



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

September 25, 2018

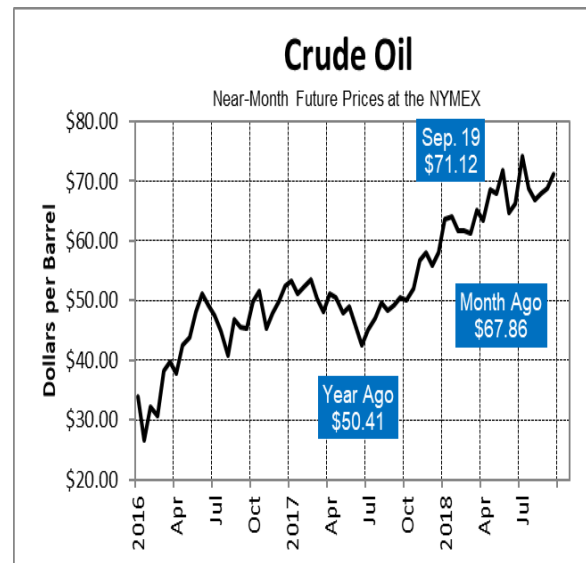
(Data are for the week ended September 14, 2018, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$3.26 to \$71.12 per barrel in the past month and are 41 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>09-19-18</u>	<u>08-22-18</u>	<u>change</u>	<u>09-20-17</u>	<u>change</u>
NYMEX	\$71.12	\$67.86	up 5%	\$50.41	up 41%

- Crude oil futures for October delivery on the NYMEX ended \$1.27, or 1.79 percent, higher on September 19 to settle at \$71.12 per barrel. The price for crude oil futures is \$3.26, or 5 percent, above the month-ago level.
- OPEC and allied nations will meet in Algiers this weekend to discuss how to boost production by 1 million barrels per day (MMB/D), consistent with an agreement in June.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$68.72 is \$20.71, or 41 percent, higher.
- Domestic crude production was up over the prior week at 11.0 MMB/D. Last year at this time, production stood at approximately 9.5 MMB/D. Total crude imports were higher over the prior week at approximately 8.0 MMB/D. Imports at this time last year were approximately 7.4 MMB/D.
- U.S. crude oil supplies dropped 2.1 MMB on the week to 394.1 MMB. U.S. supplies are 78.7 MMB lower compared to this time last year.



- U.S. refinery crude runs were lower over the prior week with refiners processing over 17.4 MMB/D. U.S. refinery capacity utilization was down on the week at 95.4 percent. Last year at this time, capacity use stood at 83.2 percent.
- Gasoline output was lower on the week at approximately 10.3 MMB/D. Output was approximately 9.8 MMB/D at this time last year. Distillate output was lower than the prior week at approximately 5.5 MMB/D. Last year at this time, production stood at 4.5 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 21.4 MMB/D, up by 4.9 percent compared to the same period last year.

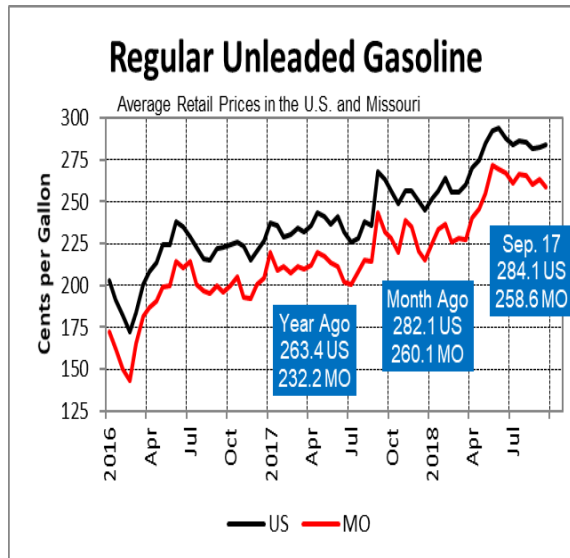
Transportation Fuels

On September 17, Missouri's statewide average retail price for gasoline was \$2.59 per gallon, down 1.5 cents in the past month and up 26.4 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	09-17-18	08-20-18	change	09-19-17	change
US	284.1	282.1	up 1%	263.4	up 8%
Missouri	258.6	260.1	down 1%	232.2	up 11%

