



Division of Energy

MISSOURI ENERGY BULLETIN

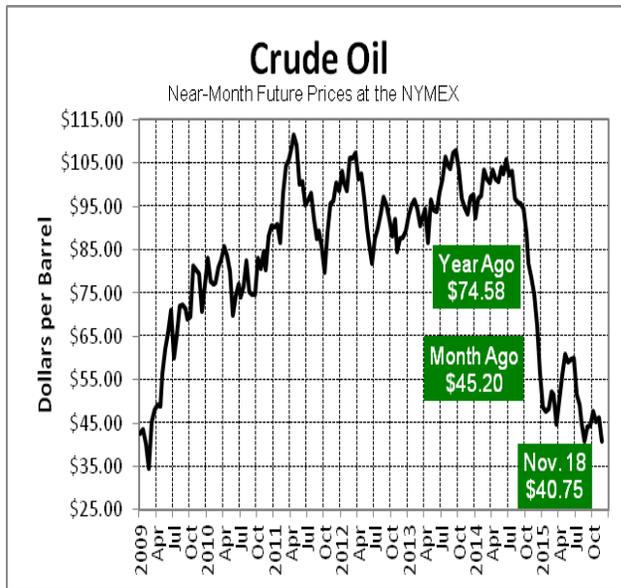
November 20, 2015

(Data is for the week ended November 13, 2015, unless stated otherwise.)

Crude Oil

U.S. crude oil prices decreased by \$4.45 to \$40.75 per barrel in the past month and stand 45 percent lower compared to this time last year.

| Crude Oil - Near Month Future Prices (dollars per barrel) | | | | | |
|-----------------------------------------------------------|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>11-18-15</u> | <u>10-21-15</u> | <u>change</u> | <u>11-19-14</u> | <u>change</u> |
| NYMEX | \$40.75 | \$45.20 | down 10% | \$74.58 | down 45% |



- Crude oil futures for December delivery on the NYMEX ended \$0.08 higher November 18 to settle at \$40.75 per barrel, slipping to below \$40 per barrel before settling higher as short-covering lifted the market initially suppressed by concerns about a global supply glut.
- A smaller than expected increase in inventories convinced some traders to cover short positions in late trading, helping oil prices recover. Crude futures increased earlier after the Energy Information Administration (EIA) data showed the 8th straight week in builds.
- Compared to this time last year, the U.S. crude oil futures settlement price of \$40.75 is \$33.83, or 45 percent, lower.

- According to the November 18 weekly EIA fuels report, U.S. crude inventories increased 0.3 million barrels (MMB) to 487.3 MMB, close to the April record of 490.9 MMB. U.S. crude supplies are now 106.2 MMB higher compared to this time last year.

- Crude imports decreased from the prior week at 6.9 MMB/D, 0.7 MMB higher compared to imports at this time last year. Domestic crude production was unchanged from the prior week at 9.2 MMB/D. Last year at this time, production stood at nearly 9.0 MMB/D.
- U.S. refinery crude runs increased from the prior week with refiners processing 16.1 MMB/D of crude. U.S. refinery capacity use was up on the week at 90.3 percent as additional refineries began to return to service following seasonal maintenance. Last year at this time, capacity use stood at 91.2 percent.
- Gasoline output decreased on the week at nearly 9.6 MMB/D. Output was over 9.6 MMB/D at this time last year. Distillate output increased from the prior week at 5.0 MMB/D. Last year at this time, production stood at about 4.8 MMB/D.
- Total petroleum products supplied to market, a measure of consumption, over the last four-week period stood at 19.8 MMB/D, down by 0.2 percent compared to the same period last year.

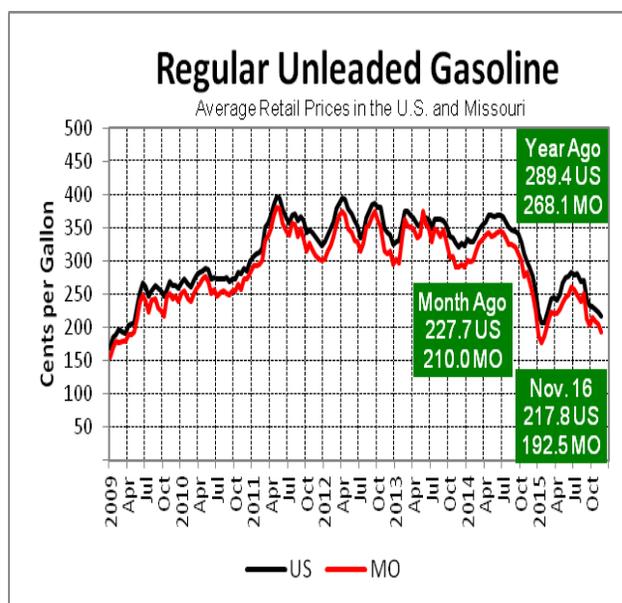
Transportation Fuels

On November 16, Missouri's statewide average retail price for gasoline was about \$1.93 per gallon, down 17.5 cents in the past month and down 75.6 cents in the past year.

