



Department of Economic Development  
Division of Energy

**MISSOURI ENERGY BULLETIN**

January 12, 2018

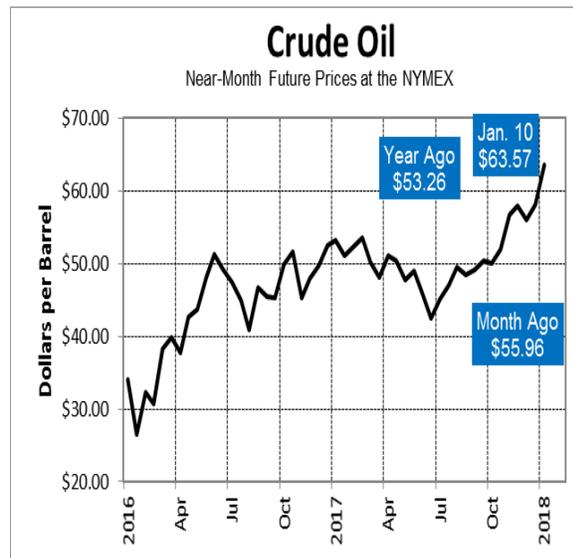
*(Data are for the week ended January 5, 2018, unless stated otherwise.)*

**Crude Oil**

**U.S. crude oil prices increased by \$7.61 to \$63.57 per barrel in the past month, 19 percent higher compared to this time last year.**

<i>Crude Oil - Near Month Future Prices (dollars per barrel)</i>					
	<u>01-10-18</u>	<u>12-06-17</u>	<u>change</u>	<u>01-04-17</u>	<u>change</u>
<b>NYMEX</b>	<b>\$63.57</b>	<b>\$55.96</b>	<b>up 14%</b>	<b>\$53.26</b>	<b>up 19%</b>

- Crude oil futures for February delivery on the NYMEX ended \$0.61, or 1.0 percent higher on January 10 to settle at \$63.57 per barrel, after Energy Information Administration (EIA) reported an 8th-straight weekly decline in supplies, along with a fall in weekly production. This was the first settlement above \$63 per barrel in more than 3 years.
- According to the EIA, domestic crude supplies fell 4.9 million barrels (MMB) for the week ended January 5.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$63.57 is \$10.31, or 19 percent, higher.



- Domestic crude production was slightly lower than in the prior week at nearly 9.5 MMB/D. Last year at this time, production stood at nearly 9.0 MMB/D. Total crude imports were lower from the prior week at nearly 7.7 MMB/D. Imports at this time last year averaged over 9.0 MMB/D.
- U.S. crude oil supplies decreased 4.9 MMB on the week to 419.5 MMB. U.S. supplies are 63.6 MMB lower compared to this time last year.
- U.S. refinery crude runs were higher from the prior week with refiners processing over 17.3 MMB/D. U.S. refinery capacity utilization was lower on the week at 95.3 percent. Last year at this time, capacity use stood at 93.6 percent.

- Gasoline output was lower on the week at over 9.5 MMB/D. Output was nearly 9.7 MMB/D at this time last year. Distillate output was lower from the prior week at nearly 5.3 MMB/D. Last year at this time, production stood at over 5.3 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.6 MMB/D, up by 5.6 percent compared to the same period last year.

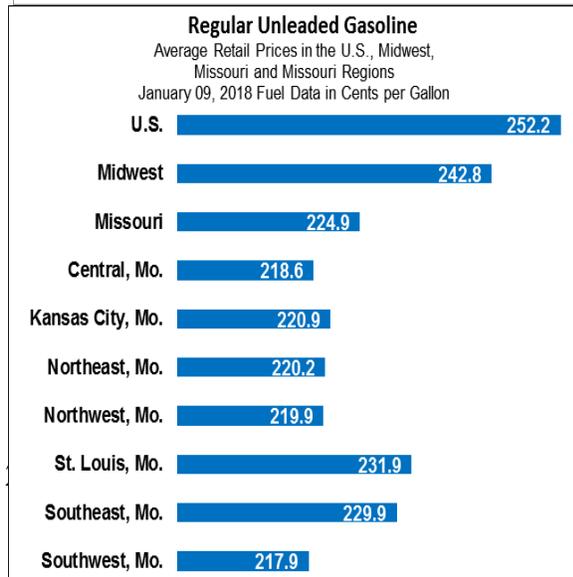
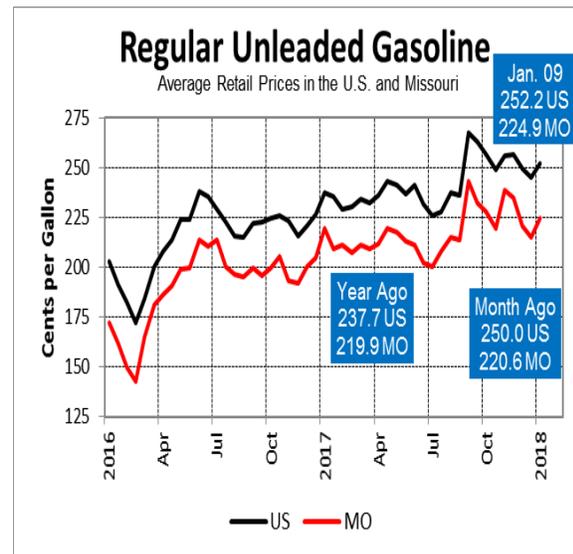
## Transportation Fuels

On January 9, Missouri's statewide average retail price for gasoline was almost \$2.25 per gallon, up 4.3 cents in the past month and up 5.0 cents in the past year.

