



## Division of Energy

# MISSOURI ENERGY BULLETIN

July 22, 2016

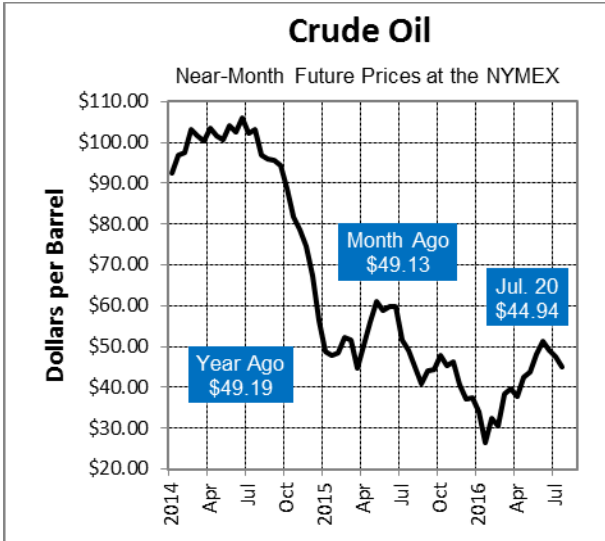
*(Data is for the week ended July 20, 2016, unless stated otherwise.)*

### Crude Oil

**U.S. crude oil prices decreased by \$4.19 to \$44.94 per barrel in the past month and stand 9 percent lower compared to this time last year.**

Crude Oil - Near Month Future Prices (dollars per barrel)					
	07-20-16	06-22-16	change	07-22-15	change
NYMEX	\$44.94	\$49.13	down 9%	\$49.19	down 9%

- NYMEX crude oil futures for August 2016 delivery ended \$0.29, or 0.6 percent higher on July 20 to settle at \$44.94 per barrel, below the settlement value of Friday last week.
- Rig counts have increased by 29 over the end of the previous month. Average rig productivity has also increased over the previous year’s average.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$44.94 is \$4.25, or 9 percent, lower.
- According to the weekly Energy Information Administration’s (EIA) fuels report released July 20, U.S. crude inventories decreased 2.3 million barrels (MMB) on the week to 519.5 MMB. U.S. crude supplies are now 55.6 MMB higher compared to this time last year.
- Domestic crude production was slightly higher over the prior week at almost 8.5 MMB/D. Last year at this time, production stood at under 9.6 MMB/D. Total crude imports increased from the prior week to over 8.1 MMB/D. Imports at this time last year averaged over 7.9 MMB/D.



- U.S. refinery crude runs increased from the prior week with refiners processing nearly 16.9 MMB/D. U.S. refinery capacity utilization was up on the week at 93.2 percent. Last year at this time, capacity use stood at 95.5 percent.
- Gasoline output decreased on the week at under 10.1 MMB/D. Output was just over 10.1 MMB/D at this time last year. Distillate output decreased slightly from the prior week at just over 5.0 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 over 20.3 MMB/D, up by 1.8 percent compared to the same period last year.

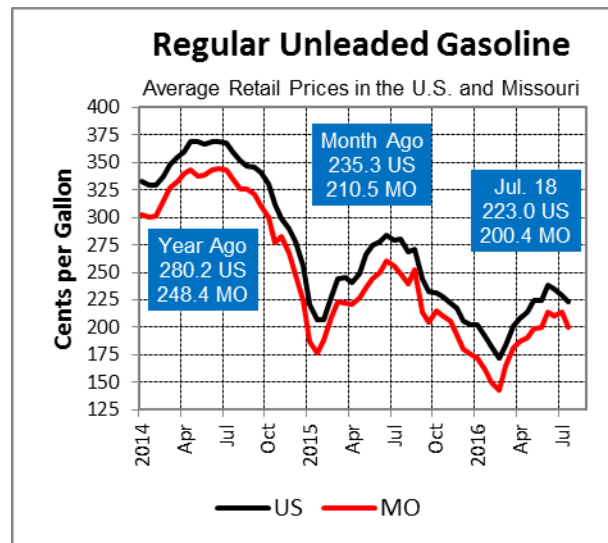
## Transportation Fuels

**On July 18, Missouri's statewide average retail price for gasoline was \$2.00 per gallon, down 10.1 cents in the past month and down 48.0 cents in the past year.**

