



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

April 21, 2017

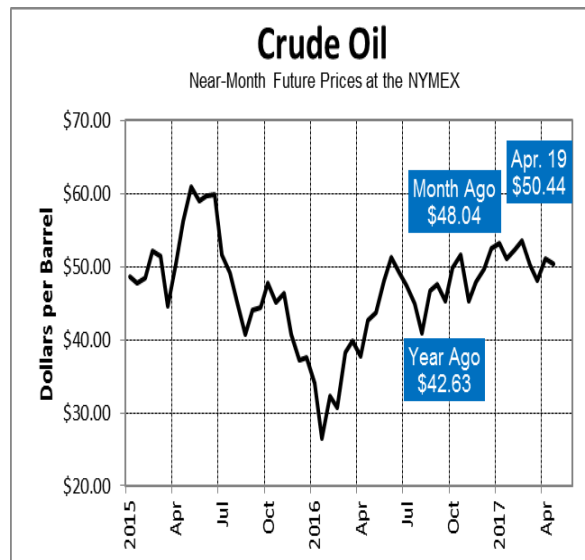
(Data are for the week ended April 14, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$2.40 to \$50.44 per barrel in the past month, 18 percent higher compared to this time last year.

<i>Crude Oil - Near Month Future Prices (dollars per barrel)</i>					
	<u>04-19-17</u>	<u>03-22-17</u>	<u>change</u>	<u>04-20-16</u>	<u>change</u>
NYMEX	\$50.44	\$48.04	up 5%	\$42.63	up 18%

- Crude oil futures for May delivery on the NYMEX ended \$1.97, or 3.8 percent, lower on April 19 to settle at \$50.44 per barrel, dropping to a 2-week low after Energy Information Administration (EIA) data showed a smaller-than-expected drop in overall inventory levels and a surprising build in gasoline inventories.
- A global crude glut has persisted even as OPEC and other producing countries have worked to reduce output under an agreement to cut supplies almost 1.8 million barrels per day in the first half of 2017. Growth in U.S. oil stockpiles and production has cast doubt on whether the OPEC cuts were enough.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$50.44 is \$7.81, or 18 percent, higher.



- Domestic crude production was slightly higher from the prior week at nearly 9.3 MMB/D. Last year at this time, production stood at nearly 9.0 MMB/D. Total crude imports decreased from the prior week at over 7.8 MMB/D. Imports at this time last year averaged nearly 8.2 MMB/D.
- U.S. refinery crude runs increased from the prior week with refiners processing over 16.9 MMB/D. U.S. refinery capacity utilization was up on the week at 92.9 percent. Last year at this time, capacity use stood at 89.2 percent.
- Gasoline output increased on the week at over 9.8 MMB/D. Output was nearly 9.6 MMB/D at this time last year. Distillate output was higher from the prior week at nearly 5.2 MMB/D. Last year at this time, production stood at over 4.7 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at over 19.7 MMB/D, down by 0.8 percent compared to the same period last year.

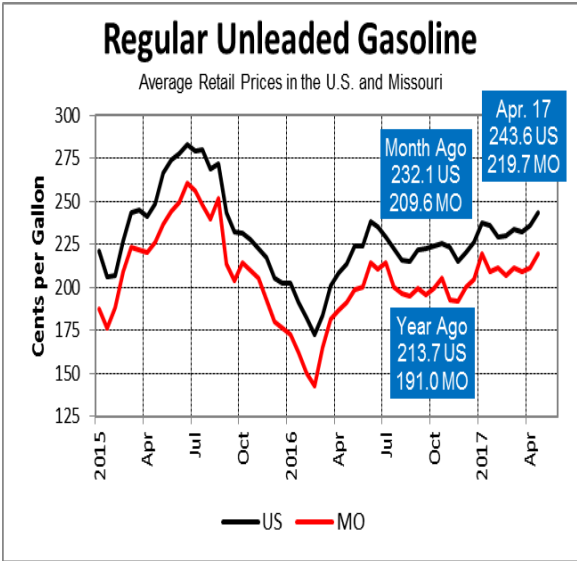
Transportation Fuels

On April 17, Missouri’s statewide average retail price for gasoline was just under \$2.20 per gallon, up 10.1 cents in the past month and up 28.7 cents in the past year.

