



## Division of Energy

# MISSOURI ENERGY BULLETIN

August 10, 2015

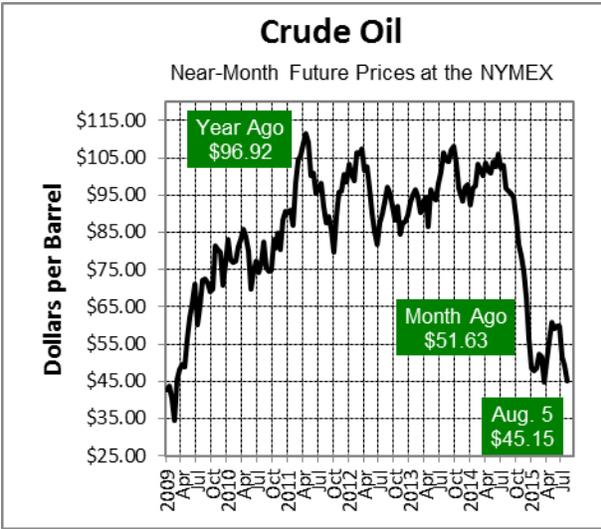
*(Data is for the week ended July 31, 2015, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices decreased by \$10.73 to \$45.15 per barrel in the past month and stand 53 percent lower compared to this time last year.**

Crude Oil - Near Month Future Prices (dollars per barrel)					
	08-05-15	07-08-15	change	08-06-14	change
NYMEX	\$45.15	\$51.63	down 13%	\$96.92	down 53%

- On the NYMEX, crude oil futures for September delivery ended \$0.59, or 1.3 percent, lower on the August 5 trade day to settle at \$45.15 per barrel, falling to a new multi-month low after weekly inventory data showed a small increase in domestic oil production.
- Futures fell to the lowest settlement since March 19, 2015. Oil prices have weakened in recent weeks on concerns that persistently high production in the U.S. and elsewhere could keep the market oversupplied through the end of the year. Output remains near multiyear highs in the U.S., Saudi Arabia and Iraq, and the Iran nuclear deal could lift sanctions on Iranian crude exports.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$45.15 is \$51.77, or 53 percent, lower.
- According to the August 5 weekly Energy Information Administration (EIA) fuels report, U.S. crude inventories decreased 4.4 million barrels (MMB) to 455.3 MMB. U.S. crude supplies are now 89.7 MMB higher compared to this time last year.



- Crude imports decreased from the prior week at 7.2 MMB/D, nearly 0.4 MMB/D lower compared to imports at this time last year. Domestic crude production was higher at about 9.5 MMB/D on the week. Last year at this time, production stood at about 8.5 MMB/D.
- U.S. refinery crude runs decreased from the prior week with refiners processing 17.1 MMB/D of crude. U.S. refinery capacity use was up on the week at 96.1 percent. Last year at this time, capacity use stood at 92.4 percent.
- Gasoline output was unchanged on the week at nearly 10.0 MMB/D. Likewise, gasoline production at this time last year averaged 10.0 MMB/D. Distillate output was unchanged from the prior week at just over 5.0 MMB/D. Last year at this time, production stood at about 4.8 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.3 MMB/D, up by 3.6 percent compared to the same period last year.

