



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

October 10, 2017

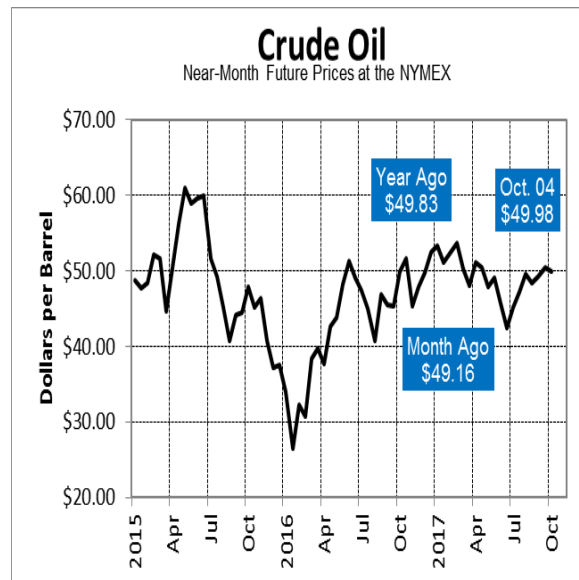
(Data are for the week ended September 29, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$0.82 to 49.98 per barrel in the past month, less than 1 percent higher compared to this time last year.

<i>Crude Oil - Near Month Future Prices (dollars per barrel)</i>					
	<u>10-04-17</u>	<u>09-06-17</u>	<u>change</u>	<u>10-05-16</u>	<u>change</u>
NYMEX	\$49.98	\$49.16	up 2%	\$49.83	up <1%

- Crude oil futures for November delivery on the NYMEX ended \$0.44, or 0.9 percent, lower on October 4 to settle at \$49.98 per barrel, after a surprising jump in US exports to a record 2 million barrels per day (bpd) fanned worries about global oversupply.
- According to the Energy Information Administration (EIA), US crude stockpiles fell on the week ended September 29, but crude exports rose to 1.98 million bpd, the EIA said. US exports have become more attractive to buyers as the price of WTI futures has been trading at a steep discount to Brent. Rising U.S. crude production has held down WTI prices, while output cuts led by OPEC has heavily influenced Brent’s price.



- Compared to this time last year, the U.S. crude oil futures settlement price of \$49.98 is \$0.15, or less than 1 percent, higher.

- Domestic crude production was slightly higher than in the prior week at nearly 9.6 MMB/D. Last year at this time, production stood at nearly 8.5 MMB/D. Total crude imports decreased from the prior week at over 7.2 MMB/D. Imports at this time last year averaged over 7.7 MMB/D.
- U.S. crude oil supplies decreased 6.0 MMB on the week to 465.0 MMB. U.S. supplies are 4.1 MMB lower compared to this time last year.
- U.S. refinery crude runs decreased from the prior week with refiners processing nearly 16.0 MMB/D. U.S. refinery capacity utilization was lower on the week at 88.1 percent. Last year at this time, capacity use stood at 88.3 percent.
- Gasoline output was unchanged on the week at nearly 9.9 MMB/D. Output was nearly 10.0 MMB/D at this time last year. Distillate output was higher from the prior week at over 4.9 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 20.2 MMB/D, up by 1.9 percent compared to the same period last year.

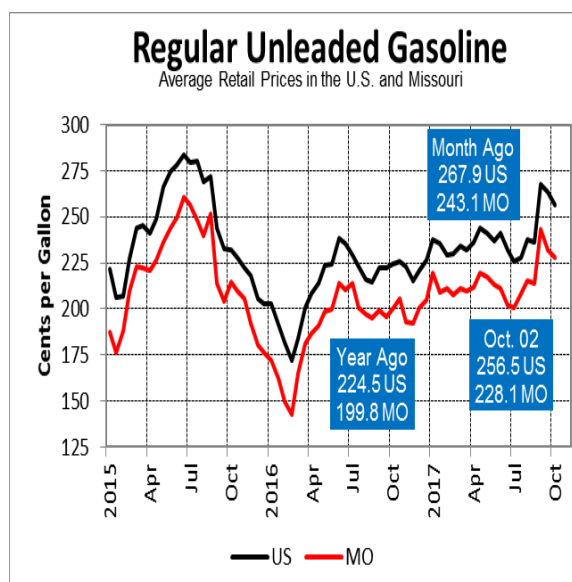
Transportation Fuels

On October 2, Missouri's statewide average retail price for gasoline was over \$2.28 per gallon, down 15.0 cents in the past month and up 28.3 cents in the past year.

