



Division of Energy

MISSOURI ENERGY BULLETIN

April 22, 2016

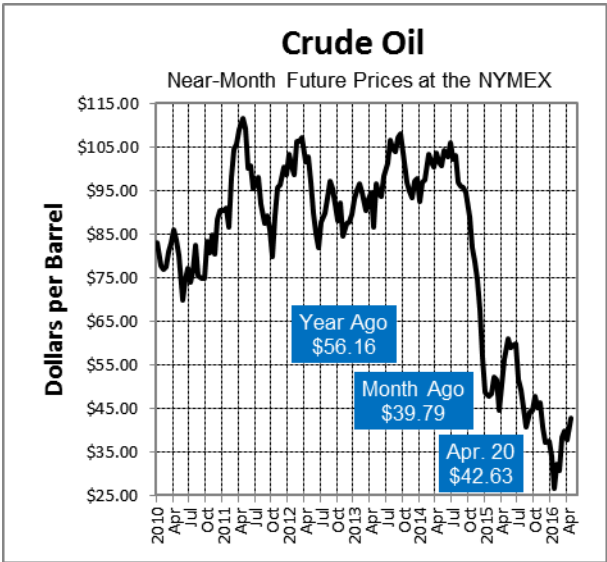
(Data is for the week ended April 15, 2016, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$2.84 to \$42.63 per barrel in the past month and stand 24 percent lower compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>04-20-16</u>	<u>03-23-16</u>	<u>change</u>	<u>04-22-15</u>	<u>change</u>
NYMEX	\$42.63	\$39.79	up 7%	\$56.16	down 24%

- NYMEX crude oil futures for June 2016 delivery ended \$1.55, or 3.8 percent, higher on April 20 to settle at \$42.63 per barrel, a new record, on a smaller-than-expected build and speculation that major oil producers were meeting again in May for another attempt at curtailing global oil production.
- WTI crude futures were further buoyed by the end of an oil worker strike in Kuwait and the OPEC member’s announcement to increase output.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$42.63 is \$13.53, or 24 percent, lower.
- According to the April 20 weekly Energy Information Administration’s (EIA) fuels report, U.S. crude inventories increased 2.1 million barrels (MMB) on the week to 538.6 MMB, a new storage record. U.S. crude supplies are now 49.6 MMB, or 10 percent, higher compared to this time last year.
- Domestic crude production was relatively unchanged from the prior week at nearly 9.0 MMB/D. Last year at this time, production stood at nearly 9.4 MMB/D. Total crude imports increased from the prior week at 8.2 MMB/D. Imports at this time last year averaged 7.8 MMB/D.



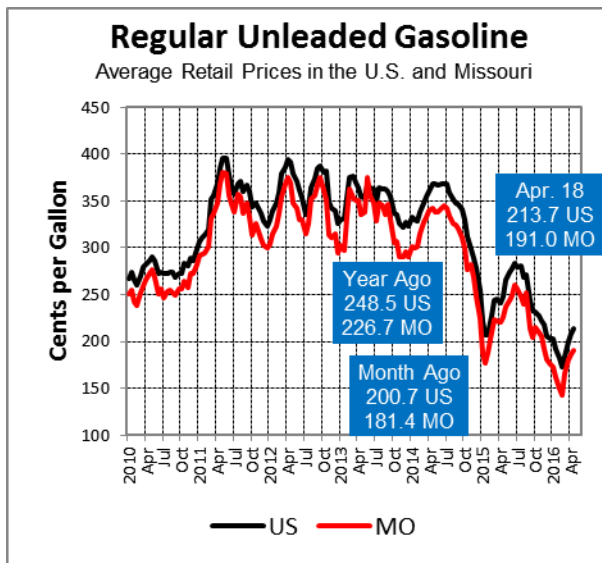
- U.S. refinery crude runs increased from the prior week with refiners processing 16.1 MMB/D. U.S. refinery capacity utilization was up on the week at 89.4 percent. Last year at this time, capacity use stood at 91.2 percent.
- Gasoline output increased on the week at 9.7 MMB/D. Output was about 9.8 MMB/D at this time last year. Distillate output decreased from the prior week at 4.7 MMB/D. Last year at this time, production stood at nearly 4.8 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 19.9 MMB/D, up by 3.7 percent compared to the same period last year.

Transportation Fuels

On April 18, Missouri's statewide average retail price for gasoline was \$1.91 per gallon, up 9.6 cents in the past month and down 35.7 cents in the past year.

