



Department of Economic Development
 Division of Energy

MISSOURI ENERGY BULLETIN

December 11, 2017

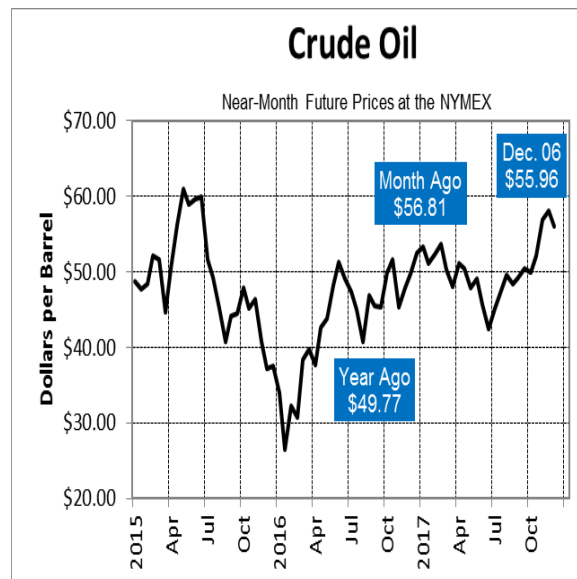
(Data are for the week ended December 1, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$0.85 to \$55.96 per barrel in the past month, 12 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>12-06-17</u>	<u>11-08-17</u>	<u>change</u>	<u>12-07-16</u>	<u>change</u>
NYMEX	\$55.96	\$56.81	down 1%	\$49.77	up 12%

- Crude oil futures for January delivery on the NYMEX ended \$1.66, or 2.9 percent, lower on December 6 to settle at \$55.96 per barrel, after a weekly jump in US gasoline stockpiles that was more than twice what the market expected pulled crude futures to their lowest price since mid-November. It was the lowest finish for West Texas Intermediate crude oil since November 16th.
- According to the Energy Information Administration (EIA), domestic crude supplies fell 5.6 million barrels (MMB) for the week ended December 1. That was bigger than the forecast for a decline of 4.1 MMB. The American Petroleum Institute on Tuesday had reported a drop of 5.5 MMB.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$55.96 is \$6.19, or 12 percent, higher.



- Domestic crude production was slightly higher than in the prior week at over 9.7 MMB/D. Last year at this time, production stood at nearly 8.7 MMB/D. Total crude imports were down from the prior week at over 7.2 MMB/D. Imports at this time last year averaged over 8.3 MMB/D.
- U.S. crude oil supplies decreased 5.6 MMB on the week to 448.1 MMB. U.S. supplies are 37.7 MMB lower compared to this time last year.
- U.S. refinery crude runs were higher from the prior week with refiners processing nearly 17.2 MMB/D. U.S. refinery capacity utilization was higher on the week at 93.8 percent. Last year at this time, capacity use stood at 90.4 percent.
- Gasoline output was lower on the week at nearly 9.8 MMB/D. Output was over 9.9 MMB/D at this time last year. Distillate output was higher from the prior week at over 5.4 MMB/D. Last year at this time, production stood at nearly 5.1 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 19.7 MMB/D, up by 0.5 percent compared to the same period last year.

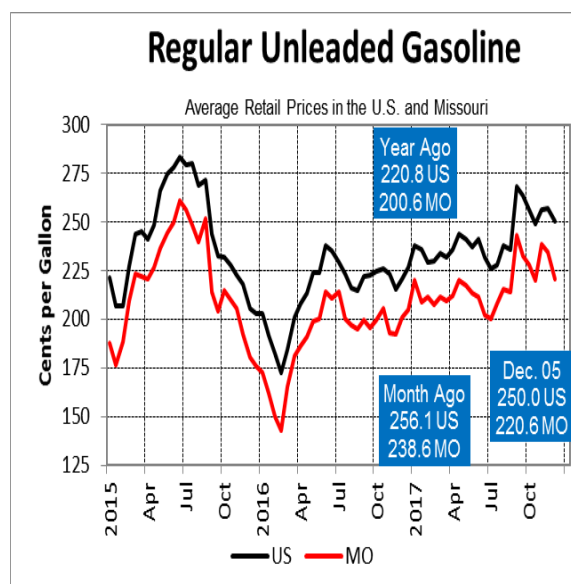
Transportation Fuels

On December 5, Missouri's statewide average retail price for gasoline was almost \$2.21 per gallon, down 18.0 cents in the past month and up 19.9 cents in the past year.