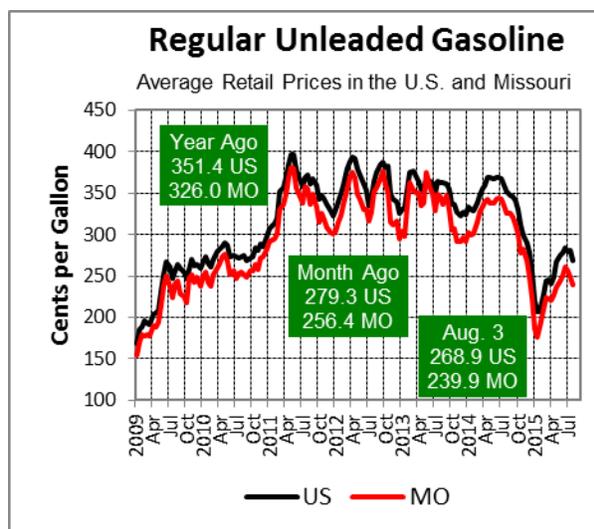
## Transportation Fuels

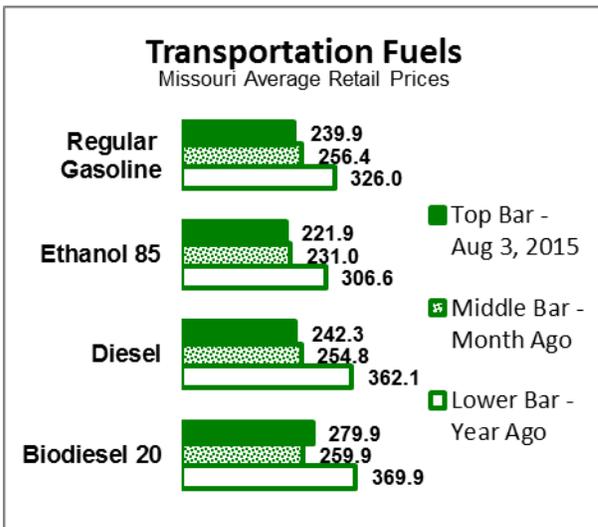
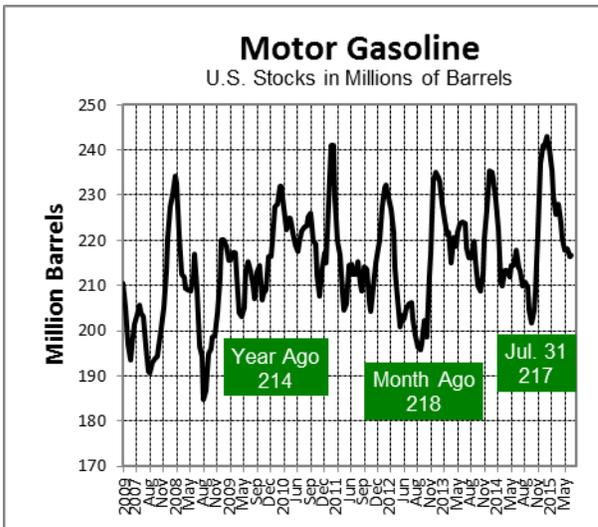
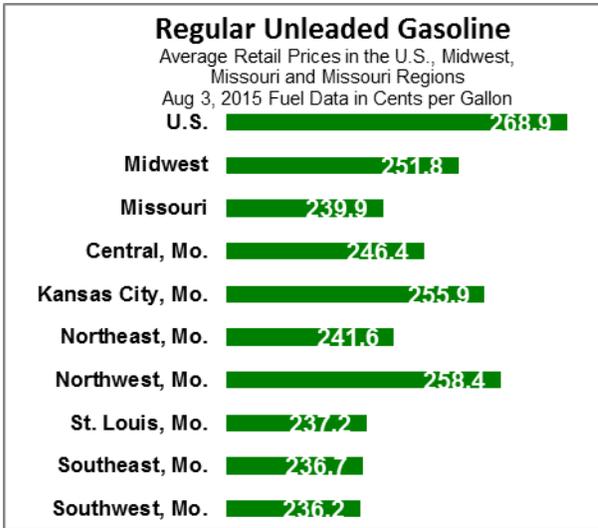
**On August 3, Missouri's statewide average retail price for gasoline was about \$2.40 per gallon, down 16.5 cents in the past month and down 86.1 cents in the past year.**

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	<u>08-03-15</u>	<u>07-06-15</u>	<u>change</u>	<u>08-04-14</u>	<u>change</u>
US	268.9	279.3	down 4%	351.5	down 23%
Missouri	239.9	256.4	down 6%	326.0	down 26%

Diesel Fuel - Retail Prices (cents per gallon)					
	<u>08-03-15</u>	<u>07-06-15</u>	<u>change</u>	<u>08-04-14</u>	<u>change</u>
US	266.8	283.2	down 6%	385.3	down 31%
Missouri	242.3	254.8	down 5%	362.1	down 33%

- On August 3, Missouri's average retail price for gasoline was about \$2.40 per gallon, down 16.5 cents in the past month.
- Missouri's average price for diesel fuel was \$2.42 per gallon, down 12.5 cents per gallon, or 5 percent, in the past month.
- Missouri's average retail gasoline price is 86.1 cents per gallon, or 26 percent, lower while the average retail diesel fuel price is 119.8 cents per gallon, or 33 percent, lower for the comparable period in August 2014.
- At nearly \$2.69, the U.S. average price for regular gasoline is 10.4 cents per gallon, or 4 percent, lower compared to last month.
- The U.S. average was down 82.6 cents per gallon, or 23 percent, compared to this time last year. In the past week, the U.S. average decreased by 5.6 cents per gallon.





