



Missouri Department of Natural Resources Division of Energy

MISSOURI ENERGY BULLETIN

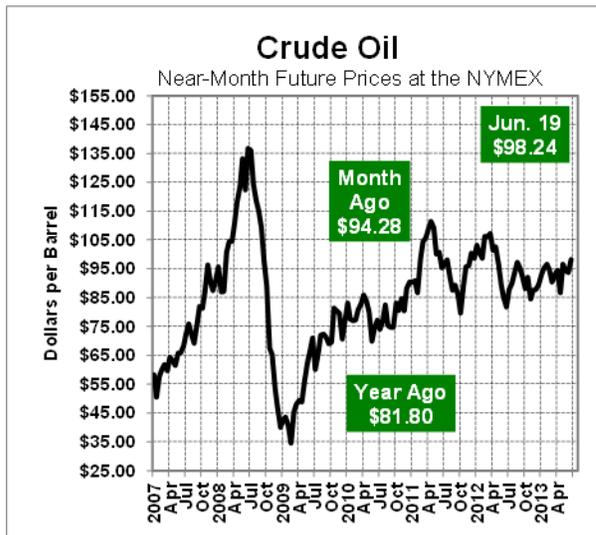
June 21, 2013

(Data is for the week ended June 14, 2013, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased \$3.96, or 4 percent, to \$98.24 per barrel in the past month and stand 20 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	06-19-13	05-22-13	change	06-20-12	change
NYMEX	\$98.24	\$94.28	up 4%	\$81.80	up 20%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for July delivery ended \$0.20, or 0.2 percent, lower on June 19 to close at \$98.24 per barrel after Federal Reserve Chairman Bernanke said it may start reducing bond purchases later this year and end them in the middle of 2014. The Fed may trim the \$85 billion-a-month stimulus if the economy continues to improve as the central bank forecasts. The Fed also left unchanged its plans to hold the target interest rate near zero as long as unemployment remains above 6.5 percent and the outlook for inflation does not exceed 2.5 percent.

- U.S. oil prices decreased on June 19 as crude supplies continued to increase. U.S. supplies reached an 82-year high of 397.6 million barrels (MMB) on May 24, 2013, on rising production and imports.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$98.24 is \$16.44 higher.
- Total petroleum products supplied to market over the last four-week period averaged 18.4 MMB/D, down by 1.5 percent compared to the similar period last year. According to the June 19 Energy Information Administration (EIA) weekly fuels report, U.S. oil inventories increased 0.3 MMB at 394.1 MMB. U.S. crude supplies are now 6.8 MMB higher than at this time last year.

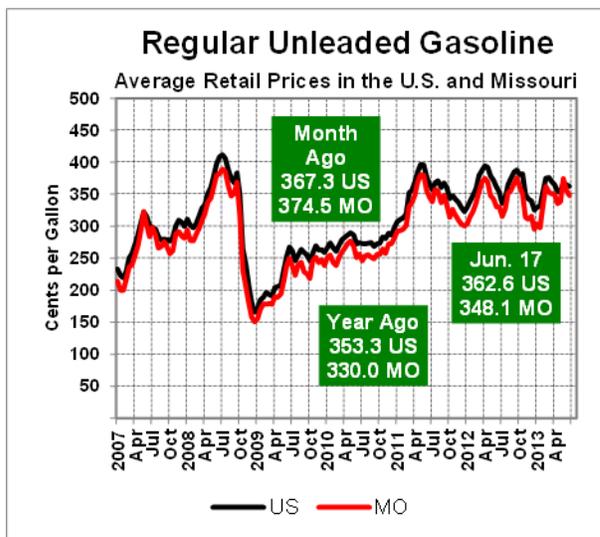
- Crude imports increased 586,000 barrels per day (B/D) from the prior week at 8.4 MMB/D. Imports at this time last year averaged 9.4 MMB/D.
- U.S. refinery crude runs increased with refiners processing 15.5 MMB/D of crude. U.S. refinery capacity use was 89.2 percent, up 1.7 percent from the prior week yet down 2.6 percent compared to this time last year.
- Gasoline output decreased at 9.2 MMB/D on the week and was up 23,000 B/D compared to the production level at this time last year. Distillate output was unchanged on the week at 4.7 MMB/D, and stands 35,000 B/D lower compared to the production level at this time last year.