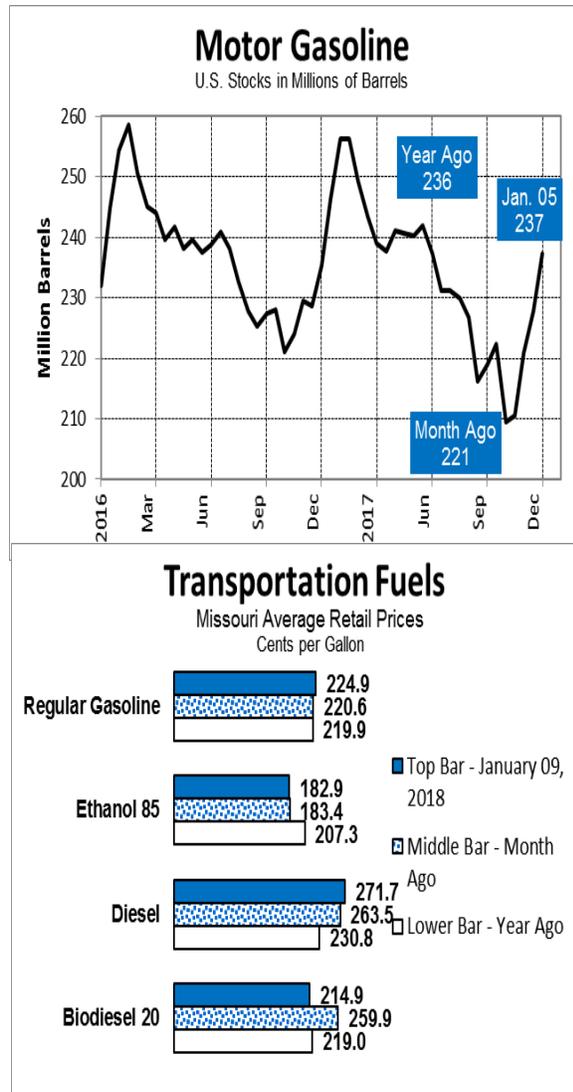
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	01-09-18	12-05-17	change	01-03-17	change
US	252.2	250.0	up 1%	237.7	up 6%
Missouri	224.9	220.6	up 2%	219.9	up 2%

Diesel Fuel - Retail Prices (cents per gallon)					
	01-09-18	12-05-17	change	01-03-17	change
US	299.6	292.2	up 3%	258.6	up 16%
Missouri	271.7	263.5	up 3%	230.8	up 18%

- On January 9, Missouri's average retail price for gasoline was almost \$2.25 per gallon, up 4.3 cents in the past month.
- Missouri's average price for diesel fuel was nearly \$2.72 per gallon, up 8.2 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 5.0 cents per gallon, or 2 percent, higher while the average retail diesel fuel price is 40.9 cents per gallon, or 18 percent, higher.
- At over \$2.52, the U.S. average price for regular gasoline is 2.2 cents per gallon, or 1 percent, higher compared to last month.
- The U.S. average price for regular gasoline is 14.5 cents per gallon, or 6 percent, higher compared to this time last year. In the past week, the U.S. average increased by less than 0.01 cent per gallon.
- Gasoline imports decreased from the prior week at nearly 0.3 MMB/D. Last year at this time, imports stood at nearly 0.7 MMB/D.



- Implied demand for gasoline was higher on the week at over 8.8 MMB/D. Demand stood at nearly 8.5 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 higher on the week at 237.3 MMB. U.S. supplies are 3.2 MMB lower compared to this time last year.
- Distillate stocks increased 4.3 MMB on the week at 143.1 MMB and stand 27.0 MMB lower compared to the same period last year.
- Distillate demand increased on the week at over 3.6 MMB/D. Demand stood at over 3.1 MMB/D at this time last year. On a four-week average, distillate demand was lower at nearly 3.9 MMB/D.
- On January 9, Missouri’s average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was nearly \$1.83 per gallon, 42.0 cents, or 18.7 percent, lower than the average price for conventional motor gasoline.
- On January 9, Missouri’s average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.15 per gallon, 56.8 cents per gallon, or 21.0 percent, lower than the average price for conventional diesel fuel.
- According to EIA’s latest *Short Term Energy Outlook* dated January 9, 2018, 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 \$2.42 in 2017.



