



Division of Energy

MISSOURI ENERGY BULLETIN

May 20, 2016

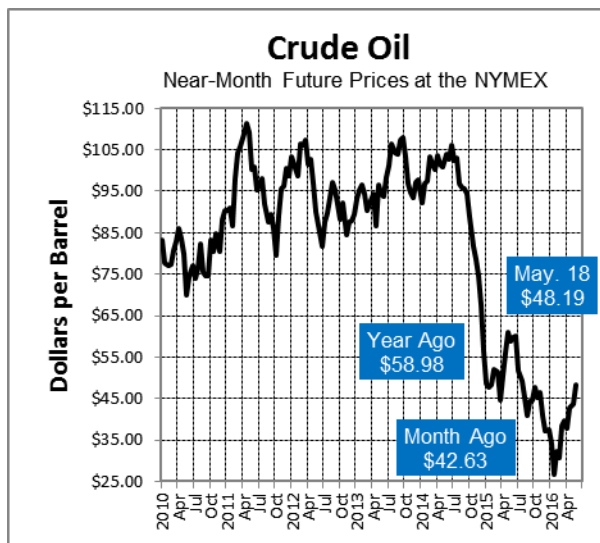
(Data is for the week ended May 13, 2016, unless stated otherwise.)

Crude Oil

U.S. crude oil prices increased by \$5.56 to \$48.19 per barrel in the past month and stand 18 percent lower compared to this time last year.

Crude Oil - Near Month Future Prices (dollars per barrel)					
	<u>05-18-16</u>	<u>04-20-16</u>	<u>change</u>	<u>05-20-15</u>	<u>change</u>
NYMEX	\$48.19	\$42.63	up 13%	\$58.98	down 18%

- NYMEX crude oil futures for June 2016 delivery ended \$0.12, or 0.3 percent, lower on May 18 to settle at \$48.19 per barrel, on a stronger dollar after the Federal Reserve signaled it could raise interest rates next month.
- Further declines in WTI crude futures were kept in check by oil production outages in Nigeria, that have slashed output to the lowest in over two decades; and, production issues in Canada and Libya.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$48.19 is \$10.79, or 18 percent, lower.



- According to the weekly Energy Information Administration’s (EIA) fuels report released May 18, U.S. crude inventories increased 1.3 million barrels (MMB) on the week to 541.3 MMB. U.S. crude supplies are now 59.1 MMB higher compared to this time last year.
- Domestic crude production was slightly lower from the prior week at just under 8.8 MMB/D. Last year at this time, production stood at nearly 9.3 MMB/D. Total crude imports increased from the prior week to nearly 7.7 MMB/D. Imports at this time last year averaged about 7.2 MMB/D.

- U.S. refinery crude runs increased from the prior week with refiners processing nearly 16.4 MMB/D. U.S. refinery capacity utilization was up on the week at 90.5 percent. Last year at this time, capacity use stood at 91.2 percent.
- Gasoline output decreased on the week at just under 10.0 MMB/D. Output was about 9.7 MMB/D at this time last year. Distillate output decreased from the prior week at less than 4.8 MMB/D. Last year at this time, production stood at over 4.8 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 20.2 MMB/D, up by 2.7 percent compared to the same period last year.

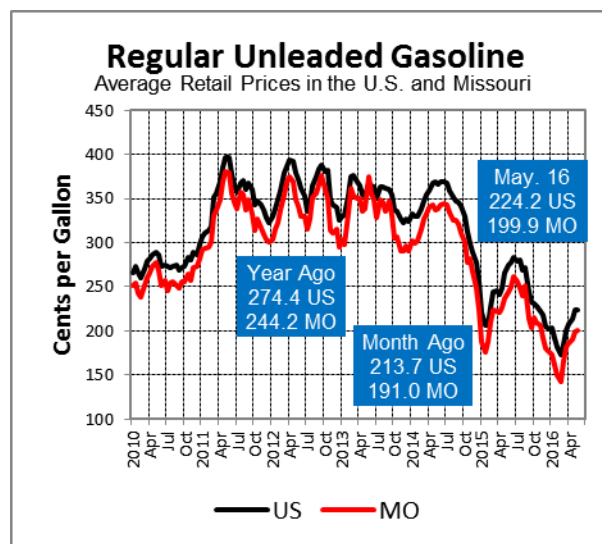
Transportation Fuels

On May 16, Missouri’s statewide average retail price for gasoline was nearly \$2.00 per gallon, up 8.9 cents in the past month and down 44.3 cents in the past year.