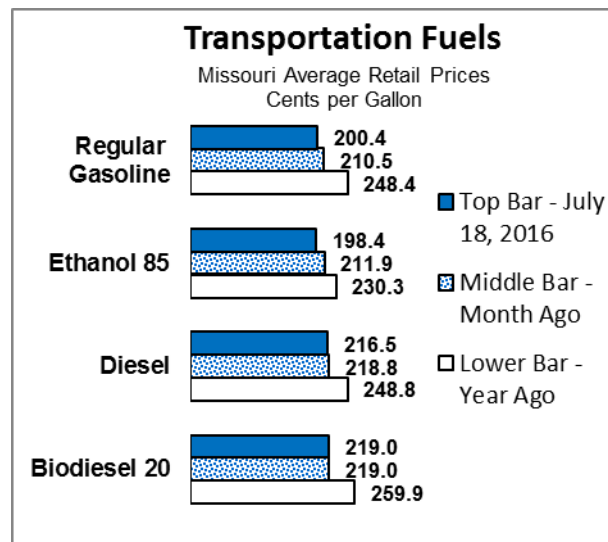
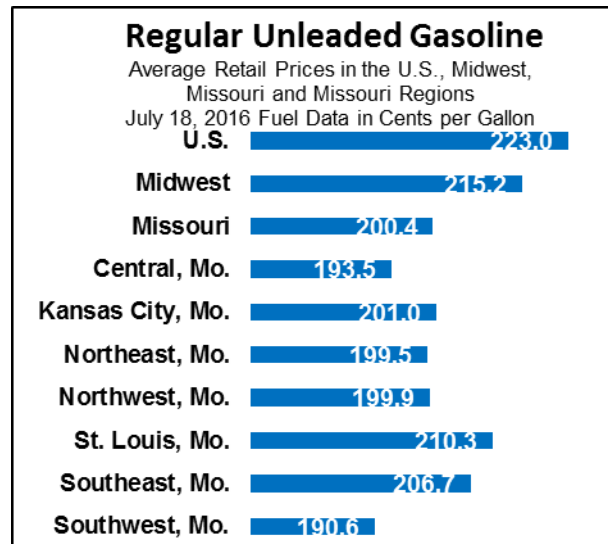
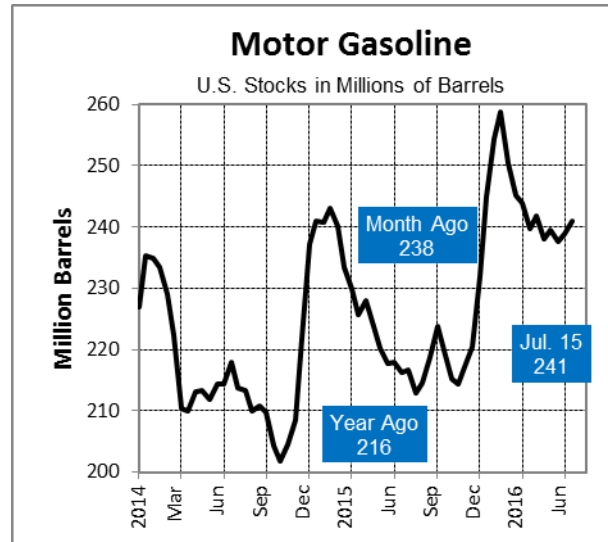
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	<u>07-18-16</u>	<u>06-20-16</u>	<u>change</u>	<u>07-20-15</u>	<u>change</u>
US	223.0	235.3	down 5%	280.2	down 20%
Missouri	200.4	210.5	down 5%	248.4	down 19%

Diesel Fuel - Retail Prices (cents per gallon)					
	<u>07-18-16</u>	<u>06-20-16</u>	<u>change</u>	<u>07-20-15</u>	<u>change</u>
US	240.2	242.6	down 1%	278.2	down 14%
Missouri	216.5	218.8	down 1%	248.8	down 13%

- On July 18, Missouri's average retail price for gasoline was \$2.00 per gallon, down 10.1 cents in the past month.
- Missouri's average price for diesel fuel was about \$2.17 per gallon, down 2.3 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 48.0 cents per gallon, or 19 percent, lower while the average retail diesel fuel price is 32.3 cents per gallon, or 13 percent, lower.
- At \$2.23, the U.S. average price for regular gasoline is 12.3 cents per gallon, or 5 percent, lower compared to last month.
- The U.S. average price for regular gasoline is down 38.0 cents per gallon, or 14 percent, compared to this time last year. In the past week, the U.S. average decreased by 1.2 cents per gallon.



