



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

November 14, 2017

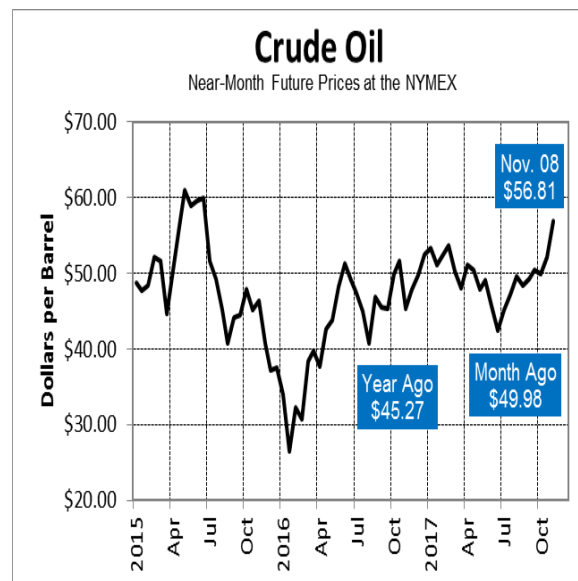
(Data are for the week ended November 3, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$6.83 to \$56.81 per barrel in the past month, 25 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>11-08-17</u>	<u>10-04-17</u>	<u>change</u>	<u>11-09-16</u>	<u>change</u>
NYMEX	\$56.81	\$49.98	up 14%	\$45.27	up 25%

- Crude oil futures for December delivery on the NYMEX ended \$0.39, or 0.7 percent, lower on November 8 to settle at \$56.81 per barrel, after U.S. Energy Information Administration (EIA) data showed rising domestic crude production, a surprise build in U.S. inventories, and a decline in monthly Chinese crude imports, a triple blow that was offset somewhat by rising tensions in the Middle East.
- According to the EIA, U.S. crude production rose to 9.62 million barrels per day (bpd) during the week of November 3, the highest weekly output on record according to federal energy data going back to 1983. China's October oil imports fell to just 7.3 million bpd from a near record-high of about 9 million bpd in September, according to data from the General Administration of Customs. Traders said they were also watching escalating tensions in the Middle East, especially between regional rivals Saudi Arabia and Iran.



- Compared to this time last year, the U.S. crude oil futures settlement price of \$56.81 is \$11.54, or 25 percent, higher.
- Domestic crude production was higher than in the prior week at nearly 9.3 MMB/D. Last year at this time, production stood at over 8.5 MMB/D. Total crude imports decreased from the prior week at over 7.6 MMB/D. Imports at this time last year averaged nearly 7.6 MMB/D.
- U.S. crude oil supplies increased 2.2 MMB on the week to 457.1 MMB. U.S. supplies are 27.9 MMB lower compared to this time last year.
- U.S. refinery crude runs were unchanged from the prior week with refiners processing over 15.9 MMB/D. U.S. refinery capacity utilization was higher on the week at 89.6 percent. Last year at this time, capacity use stood at 87.1 percent.
- Gasoline output was higher on the week at nearly 10.1 MMB/D. Output was over 9.9 MMB/D at this time last year. Distillate output was higher from the prior week at nearly 5.2 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 over 19.9 MMB/D, down by 0.8 percent compared to the same period last year.

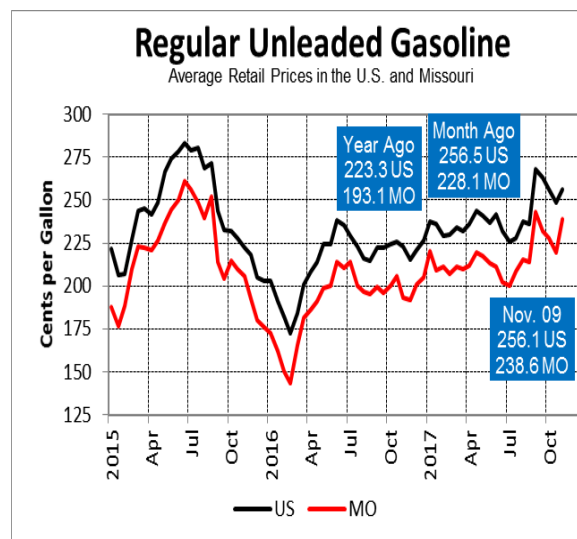
Transportation Fuels

On November 9, Missouri's statewide average retail price for gasoline was nearly \$2.39 per gallon, up 10.5 cents in the past month and up 45.5 cents in the past year.