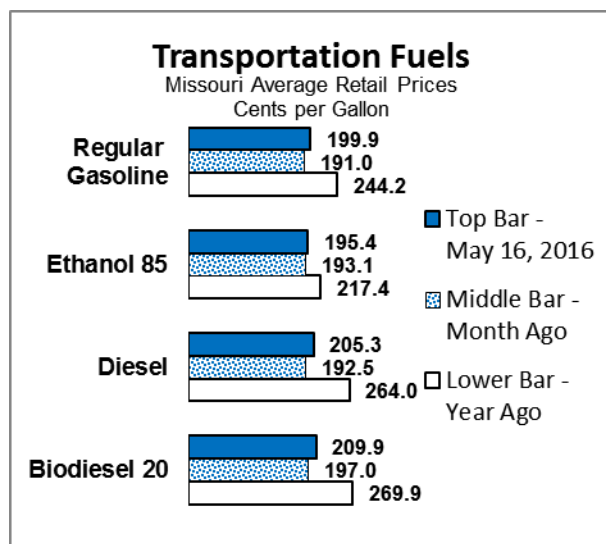
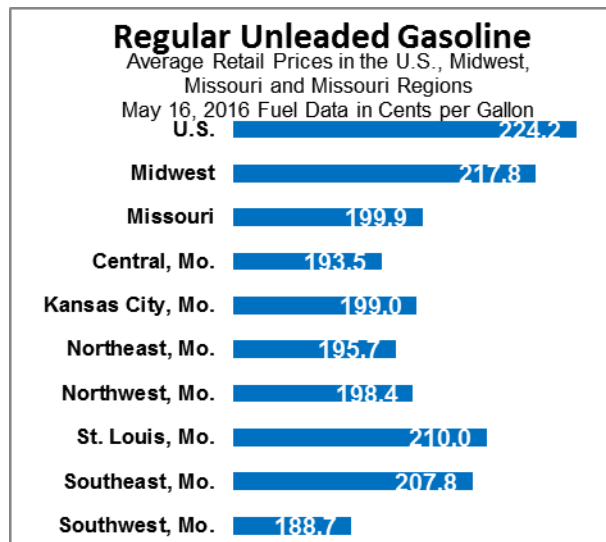
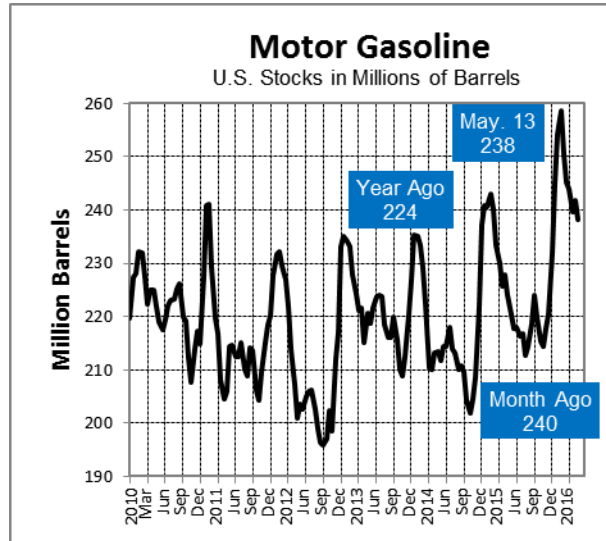
Regular Unleaded Gasoline - Retail Prices (cents per gallon)					
	05-16-16	04-18-16	change	05-18-15	change
US	224.2	213.7	up 5%	274.4	down 18%
Missouri	199.9	191.0	up 5%	244.2	down 18%

Diesel Fuel - Retail Prices (cents per gallon)					
	05-16-16	04-18-16	change	05-18-15	change
US	224.2	216.5	up 4%	290.4	down 23%
Missouri	205.3	192.5	up 7%	264.0	down 22%

- On May 16, Missouri’s average retail price for gasoline was nearly \$2.00 per gallon, up 8.9 cents in the past month.
- Missouri’s average price for diesel fuel was about \$2.05 per gallon, up 12.8 cents in the past month.
- Compared to last year at this time, Missouri’s average retail gasoline price is 44.3 cents per gallon, or 18 percent, lower while the average retail diesel fuel price is 58.7 cents per gallon, or 22 percent, lower.
- At \$2.24, the U.S. average price for regular gasoline is 10.5 cents per gallon, or 5 percent, higher compared to last month.
- The U.S. average price for regular gasoline is down 50.2 cents per gallon, or 18 percent, compared to this time last year. In the past week, the U.S. average increased by 2.2 cents per gallon.
- Gasoline imports decreased from the prior week at nearly 0.7 MMB/D. Last year at this time imports stood at just over 0.5 MMB/D.



