



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

March 24, 2017

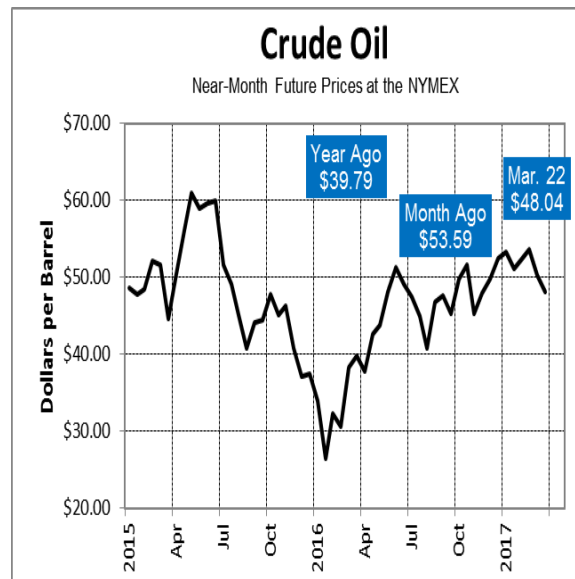
(Data are for the week ended March 17, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$5.55 to \$48.04 per barrel in the past month, 21 percent higher compared to this time last year.

<i>Crude Oil - Near Month Future Prices (dollars per barrel)</i>					
	<u>03-22-17</u>	<u>02-22-17</u>	<u>change</u>	<u>03-23-16</u>	<u>change</u>
NYMEX	\$48.04	\$53.59	down 10%	\$39.79	up 21%

- Crude oil futures for May delivery on the NYMEX ended \$0.20, or 0.4 percent, lower March 22 to settle at \$48.04 per barrel, falling to the lowest price since late November, after Energy Information Administration (EIA) data showed record high US crude inventories rising faster than expected.
- A deal between OPEC and some non-OPEC producers to reduce output by 1.8 million bpd (MMB/D) in the first half of 2017 has done little to reduce growing global oil inventories. OPEC, which sources say is leaning toward extending cuts, has broadly delivered on pledged reductions, but non-OPEC states have yet to cut fully in line with commitments.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$48.04 is \$8.25, or 21 percent, higher.



- Domestic crude production was slightly higher from the prior week at over 9.1 MMB/D. Last year at this time, production stood at over 9.0 MMB/D. Total crude imports increased from the prior week at over 8.3 MMB/D. Imports at this time last year averaged nearly 8.4 MMB/D.
- U.S. refinery crude runs increased from the prior week with refiners processing over 15.8 MMB/D. U.S. refinery capacity utilization was up on the week at 87.4 percent. Last year at this time, capacity use stood at 88.4 percent.
- Gasoline output increased on the week at nearly 9.8 MMB/D. Output was nearly 9.7 MMB/D at this time last year. Distillate output was higher from the prior week at over 4.8 MMB/D. Last year at this time, production stood at over 4.7 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at about 19.5 MMB/D, up by 0.5 percent compared to the same period last year.

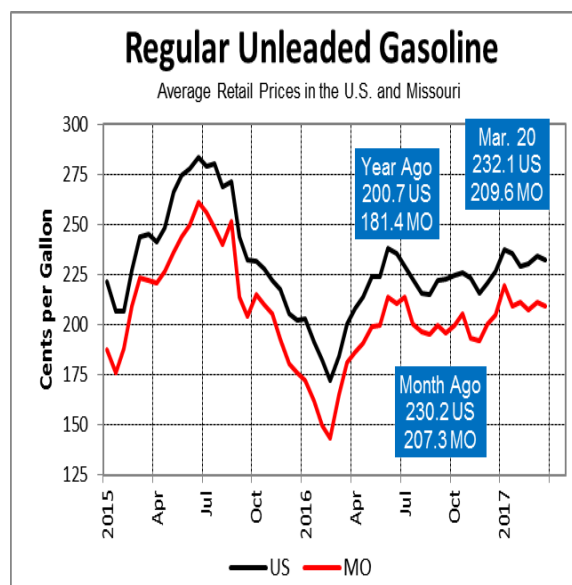
Transportation Fuels

On March 20, Missouri's statewide average retail price for gasoline was nearly \$2.10 per gallon, up 2.3 cents in the past month and up 28.2 cents in the past year.

