



Missouri Department of Natural Resources Division of Energy

MISSOURI ENERGY BULLETIN

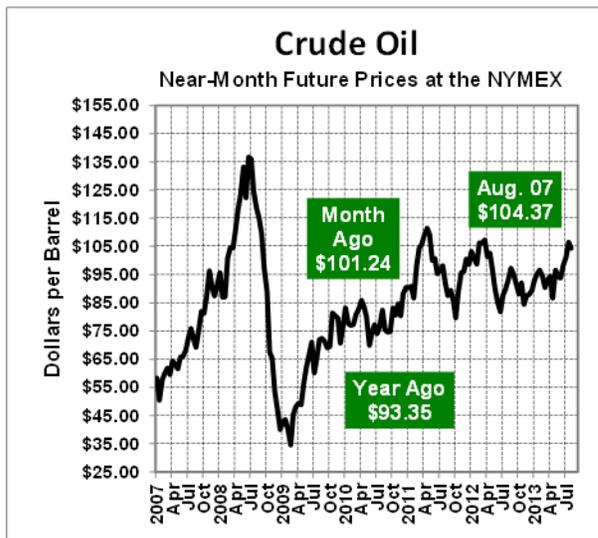
August 9, 2013

(Data is for the week ended August 2, 2013, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased \$3.13, or 3 percent, to \$104.37 per barrel in the past month and stand 12 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	08-07-13	07-03-13	change	08-08-12	change
NYMEX	\$104.37	\$101.24	up 3%	\$93.35	up 12%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for September delivery ended \$0.93, or 0.9 percent, lower on August 7 to close at \$104.37 per barrel, capping the biggest four-day slide in 9 months as the Federal Reserve indicated that it may pare massive bond purchases next month.
- U.S. oil futures weakened following statements from Chicago Fed President Charles Evans and Dallas Fed President Richard Fisher that the central bank is closer to slowing bond purchases, and warned investors not to rely on the \$85 billion a month bond-buying program beginning September.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$104.37 is \$11.02, or 12 percent, higher.
- Total petroleum products supplied to market over the last four-week period averaged 19.7 million barrels per day (MMB/D), up by 3.7 percent compared to the similar period last year. According to the August 7 Energy Information Administration (EIA) weekly fuels report, U.S. oil inventories decreased 1.3 MMB at 363.3 MMB. U.S. crude supplies are now 6.6 MMB lower than at this time last year.

- Crude imports decreased 254,000 barrels per day (B/D) from the prior week at 7.9 MMB/D. Imports at this time last year averaged 8.6 MMB/D.
- U.S. refinery crude runs decreased, with refiners processing 15.9 MMB/D of crude. U.S. refinery capacity use was 90.9 percent, down 0.4 percent from the prior week and down 1.7 percent compared to this time last year.
- Gasoline output increased at 9.3 MMB/D on the week and was up 419,000 B/D compared to the production level at this time last year. Distillate output was up slightly on the week at 4.9 MMB/D, an increase of about 91,000 B/D, and stands 218,000 B/D higher compared to the production level at this time last year.

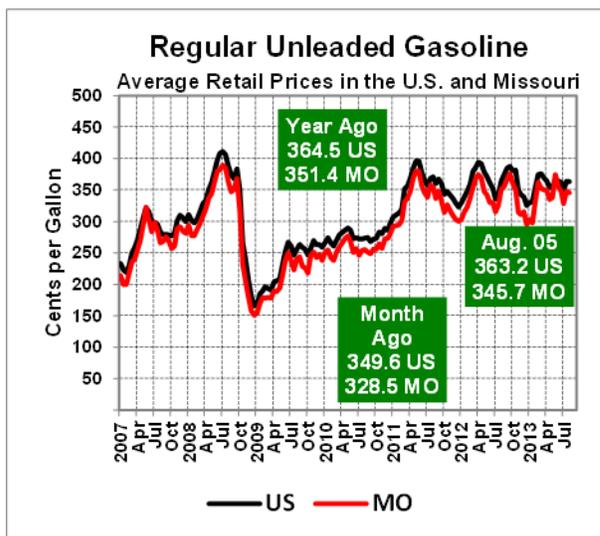
Transportation Fuels

On July 15, Missouri's statewide average retail price for gasoline was about \$3.46 per gallon, up 17.2 cents in the past month and down 5.7 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	08-05-13	07-01-13	change	08-06-12	change
US	363.2	349.6	up 4%	364.5	down 0%
Missouri	345.7	328.5	up 5%	351.4	down 2%