- Implied demand for gasoline increased on the week at nearly 9.8 MMB/D. Demand stood at nearly 9.3 MMB/D at this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.6 MMB/D, 0.5 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies decreased 2.5 MMB on the week to 238.1 MMB. U.S. supplies are up 14.1 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 152.2 MMB and stand 24.4 MMB higher compared to the same period last year.
- Distillate demand increased on the week at more than 4.3 MMB/D. Demand stood at nearly 4.2 MMB/D at this time last year. On a four-week average, distillate demand was higher at 4.1 MMB/D.
- On May 16, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was \$1.95 per gallon, 4.5 cents, or 2.3 percent, lower than the average price for conventional motor gasoline.
- On May 16, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel was \$2.10 per gallon, 4.6 cents per gallon, or 2.3 percent, higher than the average price for conventional diesel fuel.
- According to EIA's latest *Short Term Energy Outlook* dated May 10, 2016, U.S. regular gasoline retail prices, which averaged \$2.43 per gallon in 2015, are projected to average \$2.08 per gallon in 2016.



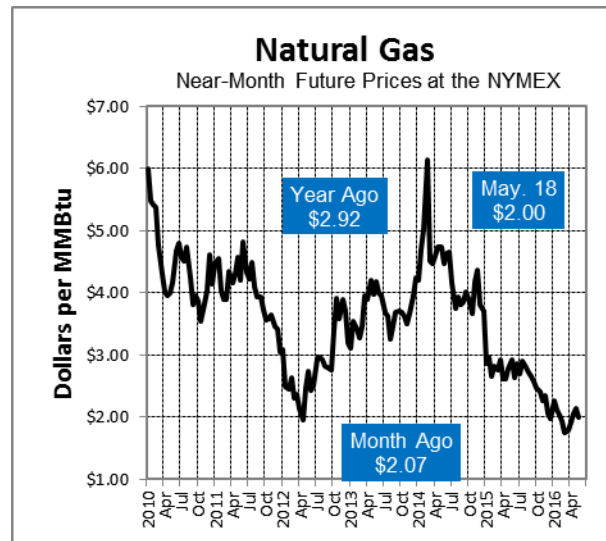
Natural Gas

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 18, natural gas futures on the NYMEX closed at \$2.00 per million British thermal units (MMBtu), down \$0.07, or 3 percent, in the past month.

Natural Gas - Near Month Future Prices (dollars per MMBtu)					
	05-18-16	04-20-16	change	05-20-15	change
NYMEX	\$2.00	\$2.07	down 3%	\$2.92	down 32%

- The June 2016 NYMEX futures contract settled at \$2.00 per MMBtu on May 18, down 4.7 cents from the prior settlement and down 17.2 in the past week. Futures are down 7.0 cents, or 3 percent, in the past month.
- In the past year, natural gas prices have decreased by \$0.92 per MMBtu, or 32 percent.
- Working gas in storage was 2,754 Bcf, 40.6 percent above the five-year average inventory level for the week. According to EIA's May 19, 2016 *Weekly Natural Gas Storage Report*, U.S. natural gas supplies are 791 Bcf, or 40.3 percent, higher than last year at this time.



- The 2016 refill season remains well behind the pace of recent injection seasons. Cumulative net injections into working gas total 274 Bcf thus far in the 2016 refill season, compared with the five-year average (2011-15) of 353 Bcf and last year's tally of 491 Bcf during the same period. Working gas stocks remain near record-highs for this time of year because they ended the 2016 withdrawal season at a record high.
- Temperatures are above normal in most of the Lower 48 states. Temperatures for the report week averaged 61.3°F for the week across the country, 1.1° higher than normal. Cumulative cooling degrees-days during this period are 6 percent higher than normal.
- According to the EIA, natural gas consumption for the report week increased by 2 percent. Residential/commercial consumption increased 4 percent, while industrial consumption increased 1 percent. Power burn increased 3 percent and exports to Mexico increased 2 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.

Propane - Retail Prices (cents per gallon)					
	<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 1.0 MMB last week to 74.2 MMB as of May 13, 2016, 3.2 MMB, or 4.5 percent, higher than a year ago. Midwest inventories increased by 0.8 MMB on the week to 19.2 MMB. Midwest inventories stood at 18.2 MMB at this time last year.
- U.S. propane consumption increased on the week. At 1.0 MMB/D, U.S. demand for propane is 16.7 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>

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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>.