



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

August 27, 2019

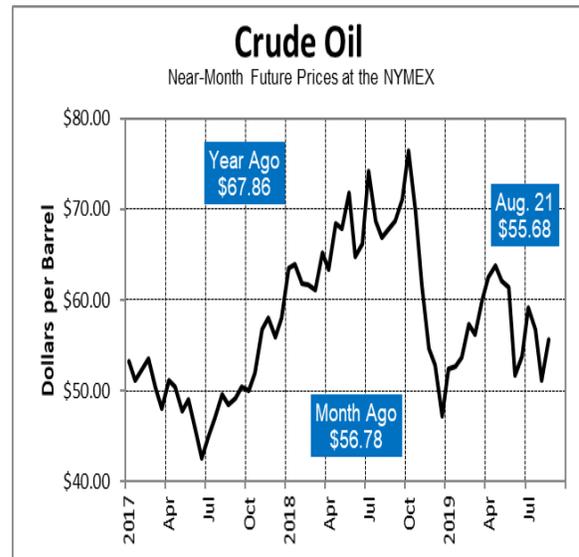
(Data are for the week ending August 23, 2019, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$1.10 to \$55.68 per barrel in the past month and are 18 percent lower compared to this time last year.

<i>Crude Oil - Near Month Future Prices (dollars per barrel)</i>					
	<u>08-21-19</u>	<u>07-17-19</u>	<u>change</u>	<u>08-22-18</u>	<u>change</u>
NYMEX	\$55.68	\$56.78	down 2%	\$67.86	down 18%

- On August 21, crude oil futures for delivery on the NYMEX ended higher on the week to settle at \$55.68 per barrel. The price for crude oil futures is \$1.10, or 2 percent, below the month-ago level.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$55.68 is \$12.18, or 18 percent, lower.
- According to U.S. Energy Information Administration’s (EIA) *This Week in Petroleum* dated August 21, combined crude oil production in Iran and Venezuela fell by over 1.0 million b/d in the first seven months of 2019. Although Iranian net oil export revenues increased by 18% from 2017 to 2018, a year-to-date comparison indicates a significant decrease in revenues in 2019. Further decreases in OPEC members’ production beyond current EIA assumptions would further reduce EIA’s OPEC revenue estimates for 2019 and 2020.



- Domestic crude production was unchanged relative to the prior week at 12.3 million barrels per day (MMB/D). Last year at this time, production stood at approximately 11.0 MMB/D.
- Total crude imports were down over the prior week at approximately 7.2 MMB/D. Imports at this time last year were approximately 7.5 MMB/D.

- U.S. crude oil supplies decreased 2.7 MMB on the week to 437.8 MMB. U.S. supplies are 29.4 MMB higher compared to this time last year.
- U.S. refinery crude runs were higher relative to the prior week with refiners processing approximately 17.7 MMB/D. U.S. refinery capacity utilization was higher on the week at 95.9 percent. Last year at this time, capacity use stood at approximately 97.2 percent.
- Gasoline output was lower on the week at approximately 9.9 MMB/D. Output was approximately 10.2 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 5.4 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 21.5 MMB/D, 3.1 percent higher compared to the same period last year.

Transportation Fuels

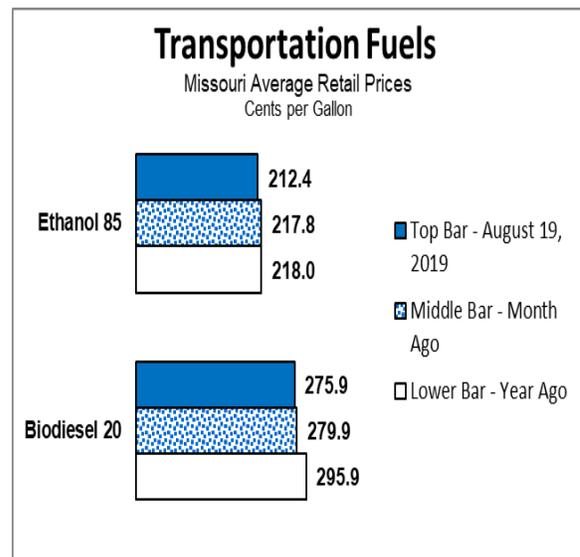
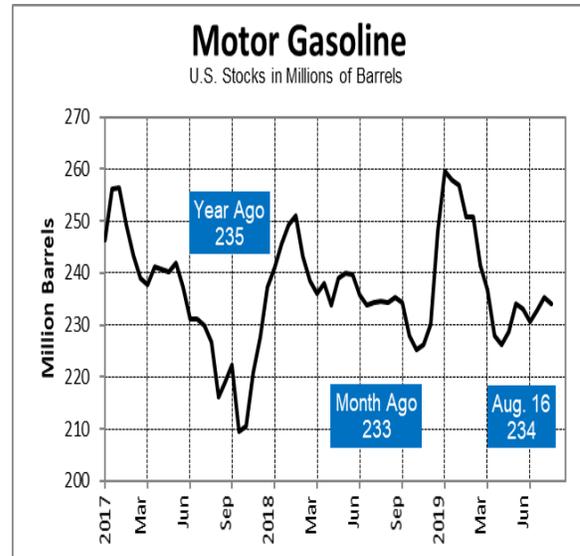
(Note: Gasoline and diesel prices may be obtained from the American Automobile Association (AAA) and the U.S. Energy Information Administration (EIA), as described below. Effective 06/25/2019, the Division of Energy no longer conducts phone surveys to obtain the prices for these fuels.)

