



Missouri Department of Natural Resources Division of Energy

MISSOURI ENERGY BULLETIN

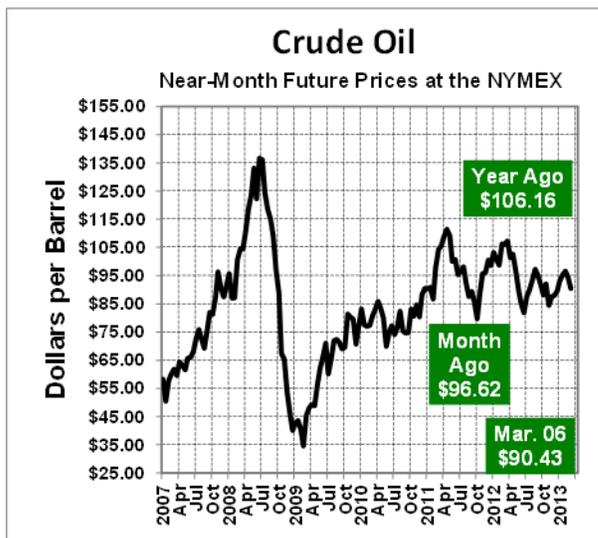
March 11, 2013

(Data is for the week ended March 1, 2013, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased \$6.19, or 6 percent, to \$90.43 per barrel in the past month and stand 15 percent lower than at this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	03-06-13	02-07-13	change	03-07-12	change
NYMEX	\$90.43	\$96.62	down 6%	\$106.16	down 15%



- At the New York Mercantile Exchange (NYMEX), crude oil futures for April delivery ended \$0.39, or 0.4 percent, lower on March 6 to close at \$90.43 per barrel, after the weekly federal fuels report showed crude inventories increased more than forecast.
- Oil futures increased more than 4 times the estimate in a survey of analysts. Refineries operated at the lowest rate in almost a year, reducing demand for crude to process into fuels. Venezuelan President Hugo Chavez passed away, the head of state of the fourth largest global oil producer. April oil futures dropped to as low as \$89.55 a barrel after the inventory report was released.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$90.43 is \$15.73, or 15 percent, lower.
- Total petroleum products supplied to market over the last four-week period averaged 18.6 million barrels per day (MMB/D), up by 1.5 percent compared to the similar period last year. According to the March 6 Energy Information Administration (EIA) weekly fuels report, U.S. oil inventories increased 3.8 MMB at 381.4 MMB. U.S. crude supplies are now 35.7 MMB higher than at this time last year.

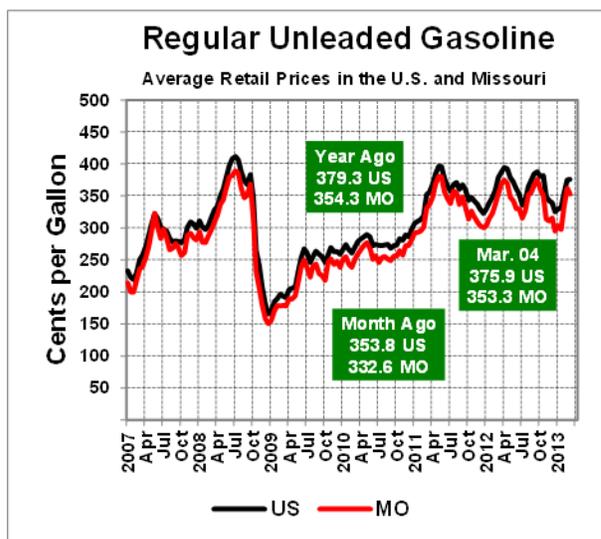
- Crude imports decreased at 7.3 MMB/D, down 0.6 MMB/D from the prior week. Imports at this time last year averaged 8.7 MMB/D. Crude oil inventories represent 26.7 days of forward cover compared to 23.5 days at this time last year.
- U.S. refinery crude runs decreased 500,000 barrels per day (B/D) with refiners processing just 14.0 MMB/D of crude. U.S. refinery capacity use was 82.2 percent, down 2.9 percent from the prior week and down 1.7 percent compared to this time last year.
- Gasoline output decreased at 8.7 MMB/D on the week. Distillate output decreased at 4.3 MMB/D, and stands 34,000 B/D higher compared to the production level at this time last year.