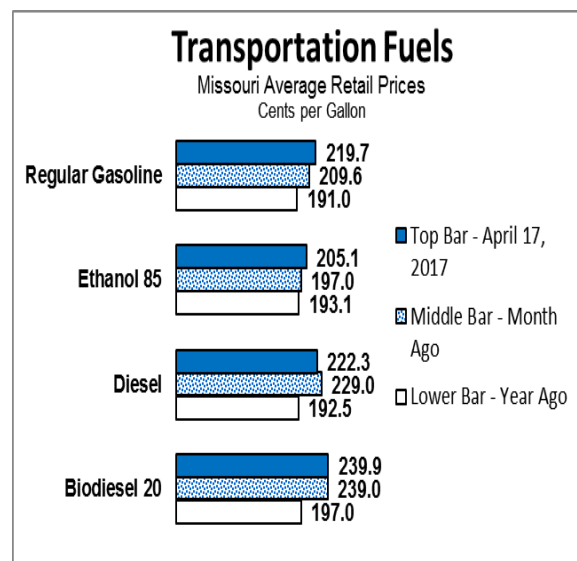
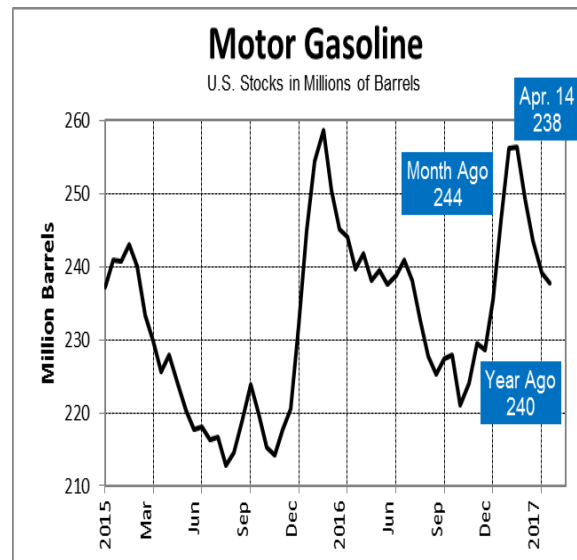
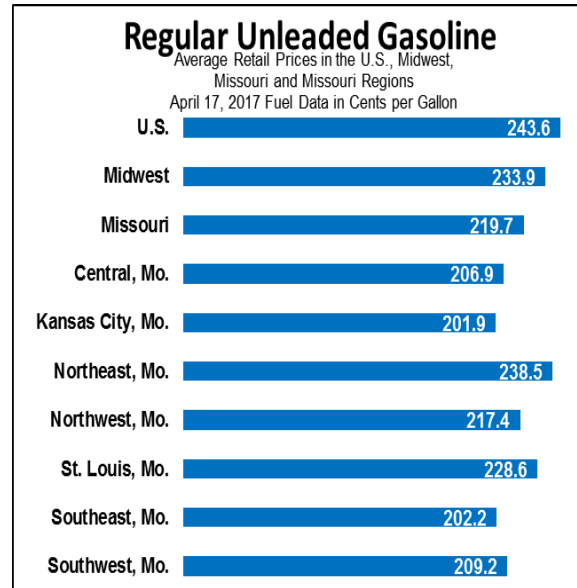
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	04-17-17	03-20-17	change	04-18-16	change
US	243.6	232.1	up 5%	213.7	up 14%
Missouri	219.7	209.6	up 5%	191.0	up 15%

Diesel Fuel - Retail Prices (cents per gallon)					
	04-17-17	03-20-17	change	04-18-16	change
US	259.7	253.9	up 2%	216.5	up 20%
Missouri	222.3	229.0	down 3%	192.5	up 15%

- On April 17, Missouri’s average retail price for gasoline was just under \$2.20 per gallon, up 10.1 cents in the past month.
- Missouri’s average price for diesel fuel was over \$2.22 per gallon, down 6.7 cents in the past month.
- Compared to last year at this time, Missouri’s average retail gasoline price is 28.7 cents per gallon, or 15 percent, higher while the average retail diesel fuel price is 29.8 cents per gallon, or 15 percent, higher.
- At nearly \$2.44, the U.S. average price for regular gasoline is 11.5 cents per gallon, or 5 percent, higher compared to last month.
- The U.S. average price for regular gasoline is up 29.9 cents per gallon, or 14 percent, compared to this time last year. In the past week, the U.S. average increased by 1.2 cents per gallon.



- Gasoline imports increased from the prior week at over 0.8 MMB/D. Last year at this time, imports stood at nearly 0.8 MMB/D.
- Implied demand for gasoline decreased on the week at over 9.2 MMB/D. Demand stood at over 9.4 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged over 9.3 MMB/D.
- U.S. gasoline supplies increased 1.5 MMB on the week to 237.7 MMB. U.S. supplies are 2.0 MMB lower compared to this time last year.
- Distillate stocks decreased 2.0 MMB on the week at 148.3 MMB and stand 11.7 MMB lower compared to the same period last year.
- Distillate demand decreased on the week at nearly 4.2 MMB/D. Demand stood at nearly 4.3 MMB/D at this time last year. On a four-week average, distillate demand was higher at nearly 4.3 MMB/D.
- On April 17, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$2.05 per gallon, 14.6 cents, or 6.6 percent, lower than the average price for conventional motor gasoline.
- On April 17, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.40 per gallon, 17.6 cents per gallon, or 7.9 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated April 11, 2017, U.S. regular gasoline retail prices, which averaged \$2.43 per gallon in 2015 and \$2.15 per gallon in 2016, are projected to average \$2.39 in 2017.



