



Division of Energy

MISSOURI ENERGY BULLETIN

May 6, 2016

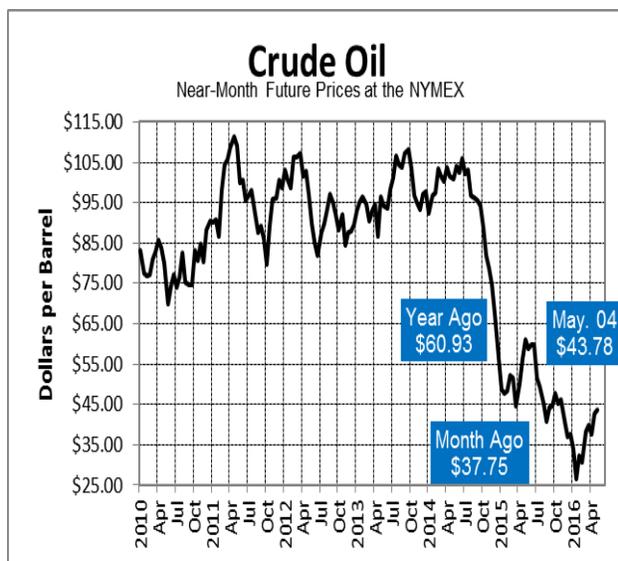
(Data is for the week ended April 29, 2016, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$6.03 to \$43.78 per barrel in the past month and stand 28 percent lower compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>05-04-16</u>	<u>04-06-16</u>	<u>change</u>	<u>05-06-15</u>	<u>change</u>
NYMEX	\$43.78	\$37.75	up 16%	\$60.93	down 28%

- NYMEX crude oil futures for June 2016 delivery ended \$0.13, or 0.3 percent, higher on May 4 to settle at \$43.78 per barrel, as a massive Canadian wildfire disrupted its oil sands production and as escalating fighting in Libya threatened the North African nation's output.
- WTI crude futures were kept in check as US oil supplies increased to another record level.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$43.78 is \$17.15, or 28 percent, lower.
- According to the weekly Energy Information Administration's (EIA) fuels report released May 4, U.S. crude inventories increased 2.8 million barrels (MMB) on the week to 543.4 MMB, a new storage record. U.S. crude supplies are now 56.4 MMB higher compared to this time last year.
- Domestic crude production was slightly lower from the prior week at just over 8.8 MMB/D. Last year at this time, production stood at nearly 9.4 MMB/D. Total crude imports increased from the prior week at 7.7 MMB/D. Imports at this time last year averaged just over 6.5 MMB/D.



- U.S. refinery crude runs decreased from the prior week with refiners processing nearly 16.0 MMB/D. U.S. refinery capacity utilization was up on the week at 89.7 percent. Last year at this time, capacity use stood at 93.0 percent.
- Gasoline output increased on the week at 9.8 MMB/D. Output was about 9.2 MMB/D at this time last year. Distillate output decreased from the prior week at less than 4.6 MMB/D. Last year at this time, production stood at nearly 5.0 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.1 MMB/D, up by 5.8 percent compared to the same period last year.

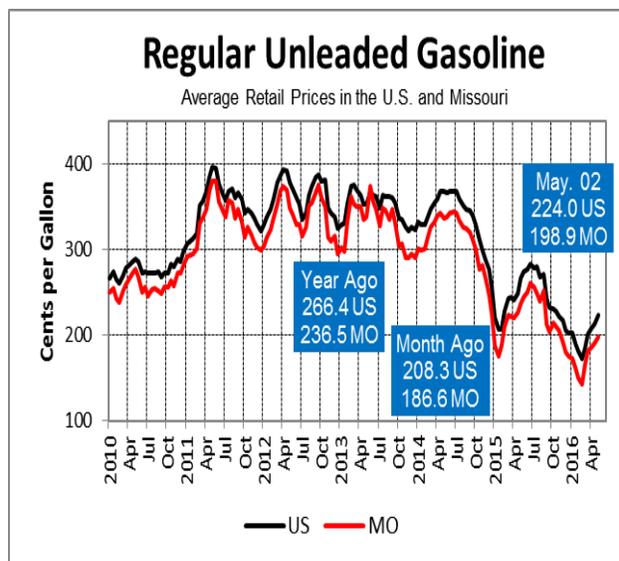
Transportation Fuels

On May 2, Missouri's statewide average retail price for gasoline was \$1.99 per gallon, up 12.3 cents in the past month and down 37.6 cents in the past year.