Transportation Fuels

On March 4, Missouri's statewide average retail price for gasoline was more than \$3.53 per gallon, up 20.7 cents in the past month and down 1.0 cent in the past year.

Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	03-04-13	02-04-13	change	03-06-12	change
US	375.9	353.8	up 6%	379.3	down 1%
Missouri	353.3	332.6	up 6%	354.3	down 0%

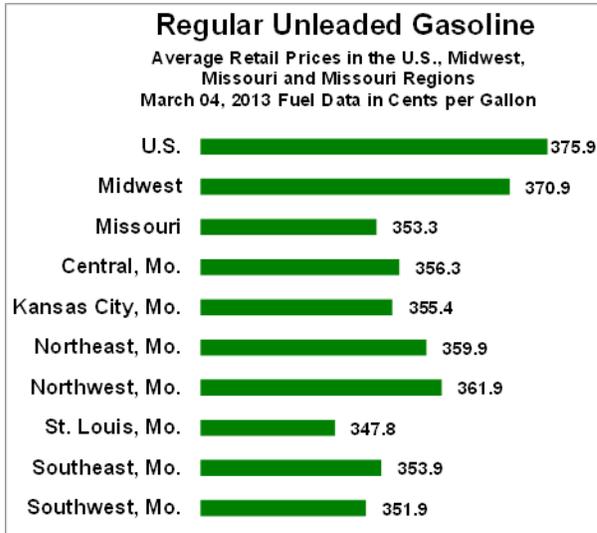
Diesel Fuel - Retail Prices (cents per gallon)					
	03-04-13	02-04-13	change	03-06-12	change
US	375.9	353.8	up 6%	379.3	down 1%
Missouri	391.4	374.6	up 4%	387.3	up 1%



decreased by 2.5 cents.

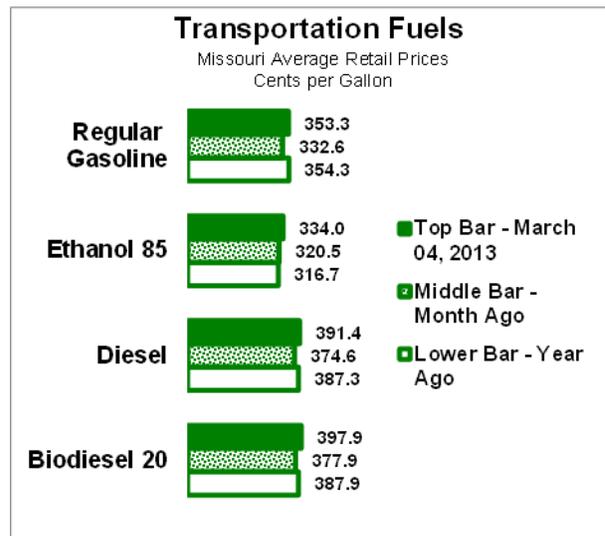
- On March 4, Missouri's average retail price for gasoline was more than \$3.54 per gallon, an increase of 20.7 cents in the past month. The average price for diesel fuel was up 16.8 cents per gallon in the past month. Missouri's average retail gasoline price is 1.0 cent, or less than 1 percent, lower, while the average diesel fuel price is 4.1 cents, or 1 percent, higher for the comparable period in March 2012.
- The U.S. average price for regular gasoline was up by 22.1 cents, or 6 percent, per gallon compared to last month at nearly \$3.76 per gallon. The U.S. average was down by 1.0 cent compared to this time last year. In the past week, the U.S. average

- Gasoline imports increased 31,000 B/D from the prior week at 0.6 MMB/D, 29,000 B/D higher than last year at this time.



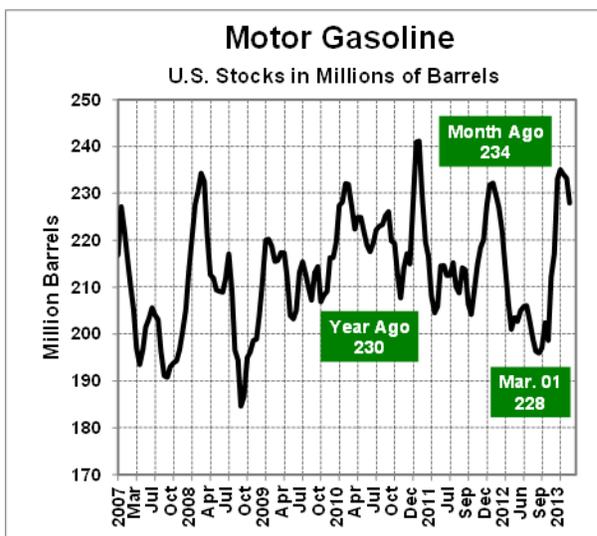
- Implied demand for gasoline decreased at 8.4 MMB/D from the prior week, about 102,000 B/D lower compared to this same period last year. In the past 4 weeks, U.S. gasoline demand has averaged about 8.5 MMB/D, 96,000 B/D or 1.1 percent higher compared to the same 4-week period last year.
- U.S. gasoline supplies decreased 0.6 MMB at 227.9 MMB on the week. Gasoline stocks represent 27.0 days of supply for the U.S. based on implied demand during the past 4-week average. U.S. gasoline inventories are down 1.7 MMB compared to this time last year and trend at the upper end of the five-year average for this time of year.

- Distillate stocks decreased at 120.4 MMB and stand 19.1 MMB lower compared to the same period last year. Distillate demand was up at 3.9 MMB/D on the week and up 312,000 B/D compared to the same period last year. On the week, distillate demand, which includes diesel fuel, kerosene and home heating oil, was up 355,000 B/D. On a four-week average, distillate demand was up 189,000 B/D compared to the same period last year at 3.8 MMB/D.
- On March 4, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$3.34 per gallon, 19 cents or about 5.7 percent lower than the average price for conventional motor



gasoline.

- On March 4, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$3.98 per gallon, about 7 cents or about 2 percent higher than the statewide average retail price for conventional diesel fuel.
- According to EIA's February 12, 2013, *Short Term Energy Outlook*, falling crude prices will help national average regular gasoline retail prices fall from an average \$3.63 per gallon in 2012 to annual averages of \$3.55 per gallon and \$3.39 per gallon in 2013 and 2014, respectively.

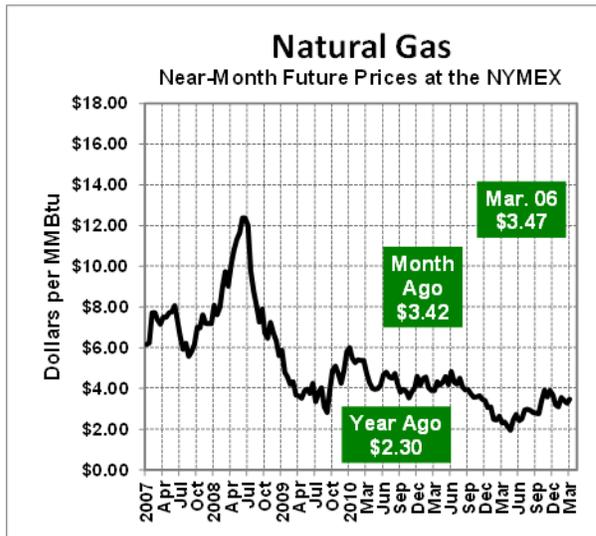


Natural Gas

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 March 6, natural gas futures at the NYMEX closed at \$3.47 per million British thermal units (MMBtu), up 5 cents from a month ago and up \$1.17 compared to last year at this time.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	03-06-13	02-04-13	change	03-07-12	change
NYMEX	\$3.47	\$3.42	up 1%	\$2.30	up 51%



- At the NYMEX, natural gas futures for April 2013 delivery ended 5.9 cents lower on March 6 to close at \$3.47 per MMBtu. In the past month, natural gas values have increased \$1.17 or 51 percent.
- At the NYMEX, the April 2013 near-month contract rose slightly from \$3.43 per MMBtu on February 27 to \$3.47 per MMBtu on March 6. While still relatively low, prices are considerably greater than levels last April. The April 2012 contract at this time last year was trading around \$2.30 per MMBtu.
- According to EIA, domestic consumption fell 3.8 percent from last week, with

decreases in the residential and commercial, power burn, and industrial sectors. Despite the overall decline in consumption of natural gas for power generation, the Midwest saw large increases beginning February 24.

- Working gas in storage totaled 2,083 billion cubic feet (Bcf), 14.8 percent above the five-year average inventory level for the week, according to EIA's *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 361 Bcf, or 14.8 percent, lower than last year at this time.
- According to EIA's *Short Term Energy Outlook*, released February 12, 2013, Midwest households that heat with natural gas may realize an increase in expenditures by 10.8 percent to \$685 for the 2012/13 heating season based on an increase in consumption of approximately 15.9 percent.

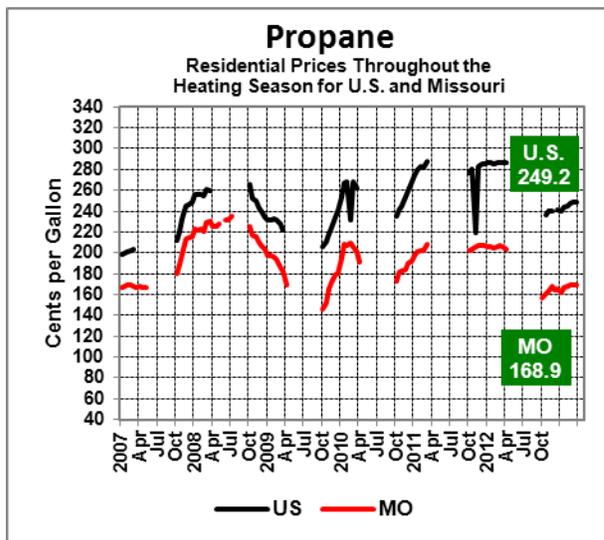
Propane

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

On March 4, the average Missouri retail price for residential propane was about \$1.69 per gallon, unchanged in the past month, and down 18 percent compared to last year at this time.

Propane - Retail Prices (cents per gallon)					
	03-04-13	02-04-13	change	03-19-12	change
Missouri	168.9	168.9	no change	205.3	down 18%

- According to the Division of Energy's statewide propane price survey conducted March 4, the average Missouri retail residential propane price was \$1.69 per gallon, unchanged in the past month.



- According to the survey, the highest Missouri retail residential price for propane was nearly \$2.10 per gallon, while the lowest retail price was about \$1.46 per gallon.
- U.S. inventories of propane decreased 2.2 MMB to end at 45.7 MMB. Propane inventories are now 2.2 MMB, or 5 percent, higher compared to the same period last year. Implied demand for propane decreased 136,000 B/D at 1.6 MMB/D on the week, and up 330,000 B/D compared to the demand level for this time last year.
- Midwest propane inventories decreased 1.7 MMB on the week. At 11.9 MMB, Midwest inventories are 5.0 MMB, or 42 percent, lower than the 16.9 MMB reported at this time last year.
- According to EIA's *Short Term Energy Outlook*, released February 12, 2013, Midwest households that heat with propane may realize a decrease in expenditures by 7.5 percent to \$1,423 for the heating season based on a decrease in price of 44 cents per gallon.

The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources' 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 on-line 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 Natural Resources, Division of Energy, P.O. Box 176, Jefferson City, MO 65102-0176; Phone: (573) 751-3443 or (800) 361-4827; Fax: (573) 751-6860; E-mail: energy@dnr.mo.gov; Web Address: www.dnr.mo.gov/energy/transportation/fb.htm