- Gasoline imports increased from the prior week at almost 0.9 MMB/D. Last year at this time, imports stood at over 0.8 MMB/D.
- Implied demand for gasoline increased on the week at nearly 9.8 MMB/D. Demand stood at over 9.7 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged over 9.7 MMB/D.
- U.S. gasoline supplies increased 1.1 MMB on the week to 241.0 MMB. U.S. supplies are up 24.7 MMB compared to this time last year and trend above the five-year average for this time of year.
- Distillate stocks decreased on the week at 152.8 MMB and stand 11.3 MMB higher compared to the same period last year.
- Distillate demand increased on the week at over 3.9 MMB/D. Demand stood at just over 4.0 MMB/D at this time last year. On a four-week average, distillate demand was slightly higher at nearly 3.8 MMB/D.
- On July 18, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$1.98 per gallon, 2.0 cents, or almost 1.0 percent, lower than the average price for conventional motor gasoline.
- On July 18, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel was \$2.19 per gallon, 2.5 cents per gallon, or 1.2 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated July 12, 2016, U.S. regular gasoline retail prices, which averaged \$2.43 per gallon in 2015, are projected to average \$2.12 per gallon in 2016.



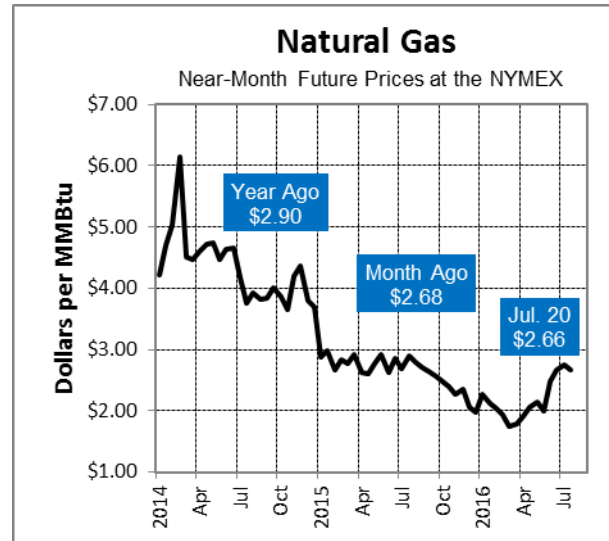
## Natural Gas

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 July 20, natural gas futures on the NYMEX closed at \$2.66 per million British thermal units (MMBtu), down \$0.02, or 1 percent, in the past month.**

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	07-20-16	06-22-16	change	07-22-15	change
NYMEX	\$2.66	\$2.68	down 1%	\$2.90	down 8%

- The August 2016 NYMEX futures contract settled at \$2.66 per MMBtu on July 20, down almost 8 cents from the prior settlement. Futures are down 2 cents, or 1 percent, in the past month.
- In the past year, natural gas prices have decreased by \$0.24 per MMBtu, or 8 percent.
- Working gas in storage was 3,277 Bcf, 20.6 percent above the five-year average inventory level for the week. According to EIA's July 21, 2016 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 471 Bcf, or 16.8 percent, higher than last year at this time.



- Working gas fill rose in the lower 48 states by less than average. Net injections into storage totaled 34 Bcf for the reporting week, lower than both the 70 Bcf injected during the comparable week last year and the 61 Bcf five-year average. Injections were below analysts' predictions.
- Temperatures in the Lower 48 states averaged 77°F during the storage report week. Temperatures during the report week were 2°F above normal and 2°F above last year at this time. Cooling degree-days (CDD) in the Lower 48 states reached a total of 83 CDD, 11 CDD above normal and 9 CDD above last year.
- According to the EIA, natural gas consumption for the report week rose 2 percent, spurred again by a 4 percent increase in the consumption of natural gas for power generation. Meanwhile, residential/commercial consumption declined by 3 percent, industrial consumption remained flat, and exports to Mexico increased 5 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.

*(Note: Beginning April 2016, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2016.)*

**On July 5, the average Missouri retail price for residential propane was nearly \$1.16 per gallon, 3.2 cents lower in the past month and down 13.3 cents in the past year.**

Propane - Retail Prices (cents per gallon)					
	<u>07-05-16</u>	<u>06-06-16</u>	<u>change</u>	<u>07-06-15</u>	<u>change</u>
Missouri	115.5	118.7	down 3%	128.8	down 10%

- According to the Division of Energy's most recent statewide propane price survey conducted July 5, the average Missouri retail residential propane price was nearly \$1.16 per gallon, 3.2 cents lower in the past month and down 13.3 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.67 per gallon, an increase of 2.0 cents or 1 percent in the past month. The lowest retail price was nearly \$0.89 per gallon, down 10.1 cents or 10 percent in the past month.
- U.S. propane stocks increased by less than 0.1 MMB to 87.4 MMB as of July 15, 2016, less than 0.3 MMB, or 0.3 percent, lower than a year ago. Midwest inventories increased by less than 0.7 MMB on the week to almost 28.0 MMB. Midwest inventories stood at 25.2 MMB at this time last year.
- U.S. propane consumption increased on the week. At over 1.1 MMB/D, U.S. demand for propane is almost 4.0 percent higher compared to 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>.