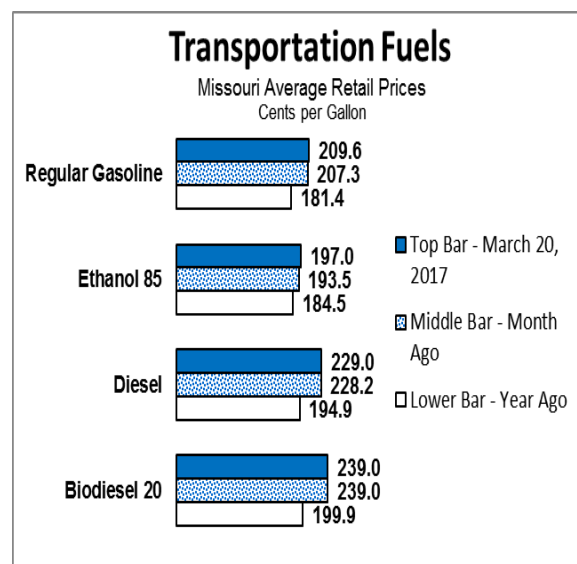
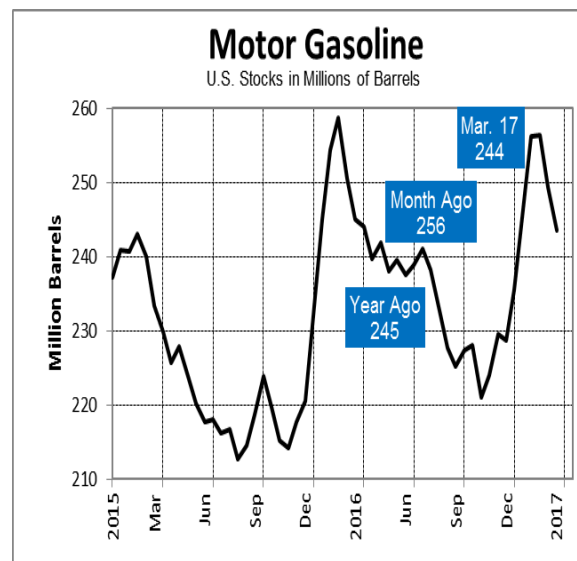
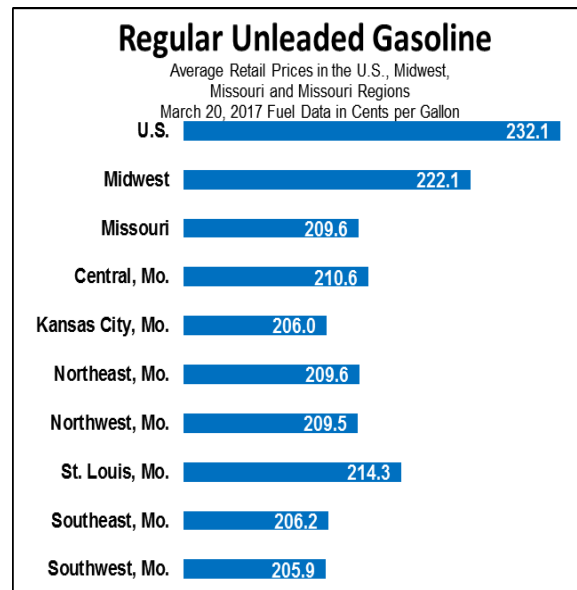
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	03-20-17	02-21-17	change	03-21-16	change
US	232.1	230.2	up 1%	200.7	up 16%
Missouri	209.6	207.3	up 1%	181.4	up 16%

Diesel Fuel - Retail Prices (cents per gallon)					
	03-20-17	02-21-17	change	03-21-16	change
US	253.9	257.2	down 1%	211.9	up 20%
Missouri	229.0	228.2	< 1%	194.9	up 18%

- On March 20, Missouri's average retail price for gasoline was nearly \$2.10 per gallon, up 2.3 cents in the past month.
- Missouri's average price for diesel fuel was \$2.29 per gallon, up 0.8 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 28.2 cents per gallon, or 16 percent, higher while the average retail diesel fuel price is 34.1 cents per gallon, or 18 percent, higher.
- At over \$2.32, the U.S. average price for regular gasoline is 1.9 cents per gallon, or 1 percent, higher compared to last month.
- The U.S. average price for regular gasoline is up 31.4 cents per gallon, or 16 percent, compared to this time last year. In the past week, the U.S. average decreased by less than 1 cent per gallon.



- Gasoline imports decreased from the prior week at over 0.3 MMB/D. Last year at this time, imports stood at over 0.4 MMB/D.
- Implied demand for gasoline decreased on the week at 9.2 MMB/D. Demand stood at over 9.5 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged over 9.1 MMB/D.
- U.S. gasoline supplies decreased 2.8 MMB on the week to 243.5 MMB. U.S. supplies are 1.6 MMB lower compared to this time last year.
- Distillate stocks decreased 1.9 MMB on the week at 155.4 MMB and stand 6.9 MMB lower compared to the same period last year.
- Distillate demand decreased on the week at over 4.0 MMB/D. Demand stood at nearly 3.4 MMB/D at this time last year. On a four-week average, distillate demand was lower at over 4.0 MMB/D.
- On March 20, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$1.97 per gallon, 12.6 cents, or 6.1 percent, lower than the average price for conventional motor gasoline.
- On March 20, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was \$2.39 per gallon, 10.0 cents per gallon, or 4.4 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated March 7, 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 \$2.40 in 2017.



