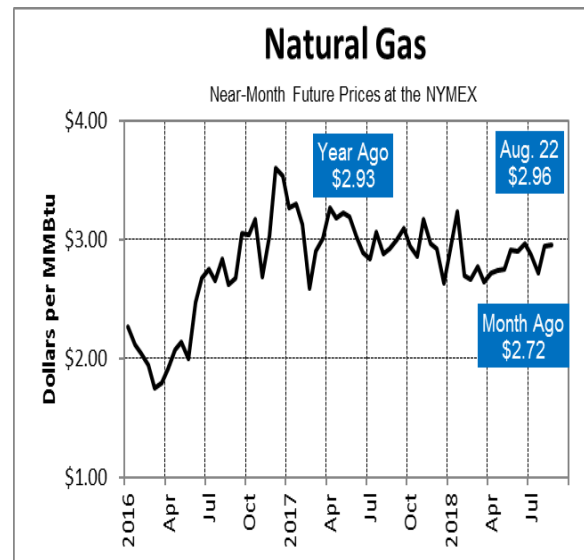
Natural Gas

Approximately 51.4 percent (1,218,420) 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 22, 2018, natural gas futures on the NYMEX closed at \$2.96 per million British thermal units (MMBtu), up approximately \$0.02, or 9 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	08-22-18	07-18-18	change	08-23-17	change
NYMEX	\$2.96	\$2.72	up 9%	\$2.93	up 1%

- The September 2018 NYMEX futures contract settled at \$2.96 per MMBtu on August 22, down more than 2 cents from the August 21 settlement.
- In the past month, the futures contract has increased 2.4 cents, or 9 percent.
- Futures are up \$0.03, or 1 percent, in the past year.
- According to EIA's August 9, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 684 billion cubic feet (Bcf), or 21.9 percent, lower than last year at this time.
- According to the EIA, net injections into working gas totaled 48 Bcf for the week ending August 17. Working natural gas stocks are 2,435 Bcf, which is approximately 22 percent lower than the year-ago level and 19.7 percent lower than the five-year (2013–17) average for this week.
- Temperatures in the Lower 48 states averaged 76 degrees Fahrenheit (°F) for the week, 2°F higher than normal and 2°F higher than last year at this time. Temperatures decreased 2°F over the report week. Cooling degree days nationally were above the normal, with the exception of the West South Central Region.
- According to the EIA, total U.S. consumption of natural gas decreased by 1 percent for the week compared with the previous report week. In the residential and commercial sectors, consumption increased by 9 percent. Natural gas consumed for power generation fell 3 percent week over week. Industrial sector consumption remained unchanged week over week. Natural gas exports to Mexico decreased 2 percent.



Propane

Approximately 9.0 percent (212,748) 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 August 6, the average Missouri retail price for residential propane was over \$1.51 per gallon, up 17.4 cents, or 13 percent, in the past year.

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>08-06-18</u>	<u>07-02-18</u>	<u>change</u>	<u>08-07-17</u>	<u>change</u>
Missouri	151.3	154.9	down 2%	133.8	up 13%

- According to the Division of Energy’s most recent statewide propane price survey conducted August 6, the average Missouri retail residential propane price was over \$1.51 per gallon, up 17.4 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was almost \$1.80 per gallon. The lowest retail price was \$1.24 per gallon.
- U.S. propane/propylene stocks decreased over the report week at 68.8 MMB as of August 17, 2018, 10.1 MMB, or 12.8 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories increased by 0.7 MMB to over 24.2 MMB for the report week. Midwest inventories stood at approximately 22.9 MMB at the same time last year.
- U.S. propane consumption was higher week over week at approximately 1.0 MMB/D. Consumption stood at over 0.9 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:

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For more information about the Comprehensive State Energy Plan, 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 transportation 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, 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>.