



Department of Economic Development  
 Division of Energy

**MISSOURI ENERGY BULLETIN**

March 9, 2018

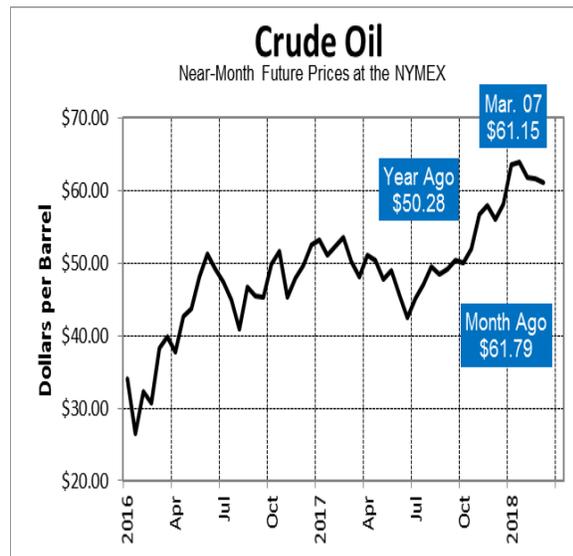
*(Data are for the week ended March 2, 2018, unless stated otherwise.)*

**Crude Oil**

**U.S. crude oil prices decreased by \$0.64 to \$61.15 per barrel in the past month, 22 percent higher compared to this time last year.**

| <b>Crude Oil - Near Month Future Prices (dollars per barrel)</b> |                 |                 |                |                 |               |
|--|-----------------|-----------------|----------------|-----------------|---------------|
|  | <u>03-07-18</u> | <u>02-07-18</u> | <u>change</u>  | <u>03-08-17</u> | <u>change</u> |
| <b>NYMEX</b>   | <b>\$61.15</b>  | <b>\$61.79</b>  | <b>down 1%</b> | <b>\$50.28</b>  | <b>up 22%</b> |

- Crude oil futures for April delivery on the NYMEX ended \$1.45, or 2.3 percent, lower on March 7 to settle at \$61.15 per barrel, as financial markets slid amid concerns that Washington’s plans for import tariffs could spark a trade war, and after the Energy Information Administration (EIA) data showed an increase in crude inventories and output.
- The EIA said on March 6 it expects US crude output in the 4th quarter of 2018 to reach an average of 11.17 million bpd (MMB/D), up from the previous forecast a month ago of 11.04 MMB/D. This would make it a bigger producer than Russia, now ranked No 1. Last year, the US surpassed Saudi Arabia.



- Compared to this time last year, the U.S. crude oil futures settlement price of \$61.15 is \$10.87, or 22 percent, higher.

- Domestic crude production was higher compared to the prior week at nearly 10.5 MMB/D. Last year at this time, production stood at nearly 9.1 MMB/D. Total crude imports were higher from the prior week at over 8.0 MMB/D. Imports at this time last year averaged nearly 8.2 MMB/D.
- U.S. crude oil supplies increased 2.4 MMB on the week to 425.9 MMB. U.S. supplies are 102.5 MMB lower compared to this time last year.
- U.S. refinery crude runs were higher from the prior week with refiners processing nearly 16.0 MMB/D. U.S. refinery capacity utilization was higher on the week at 88.0 percent. Last year at this time, capacity use stood at 85.9 percent.
- Gasoline output was higher on the week at over 9.9 MMB/D. Output was over 9.8 MMB/D at this time last year. Distillate output was higher from the prior week at over 4.6 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 20.3 MMB/D, up by 3.4 percent compared to the same period last year.