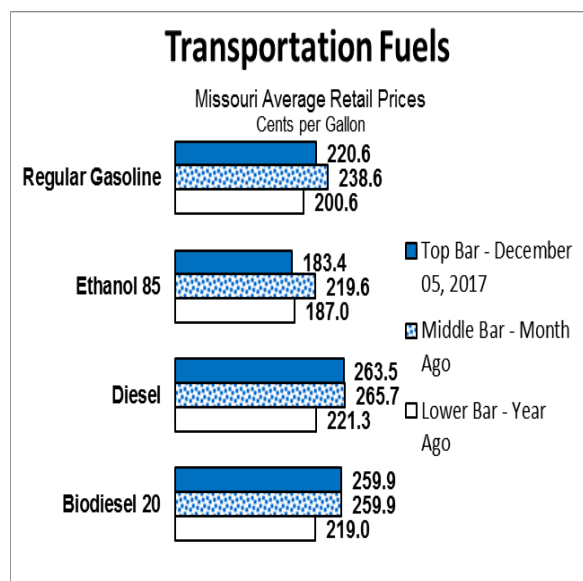
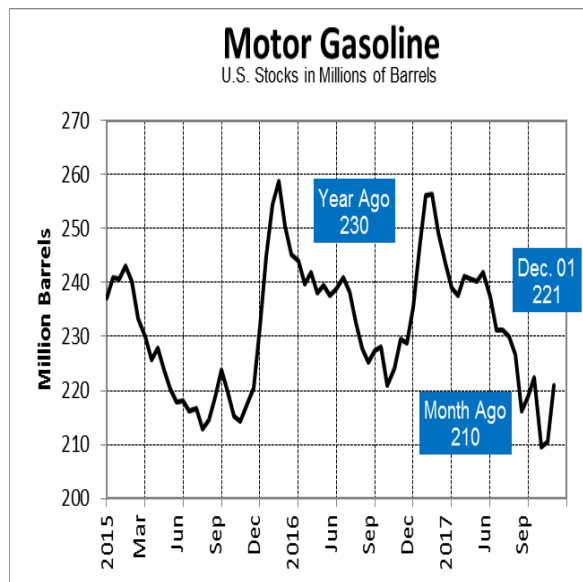
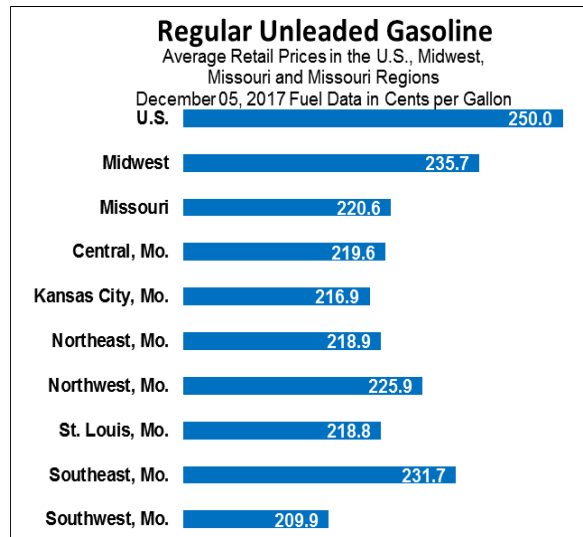
<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>12-05-17</u>	<u>11-09-17</u>	<u>change</u>	<u>12-05-16</u>	<u>change</u>
US	250.0	256.1	down 2%	220.8	up 13%
Missouri	220.6	238.6	down 8%	200.6	up 10%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>12-05-17</u>	<u>11-09-17</u>	<u>change</u>	<u>12-05-16</u>	<u>change</u>
US	292.2	288.2	up 1%	248.0	up 18%
Missouri	263.5	265.7	down 1%	221.3	up 19%

- On December 5, Missouri's average retail price for gasoline was almost \$2.21 per gallon, down 18.0 cents in the past month.
- Missouri's average price for diesel fuel was nearly \$2.64 per gallon, down 2.2 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 19.9 cents per gallon, or 10 percent, higher while the average retail diesel fuel price is 42.3 cents per gallon, or 19 percent, higher.
- At \$2.50, the U.S. average price for regular gasoline is 6.1 cents per gallon, or 2 percent, lower compared to last month.



- The U.S. average price for regular gasoline is 29.2 cents per gallon, or 13 percent, higher compared to this time last year. In the past week, the U.S. average decreased by 3.3 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 higher on the week at nearly 8.9 MMB/D. Demand stood at nearly 8.8 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 220.9 MMB. U.S. supplies are 8.6 MMB lower compared to this time last year.
- Distillate stocks increased 1.7 MMB on the week at 129.4 MMB and stand 27.3 MMB lower compared to the same period last year.
- Distillate demand decreased on the week at over 3.7 MMB/D. Demand stood at over 3.7 MMB/D at this time last year. On a four-week average, distillate demand was lower at over 3.9 MMB/D.
- On December 5, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was over \$1.83 per gallon, 37.2 cents, or 16.9 percent, lower than the average price for conventional motor gasoline.
- On December 5, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.60 per gallon, 3.6 cents per gallon, or 1.4 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.