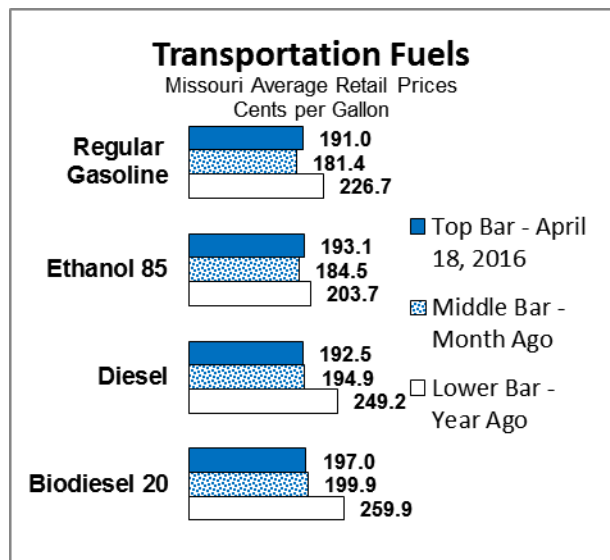
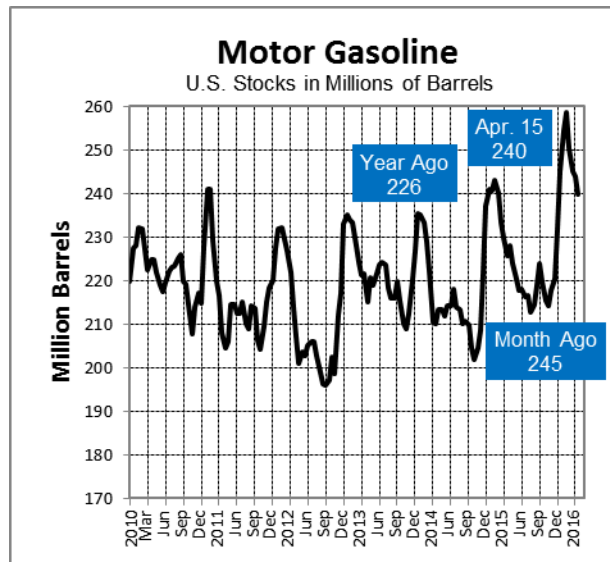
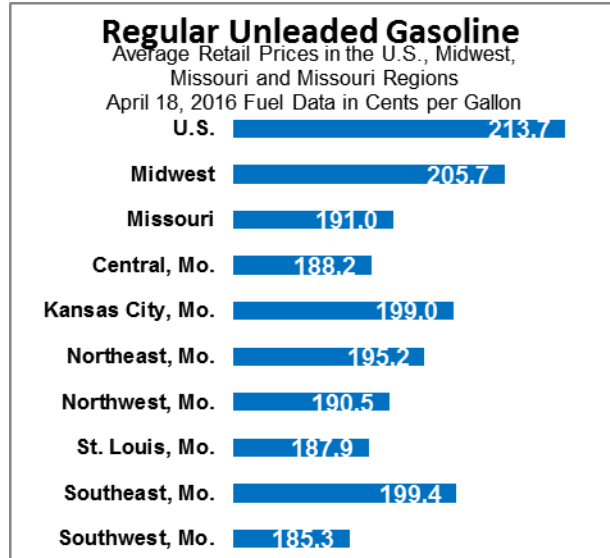
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	04-18-16	03-21-16	change	04-20-15	change
US	213.7	200.7	up 6%	248.5	down 14%
Missouri	191.0	181.4	up 5%	226.7	down 16%

Diesel Fuel - Retail Prices (cents per gallon)					
	04-18-16	03-21-16	change	04-20-15	change
US	216.5	211.9	up 2%	278.0	down 22%
Missouri	192.5	194.9	down 1%	249.2	down 23%



- On April 18, Missouri's average retail price for gasoline was \$1.91 per gallon, up 9.6 cents in the past month.
- Missouri's average price for diesel fuel was about \$1.93 per gallon, down 2.4 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 35.7 cents per gallon, or 16 percent, lower while the average retail diesel fuel price is 56.7 cents per gallon, or 23 percent, lower.
- At \$2.14, the U.S. average price for regular gasoline is 13.0 cents per gallon, or 6 percent, higher compared to last month.
- The U.S. average price for regular gasoline was down 34.8 cents per gallon, or 14 percent, compared to this time last year. In the past week, the U.S. average increased by 6.8 cents per gallon.

- Gasoline imports increased from the prior week at 0.8 MMB/D. Last year at this time imports stood at 0.7 MMB/D.
- Implied demand for gasoline decreased on the week at 9.4 MMB/D. Demand stood at 9.2 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.4 MMB/D; about 0.4 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies decreased 0.1 MMB on the week to 239.7 MMB. U.S. supplies are up 13.9 MMB compared to this time last year and trend well above the five-year average for this time of year.
- Distillate stocks decreased on the week at 159.9 MMB and stand 30.6 MMB higher compared to the same period last year.
- Distillate demand increased on the week at nearly 4.3 MMB/D. Demand stood at 3.9 MMB/D at this time last year. On a four-week average, distillate demand was higher at nearly 3.9 MMB/D.
- On April 18, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$1.93 per gallon, 2.1 cents, or 1.1 percent, higher than the average price for conventional motor gasoline.
- On April 18, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel was \$1.97 per gallon, 4.5 cents per gallon, or 2.4 percent, higher than the average price for conventional diesel fuel.
- According to EIA's April 12, 2016, *Short Term Energy Outlook*, U.S. regular gasoline retail prices, which averaged \$2.43 per gallon in 2015, are projected to average \$1.94 per gallon in 2016.