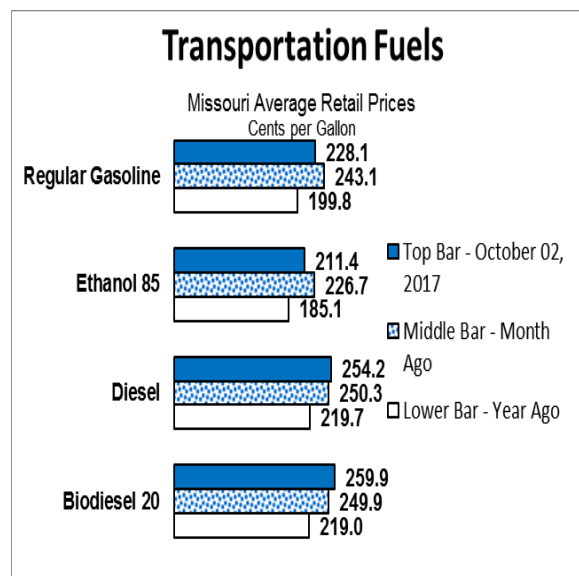
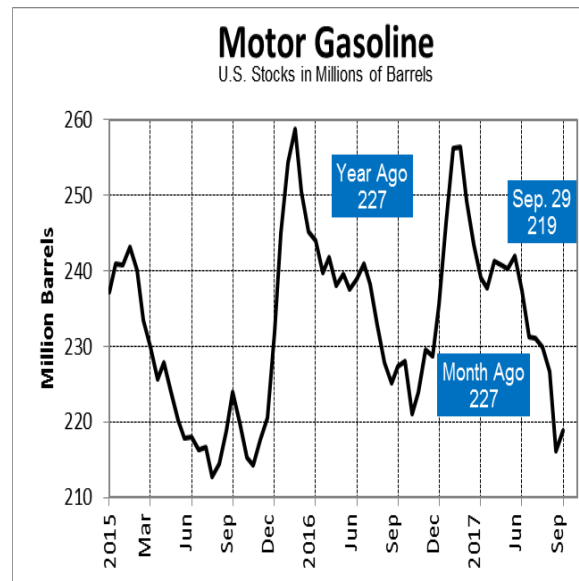
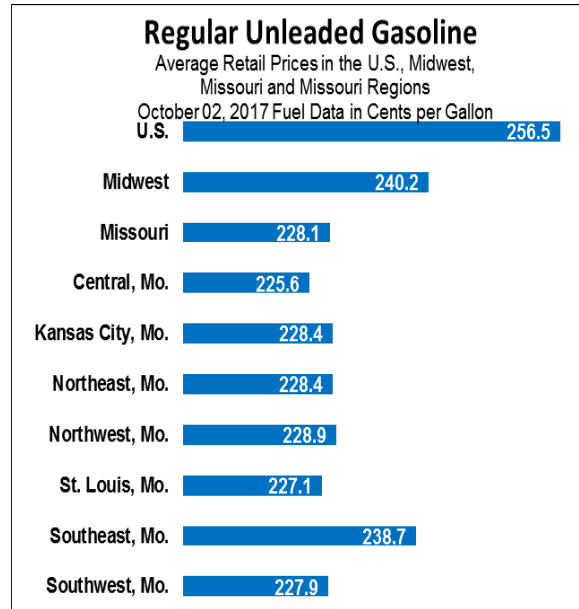
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>10-02-17</u>	<u>09-06-17</u>	<u>change</u>	<u>10-03-16</u>	<u>change</u>
US	256.5	267.9	down 4%	224.5	up 14%
Missouri	228.1	243.1	down 6%	199.8	up 14%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>10-02-17</u>	<u>09-06-17</u>	<u>change</u>	<u>10-03-16</u>	<u>change</u>
US	279.2	275.8	up 1%	238.9	up 17%
Missouri	254.2	250.3	up 2%	219.7	up 16%

- On October 2, Missouri's average retail price for gasoline was over \$2.28 per gallon, up 15.0 cents in the past month.
- Missouri's average price for diesel fuel was over \$2.54 per gallon, up 3.9 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 28.3 cents per gallon, or 14 percent, higher while the average retail diesel fuel price is 34.5 cents per gallon, or 16 percent, higher.
- At over \$2.56, the U.S. average price for regular gasoline is 11.4 cents per gallon, or 4 percent, lower compared to last month.



- The U.S. average price for regular gasoline is 32.0 cents per gallon, or 14 percent, higher compared to this time last year. In the past week, the U.S. average decreased by 1.8 cents per gallon.
- Gasoline imports decreased from the prior week at nearly 0.9 MMB/D. Last year at this time, imports stood at over 1.0 MMB/D.
- Implied demand for gasoline decreased on the week at over 9.2 MMB/D. Demand stood at nearly 9.4 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.5 MMB/D.
- U.S. gasoline supplies increased 1.6 MMB on the week to 218.9 MMB. U.S. supplies are 8.5 MMB lower compared to this time last year.
- Distillate stocks decreased 2.6 MMB on the week at 135.4 MMB and stand 25.3 MMB lower compared to the same period last year.
- Distillate demand increased on the week at over 4.0 MMB/D. Demand stood at nearly 3.9 MMB/D at this time last year. On a four-week average, distillate demand was higher at nearly 4.2 MMB/D.
- On October 2, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was over \$2.11 per gallon, 16.7 cents, or 7.3 percent, lower than the average price for conventional motor gasoline.
- On October 2, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.60 per gallon, 5.7 cents per gallon, or 2.2 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated September 12, 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 \$2.36 in 2017.