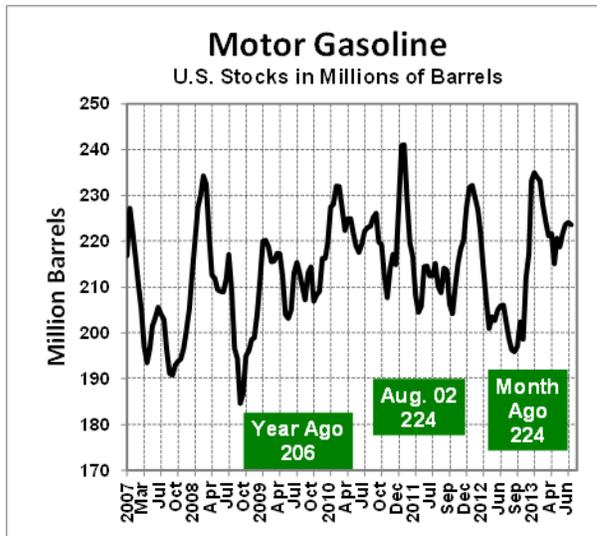
Diesel Fuel - Retail Prices (cents per gallon)					
	08-05-13	07-01-13	change	08-06-12	change
US	363.2	381.7	down 5%	385.0	down 6%
Missouri	370.0	362.0	up 2%	368.6	up 0%

- On August 5, Missouri's average retail price for gasoline was about \$3.46 per gallon, an increase of 17.2 cents in the past month. The average price for diesel fuel was up by 8.0 cents per gallon in the past month. Missouri's average retail gasoline price is 5.7 cents, or 2 percent, lower, while the average retail diesel fuel price is 1.4 cents, or less than 1 percent, higher for the comparable period in August 2012.



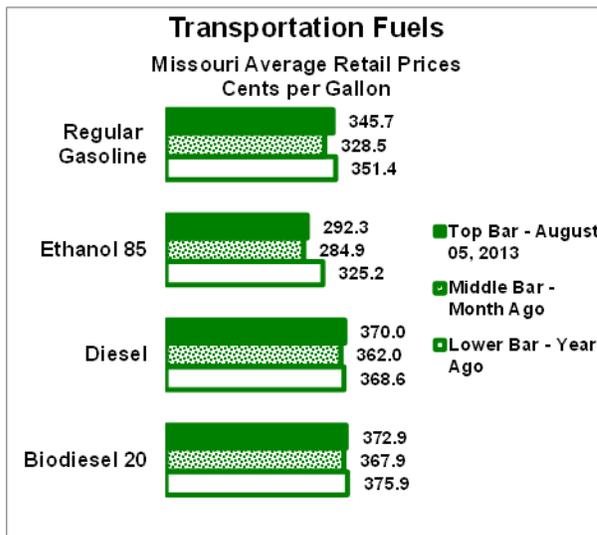
- The U.S. average price for regular gasoline was up by 13.6 cents, or 4.0 percent, per gallon compared to last month at \$3.63 per gallon. The U.S. average was down by 1.3 cents compared to this time last year. In the past week, the U.S. average decreased by 1.4 cents per gallon.

- Gasoline imports increased by 224,000 B/D from the prior week at 0.7 MMB/D. Imports are 82,000 B/D higher than last year at this time.



- Implied demand for gasoline increased at 9.2 MMB/D from the prior week and stands about 400,000 B/D higher compared to this time last year. In the past four weeks, U.S. gasoline demand has averaged about 9.0 MMB/D, an increase of 300,000 B/D compared to the same four-week period last year.

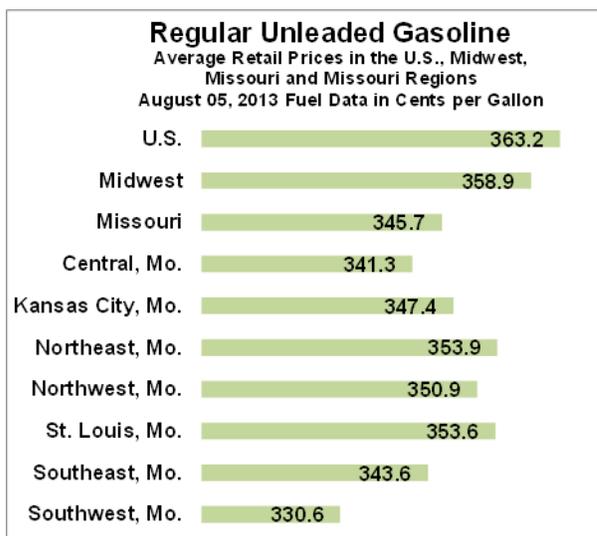
- U.S. gasoline supplies increased 0.1 MMB at 223.6 MMB on the week. U.S. gasoline inventories are up 17.5 MMB compared to this time last year and trend above the upper range of the five-year average for this time of year.



- Distillate stocks increased 0.5 MMB at 126.5 MMB and stand 2.9 MMB higher compared to the same period last year. Distillate demand decreased 100,000 B/D at 3.9 MMB/D on the week and up 84,000 B/D compared to the same period last year. On a four-week average, distillate demand was up 398,000 B/D compared to the same period last year at 3.6 MMB/D.

