



Missouri Department of Natural Resources Division of Energy

MISSOURI ENERGY BULLETIN

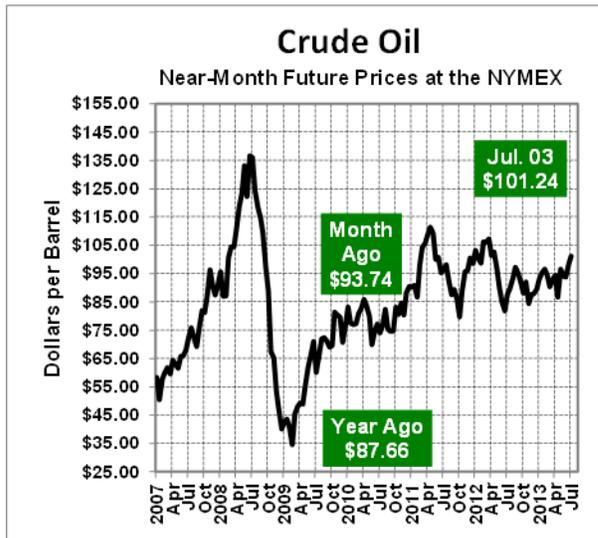
July 10, 2013

(Data is for the week ended June 28, 2013, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased \$7.50, or 8 percent, to \$101.24 per barrel in the past month and stand 15 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	07-03-13	06-05-13	change	07-03-12	change
NYMEX	\$101.24	\$93.74	up 8%	\$87.66	up 15%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for August delivery ended \$1.64, or 1.6 percent, higher on July 3 to close at \$101.24 per barrel after the year's largest decline in stockpiles and amid concern that unrest in Egypt could disrupt Middle Eastern oil shipments.
- U.S. oil prices reached a 14-month high and the \$100 benchmark on July 3 after the Energy Information Administration (EIA) said domestic supplies fell 10.3 million barrels to 383.8 million. Egypt's military advised Mohamed Mursi that he is no longer president, boosting anxiety about oil flows

through the Suez Canal or Suez-Med pipeline. There was no floor trading in the NYMEX on Thursday due to the Independence Day holiday.

- Compared to this time last year, the U.S. crude oil futures settlement price of \$101.24 is \$13.58 higher.
- Total petroleum products supplied to market over the last four-week period averaged 18.9 MMB/D, down by 1.3 percent compared to the similar period last year. According to the July 3 EIA weekly fuels report, U.S. oil inventories decreased 10.3 MMB at 383.8 MMB. U.S. crude supplies are now 0.9 MMB higher than at this time last year.

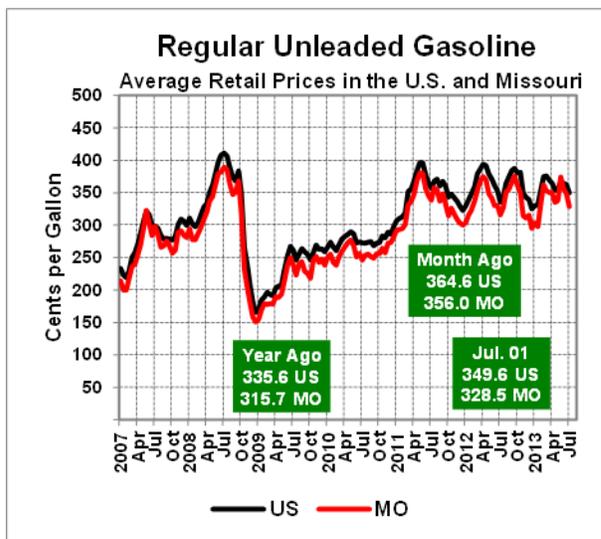
- Crude imports decreased 891,000 barrels per day (B/D) from the prior week at 7.4 MMB/D. Imports at this time last year averaged 8.8 MMB/D.
- U.S. refinery crude runs increased with refiners processing 16.1 MMB/D of crude. U.S. refinery capacity use was 92.2 percent, up 2.0 percent from the prior week and up 0.3 percent compared to this time last year.
- Gasoline output increased at 9.4 MMB/D on the week and was up 300,000 B/D compared to the production level at this time last year. Distillate output was unchanged on the week at 4.8 MMB/D, and stands 100,000 B/D lower compared to the production level at this time last year.

Transportation Fuels

On July 1, Missouri's statewide average retail price for gasoline was about \$3.28 per gallon, down 27.5 cents in the past month and up 12.8 cents in the past year.

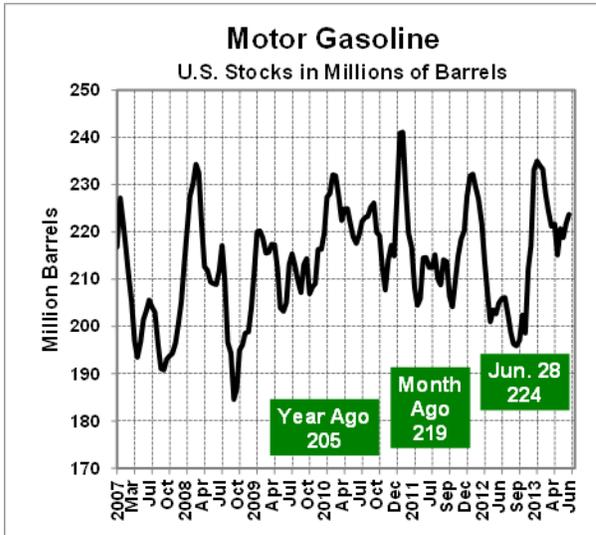
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	07-01-13	06-03-13	change	07-02-12	change
US	349.6	364.6	down 4%	335.6	up 4%
Missouri	328.5	356.0	down 8%	315.7	up 4%

Diesel Fuel - Retail Prices (cents per gallon)					
	07-01-13	06-03-13	change	07-02-12	change
US	381.7	364.6	up 5%	364.8	up 5%
Missouri	362.0	370.1	down 2%	340.2	up 6%

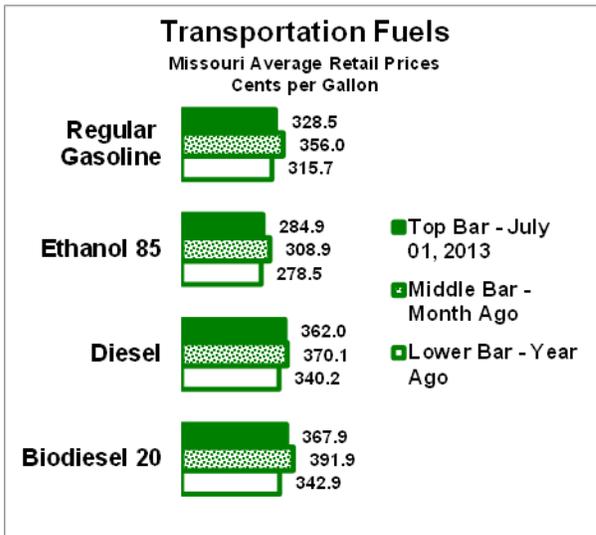


- On July 1, Missouri's average retail price for gasoline was about \$3.28 per gallon, a decrease of 27.5 cents in the past month. The average price for diesel fuel was down by 8.1 cents per gallon in the past month. Missouri's average retail gasoline price is 12.8 cents, or 4 percent, higher, while the average diesel fuel price is 21.8 cents, or 6 percent, higher for the comparable period in July 2012.
- The U.S. average price for regular gasoline was down by 15.0 cents, or 4 percent, per gallon compared to last month at nearly \$3.65 per gallon. The U.S. average was up by 14.0 cents compared to this time last year. In the past week, the U.S. average decreased by 8.1 cents per gallon.

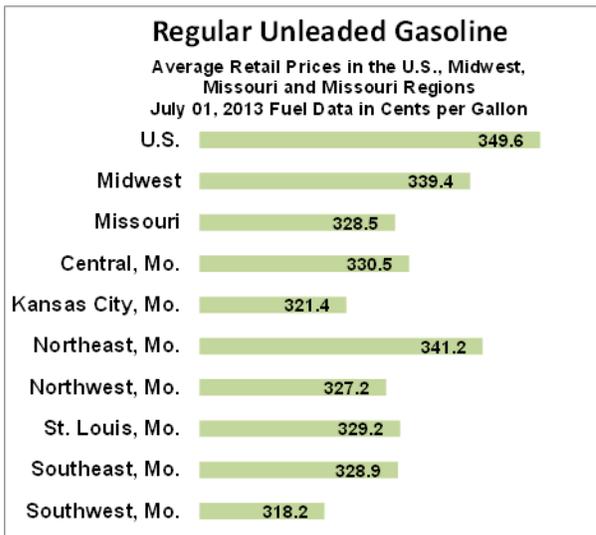
- Gasoline imports decreased by 472,000 B/D from the prior week at 0.5 MMB/D. Imports are 360,000 B/D lower than last year at this time.
- Implied demand for gasoline increased at 9.3 MMB/D from the prior week and stands about 290,000 B/D higher compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has averaged about 8.9 MMB/D, unchanged compared to the same 4-week period last year.



- U.S. gasoline supplies decreased 1.7 MMB at 223.7 MMB on the week. U.S. gasoline inventories are up 18.7 MMB compared to this time last year and trend above the upper range of the five-year average for this time of year.
- Distillate stocks decreased at 120.8 MMB and stand 3.0 MMB higher compared to the same period last year. Distillate demand increased 556,000 B/D at 4.5 MMB/D on the week and up 0.6 MMB/D compared to the same period last year. On a four-week average, distillate demand was up 392,000 B/D compared to the same period last year at 4.1 MMB/D.



- On July 1, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.85 per gallon, 44.0 cents or 13.4 percent lower than the average price for conventional motor gasoline.
- On July 1, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$3.68 per gallon, 6.0 cents or 1.6 percent higher than the average retail price for conventional diesel fuel.



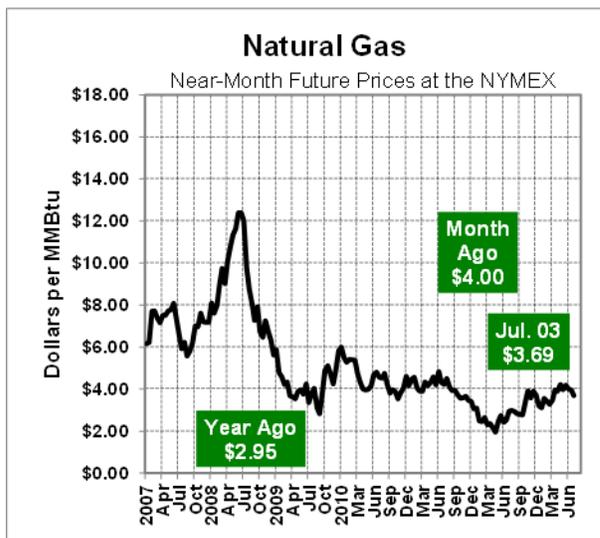
- According to EIA's June 11, 2013, *Short Term Energy Outlook*, EIA expects the U.S. regular gasoline price will average \$3.53 per gallon over the summer driving season (April through September). The annual average regular gasoline retail price is projected to decline from \$3.63 per gallon in 2012 to \$3.49 per gallon in 2013 and to \$3.37 per gallon in 2014. Energy price forecasts are highly uncertain, and the current values of futures and options contracts suggest prices could differ significantly from the projected levels.

Natural Gas

Approximately 58 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On July 3, natural gas futures at the NYMEX closed at \$3.69 per million British thermal units (MMBtu), down 31 cents from a month ago and up \$0.74 compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	07-03-13	06-05-13	change	07-05-12	change
NYMEX	\$3.69	\$4.00	down 8%	\$2.95	up 25%



- At the NYMEX, natural gas futures for August 2013 delivery ended 3.6 cents higher on July 3 to close at \$3.69 per MMBtu. In the past year, natural gas values have increased \$0.74 or 25 percent.
- For the reporting week June 26 to July 3, the price of the August 2013 contract decreased from \$3.74 per MMBtu to \$3.69 per MMBtu. The 12-month strip (the average of the 12 contracts between August 2013 and July 2014) decreased from \$3.90 per MMBtu to \$3.88 per MMBtu.
- According to EIA, total U.S. natural gas consumption in the United States increased

by 3.0 percent for the week ended June 26, driven by an 11.1 percent increase in the power sector. Warmer temperatures across most of the country, and the corresponding increase in air conditioning load, likely contributed to the demand increases.

- Working gas in storage totaled 2,605 billion cubic feet (Bcf), 1.1 percent below the five-year average inventory level for the week, according to EIA's *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 491 Bcf, or 15.9 percent, lower than last year at this time.

Propane

Approximately 13 percent (293,603) of Missouri households use propane to heat their homes. Propane is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

(Note: Beginning April 2013, residential retail propane prices will be reported only for the first full week of each month through September 2013.)

On July 1, the average Missouri retail price for residential propane was about \$1.60 per gallon, down 2.8 cents in the past month, and down 6 percent compared to last year at this time.

Propane - Retail Prices (cents per gallon)					
	<u>07-01-13</u>	<u>06-03-13</u>	<u>change</u>	<u>07-02-12</u>	<u>change</u>
Missouri	160.0	162.8	down 2%	163.5	down 6 %

- According to the Division of Energy's statewide propane price survey conducted July 1, the average Missouri retail residential propane price was about \$1.60 per gallon, down 2.8 cents in the past month and down 6 percent compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.00 per gallon, while the lowest retail price was about \$1.36 per gallon.
- U.S. inventories of propane increased by about 1.5 MMB to end at 56.4 MMB. Propane inventories are now 5.9 MMB, or 9.4 percent, lower compared to the same period last year. Implied demand for propane increased by 88,000 B/D at 1.06 MMB/D on the week and unchanged compared to the demand level for this time last year.
- Midwest propane inventories increased 1.1 MMB barrels on the week. At 19.1 MMB, Midwest inventories are 6.7 MMB, or 26.0 percent, lower than the 25.8 MMB reported at this time last year.

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