



## Division of Energy

# MISSOURI ENERGY BULLETIN

January 20, 2017

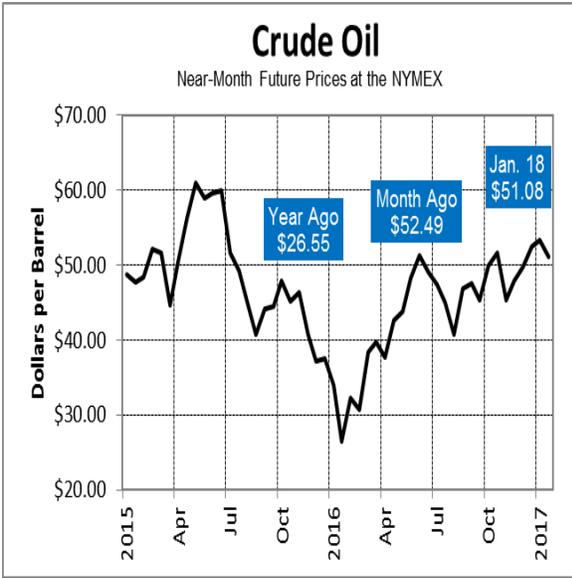
*(Data are for the week ended January 13, 2017, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices decreased by \$1.41 to \$51.08 per barrel in the past month and stand 92 percent higher compared to this time last year.**

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>01-18-17</u>	<u>12-21-16</u>	<u>change</u>	<u>01-20-16</u>	<u>change</u>
<b>NYMEX</b>	<b>\$51.08</b>	<b>\$52.49</b>	<b>down 3%</b>	<b>\$26.55</b>	<b>up 92%</b>

- Crude oil futures for February delivery on the NYMEX ended \$1.40 or 2.7 percent, lower on January 18 to settle at \$51.08 per barrel, hitting the lowest price in a week on a strong dollar and expectations that US producers would boost output even as OPEC's output fell from a record high.
- According to the federal weekly fuels report released January 19, U.S. crude inventories increased 2.3 million barrels (MMB) on the week to 485.5 MMB. Crude oil production by OPEC fell 320,000 barrels per day to 33.09 MMB/D in December, the International Energy Administration said in its monthly report released January 18 in Paris. It attributed the decline to lower Saudi output and disruptions in Nigeria. The agency also said early indications suggest a deeper OPEC reduction may be under way for January. Oil closed off the session's highs, however, as US government figures revealed a weekly rise in crude stockpiles, along with an increase in gasoline inventories.



- Compared to this time last year, the U.S. crude oil futures settlement price of \$51.08 is \$24.53, or 92 percent, higher.

- Domestic crude production was unchanged from the prior week at over 8.9 MMB/D. Last year at this time, production stood at over 9.2 MMB/D. Total crude imports decreased from the prior week at over 8.3 MMB/D. Imports at this time last year averaged nearly 7.8 MMB/D.
- U.S. refinery crude runs decreased from the prior week with refiners processing nearly 16.5 MMB/D. U.S. refinery capacity utilization was down on the week at 90.7 percent. Last year at this time, capacity use stood at 91.2 percent.
- Gasoline output decreased on the week at nearly 9.0 MMB/D. Output was nearly 9.5 MMB/D at this time last year. Distillate output decreased from the prior week at over 4.7 MMB/D. Last year at this time, production stood at over 4.5 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at about 19.3 MMB/D, up by 0.1 percent compared to the same period last year.