- Gasoline imports increased from the prior week at 0.8 MMB/D, about 0.4 MMB/D higher compared to last year at this time.
- Implied demand for gasoline increased at nearly 9.7 MMB/D. At this time last year, demand was 9.4 MMB/D.
- In the past four weeks, U.S. gasoline demand has averaged 9.5 MMB/D, 0.5 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies increased 0.8 MMB on the week to 216.7 MMB. U.S. supplies are up 2.9 MMB compared to this time last year and trend within the five-year average for this time of year.
- Distillate stocks increased at 144.8 MMB and stand 19.9 MMB higher compared to the same period last year.
- Distillate demand increased on the week at nearly 3.8 MMB/D. Demand stood at 4.0 MMB/D at this time last year. On a four-week average, distillate demand was unchanged at 3.7 MMB/D.
- On August 3, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.22 per gallon, 18.0 cents or 7.6 percent lower than the average price for conventional motor gasoline.
- On August 3, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$2.80 per gallon, 37.6 cents or 15.6 percent higher than the average retail price for conventional diesel fuel.
- According to the July 7, 2015, *Short Term Energy Outlook*, regular gasoline retail prices are forecast to average \$2.48 per gallon in 2015 compared with \$3.36 per gallon in 2014.

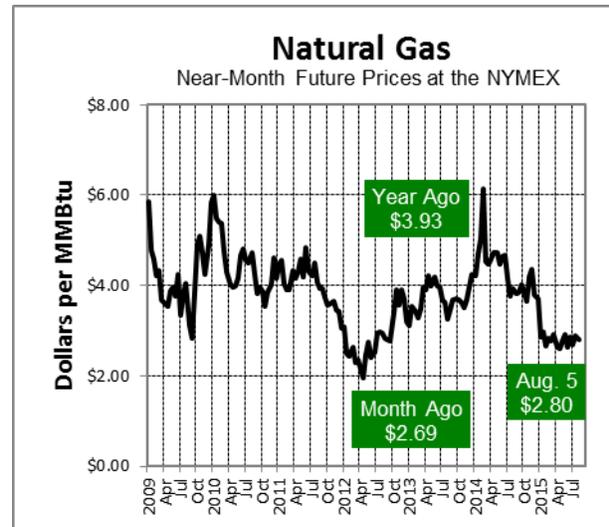
## Natural Gas

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 August 5, natural gas futures at the NYMEX closed at \$2.80 per million British thermal units (MMBtu), up \$0.11, or 4 percent, in the past month.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	08-05-15	07-08-15	change	08-06-14	change
NYMEX	\$2.80	\$2.69	up 4%	\$3.93	down 29%

- The September NYMEX contract settled at \$2.80 per MMBtu on the August 5 trade day, a decrease of 1.4 cents from the prior settlement. Futures are up 11 cents in the past month.
- In the past year, natural gas values have decreased by \$1.13 per MMBtu, or 29 percent.
- For the reporting week, July 29 to August 5, the price of the September 2015 contract fell by 6 cents from \$2.86 per MMBtu to \$2.80 per MMBtu.



- According to the EIA, U.S. natural gas consumption declined slightly in all sectors, for an overall decline of 0.7 percent. Consumption of gas for electric power generation fell 0.6 percent, while industrial consumption fell 0.1 percent. Residential and commercial consumption declined 0.8 percent.
- Working gas in storage totaled 2,912 billion cubic feet (Bcf), 2.2 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 535 Bcf, or 22.5 percent, higher than last year at this time.
- From the week ending April 3 (the beginning of the injection season) through the week ending July 31, net storage injections totaled 1,451 Bcf, or 93 Bcf less than the 1,544 Bcf injected during the same 18 weeks in 2014. During these weeks for the years 2010-14, net injections into storage averaged 1,197 Bcf.
- The estimated average unit value of the natural gas storage holders put into storage from April 3 to July 31 this year is \$2.77 per MMBtu, 38 percent lower than the average value of \$4.46 per MMBtu for the same 18 weeks last year.

## 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 2015, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2015.)*

**On August 3, the average Missouri retail price for residential propane was about \$1.21 per gallon, 7.7 cents lower in the past month and down 58.5 cents in the past year.**

Propane - Retail Prices (cents per gallon)					
	<u>08-03-15</u>	<u>07-06-15</u>	<u>change</u>	<u>08-04-14</u>	<u>change</u>
Missouri	121.1	128.8	down 6%	179.6	down 33%

- According to the Division of Energy's most recent statewide propane price survey conducted August 3, the average Missouri retail residential propane price was about \$1.21 per gallon, 7.7 cents lower in the past month and down 58.5 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.93 per gallon. The lowest retail price was \$0.95 per gallon.
- U.S. propane stocks increased by 0.9 MMB last week to 90.4 MMB as of July 31, 2015, 21.9 MMB (32.0%) higher than a year ago. Midwest inventories increased by 0.7 MMB to 26.1 MMB, 3.2 MMB (14.0%) higher than a year ago.
- U.S. demand for propane increased on the week to about 1.1 MMB/D as of July 31, 2015. Propane demand is slightly higher compared to this time last year.

**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](mailto:energy@ded.mo.gov); Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.