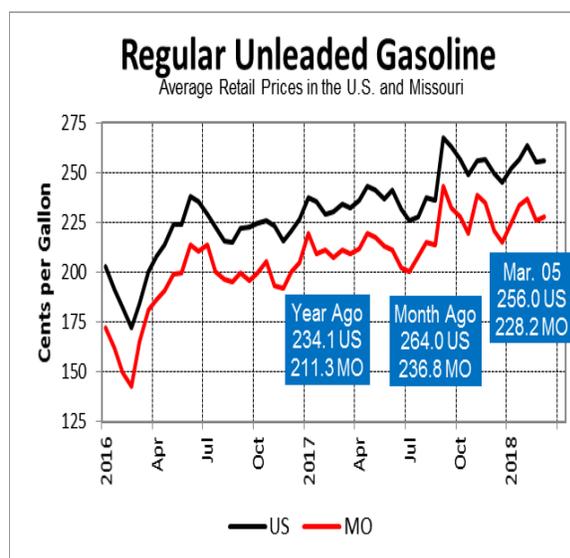
## Transportation Fuels

**On March 5, Missouri's statewide average retail price for gasoline was over \$2.28 per gallon, down 8.6 cents in the past month and up 16.9 cents in the past year.**

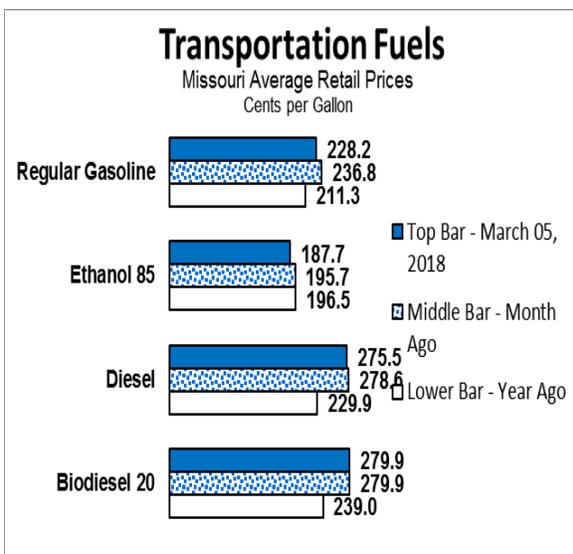
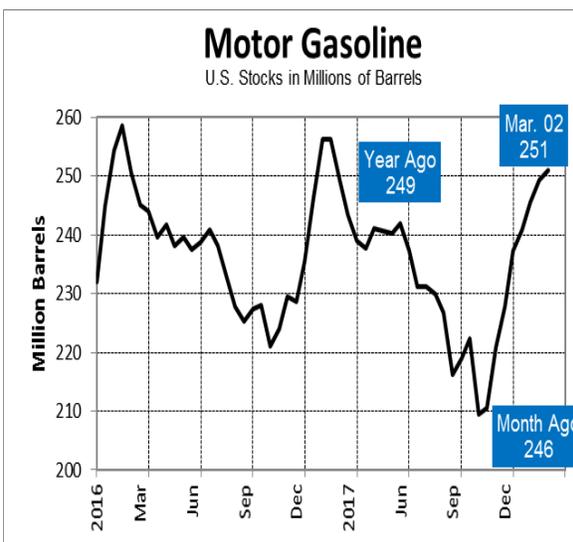
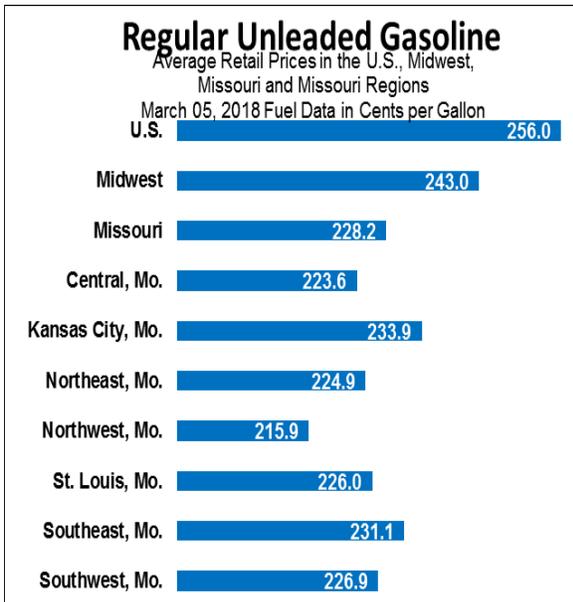
| <i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i> |                 |                 |               |                 |               |
|---|-----------------|-----------------|---------------|-----------------|---------------|
|   | <u>03-05-18</u> | <u>02-05-18</u> | <u>change</u> | <u>03-06-17</u> | <u>change</u> |
| <b>US</b>   | 256.0           | 264.0           | down 3%       | 234.1           | up 9%         |
| <b>Missouri</b>   | 228.2           | 236.8           | down 4%       | 211.3           | up 8%         |