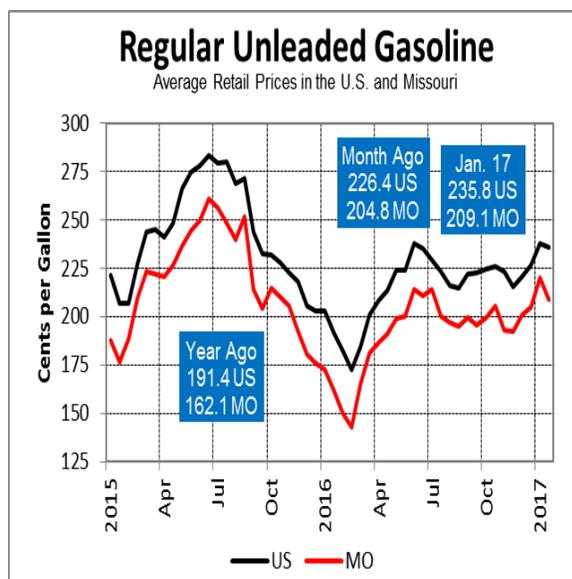
## Transportation Fuels

On January 17, Missouri's statewide average retail price for gasoline was \$2.09 per gallon, up 4.3 cents in the past month and up 47.0 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	01-17-17	12-19-16	change	01-19-16	change
US	235.8	226.4	up 4%	191.4	up 23%
Missouri	209.1	204.8	up 2%	162.1	up 29%

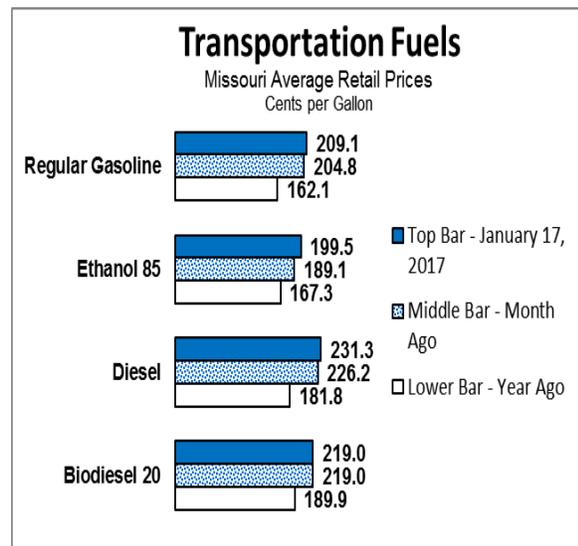
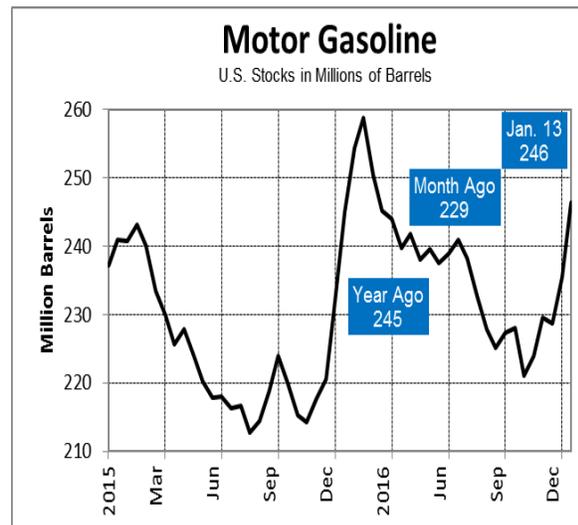
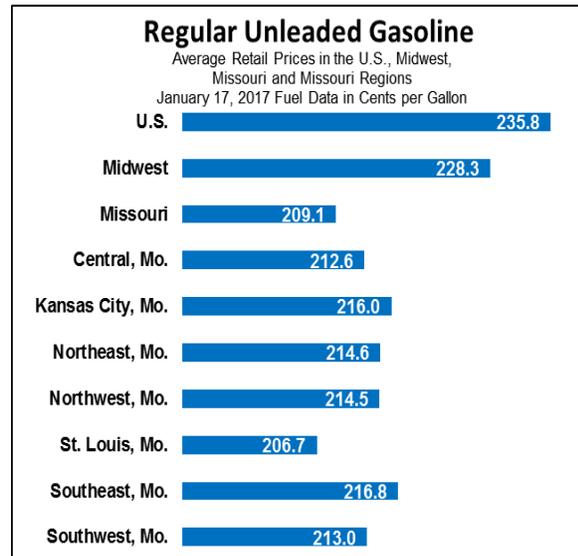
Diesel Fuel - Retail Prices (cents per gallon)					
	01-17-17	12-19-16	change	01-19-16	change
US	258.5	252.7	up 2%	211.2	up 22%
Missouri	231.3	226.2	up 2%	181.8	up 27%