Transportation Fuels

On June 17, Missouri's statewide average retail price for gasoline was about \$3.48 per gallon, down 26.4 cents in the past month and up 18.1 cents in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	06-17-13	05-20-13	change	06-18-12	change
US	362.6	367.3	down 1%	353.3	up 3%
Missouri	348.1	374.5	down 7%	330.0	up 5%

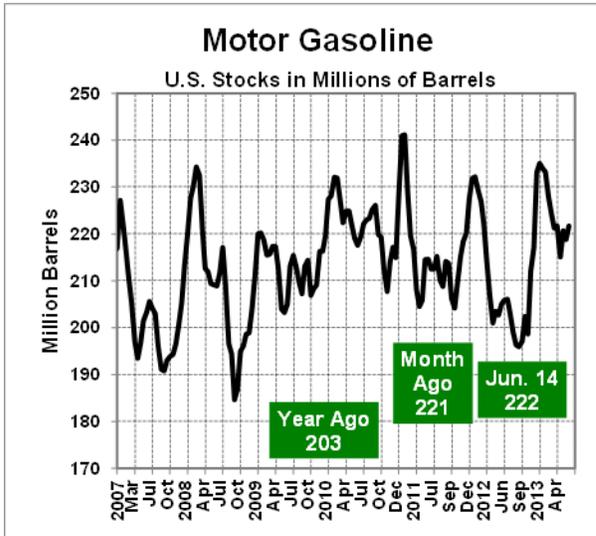
Diesel Fuel - Retail Prices (cents per gallon)					
	06-17-13	05-20-13	change	06-18-12	change
US	362.6	389.0	down 7%	353.3	up 3%
Missouri	367.3	371.2	down 1%	347.3	up 6%



- On June 17, Missouri's average retail price for gasoline was about \$3.48 per gallon, a decrease of 26.4 cents in the past month. The average price for diesel fuel was down by 3.9 cents per gallon in the past month. Missouri's average retail gasoline price is 18.1 cents, or 5 percent, higher, while the average diesel fuel price is 20.0 cents, or 6 percent, higher for the comparable period in June 2012.
- The U.S. average price for regular gasoline was down by 4.7 cents, or 1 percent, per gallon compared to last month at nearly \$3.63 per gallon. The U.S. average was up by 9.3 cents compared to this time last year.

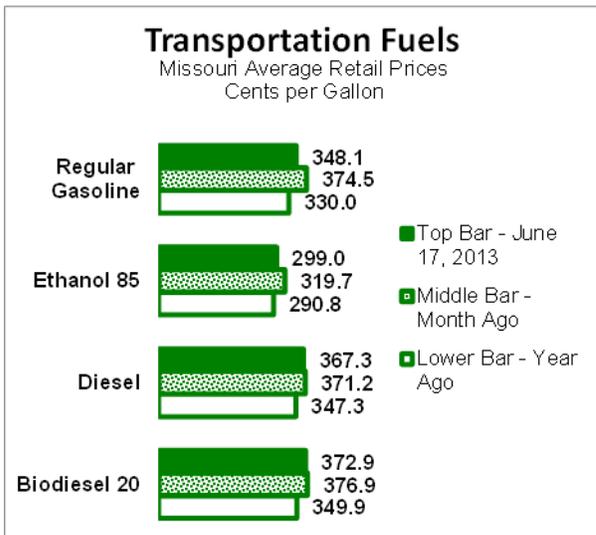
In the past week, the U.S. average decreased by 2.9 cents per gallon.

- Gasoline imports decreased by 137,000 B/D from the prior week at 0.6 MMB/D. Imports are 433,000 B/D lower than last year at this time.
- Implied demand for gasoline increased at 8.8 MMB/D from the prior week and stands about 147,000 B/D higher compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has

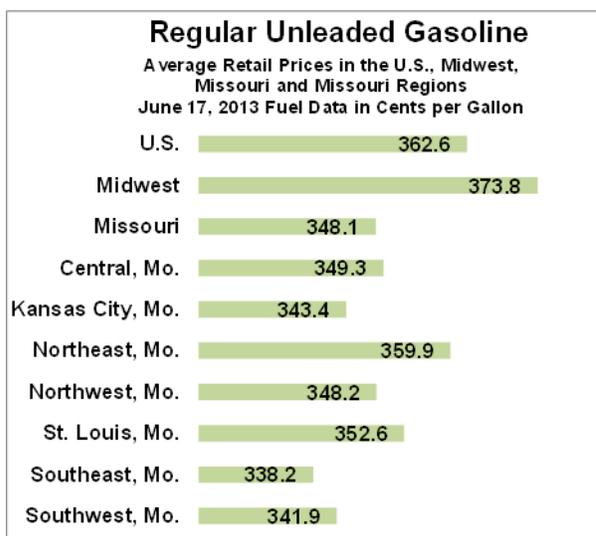


averaged about 8.8 MMB/D, 34,000 B/D or 0.4 percent lower compared to the same 4-week period last year.