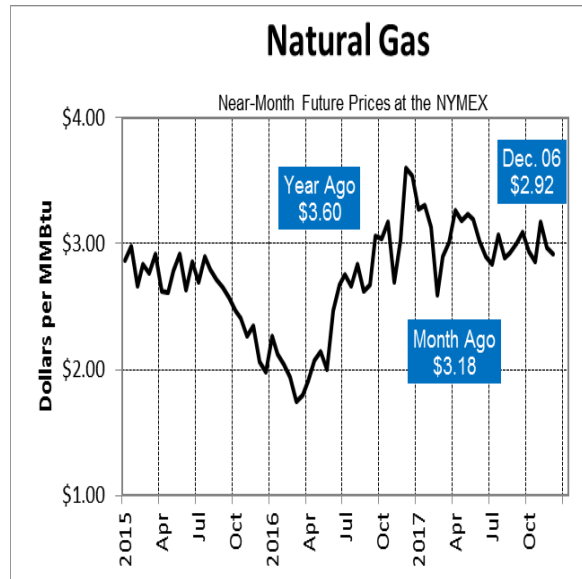
Natural Gas

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 December 6, 2017, natural gas futures on the NYMEX closed at \$2.92 per million British thermal units (MMBtu), down \$0.68, or 19 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	12-06-17	11-08-17	change	12-07-16	change
NYMEX	\$2.92	\$3.18	down 8%	\$3.60	down 19%

- The January 2018 NYMEX futures contract settled at \$2.92 per MMBtu on December 6, up 0.008 cents from the prior settlement.
- In the past month, the futures contract has decreased 25 cents, or 8 percent.
- Futures are down \$0.68, or 19 percent, in the past year.
- Working gas in storage was 3,695 billion cubic feet (Bcf), 1.0 percent below the five-year average inventory level for the week. According to EIA's December 7, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 264 Bcf, or 6.7 percent, lower than last year at this time.



- According to the EIA, net injections into storage totaled 2 Bcf, compared with the five-year (2012–16) average net withdrawal of 69 Bcf and last year's net withdrawals of 43 Bcf during the same week. Last week was the first time since December 7, 2012, that working gas stocks posted a net increase on a national level in December.
- Temperatures in the Lower 48 states averaged 48 degrees Fahrenheit (°F), 6°F higher than the normal and 3°F higher than last year at this time. Temperatures in the midcontinent region, including the East, West North Central, and Mountain Census divisions, were considerably warmer than normal; temperatures ranged between 43°F to 49°F, or 8°F to 14°F higher than normal.
- According to the EIA, total U.S. consumption of natural gas rose by 8 percent compared with the previous report week. Natural gas consumed for power generation climbed by 12 percent week over week. Industrial sector consumption increased by 1 percent on the week. In the residential and commercial sectors, consumption increased by 10 percent. Natural gas exports to Mexico decreased 7 percent.

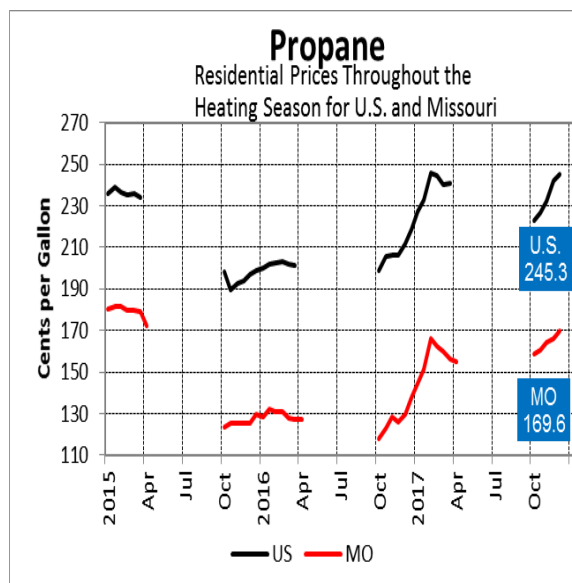
Propane

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 5, the average Missouri retail price for residential propane was nearly \$1.70 per gallon, up 39.8 cents, or 31 percent, in the past year.

Propane - Retail Prices (cents per gallon)					
	12-05-17	11-07-17	change	12-05-16	change
Missouri	169.6	164.1	up 3%	129.9	up 31%

- According to the Division of Energy's most recent statewide propane price survey conducted December 5, the average Missouri retail residential propane price was nearly \$1.70 per gallon, up 39.8 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.25 per gallon. The lowest retail price was \$1.40 per gallon.
- U.S. propane stocks increased by 1.3 MMB last week to 74.5 MMB as of December 1, 2017, 7.8 MMB, or 9.4 percent, lower than the five-year average inventory level for this same time of year. Midwest inventories decreased by nearly 0.5 MMB to nearly 25.0 MMB last week. Midwest inventories stood at nearly 27.0 MMB at this time last year.
- U.S. propane consumption increased on the week at nearly 1.3 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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