| <i>Diesel Fuel - Retail Prices (cents per gallon)</i> |                 |                 |               |                 |               |
|---|-----------------|-----------------|---------------|-----------------|---------------|
|   | <u>03-05-18</u> | <u>02-05-18</u> | <u>change</u> | <u>03-06-17</u> | <u>change</u> |
| <b>US</b>   | 299.2           | 308.6           | down 3%       | 257.9           | up 16%        |
| <b>Missouri</b>                                       | 275.5           | 278.6           | down 1%       | 229.9           | up 20%        |

- On March 5, Missouri's average retail price for gasoline was over \$2.28 per gallon, down 8.6 cents in the past month.
- Missouri's average price for diesel fuel was over \$2.75 per gallon, down 3.1 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 16.9 cents per gallon, or 8 percent, higher while the average retail diesel fuel price is 45.6 cents per gallon, or 20 percent, higher.
- At \$2.56, the U.S. average price for regular gasoline is 8.0 cents per gallon, lower compared to last month.



- The U.S. average price for regular gasoline is 21.9 cents per gallon, or 9 percent, higher 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 0.6 MMB/D. Last year at this time, imports stood at over 0.2 MMB/D.
- Implied demand for gasoline was higher on the week nearly 9.3 MMB/D. Demand stood at nearly 9.3 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.1 MMB/D.
- U.S. gasoline supplies were lower on the week at 251.0 MMB. U.S. supplies are 1.7 MMB higher compared to this time last year.
- Distillate stocks decreased 0.6 MMB on the week at 137.4 MMB and stand 24.1 MMB lower compared to the same period last year.
- Distillate demand was unchanged on the week at over 3.9 MMB/D. Demand stood at over 4.0 MMB/D at this time last year. On a four-week average, distillate demand was higher at over 4.0 MMB/D.
- On March 5, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was nearly \$1.88 per gallon, 40.5 cents, or 17.7 percent, lower than the average price for conventional motor gasoline.
- On March 5, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.80 per gallon, 4.4 cents per gallon, or 0.01 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated March 6, 2018, U.S. regular gasoline retail prices, which averaged \$2.15 per gallon in 2016, and \$2.42 in 2017, are projected to average \$2.60 in 2018.



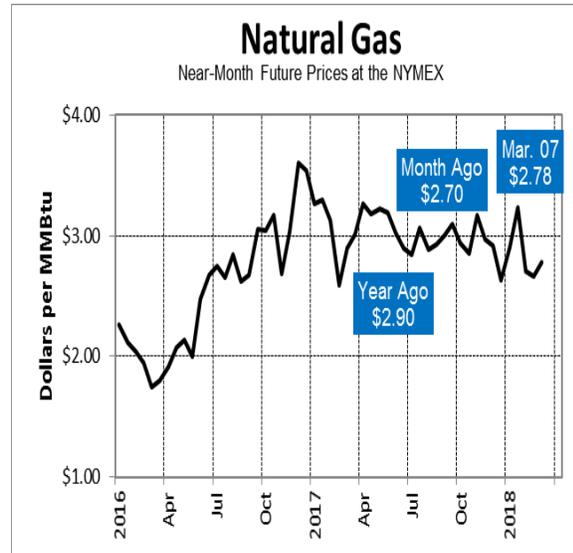
## Natural Gas

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 March 7, 2018, natural gas futures on the NYMEX closed at \$2.78 per million British thermal units (MMBtu), up \$0.08, or 3 percent, in the past month.**

| Natural Gas - Near Month Future Prices (dollars per MMBtu) |                 |                 |               |                 |               |
|--|-----------------|-----------------|---------------|-----------------|---------------|
|  | <u>03-07-18</u> | <u>02-07-18</u> | <u>change</u> | <u>03-08-17</u> | <u>change</u> |
| NYMEX  | \$2.78          | \$2.70          | up 3%         | \$2.90          | down 4%       |