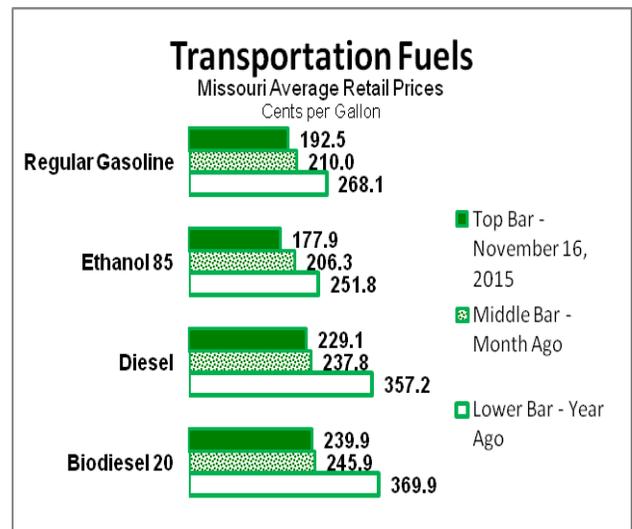
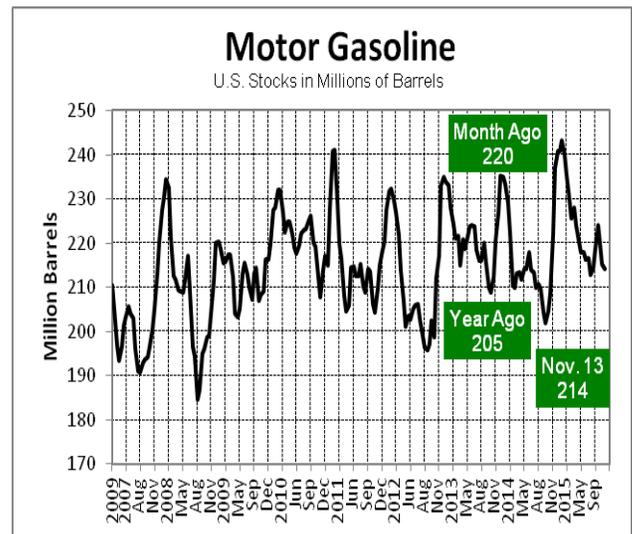
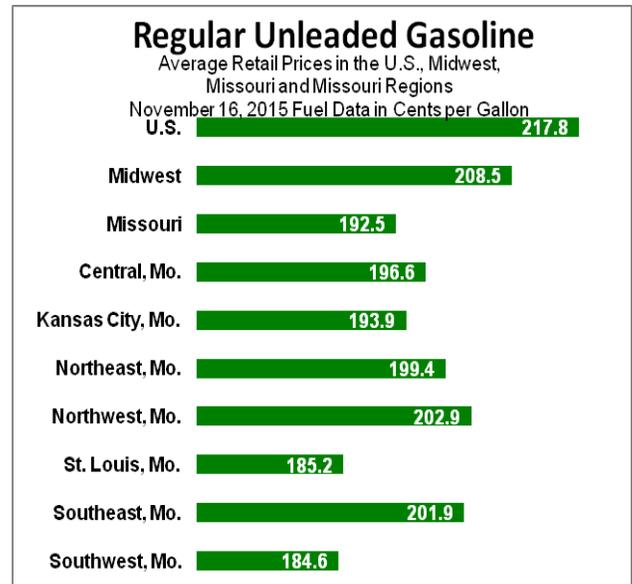
| Regular Unleaded Gasoline - Retail Prices (cents per gallon) | | | | | |
|--------------------------------------------------------------|----------|----------|---------|----------|----------|
| | 11-16-15 | 10-19-15 | change | 11-17-14 | change |
| US | 217.8 | 227.7 | down 4% | 289.4 | down 25% |
| Missouri | 192.5 | 210.0 | down 8% | 268.1 | down 28% |

| Diesel Fuel - Retail Prices (cents per gallon) | | | | | |
|------------------------------------------------|----------|----------|---------|----------|----------|
| | 11-16-15 | 10-19-15 | change | 11-17-14 | change |
| US | 248.2 | 253.1 | down 2% | 289.4 | down 14% |
| Missouri | 229.1 | 237.8 | down 4% | 357.2 | down 36% |

- On November 16, Missouri's average retail price for gasoline was about \$1.93 per gallon, down 17.5 cents in the past month.
- Missouri's average price for diesel fuel was about \$2.29 per gallon, down 8.7 cents in the past month.
- Missouri's average retail gasoline price is 75.6 cents per gallon, or 28 percent, lower for the comparable period in November 2014. The average retail diesel fuel price is 128.1 cents per gallon, or 36 percent, lower for the comparable period in November 2014.
- At \$2.19, the U.S. average price for regular gasoline is 9.9 cents per gallon, or 4 percent, lower compared to last month.