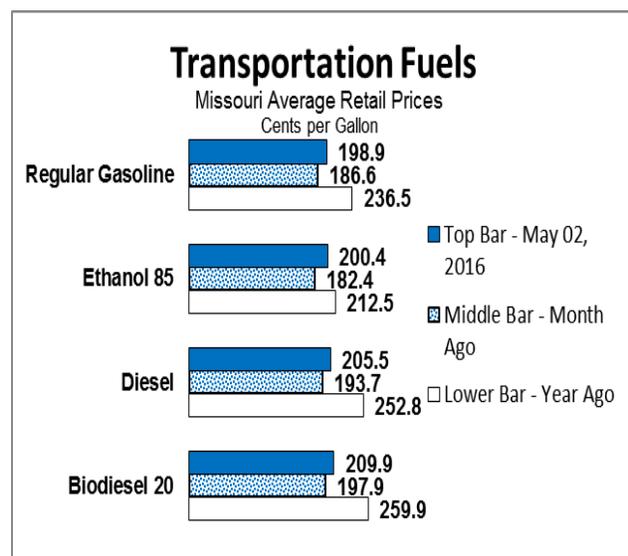
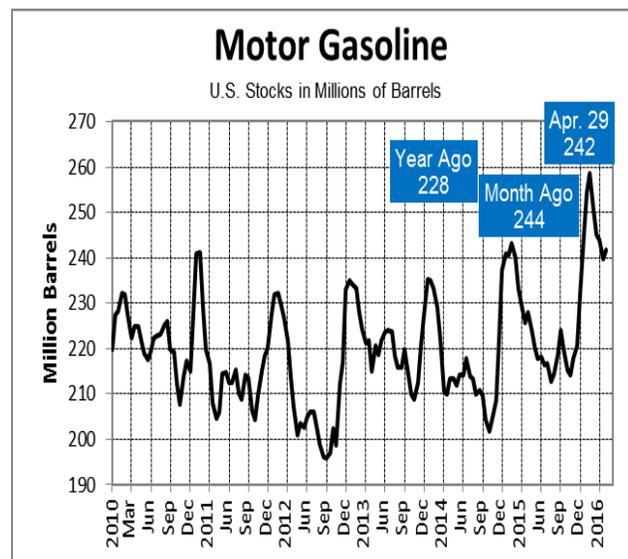
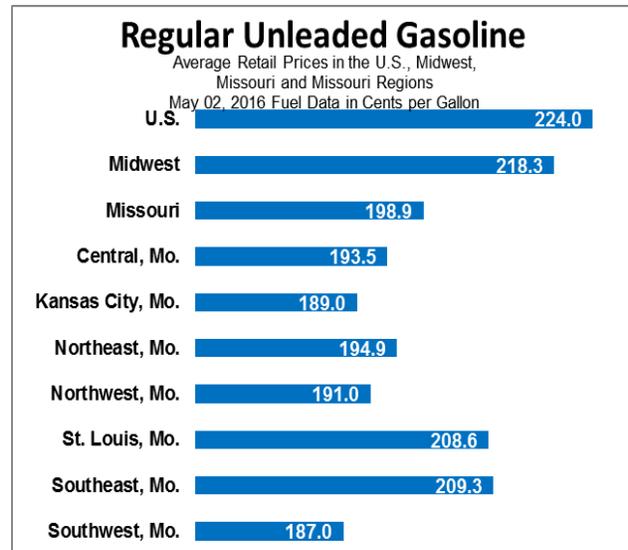
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	05-02-16	04-04-16	change	05-04-15	change
US	224.0	208.3	up 8%	266.4	down 16%
Missouri	198.9	186.6	up 7%	236.5	down 16%

Diesel Fuel - Retail Prices (cents per gallon)					
	05-02-16	04-04-16	change	05-04-15	change
US	226.6	211.5	up 7%	285.4	down 21%
Missouri	205.5	193.7	up 6%	252.8	down 19%

- On May 2, Missouri's average retail price for gasoline was \$1.99 per gallon, up 12.3 cents in the past month.
- Missouri's average price for diesel fuel was about \$2.06 per gallon, up 11.8 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 37.6 cents per gallon, or 16 percent, lower while the average retail diesel fuel price is 47.3 cents per gallon, or 19 percent, lower.
- At \$2.24, the U.S. average price for regular gasoline is 15.7 cents per gallon, or 8 percent, higher compared to last month.
- The U.S. average price for regular gasoline is down 42.4 cents per gallon, or 16 percent, compared to this time last year. In the past week, the U.S. average increased by 7.8 cents per gallon.



- Gasoline imports increased from the prior week at nearly 1.0 MMB/D. Last year at this time imports stood at 0.6 MMB/D.
- Implied demand for gasoline increased on the week at 9.5 MMB/D. Demand stood at nearly 8.8 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.5 MMB/D; 0.5 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies increased 0.5 MMB on the week to 241.8 MMB. U.S. supplies are up 13.9 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 157.0 MMB and stand 26.2 MMB higher compared to the same period last year.
- Distillate demand decreased on the week at less than 4.0 MMB/D. Demand stood at nearly 3.9 MMB/D at this time last year. On a four-week average, distillate demand was higher at 4.0 MMB/D.
- On May 2, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$2.00 per gallon, 1.5 cents, or 0.8 percent, higher than the average price for conventional motor gasoline.
- On May 2, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel was \$2.10 per gallon, 4.4 cents per gallon, or 2.1 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated April 12, 2016, U.S. regular gasoline retail prices, which averaged \$2.43 per gallon in 2015, are projected to average \$1.94 per gallon in 2016.