- The April 2018 NYMEX futures contract settled at \$2.78 per MMBtu on March 7, up 2.8 cents from the prior settlement.
- In the past month, the futures contract has increased 8.0 cents, or 3 percent.
- Futures are down \$0.12, or 4 percent, in the past year.
- Working gas in storage was 1,625 billion cubic feet (Bcf), 15.6 percent below the five-year average inventory level for the week. According to EIA's March 8, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 680 Bcf, or 29.5 percent, lower than last year at this time.



- According to the EIA, net withdrawals from storage totaled 57 Bcf for the week ending March 2, compared with the five-year (2013–17) average net withdrawal of 129 Bcf and last year's net withdrawals of 57 Bcf during the same week.
- Temperatures in the Lower 48 states averaged 45 degrees Fahrenheit (°F), 5°F higher than the normal, 2°F lower than last year at this time, and 1°F higher than the average temperature of the prior storage week.
- According to the EIA, total U.S. consumption of natural gas rose by 2 percent compared with the previous report week. Natural gas consumed for power generation declined by 5 percent week over week. Industrial sector consumption increased by 1 percent week over week. In the residential and commercial sectors, consumption increased by 10 percent as temperatures generally became colder, except on the West Coast. Natural gas exports to Mexico were the same as last week, averaging 4.3 Bcf/d.

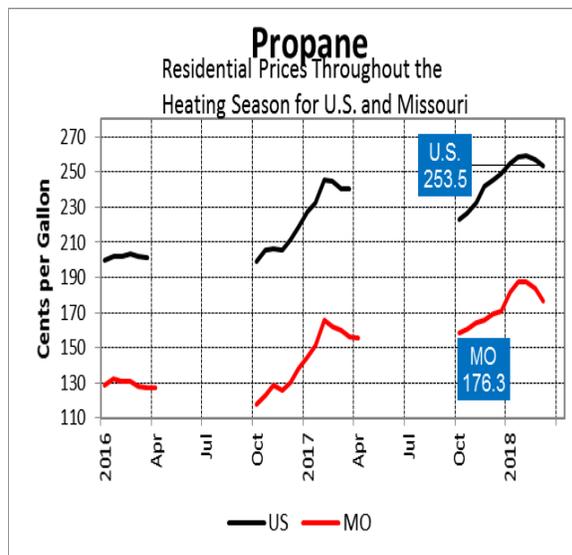
## Propane

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.

**On March 5, the average Missouri retail price for residential propane was over \$1.76 per gallon, up 16.3 cents, or 10 percent, in the past year.**

| Propane - Retail Prices (cents per gallon) |          |          |         |          |        |
|--|----------|----------|---------|----------|--------|
|  | 03-05-18 | 02-05-18 | change  | 03-06-17 | change |
| Missouri                                   | 176.3    | 187.6    | down 6% | 160.0    | up 10% |

- According to the Division of Energy's most recent statewide propane price survey conducted March 5, the average Missouri retail residential propane price was over \$1.76 per gallon, up 16.3 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.30 per gallon. The lowest retail price was \$1.49 per gallon.
- U.S. propane/propylene stocks decreased by 1.6 MMB last week to 41.1 MMB as of March 2, 2018, 6.1 MMB or 13.0 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories decreased by over 0.3 MMB to nearly 9.9 MMB last week. Midwest inventories stood at over 12.5 MMB at this time last year.
- U.S. propane consumption increased on the week at over 1.6 MMB/D. Consumption stood at nearly 1.5 MMB/D 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](mailto:energy@ded.mo.gov); Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.