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>.

- At approximately \$2.60, the U.S. average price for regular gasoline on August 19 was 18.6 cents per gallon, or 7 percent, lower compared to last month.
- The U.S. average price for regular gasoline is 22.3 cents per gallon, or 8 percent, lower compared to this time last year. In the past week, the U.S. average decreased by approximately 2.6 cents.
- Gasoline imports increased from the prior week at approximately 0.89 MMB/D. Last year at this time, imports stood at approximately 0.82 MMB/D.
- Implied demand for gasoline was lower on the week at approximately 9.6 MMB/D. Demand stood at approximately 9.4 MMB/D at this time last year.

- In the past four weeks, U.S. gasoline demand has averaged approximately 9.7 MMB/D.
- U.S. gasoline supplies were up 0.3 MMB on the week at 234.1 MMB. U.S. supplies are approximately 0.5 MMB lower than this time last year.
- Distillate stocks increased 2.6 MMB on the week at 138.1 MMB and stand 7.3 MMB higher compared to the same period last year.
- Distillate demand was lower on the week at approximately 3.8 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 approximately 3.8 MMB/D.
- On August 19, Missouri’s average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was approximately \$2.12 per gallon.
- On August 19, Missouri’s average retail price for B20, diesel fuel containing 20 percent biofuel, was approximately \$2.76 per gallon.
- According to EIA’s 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.



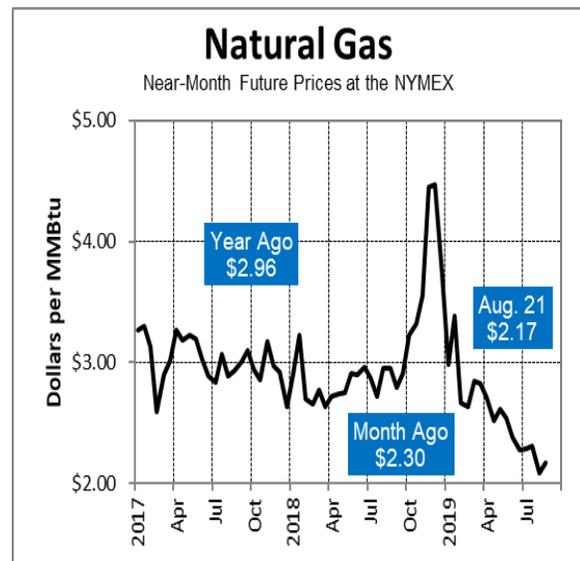
Natural Gas

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 21, 2019, natural gas futures on the NYMEX closed at \$2.17 per million British thermal units (MMBtu), down approximately \$0.13, or 6 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>08-21-19</u>	<u>07-17-19</u>	<u>change</u>	<u>08-22-18</u>	<u>change</u>
NYMEX	\$2.17	\$2.30	down 6%	\$2.96	down 27%

- The September 2019 NYMEX futures contract settled at \$2.17 per MMBtu on August 21, \$0.03 higher than the August 14 settlement.
- In the past month, the futures contract has decreased 13 cents, or 6 percent.
- Futures are down \$0.79, or 27 percent, in the past year.
- According to EIA's *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are at 2,797 billion cubic feet (Bcf), 15.2 percent higher than last year at this time.
- According to the EIA, net injections to working gas totaled 59 Bcf for the week ending August 16.
- For the week ending August 15, temperatures in the Lower 48 states averaged cooler than normal for the North Central and Pacific Regions, but warmer than normal for the South Central and South Atlantic Regions. Heating degree days nationally were slightly below the normal, while cooling degree days were 8 above the normal.
- According to EIA, total U.S. consumption of natural gas was unchanged compared with the prior report week. In the residential and commercial sectors, consumption increased by 2 percent. Natural gas consumed for power generation decreased by 1 percent week over week. Industrial sector consumption increased 1 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.

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>08-05-19</u>	<u>07-01-19</u>	<u>change</u>	<u>08-06-18</u>	<u>change</u>
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.
- U.S. propane/propylene stocks increased over the prior report week at 90.5 MMB. As of August 16, U.S. propane/propylene stocks were 21.7 MMB, or 31 percent, higher than the year-ago inventory level for the same time of year. Midwest inventories increased by approximately 0.7 MMB to 25.5 MMB for the report week. Midwest inventories stood at approximately 24.2 MMB at the same time last year.
- U.S. propane consumption was lower week over week at 0.9 MMB/D. Consumption stood at approximately 1.0 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>.