- On January 17, Missouri's average retail price for gasoline was \$2.09 per gallon, up 4.3 cents in the past month.
- Missouri's average price for diesel fuel was over \$2.31 per gallon, up 5.1 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 47.0 cents per gallon, or 29 percent, higher while the average retail diesel fuel price is 49.5 cents per gallon, or 27 percent, higher.
- At nearly \$2.36, the U.S. average price for regular gasoline is 9.4 cents per gallon, or 4 percent, higher compared to last month.



- The U.S. average price for regular gasoline is up 44.4 cents per gallon, or 23 percent, compared to this time last year. In the past week, the U.S. average decreased by 0.3 cents per gallon.

- Gasoline imports decreased from the prior week at nearly 0.6 MMB/D. Last year at this time, imports stood at over 0.5 MMB/D.
- Implied demand for gasoline decreased on the week at nearly 8.1 MMB/D. Demand stood at nearly 9.1 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 8.6 MMB/D.
- U.S. gasoline supplies increased 6.0 MMB on the week to 246.4 MMB. U.S. supplies are up 1.4 MMB compared to this time last year.
- Distillate stocks decreased on the week at 169.1 MMB and stand 4.5 MMB higher compared to the same period last year.
- Distillate demand increased on the week at nearly 4.1 MMB/D. Demand stood at nearly 3.7 MMB/D at this time last year. On a four-week average, distillate demand was slightly lower at over 3.5 MMB/D.
- On January 17, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$2.00 per gallon, 9.6 cents, or 4.6 percent, lower than the average price for conventional motor gasoline.
- On January 17, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$2.19 per gallon, 12.3 cents per gallon, or 5.3 percent, lower than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated January 10, 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 \$2.38 in 2017.



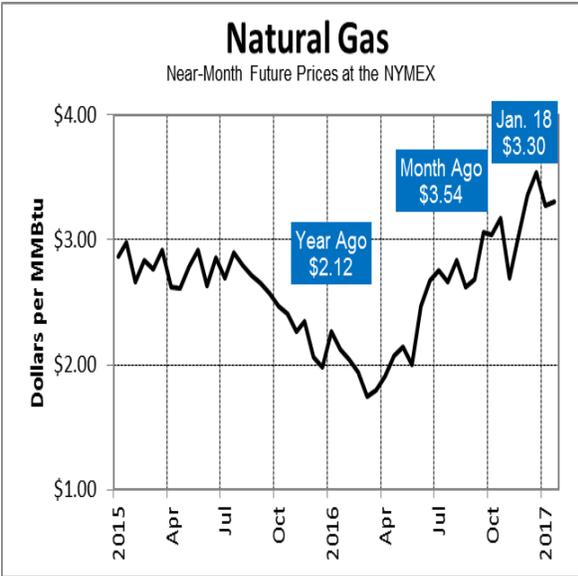
# Natural Gas

Approximately 52 percent (1,236,651) 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 18, 2017, natural gas futures on the NYMEX closed at \$3.30 per million British thermal units (MMBtu), up \$1.18, or 56 percent, in the past year.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	01-18-17	12-21-16	change	01-20-16	change
NYMEX	\$3.30	\$3.54	down 7%	\$2.12	up 56%