- U.S. gasoline supplies increased 0.2 MMB at 221.7 MMB on the week. U.S. gasoline inventories are up 19.0 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 121.6 MMB and stand 0.5 MMB higher compared to the same period last year. Distillate demand decreased 63,000 B/D at 4.0 MMB/D on the week and up 0.5 MMB/D compared to the same period last year. On a four-week average, distillate demand was up 308,000 B/D compared to the same period last year at 3.9 MMB/D.



- On June 17, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$2.99 per gallon, 49.0 cents or 14.1 percent lower than the average price for conventional motor gasoline.
- On June 17, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$3.73 per gallon, 6.0 cents or 1.6 percent higher than the average retail price for conventional diesel fuel.



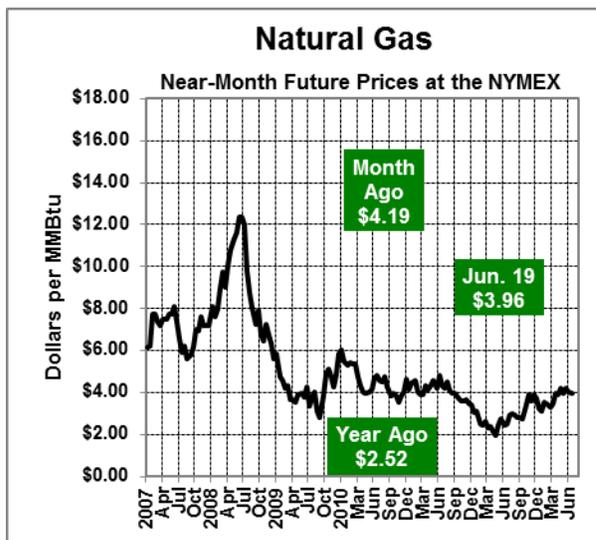
- According to EIA's June 11, 2013, *Short Term Energy Outlook*, EIA expects the U.S. regular gasoline price will average \$3.53 per gallon over the summer driving season (April through September). The annual average regular gasoline retail price is projected to decline from \$3.63 per gallon in 2012 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 that 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 June 19, natural gas futures at the NYMEX closed at \$3.96 per million British thermal units (MMBtu), down 23 cents from a month ago and up \$1.44 compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	06-19-13	05-22-13	change	06-20-12	change
NYMEX	\$3.96	\$4.19	down 6%	\$2.52	up 57%



- At the NYMEX, natural gas futures for July 2013 delivery ended 5.8 cents higher on June 19 to close at \$3.96 per MMBtu. In the past year, natural gas values have increased \$1.44 or 57 percent.
- For the reporting week June 12 to June 19, the price of the July 2013 contract increased from \$3.78 per MMBtu to \$3.96 per MMBtu. The 12-month strip (the average of the 12 contracts between July 2013 and June 2014) increased from \$3.95 per MMBtu to \$4.10 per MMBtu.
- According to EIA, U.S. natural gas consumption increased 0.9 percent during

the week. A 5.6 percent increase in power consumption was partially offset by decreases in industrial, residential, and commercial use.

- Working gas in storage totaled 2,438 billion cubic feet (Bcf), 1.9 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 559 Bcf, or 18.7 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 June 3, the average Missouri retail price for residential propane was about \$1.63 per gallon, down 3.4 cents in the past month, and down 6 percent compared to last year at this time.

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>06-03-13</u>	<u>05-06-13</u>	<u>change</u>	<u>06-04-12</u>	<u>change</u>
Missouri	162.8	166.2	down 2%	176.4	down 6%

- According to the Division of Energy's statewide propane price survey conducted June 3, the average Missouri retail residential propane price was about \$1.63 per gallon, down 3.4 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 3.5 MMB to end at 53.1 MMB. Propane inventories are now 6.4 MMB, or 10.8 percent, lower compared to the same period last year. Implied demand for propane decreased by 126,000 B/D at 0.7 MMB/D on the week and down 306,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories increased 1.8 MMB barrels on the week. At 17.8 MMB, Midwest inventories are 6.8 MMB, or 27.6 percent, lower than the 24.6 MMB reported at this time last year.

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