- The U.S. average price of regular gasoline was down 71.6 cents per gallon, or 25 percent, compared to this time last year. In the past week, the U.S. average decreased by 5.7 cents per gallon.
- Gasoline imports increased from the prior week at 0.4 MMB/D; less than 0.1 MMB lower compared to last year at this time.
- Implied demand for gasoline decreased on the week at 9.1 MMB/D, unchanged compared to this time last year.
- In the past four weeks, U.S. gasoline demand has averaged nearly 9.2 MMB/D; 0.2 MMB/D higher compared to the same four-week period last year.
- U.S. gasoline supplies increased 1.0 MMB on the week to 214.3 MMB. U.S. supplies are up 9.7 MMB compared to this time last year and continue to trend above the five-year average for this time of year.
- Distillate stocks decreased at 140.3 MMB and stand 25.5 MMB higher compared to the same period last year.
- Distillate demand increased on the week at 4.2 MMB/D. Demand stood at 3.8 MMB/D at this time last year. On a four-week average, distillate demand was higher at 4.1 MMB/D.
- On November 16, Missouri's average retail price for E85 motor fuel, conventional motor fuel containing 85 percent ethanol, was about \$1.78 per gallon, 14.6 cents or 7.6 percent lower than the average price for conventional motor gasoline.
- On November 16, Missouri's average retail price for B20, diesel fuel containing 20 percent biofuel, was about \$2.40 per gallon, 10.8 cents or 4.8 percent higher than the average retail price for conventional diesel fuel.
- According to the November 11, 2015, *Short Term Energy Outlook*, regular gasoline retail prices are forecast to average \$2.43 per gallon in 2015 compared with \$3.36 per gallon in 2014. EIA projects U.S. regular gasoline retail prices to average \$2.33 per gallon in 2016.



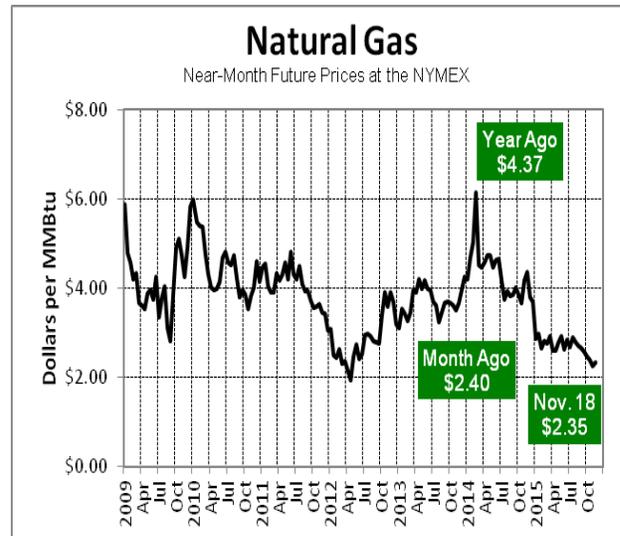
Natural Gas

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 November 18, natural gas futures at the NYMEX closed at \$2.35 per million British thermal units (MMBtu), down \$0.05, or 2 percent, in the past month.

| Natural Gas - Near Month Future Prices (dollars per MMBtu) | | | | | |
|------------------------------------------------------------|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>11-18-15</u> | <u>10-21-15</u> | <u>change</u> | <u>11-19-14</u> | <u>change</u> |
| NYMEX | \$2.35 | \$2.40 | down 2% | \$4.37 | down 46% |

- The December NYMEX futures contract settled at \$2.35 per MMBtu on November 18, down 2 cents from the prior settlement. Futures are down 5 cents in the past month.
- In the past year, natural gas values have decreased by \$2.02 per MMBtu, or 46 percent.
- The December 2015 contract increased from \$2.26 per MMBtu November 11 to \$2.35 per MMBtu November 18. The 12-month strip, which averages the December 2015 through November 2016 NYMEX prices, closed at \$2.56 per MMBtu on November 18, 2.7 cents higher than the week-ago price of \$2.54 per MMBtu, reflecting moderate temperatures and record-high storage.