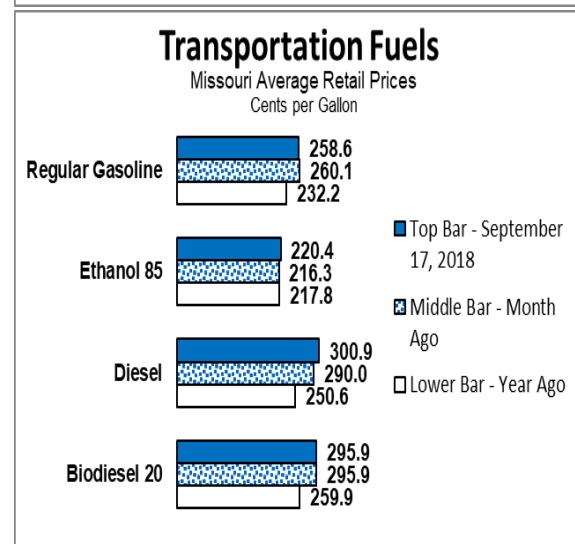
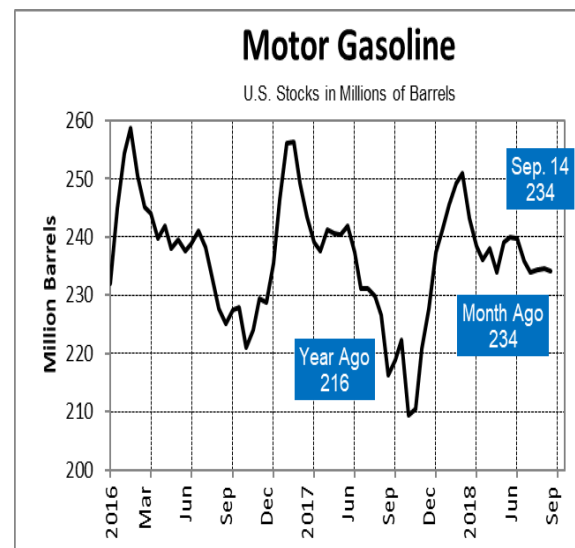
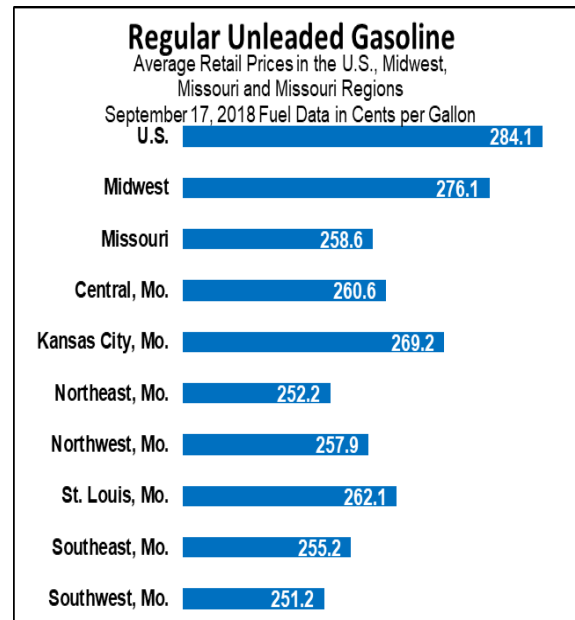
Diesel Fuel - Retail Prices (cents per gallon)					
	09-17-18	08-20-18	change	09-19-17	change
US	326.8	320.7	up 2%	278.6	up 17%
Missouri	300.9	290.0	up 4%	250.6	up 20%

- On September 17, Missouri's average retail price for gasoline was \$2.59 per gallon, down 1.5 cents in the past month.
- Missouri's average price for diesel fuel was \$3.01 per gallon, up 10.9 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 26.4 cents per gallon, or 11 percent, higher while the average retail diesel fuel price is 50.2 cents per gallon, or 20 percent, higher.
- At approximately \$2.84, the U.S. average price for regular gasoline is 2.0 cents per gallon, or 1 percent, higher compared to last month.



- The U.S. average price for regular gasoline is 20.7 cents per gallon, or 8 percent, higher compared to this time last year. In the past week, the U.S. average increased by 0.8 cents per gallon.