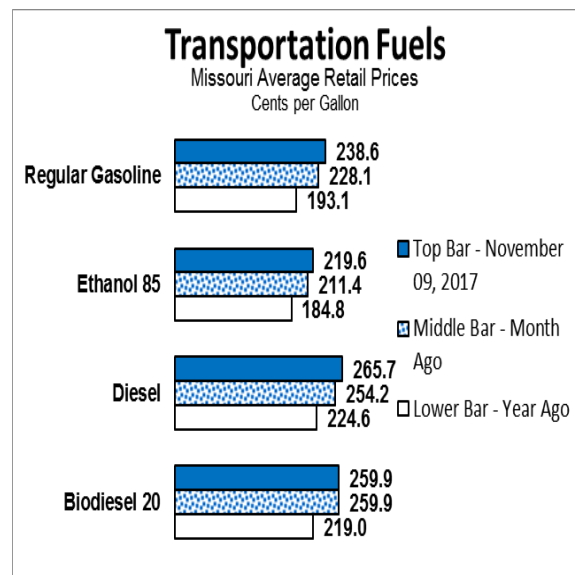
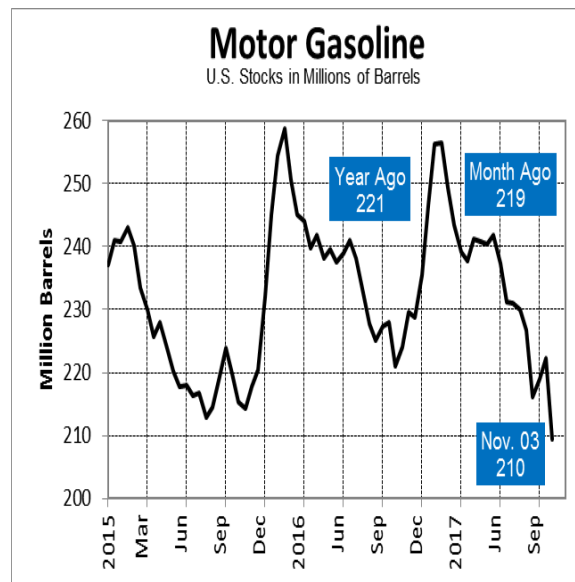
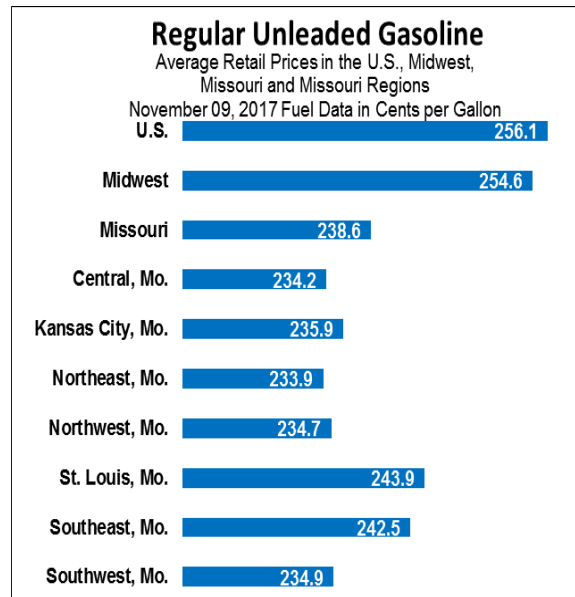
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	11-09-17	10-02-17	change	11-07-16	change
US	256.1	256.5	down<1%	223.3	up 15%
Missouri	238.6	228.1	up 5%	193.1	up 24%

Diesel Fuel - Retail Prices (cents per gallon)					
	11-09-17	10-02-17	change	11-07-16	change
US	288.2	279.2	up 3%	247.0	up 17%
Missouri	265.7	254.2	up 5%	224.6	up 18%

- On November 9, Missouri's average retail price for gasoline was nearly \$2.39 per gallon, up 10.5 cents in the past month.
- Missouri's average price for diesel fuel was almost \$2.66 per gallon, up 11.5 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 45.5 cents per gallon, or 24 percent, higher while the average retail diesel fuel price is 41.1 cents per gallon, or 18 percent, higher.



- At over \$2.56, the U.S. average price for regular gasoline is 0.4 cents per gallon, or less than 1 percent, lower compared to last month.
- The U.S. average price for regular gasoline is 32.8 cents per gallon, or 15 percent, higher compared to this time last year. In the past week, the U.S. average increased by 7.3 cents per gallon.
- Gasoline imports decreased from the prior week at nearly 0.5 MMB/D. Last year at this time, imports stood at nearly 0.7 MMB/D.
- Implied demand for gasoline was unchanged on the week at nearly 9.5 MMB/D. Demand stood at over 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.
- U.S. gasoline supplies decreased 3.3 MMB on the week to 209.5 MMB. U.S. supplies are 23.0 MMB lower compared to this time last year.
- Distillate stocks decreased 3.4 MMB on the week at 125.6 MMB and stand 23.0 MMB lower compared to the same period last year.
- Distillate demand increased on the week at nearly 4.5 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 3.9 MMB/D.
- On November 9, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was almost \$2.20 per gallon, 19.0 cents, or 8.0 percent, lower than the average price for conventional motor gasoline.
- On November 9, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.60 per gallon, 5.8 cents per gallon, or 2.2 percent, lower than the average price for conventional diesel fuel.



- According to EIA’s latest *Short Term Energy Outlook* dated November 7, 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 \$2.40 in 2017.