- According to the EIA, U.S. consumption increased by 1 percent overall, compared to the last report week, led by a 10 percent increase in the residential/commercial sectors. Consumption of natural gas in power generation declined by 8 percent, with declines in all regions except Midcontinent. Industrial sector demand increased by 1 percent week-over-week.
- Working gas in storage set a new record at 4,000 Bcf, 5.5 percent above the five-year average inventory level for the week, according to EIA's November 19, 2015 *Weekly Natural Gas Storage Report*. U.S. natural gas supplies are 404 Bcf, or 11.2 percent, higher than last year at this time.
- From April 3 (the beginning of the injection season) through November 13, net storage injections totaled 2,524 Bcf, or 245 Bcf lower than the record of 2,769 Bcf injected during the same 33 weeks in 2014. During these weeks for the years 2010-14, net injections into storage averaged 2,143 Bcf.
- The estimated average unit value of the natural gas put into storage from April 3 to November 13 this year is \$2.67 per MMBtu, 36 percent lower than the average value of \$4.20 per MMBtu for the same 33 weeks last year.
- According to the November 11, 2015 *Winter Fuels Outlook*, EIA expects that Midwest households heating with natural gas will spend an average of \$580, which is \$131, or 18.5 percent, less this winter than last winter, reflecting prices that are about 8.9 percent lower and consumption that is 10.5 percent lower.

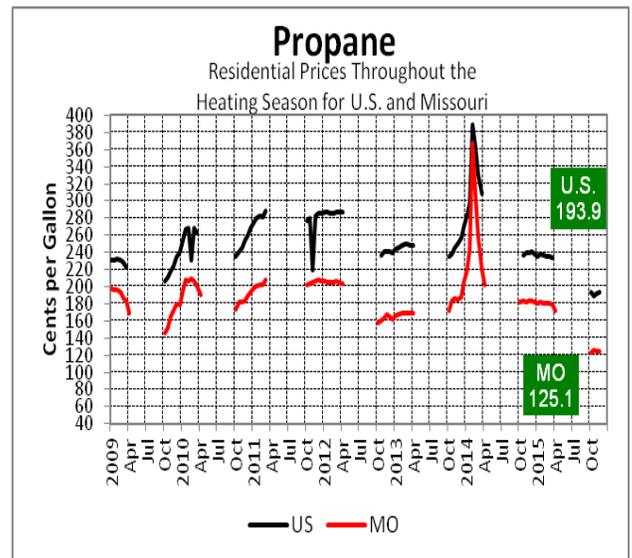
Propane

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.

On November 16, the average Missouri retail price for residential propane was about \$1.25 per gallon, 0.5 cents lower in the past month and down 58.5 cents in the past year.

| Propane - Retail Prices (cents per gallon) | | | | | |
|--------------------------------------------|-----------------|-----------------|---------------|-----------------|---------------|
| | <u>11-16-15</u> | <u>10-19-15</u> | <u>change</u> | <u>11-17-14</u> | <u>change</u> |
| Missouri | 125.1 | 125.6 | down 0% | 183.6 | down 32% |

- According to the Division of Energy's most recent statewide propane price survey conducted November 16, the average Missouri retail residential propane price was about \$1.25 per gallon, 0.5 cents lower in the past month and down 58.5 cents compared to last year at this time.
- According to the survey, the highest Missouri retail residential price for propane was \$1.78 per gallon, an increase of 5 cents in the past month. The lowest retail price was \$0.99 per gallon, a decrease of 6 cents in the past month.
- As of November 16, U.S. residential propane prices averaged \$1.94 per gallon, 4.3 cents per gallon higher than the prior week's price and 46.1 cents lower than one year ago. U.S. wholesale propane prices averaged 49 cents per gallon, just shy of 4 cents per gallon lower than the prior week's price and 51 cents lower than last year's price for the same week.
- Missouri wholesale propane prices averaged 48.8 cents per gallon, 3.7 cents per gallon lower than the prior week's price and 50 cents lower than the price on November 17, 2014.
- U.S. propane stocks increased by 0.5 MMB last week to 104.5 MMB as of November 13, 2015, 23.3 million barrels (28.7%) higher than a year ago. Midwest inventories increased by 0.4 MMB to 29.2 MMB, 12.8 MMB (10.7%) percent higher compared to last year at this time.
- At 0.9 MMB/D, U.S. demand for propane is 0.4 MMB/D (-27.9%) lower compared to last year at this time.
- According to the November 11, 2015 *Winter Fuels Outlook*, EIA expects that Midwest households heating with propane will spend an average of \$1,243, which is \$311 or 20.0 percent, less this winter than last winter, reflecting prices that are about 11.5 percent lower and consumption that is 9.6 percent lower.



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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<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>.