- The February 2017 NYMEX futures contract settled at \$3.30 per MMBtu on January 18, down 11 cents from the prior settlement.
- Futures are up \$1.18, or 56 percent, in the past year.
- Working gas in storage was 2,917 Bcf, 2.6 percent below the five-year average inventory level for the week. According to EIA’s January 19, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 431 Bcf, or 12.9 percent, lower than last year at this time.
- Net withdrawals from storage totaled 243 Bcf, compared with five-year (2012–16) average net withdrawals of 170 Bcf and last year’s net withdrawals of 175 Bcf during the same week. Working natural gas stocks total 2,917 Bcf, which is 77 Bcf below the five-year average and 431 Bcf below last year at this time. This week’s storage withdrawal marks the third time that weekly net withdrawals have topped the 200 Bcf mark during the 2016–17 heating season. The substantial storage draw is related to a combination of cold weather, increased capacity for natural gas-fired electric generation, reduced natural gas production relative to last year, and increased natural gas export volumes.
- Average temperatures in the Lower 48 states fell 5°F on the week and averaged 32°F. Temperatures in most regions were below seasonal norms for the period. Falling temperatures this week pushed temperatures 1°F below the normal level for this time of year and 3°F lower than last year at this time. Heating degree days in the Lower 48 states totaled 230, compared with 209 last year and a normal of 225.
- According to the EIA, total U.S. consumption of natural gas fell by 22 percent compared with the previous report week. The weather early last report period was extremely cold because of polar vortex conditions, resulting in overall higher demand last period compared to this period. Power burn declined by 22 percent week over week, industrial sector consumption decreased by 7 percent, and residential and commercial sector consumption declined by 29 percent. Natural gas exports to Mexico decreased 4 percent.



## Propane

Approximately 10 percent (227,100) 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.

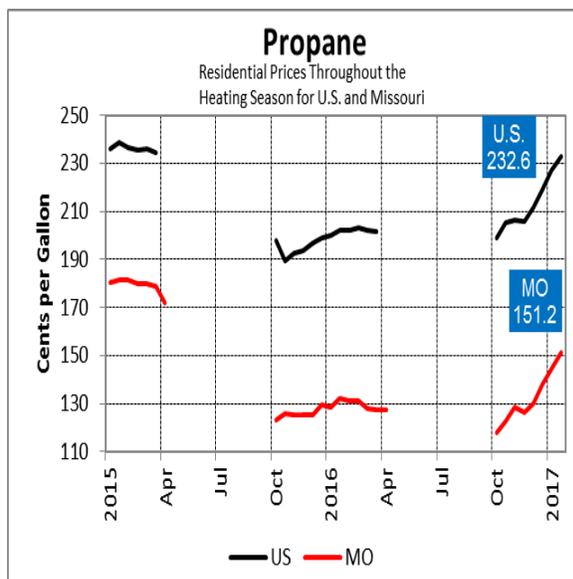
**On January 17, the average Missouri retail price for residential propane was over \$1.51 per gallon, up 13.3 cents in the past month and up 19.2 cents in the past year.**

<b>Propane - Retail Prices (cents per gallon)</b>					
	<u>01-17-17</u>	<u>12-19-16</u>	<u>change</u>	<u>01-19-16</u>	<u>change</u>
<b>Missouri</b>	<b>151.2</b>	<b>137.9</b>	<b>up 10%</b>	<b>132.0</b>	<b>up 15%</b>

- According to the Division of Energy’s most recent statewide propane price survey conducted January 17, the average Missouri retail residential propane price was over \$1.51 per gallon, up 13.3 cents in the past month and up 19.2 cents compared to last year at this time.

- According to the survey, the highest Missouri retail residential price for propane was nearly \$1.90 per gallon. The lowest retail price was \$1.23 per gallon.

- U.S. propane stocks decreased by 7.4 MMB last week to 72.2 MMB as of January 13, 2017, 17.7 MMB, or 19.7 percent, lower than a year ago. Midwest inventories were down 2.1 MMB at over 19.4 MMB. Midwest inventories stood at nearly 22.3 MMB at this time last year.



- U.S. propane consumption was higher on the week at over 1.9 MMB/D. Consumption stood at just under 1.4 MMB/D last year at this time.

**For more information on propane, please visit:**

<http://energy.mo.gov/energy/services/be-prepared-for-propane>

**To access previous issues of the Energy Bulletin, or to subscribe, please visit:**

<http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>

**To learn more about Missouri energy issues, please visit:**

<http://energy.mo.gov/energy>

**For more information about the Comprehensive State Energy Plan, visit:**

<http://energy.mo.gov/energy/about/comprehensive-state-energy-plan>

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>.