Natural Gas

Approximately 52 percent (1,236,651) 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 20, natural gas futures on the NYMEX closed at \$2.07 per million British thermal units (MMBtu), up \$0.28, or 16 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	04-20-16	03-23-16	change	04-22-15	change
NYMEX	\$2.07	\$1.79	up 16%	\$2.61	down 21%

- The May 2016 NYMEX futures contract settled at \$2.07 per MMBtu on April 20, down 1.9 cents from the prior settlement and up about 3.3 cents in the past week. Futures are up 28.0 cents in the past month.

- In the past year, natural gas prices have decreased by \$0.54 per MMBtu, or 21 percent.

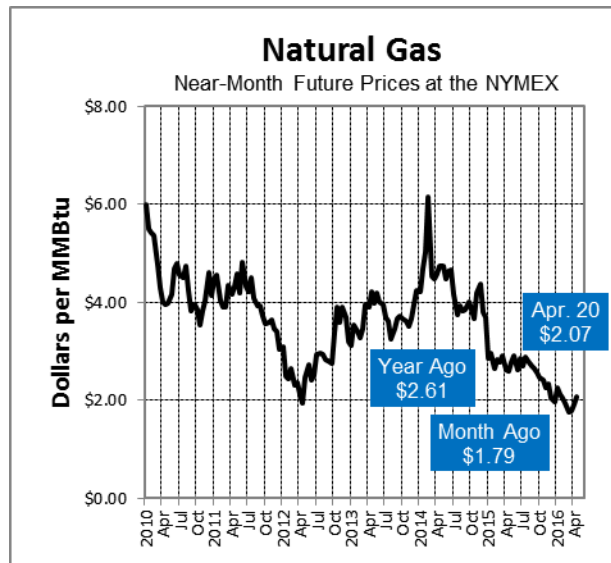
- Working gas in storage was 2,484 Bcf, 48.5 percent above the five-year average inventory level for the week. According to EIA's April 7, 2016 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 881 Bcf, or 55.0 percent, higher than last year at this time.

- Current domestic net injections are significantly below historical levels, according to the EIA.

Net injections into storage totaled 7 Bcf during the storage report week ending April 20. These injections contrast with the five-year (2011-15) average net injection of 45 Bcf, and last year's net injection of 82 Bcf during the same week. In the first two weeks of the 2016 injection season, which began on April 1, net injections into storage have totaled 4 Bcf, compared with the five-year average of 67 Bcf for the same period

- Temperatures in the Lower 48 states averaged 50°F during the storage report week, 4 percent below normal and 12 percent below last year at this time. The exceptions to this pattern occurred in the Pacific, Mountain, and West South Central U.S. Census regions, where temperatures were above normal.

- According to the EIA, overall natural gas consumption fell by 12.1 percent because of mild spring weather. Residential and commercial consumption fell by 30.6 percent. Consumption of natural gas for electric power generation increased 2.1 percent, and industrial consumption fell 4.1 percent. Pipeline exports to Mexico increased by 3.2 percent.



Propane

Approximately 10 percent (227,100) 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 2016, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2016.)

On April 4, the average Missouri retail price for residential propane was about \$1.27 per gallon, 0.8 cent lower in the past month and down 44.7 cents in the past year.

Propane - Retail Prices (cents per gallon)					
	<u>04-04-16</u>	<u>03-07-16</u>	<u>change</u>	<u>04-06-15</u>	<u>change</u>
Missouri	127.3	128.1	down 1%	172.0	down 26%

- According to the Division of Energy's most recent statewide propane price survey conducted April 4, the average Missouri retail residential propane price was about \$1.27 per gallon, 0.8 cent lower in the past month and down 44.7 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was about \$1.79 per gallon, an increase of 13.1 cents or 8 percent in the past month. The lowest retail price was \$0.99 per gallon, down 3.9 cents or 4 percent in the past month.
- U.S. propane stocks increased by 1.2 MMB last week to 68.9 as of April 15, 2016, 6.9 MMB, or 11.1 percent, higher than a year ago. Midwest inventories increased by 0.5 MMB on the week to 15.4 MMB. Midwest inventories stood at 17.4 MMB at this time last year.
- At 0.9 MMB/D, U.S. demand for propane is about 6.2 percent higher compared to last year at this time.

For more information on propane, please visit:

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

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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>.