- Gasoline imports decreased from the prior week at approximately 0.6 MMB/D. Last year at this time, imports stood at approximately 0.7 MMB/D.
- Implied demand for gasoline was lower on the week at approximately 9.5 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 down 1.7 MMB on the week at 234.2 MMB. U.S. supplies are 18.0 MMB higher than this time last year.
- Distillate stocks increased 0.8 MMB on the week at 140.1 MMB and stand 1.2 MMB higher compared to the same period last year.
- Distillate demand was higher on the week at approximately 4.2 MMB/D. Demand stood at approximately 4.3 MMB/D at this time last year. On a four-week average, distillate demand was higher at approximately 4.0 MMB/D.
- On September 4, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was over \$2.20 per gallon, 38.2 cents per gallon, or 14.8 percent, lower than the average price for conventional motor gasoline.ⁱ
- On September 4, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.96 per gallon, 5.0 cents per gallon, or 1.6 percent, lower than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated September 11, 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.



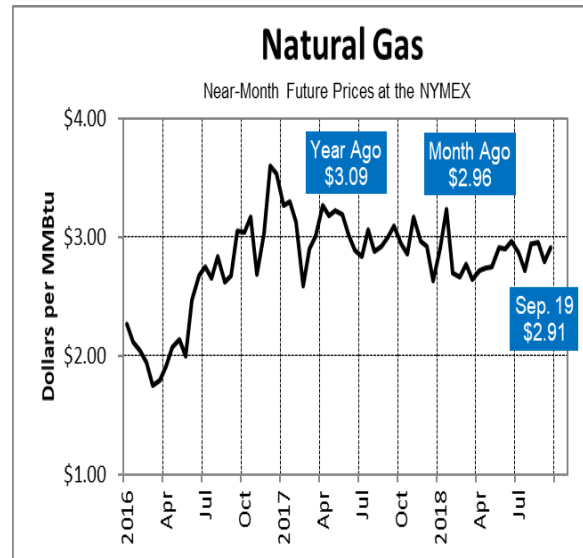
Natural Gas

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 September 19, 2018, natural gas futures on the NYMEX closed at \$2.91 per million British thermal units (MMBtu), down approximately \$0.05, or 2 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>09-19-18</u>	<u>08-22-18</u>	<u>change</u>	<u>09-20-17</u>	<u>change</u>
NYMEX	\$2.91	\$2.96	down 2%	\$3.09	down 6%

- The October 2018 NYMEX futures contract settled at \$2.91 per MMBtu on September 19, down almost 3 cents from the September 18 settlement.
- In the past month, the futures contract has decreased 4.8 cents, or 2 percent.
- Futures are down \$0.19, or 6 percent, in the past year.
- According to EIA's September 10, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 672 billion cubic feet (Bcf), or 19.8 percent, lower than last year at this time.



- According to the EIA, net injections into working gas totaled 86 Bcf for the week ending August 14. Working natural gas stocks are 2,722 Bcf, which is approximately 20 percent lower than the year-ago level and 17.7 percent lower than the five-year (2013–17) average for this week.
- Temperatures in the Lower 48 states averaged 70 degrees Fahrenheit (°F) for the week, 1°F higher than normal and 4°F higher than last year at this time. Temperatures were 6°F higher over the report week. Cooling degree days nationally were above the normal, with regional variations above and below the normal.
- According to the EIA, total U.S. consumption of natural gas increased by 5 percent for the week compared with the previous report week. In the residential and commercial sectors, consumption decreased by 12 percent. Natural gas consumed for power generation rose 14 percent week over week. Industrial sector consumption decreased 2 percent week over week. Natural gas exports to Mexico were unchanged over the week.

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 September 3, the average Missouri retail price for residential propane was approximately \$1.55 per gallon, up 15.4 cents, or 11 percent, in the past year.

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>09-03-18</u>	<u>08-06-18</u>	<u>change</u>	<u>09-07-17</u>	<u>change</u>
Missouri	154.6	151.3	up 2%	139.1	up 11%

- According to the Division of Energy's most recent statewide propane price survey conducted September 3, the average Missouri retail residential propane price was approximately \$1.55 per gallon, up 15.4 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 \$1.25 per gallon.
- U.S. propane/propylene stocks increased over the report week at 74.8 MMB as of September 14, 2018, 9.5 MMB, or 11.3 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories increased by 0.4 MMB to over 26.3 MMB for the report week. Midwest inventories stood at approximately 26.4 MMB at the same time last year.
- U.S. propane consumption was lower week over week at approximately 1.2 MMB/D. Consumption stood at almost 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 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>.

¹ E-85 data availability is limited this week, so caution should be exercised when comparing E-85 prices from this week to previous data.