



Department of Economic Development
Division of Energy

MISSOURI ENERGY BULLETIN

May 09, 2017

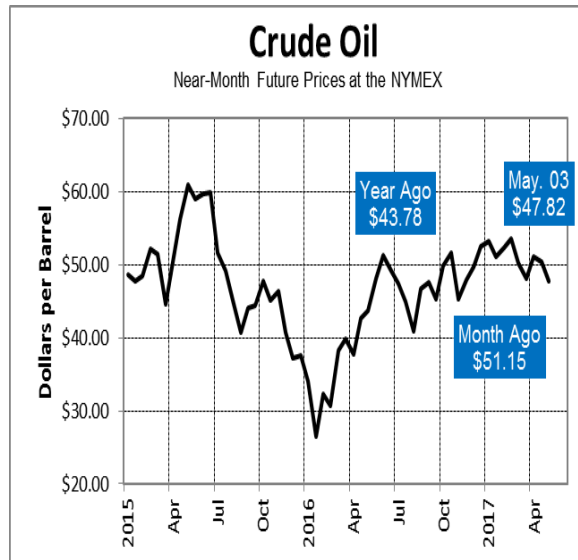
(Data are for the week ended April 28, 2017, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$3.33 to \$47.82 per barrel in the past month, 9 percent higher compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	05-03-17	04-05-17	change	05-04-16	change
NYMEX	\$47.82	\$51.15	down 7%	\$43.78	up 9%

- Crude oil futures for June delivery on the NYMEX ended \$0.16, or 0.3 percent, higher on May 3 to settle at \$47.82 per barrel, following a choppy trading session in response to Energy Information Administration (EIA) data showing that, despite a receding glut, inventories remained large in the face of weak gasoline demand.
- While the market fixates on US oil production, investors are also monitoring if producing countries have been complying with their 2016 deal to cut output around 1.8 million bpd (MMB/D) by the middle of the year. Russia, contributing the largest production cut outside OPEC, said as of May 1st, it had cut output more than 300,000 bpd since hitting peak production in October. However, the latest survey of OPEC production showed the country's compliance had fallen slightly. OPEC meets on May 25th to discuss extending the agreement.



- Compared to this time last year, the U.S. crude oil futures settlement price of \$47.82 is \$4.04, or 9 percent, higher.
- Domestic crude production was slightly higher from the prior week at nearly 9.3 MMB/D. Last year at this time, production stood at over 8.8 MMB/D. Total crude imports decreased from the prior week at nearly 8.3 MMB/D. Imports at this time last year averaged nearly 7.7 MMB/D.
- U.S. refinery crude runs decreased from the prior week with refiners processing nearly 17.2 MMB/D. U.S. refinery capacity utilization was down on the week at 93.3 percent. Last year at this time, capacity use stood at 88.1 percent.
- Gasoline output increased on the week at nearly 9.8 MMB/D. Output was over 9.8 MMB/D at this time last year. Distillate output was higher from the prior week at over 5.1 MMB/D. Last year at this time, production stood at nearly 4.6 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 19.6 MMB/D, down by 2.4 percent compared to the same period last year.

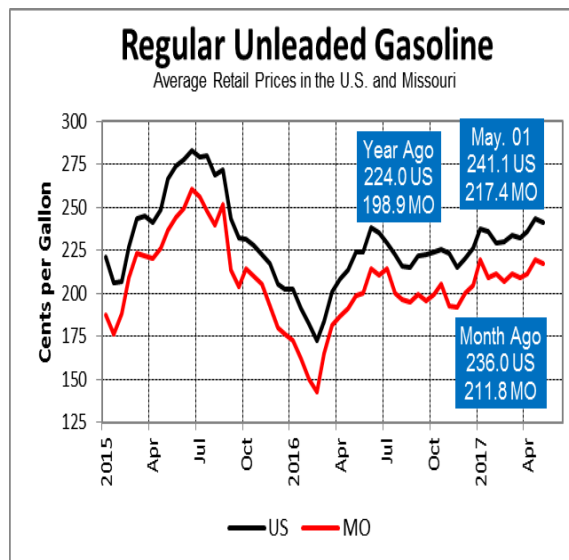
Transportation Fuels

On May 1, Missouri's statewide average retail price for gasoline was just over \$2.17 per gallon, up 5.6 cents in the past month and up 18.5 cents in the past year.