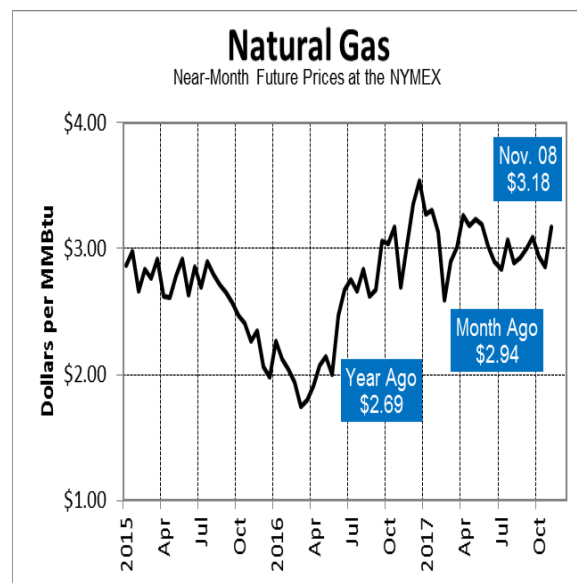
Natural Gas

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 November 8, 2017, natural gas futures on the NYMEX closed at \$3.18 per million British thermal units (MMBtu), up \$0.49, or 18 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>11-08-17</u>	<u>10-04-17</u>	<u>change</u>	<u>11-09-16</u>	<u>change</u>
NYMEX	\$3.18	\$2.94	up 8%	\$2.69	up 18%

- The December 2017 NYMEX futures contract settled at \$3.18 per MMBtu on November 8, up 2.3 cents from the prior settlement.
- In the past month, the futures contract has increased 24 cents, or 8 percent.
- Futures are up \$0.49, or 18 percent, in the past year.
- Working gas in storage was 3,790 billion cubic feet (Bcf), 1.8 percent below the five-year average inventory level for the week. According to EIA’s November 9, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 219 Bcf, or 5.5 percent, lower than last year at this time.



- According to the EIA, net injections into storage totaled 15 Bcf for the week ending November 3, compared with five-year (2012–16) average net injections of 45 Bcf and last year’s net injections of 54 Bcf during the same week.
- Temperatures in the Lower 48 states averaged 50 degrees Fahrenheit (°F), 1°F lower than the normal and 7°F lower than last year at this time. During the prior report week ending October 26, temperatures averaged 59°F. Temperatures in the New England and Middle Atlantic Census divisions averaged 60°F and 58°F, or 11°F and 9°F above normal, respectively.
- According to the EIA, total U.S. consumption of natural gas rose by 2 percent compared with the previous report week. Despite the relatively cold weather in the North, parts of the Gulf Coast experienced temperatures averaging in the high 70 degree Fahrenheit range. As a result, natural gas consumed for power generation climbed by 7 percent week over week. Industrial sector consumption decreased by 2 percent week over week. With warm weather in the South offsetting cold weather in the north, consumption in the residential and commercial sectors remained flat, averaging 21.7 Bcf/d. Natural gas exports to Mexico increased 4 percent.

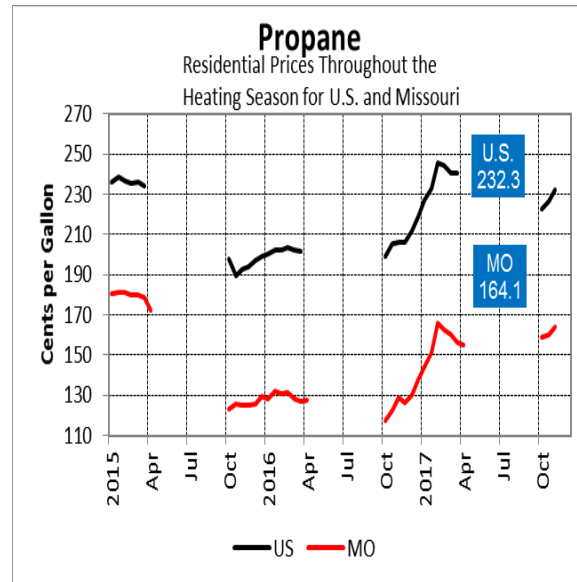
Propane

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 November 7, the average Missouri retail price for residential propane was over \$1.64 per gallon, up 35.5 cents, or 28 percent, in the past year.

Propane - Retail Prices (cents per gallon)					
	11-07-17	10-02-17	change	11-07-16	change
Missouri	164.1	158.8	up 3%	128.6	up 28%

- According to the Division of Energy’s most recent statewide propane price survey conducted November 7, the average Missouri retail residential propane price was over \$1.64 per gallon, up 35.5 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.10 per gallon. The lowest retail price was \$1.40 per gallon.
- U.S. propane stocks decreased by 1.1 MMB to 77.2 MMB as of November 03, 2017, 6.6 MMB, or 7.9 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories decreased by 1.0 MMB to over 26.6 MMB last week. Midwest inventories stood at over 27.5 MMB at this time last year.
- U.S. propane consumption increased on the week at over 1.3 MMB/D. Consumption stood at over 1.3 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>.