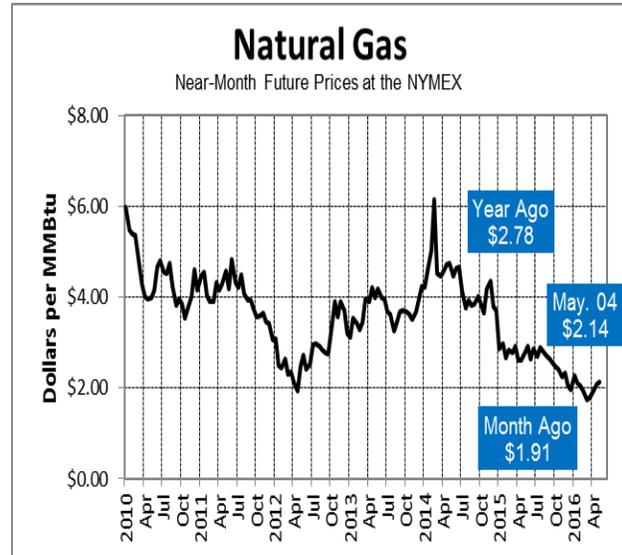
Natural Gas

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 May 4, natural gas futures on the NYMEX closed at \$2.14 per million British thermal units (MMBtu), up \$0.23, or 12 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	05-04-16	04-06-16	change	05-06-15	change
NYMEX	\$2.14	\$1.91	up 12%	\$2.78	down 23%

- The June 2016 NYMEX futures contract settled at \$2.14 per MMBtu on May 4, up 5.5 cents from the prior settlement and down 1.2 in the past week. Futures are up 23.0 cents, or 12 percent, in the past month.
- In the past year, natural gas prices have decreased by \$0.64 per MMBtu, or 23 percent.
- Working gas in storage was 2,625 Bcf, 46.7 percent above the five-year average inventory level for the week. According to EIA's May 5, 2016 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 861 Bcf, or 48.8 percent, higher than last year at this time.
- The 2016 refill season remains well behind the pace of previous injection seasons. Cumulative net injections into working gas total 145 Bcf thus far in the 2016 refill season, compared with the five-year average (2011-15) of 183 Bcf and last year's tally of 292 Bcf during the same period. Despite the slow start to the refill season, working gas stocks remain near record-highs for this time of year.
- Temperatures in the Lower 48 states averaged 58°F during the storage report week, 3 percent above normal and 8 percent above last year at this time. Only the Pacific U.S. Census Division reported temperatures that were below normal, by 4 percent. The West South Central Division reported the warmest temperatures in the Lower 48 states, averaging 71°F during the storage week.
- According to the EIA, overall consumption increased by 4.6 percent, with increases in all major sectors. Residential and commercial consumption increased by 12.2 percent, the result of somewhat cooler temperatures this week in the Northeast and Midwest. Consumption of natural gas for power generation increased by 3.9 percent, while industrial consumption increased by 0.7 percent. Exports to Mexico increased by 1.8 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 May 2, the average Missouri retail price for residential propane was about \$1.25 per gallon, 2.8 cents lower in the past month and down 31.1 cents in the past year.

<i>Propane - Retail Prices (cents per gallon)</i>					
	<u>05-02-16</u>	<u>04-04-16</u>	<u>change</u>	<u>05-04-15</u>	<u>change</u>
Missouri	124.5	127.3	down 2%	155.6	down 20%

- According to the Division of Energy's most recent statewide propane price survey conducted May 2, the average Missouri retail residential propane price was about \$1.25 per gallon, 2.8 cents lower in the past month and down 31.1 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.80 per gallon, an increase of 0.9 cent or less than 1 percent in the past month. The lowest retail price was \$1.00 per gallon, up 0.9 cent or 1 percent in the past month.
- U.S. propane stocks increased by 0.7 MMB last week to 71.9 MMB as of April 29, 2016, 5.3 MMB, or 8 percent, higher than a year ago. Midwest inventories increased by 0.9 MMB on the week to 17.1 MMB. Midwest inventories stood at 18.4 MMB at this time last year.
- U.S. propane consumption increased on the week. At 1.1 MMB/D, U.S. demand for propane is 8.1 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>

To access previous issues of the Energy Bulletin, or to subscribe, please visit:

<http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>

To learn more about Missouri energy issues, please visit:

<http://energy.mo.gov/energy>

For more information about the Comprehensive State Energy Plan, visit:

<http://energy.mo.gov/energy/about/comprehensive-state-energy-plan>.

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>.