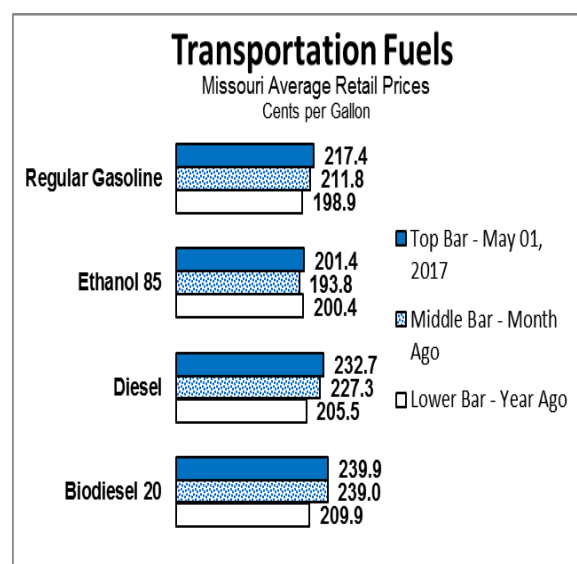
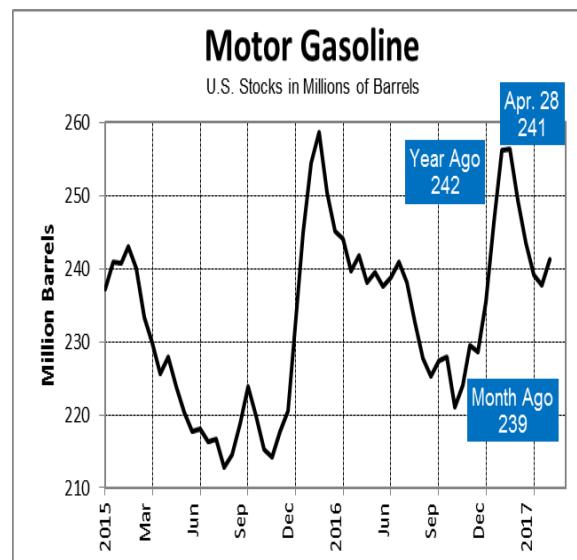
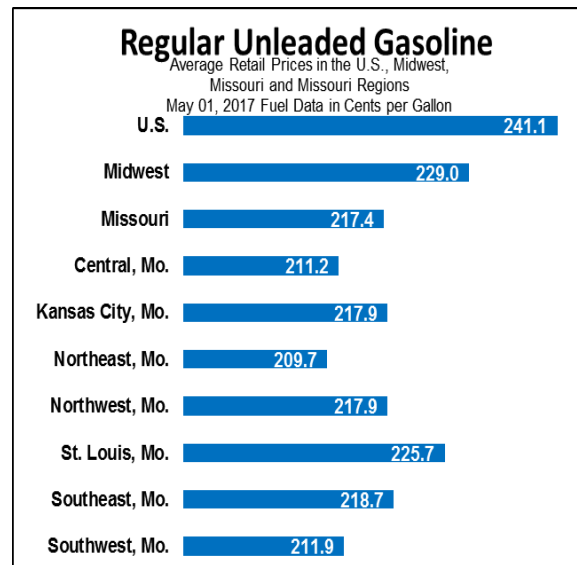
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	05-01-17	04-03-17	change	05-02-16	change
US	241.1	236.0	up 2%	224.0	up 8%
Missouri	217.4	211.8	up 3%	198.9	up 9%

Diesel Fuel - Retail Prices (cents per gallon)					
	05-01-17	04-03-17	change	05-02-16	change
US	258.3	255.6	up 1%	226.6	up 14%
Missouri	232.7	227.3	up 2%	205.5	up 13%

- On May 1, Missouri's average retail price for gasoline was just over \$2.17 per gallon, up 5.6 cents in the past month.
- Missouri's average price for diesel fuel was nearly \$2.33 per gallon, up 5.4 cents in the past month.
- Compared to last year at this time, Missouri's average retail gasoline price is 18.5 cents per gallon, or 9 percent, higher while the average retail diesel fuel price is 27.2 cents per gallon, or 13 percent, higher.
- At over \$2.41, the U.S. average price for regular gasoline is 5.1 cents per gallon, or 2 percent, higher compared to last month.



- The U.S. average price for regular gasoline is up 17.1 cents per gallon, or 8 percent, compared to this time last year. In the past week, the U.S. average decreased by 3.8 cents per gallon.
- Gasoline imports decreased from the prior week at nearly 0.7 MMB/D. Last year at this time, imports stood at over 0.9 MMB/D.
- Implied demand for gasoline decreased on the week at nearly 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 9.2 MMB/D.
- U.S. gasoline supplies increased 0.2 MMB on the week to 241.2 MMB. U.S. supplies are 0.6 MMB lower compared to this time last year.
- Distillate stocks decreased 0.2 MMB on the week to 150.4 MMB and stand 6.6 MMB lower compared to the same period last year.
- Distillate demand increased on the week at over 4.2 MMB/D. Demand stood at over 3.9 MMB/D at this time last year. On a four-week average, distillate demand was higher at nearly 4.2 MMB/D.
- On May 1, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was over \$2.01 per gallon, 16.0 cents, or 7.4 percent, lower than the average price for conventional motor gasoline.
- On May 1, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was nearly \$2.40 per gallon, 7.2 cents per gallon, or 3.1 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated April 11, 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 \$2.39 in 2017.



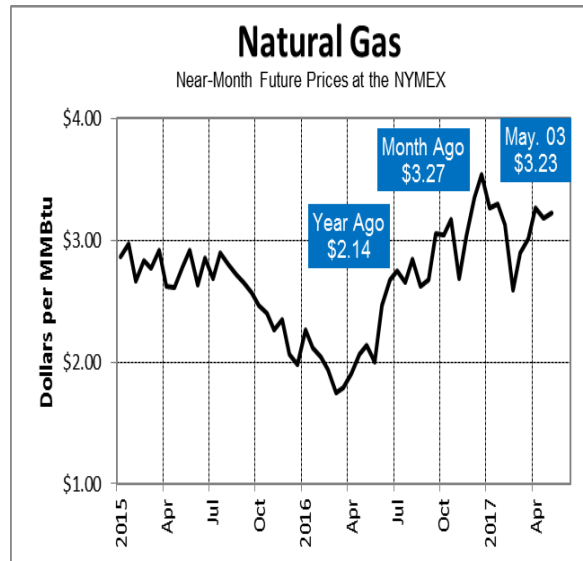
Natural Gas

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 May 3, 2017, natural gas futures on the NYMEX closed at \$3.23 per million British thermal units (MMBtu), up \$1.09, or 51 percent, in the past year.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	<u>05-03-17</u>	<u>04-05-17</u>	<u>change</u>	<u>05-04-16</u>	<u>change</u>
NYMEX	\$3.23	\$3.27	down 1%	\$2.14	up 51%

- The June 2017 NYMEX futures contract settled at \$3.23 per MMBtu on May 3, up 3.3 cents from the prior settlement.
- Futures are up \$1.09, or 51 percent, in the past year.
- Working gas in storage was 2,256 Bcf, 15.5 percent above the five-year average inventory level for the week. According to EIA's May 4, 2017 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 359 Bcf, or 13.7 percent, lower than last year at this time.
- According to the EIA, net injections into storage totaled 74 Bcf, compared with the five-year (2012–16) average net injection of 57 Bcf and last year's net injections of 64 Bcf during the same week. Net injections into working gas during the storage week were the largest reported so far in the 2017 injection season and the largest reported this early in the refill season since April 17, 2015.
- Temperatures in the Lower 48 states averaged 61°F, 7°F higher than the normal and 4°F higher than last year at this time. Temperatures were warmer than normal in most areas of the Lower 48 states.
- According to the EIA, total U.S. consumption of natural gas rose by 2% compared with the previous report week. Week over week, power burn declined by 2 percent, industrial sector consumption increased by 1 percent, and residential/commercial sector consumption increased by 12 percent. Natural gas exports to Mexico increased 24 percent as maintenance on the NET Mexico Pipeline concluded over the weekend and export flows were restored on the line.



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.

(Note: Beginning April 2017, Missouri residential retail propane prices will be reported only for the first full week of each month through September 2017.)

On May 4, the average Missouri retail price for residential propane was nearly \$1.47 per gallon, down 8.5 cents in the past month and up 22.2 cents in the past year.

Propane - Retail Prices (cents per gallon)					
	<u>05-04-17</u>	<u>04-03-17</u>	<u>change</u>	<u>05-02-16</u>	<u>change</u>
Missouri	146.7	155.2	down 6%	124.5	up 18%

- According to the Division of Energy's most recent statewide propane price survey conducted May 4, the average Missouri retail residential propane price was nearly \$1.47 per gallon, down 8.5 cents in the past month and up 22.2 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.99 per gallon. The lowest retail price was \$1.15 per gallon.
- U.S. propane stocks increased slightly, remaining virtually unchanged at 39.7 MMB as of April 28, 2017, 32.2 MMB, or 44.8 percent, lower than a year ago. Midwest propane stocks declined by nearly 0.2 MMB to nearly 11.8 MMB. Midwest inventories stood at over 17.1 MMB at this time last year.
- U.S. propane consumption was higher on the week at nearly 1.1 MMB/D. Consumption stood at 1.1 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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<http://energy.mo.gov/energy/stay-informed/missouri-energy-bulletins>

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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>.