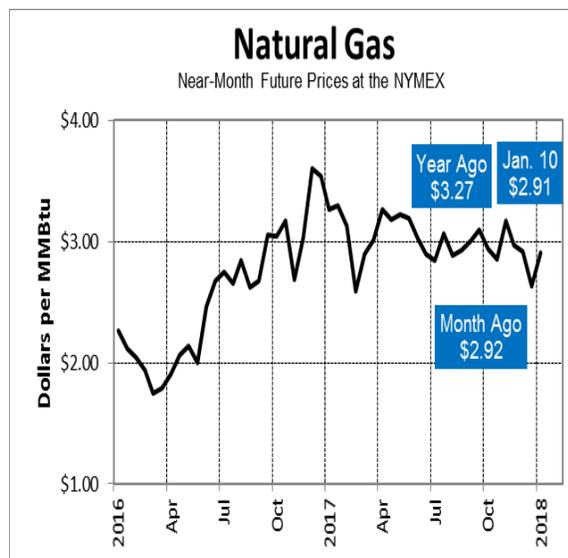
## Natural Gas

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 January 10, 2018, natural gas futures on the NYMEX closed at \$2.91 per million British thermal units (MMBtu), down \$0.36, or 11 percent, in the past year.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>01-10-18</u>	<u>12-06-17</u>	<u>change</u>	<u>01-04-17</u>	<u>change</u>
NYMEX	\$2.91	\$2.92	down 0%	\$3.27	down 11%

- The February 2018 NYMEX futures contract settled at \$2.91 per MMBtu on January 10, down 1.7 cents from the prior settlement.
- In the past month, the futures contract has decreased 1 cent, or 0 percent.
- Futures are down \$0.36, or 11 percent, in the past year.
- Working gas in storage was 2,767 billion cubic feet (Bcf), 12.1 percent below the five-year average inventory level for the week. According to EIA's January 11, 2018 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 415 Bcf, or 13.0 percent, lower than last year at this time.



- According to the EIA, net withdrawals from storage totaled a record 359 Bcf for the week ending January 5, topping the previous record of 288 Bcf set four years ago (2014) by 25 percent. This compares with the five-year (2013–17) average net withdrawals of 169 Bcf and last year's net withdrawals of 136 Bcf during the same week.
- Temperatures in the Lower 48 states averaged 23 degrees Fahrenheit (°F), 10°F lower than the normal and 16°F lower than last year at this time. Temperatures in the heavy natural gas-consuming areas of the Midwest and Northeast were significantly colder than normal—averaging less than 13°F during the week.
- According to the EIA, domestic demand fell across nearly all sectors, as temperatures moderated from the previous week's cold. Total U.S. consumption of natural gas fell by 14 percent compared with the previous report week and on Monday fell below 100 Bcf/d for the first time since December 25. Natural gas consumed for power generation declined by 10 percent week over week, and industrial sector consumption decreased by 7 percent week over week after hitting an all-time high on January 1. In the residential and commercial sectors, consumption declined by 19 percent. Natural gas exports to Mexico increased 2 percent.

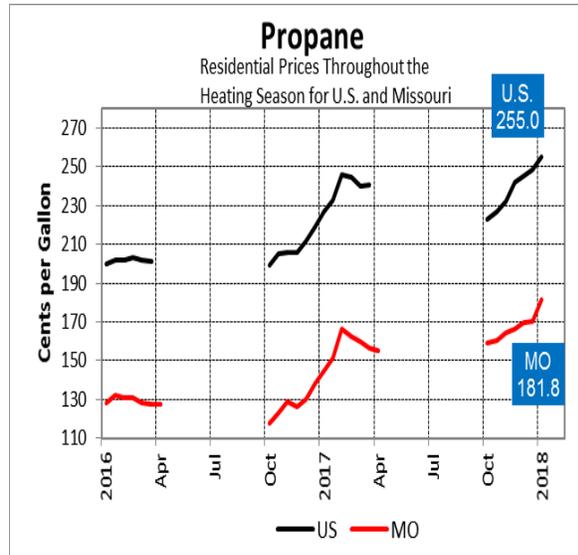
## Propane

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 December 9, the average Missouri retail price for residential propane was nearly \$1.82 per gallon, up 37.4 cents, or 26 percent, in the past year.**

Propane - Retail Prices (cents per gallon)					
	01-09-18	12-05-17	change	01-03-17	change
Missouri	181.8	169.6	up 7%	144.4	up 26%

- According to the Division of Energy’s most recent statewide propane price survey conducted January 9, the average Missouri retail residential propane price was nearly \$1.82 per gallon, up 37.4 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.30 per gallon. The lowest retail price was nearly \$1.50 per gallon.
- U.S. propane stocks decreased by 6.3 MMB last week to 61.7 MMB as of January 5, 2018, 10.2 MMB or 14.2 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories decreased by over 2.8 MMB to over 18.7 MMB last week. Midwest inventories stood at nearly 21.6 MMB at this time last year.
- U.S. propane consumption increased on the week at nearly 1.9 MMB/D. Consumption stood at nearly 1.6 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>.