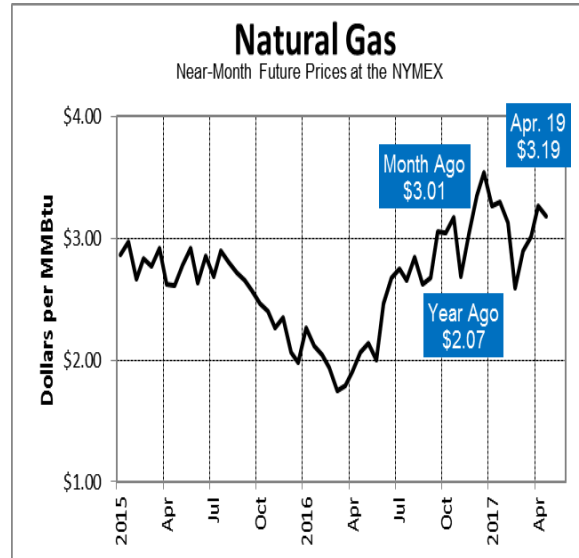
Natural Gas

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 April 19, 2017, natural gas futures on the NYMEX closed at \$3.19 per million British thermal units (MMBtu), up \$1.12, or 54 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>04-19-17</u>	<u>03-22-17</u>	<u>change</u>	<u>04-20-16</u>	<u>change</u>
NYMEX	\$3.19	\$3.01	up 6%	\$2.07	up 54%

- The May 2017 NYMEX futures contract settled at \$3.19 per MMBtu on April 19, up 4.0 cents from the prior settlement.
- Futures are up \$1.12, or 54 percent, in the past year.
- Working gas in storage was 2,115 Bcf, 15.4 percent above the five-year average inventory level for the week. According to EIA's April 14, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 368 Bcf, or 14.8 percent, lower than last year at this time.
- According to the EIA, net injections into storage totaled 10 Bcf, compared with the five-year (2012–16) average net injection of 12 Bcf and last year's net withdrawal of 1 Bcf during the same week.
- Temperatures in the Lower 48 states averaged 53°F, 4°F higher than the normal and 2°F higher than last year at this time. Temperatures were warmer than normal in most areas of the Lower 48 states outside of the New England and Mountain Census divisions. Temperatures in the New England Census division averaged 41°F, 1°F lower than the normal and the same as last year at this time, and temperatures in the Mountain Census division averaged 46°F, 1°F lower than the normal and 2°F lower than last year at this time.
- According to the EIA, total U.S. consumption of natural gas fell by 7 percent compared with the previous report week. Decreasing natural gas use is typical for the "shoulder season" between winter's high heating demand and summer's large power burn. Power burn declined by 5 percent week over week, while industrial sector consumption decreased by 1 percent. Residential and commercial sector consumption declined by 15 percent because of the warmer weather. Natural gas exports to Mexico decreased 2 percent from last week.



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 2017, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2017.)

On April 3, the average Missouri retail price for residential propane was over \$1.55 per gallon, down 4.8 cents in the past month and up 27.9 cents in the past year.

Propane - Retail Prices (cents per gallon)					
	<u>04-03-17</u>	<u>03-06-17</u>	<u>change</u>	<u>04-04-16</u>	<u>change</u>
Missouri	155.2	160.0	down 3%	127.3	up 22%

- According to the Division of Energy's most recent statewide propane price survey conducted April 3, the average Missouri retail residential propane price was over \$1.55 per gallon, down 4.8 cents in the past month and up 27.9 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.99 per gallon. The lowest retail price was \$1.29 per gallon.
- U.S. propane stocks decreased by 0.7 MMB last week to 39.6 MMB as of April 14, 2017, 29.3 million barrels, or 42.5 percent, lower than a year ago. Midwest propane stocks declined by 0.1 MMB to 11.2 MMB. Midwest inventories stood at nearly 15.4 MMB at this time last year.
- U.S. propane consumption was lower on the week at over 0.9 MMB/D. Consumption stood at over 0.9 MMB/D last year at this time.

For more information on propane, please visit:

<http://energy.mo.gov/energy/services/be-prepared-for-propane>

To access previous issues of the Energy Bulletin, or to subscribe, please visit:

<http://energy.mo.gov/energy/stay-informed/missouri-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, visit:

<http://energy.mo.gov/energy/about/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 several retail providers located throughout the state. 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>.