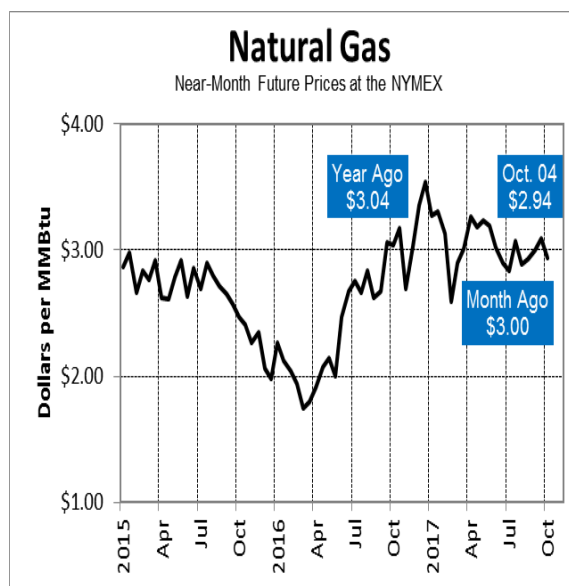
Natural Gas

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 October 4, 2017, natural gas futures on the NYMEX closed at \$2.94 per million British thermal units (MMBtu), down \$0.06, or 2 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>10-04-17</u>	<u>09-06-17</u>	<u>change</u>	<u>10-05-16</u>	<u>change</u>
NYMEX	\$2.94	\$3.00	down 2%	\$3.04	down 3%

- The November 2017 NYMEX futures contract settled at \$2.94 per MMBtu on October 4, up 4.5 cents from the prior settlement.
- In the past month, the futures contract has decreased 6 cents, or 2 percent.
- Futures are down \$0.10, or 3 percent, in the past year.
- Working gas in storage was 3,508 billion cubic feet (Bcf), 0.2 percent below the five-year average inventory level for the week. According to EIA's October 5, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 161 Bcf, or 4.4 percent, lower than last year at this time.



- According to the EIA, net injections into storage totaled 42 Bcf for the week ending September 29, compared with the five-year (2012–16) average net injections of 91 Bcf and last year's net injections of 76 Bcf during the same week.
- Temperatures in the Lower 48 states averaged 71°F, which is 7°F higher than the normal and the same as last year at this time. Temperatures in the Mountain Census division averaged 56°F, which is 6°F lower than the normal and 8°F lower than last year at this time, and temperatures in the Pacific Census division averaged 65°F, which is 1°F lower than the normal and 5°F lower than last year at this time.
- According to the EIA, total U.S. consumption of natural gas fell by 14 percent compared with the previous report week. Natural gas consumed for power generation declined by 24 percent week over week. Industrial sector consumption increased by 2 percent week over week. In the residential and commercial sectors, consumption declined by 13 percent. Natural gas exports to Mexico increased 1 percent.

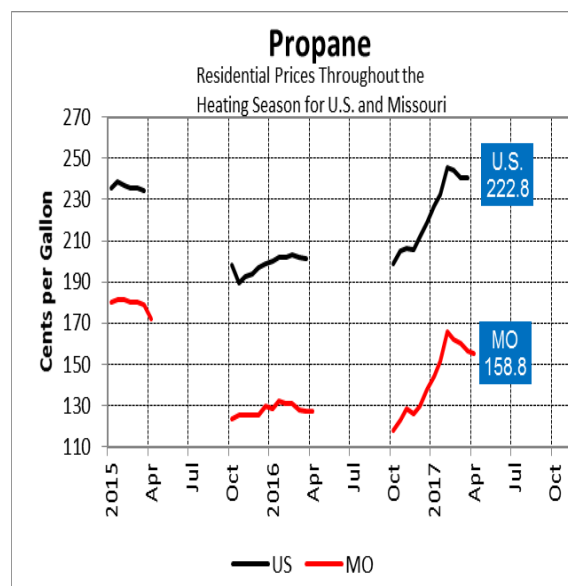
Propane

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 October 2, the average Missouri retail price for residential propane was almost \$ 1.59 per gallon, up 19.7 cents in the past month and up 41.1 cents in the past year.

Propane - Retail Prices (cents per gallon)					
	10-02-17	09-07-17	change	10-03-16	change
Missouri	158.8	139.1	up 14%	117.7	up 35%

- According to the Division of Energy's most recent statewide propane price survey conducted October 2, the average Missouri retail residential propane price was almost \$1.59 per gallon, up 19.7 cents in the past month and up 41.1 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.00 per gallon. The lowest retail price was \$1.39 per gallon.
- U.S. propane stocks decreased by 0.4 MMB last week to 78.0 MMB as of September 29, 2017, 26.0 MMB, or 25.0 percent, lower than a year ago. Midwest propane stocks decreased week-over-week by over 0.1 MMB to nearly 26.4 MMB last week. Midwest inventories stood at nearly 29.2 MMB at this time last year.
- U.S. propane consumption was lower on the week at nearly 1.0 MMB/D. Consumption stood at over 1.0 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; Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.