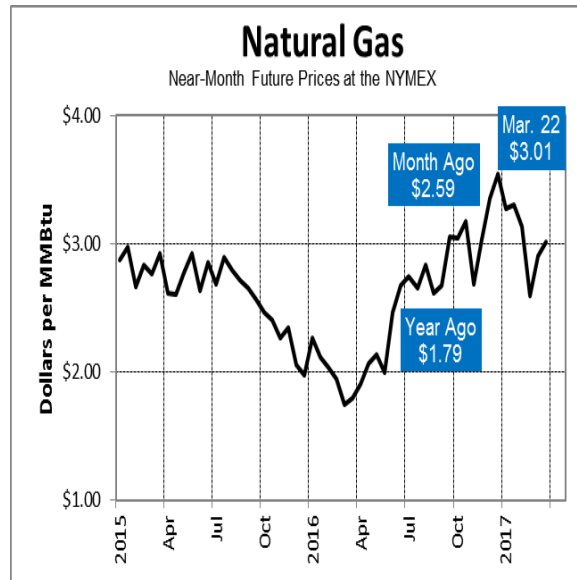
Natural Gas

Approximately 51.6 percent (1,220,485) 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 March 22, 2017, natural gas futures on the NYMEX closed at \$3.01 per million British thermal units (MMBtu), up \$1.22, or 68 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>03-22-17</u>	<u>02-22-17</u>	<u>change</u>	<u>03-23-16</u>	<u>change</u>
NYMEX	\$3.01	\$2.59	up 16%	\$1.79	up 68%

- The April 2017 NYMEX futures contract settled at \$3.01 per MMBtu on March 22, down 8.2 cents from the prior settlement.
- Futures are up \$1.22, or 68 percent, in the past year.
- Working gas in storage was 2,092 Bcf, 14.6 percent above the five-year average inventory level for the week. According to EIA's March 17, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 399 Bcf, or 16.0 percent, lower than last year at this time.
- According to the EIA, net withdrawals from working gas totaled 53 Bcf for the week ending March 10.



- Temperatures in the Lower 48 states averaged 45°F, 3°F higher than the normal and the same as last year at this time. The warmer-than-normal temperatures prevailed throughout most of the Lower 48 states, with the exception of the Pacific and New England Census divisions. Temperatures in the Pacific Census division averaged 51°F, 1°F lower than the normal and 3°F lower than last year at this time. Temperatures in the New England Census division averaged 31°F, 2°F lower than both the normal and last year at this time.
- According to the EIA, U.S. consumption of natural gas rose by 15 percent compared with the previous report week. Power burn climbed by 12 percent week over week, while industrial sector consumption increased by 4 percent. In the residential and commercial sectors, consumption increased by 24 percent, as cold weather and a winter snowstorm affected heating requirements in the Northeast. Natural gas exports to Mexico were the same as last week, averaging 3.9 Bcf/d.

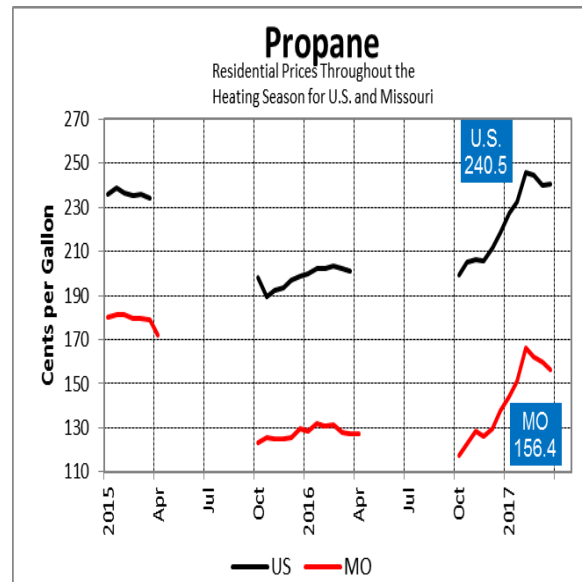
Propane

Approximately 9.2 percent (216,853) 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 March 20, the average Missouri retail price for residential propane was over \$1.56 per gallon, down 6.0 cents in the past month and up 29.2 cents in the past year.

Propane - Retail Prices (cents per gallon)					
	03-20-17	02-21-17	change	03-21-16	change
Missouri	156.4	162.4	down 4%	127.2	up 23%

- According to the Division of Energy's most recent statewide propane price survey conducted March 20, the average Missouri retail residential propane price was over \$1.56 per gallon, down 6.0 cents in the past month and up 29.2 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$2.10 per gallon. The lowest retail price was \$1.15 per gallon.
- U.S. propane stocks decreased by 0.1 MMB last week to 44.3 MMB as of March 17, 2017, 17.9 MMB, or 28.8 percent, lower than a year ago. Midwest propane stocks declined by over 0.5 MMB to over 11.7 MMB. Midwest inventories stood at nearly 14.9 MMB at this time last year.



- U.S. propane consumption was higher on the week at over 1.1 MMB/D. Consumption stood at nearly 1.2 MMB/D 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; Web Address: <http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>.