- On August 5, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.92 per gallon, 54.0 cents or 15.6 percent lower than the average price for conventional motor gasoline.

- On August 5, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$3.73 per gallon, 3.0 cents or 0.8 percent higher than the average retail price for conventional diesel fuel.



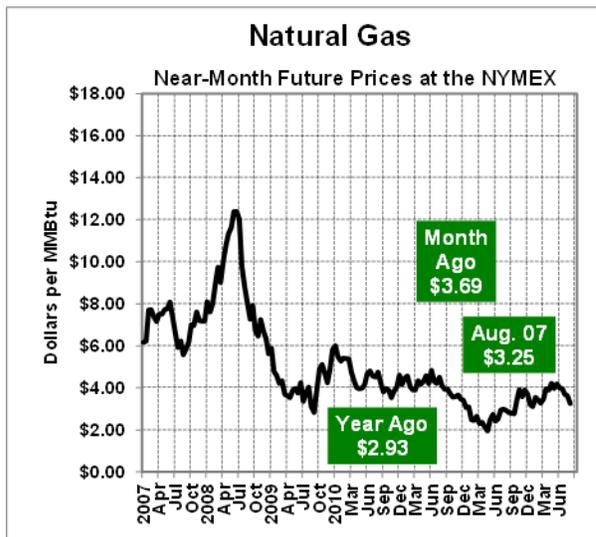
- According to the August 6, 2013, *Short Term Energy Outlook*, EIA expects the regular gasoline retail price to average \$3.59 per gallon in the third quarter of 2013, and the annual average price to decline from an average of \$3.63 per gallon in 2012 to \$3.52 per gallon in 2013, and to \$3.37 per gallon in 2014.

Natural Gas

Approximately 58 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On August 7, natural gas futures at the NYMEX closed at \$3.25 per million British thermal units (MMBtu), down 44 cents from a month ago and up 32 cents compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	08-07-13	07-03-13	change	08-08-12	change
NYMEX	\$3.25	\$3.69	down 12%	\$2.93	up 11%



- At the NYMEX, natural gas futures for September 2013 delivery ended 7.1 cents lower on August 7 to close at \$3.25 per MMBtu. In the past year, natural gas values have increased 32 cents or 11 percent.
- For the reporting week July 31 to August 7, the price of the September 2013 contract fell by 19.9 cents, from \$3.45 per MMBtu to \$3.25 per MMBtu. The 12-month strip (the average of the 12 contracts between August 2013 and July 2014) declined by 17.5 cents from \$3.73 per MMBtu to \$3.56 per MMBtu.
- According to EIA, U.S. natural gas consumption in the power sector was up due to higher electricity demand while all other sectors were down for the report week. Consumption of natural gas for power generation (power burn) increased 5.6 percent from the previous week. Residential and commercial consumption decreased 6.8 percent week-on-week, and industrial consumption decreased 0.4 percent.
- Working gas in storage totaled 2,941 billion cubic feet (Bcf), 0.7 percent above the five-year average inventory level for the week, according to EIA's *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 297 Bcf, or 9.2 percent, lower than last year at this time.

Propane

Approximately 13 percent (293,603) of Missouri households use propane to heat their homes. Propane is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

(Note: Beginning April 2013, residential retail propane prices will be reported only for the first full week of each month through September 2013.)

On August 5, the average Missouri retail price for residential propane was about \$1.56 per gallon, down 4.1 cents in the past month, and down 1 percent compared to last year at this time.

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>08-05-13</u>	<u>07-01-13</u>	<u>change</u>	<u>08-06-12</u>	<u>change</u>
Missouri	155.9	160.0	down 3%	154.1	down 1%

- According to the Division of Energy's statewide propane price survey conducted August 5, the average Missouri retail residential propane price was about \$1.56 per gallon, down 4.1 cents in the past month and down 1 percent compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$1.93 per gallon, while the lowest retail price was about \$1.36 per gallon.
- U.S. inventories of propane increased by about 0.5 MMB to end at 61.8 MMB. Propane inventories are now 6.2 MMB, or 9.2 percent, lower compared to the same period last year. Implied demand for propane increased by 185,000 B/D at 1.1 MMB/D on the week and down 32,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories decreased 0.2 MMB barrels on the week. At 20.9 MMB, Midwest inventories are 6.0 MMB, or 22.3 percent, lower than the 26.9 MMB reported at this time last year.

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The *Missouri Energy Bulletin* is distributed twice a month by the Missouri Department of Natural Resources' 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 Natural Resources, Division of Energy, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: 573-751-3443 or 800-361-4827; Fax: 573-751-6860; Email: energy@dnr.mo.gov; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm.