

Crude Oil



Crude oil inventories rose another 5.7 million barrels this past week, two to three times the expected increase of 1.9 to 2.5 million barrels. The refinery utilization rate for this time of year continues to be at a 19 year low and with lower production of refined productions, stocks of crude oil keep growing. Crude oil stocks have shown an increase of 76.6 million barrels (26.4%) over the past 29 weeks. Inventories are 14.0% above the five-year average and exceed year ago levels by 16.8%. Crude inventories are the highest for this time period since 1990.

Despite more gloomy economic news, lowered oil demand forecasts, and larger than expected inventory gains, crude prices fell less than would be anticipated as traders' expectations of a market recovery later in the year continue to support prices. There was little price movement over the past week. Futures prices closed at \$57.26 yesterday, 48% lower than a year ago. The spot price was \$49.32, 57% less than last year.



Natural gas



Natural gas inventories grew by 21 BCF this past week, slightly more than the expected change of 20 BCF and equal to the five-year average growth. Current inventory levels are the second highest ever for this time of year, only 2.5% below the record high. Inventories are 34.8% higher than a year ago and 22.4% above the five-year average. The strong storage numbers will continue to exert downward pressure on prices.

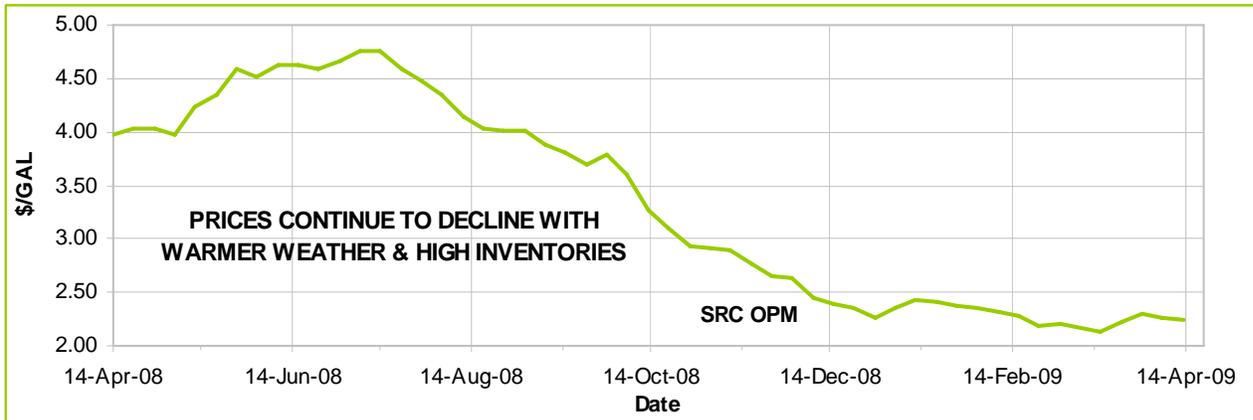
Prices reached record highs in July of 2008. Futures prices have since fallen by 64% and spot prices are down by 73%. The low prices have attracted bargain hunting buyers and prices over the past week have risen 2 to 3 percent despite declining heating demand, continued weak manufacturing demand, and robust inventory growth. The 12-month strip is now at \$4.818 per million BTU, 55% lower than a year ago. The spot price has fallen to \$3.615, 64% lower than a year ago. The spot price is at September of 2002 levels and the 12-month strip is at December 2003 levels.



Heating oil



Distillate inventories fell by 1.2 million barrels compared to an expected decline of 1.1 million and an average decline of 1.1 million barrels for this time of year. Distillate inventories are 31.6% above year ago levels and are 27.4% above the five-year average. After setting record highs on July 3rd, futures prices have fallen by 63%. The 12 month strip is now \$1.556/gal, \$1.68 (52%) lower than a year ago. The spot price is now \$1.377/gal, \$1.94 (58%) below this time last year. After rising by 15.8 cents during the last half of March, Connecticut retail heating oil prices have reversed direction and have fallen by 4.5 cents during the past two weeks. At \$2.250/gal, this week's average price is \$2.52 (53%) below the July 14th peak price. Prices are now 43% (\$1.73) lower than a year ago. Prices are also 10% and 8% lower than in 2007 and 2006. The highest price in this week's survey was \$2.990 and the lowest was \$1.759. Prices are at their lowest levels since before Katrina. According to census data, 52.4 percent of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
14-Apr-08	4.154	4.449	3.849	3.941	4.190	3.649	3.941	4.090	3.729
30-Mar-09	2.551	2.899	2.190	2.286	3.490	1.899	2.285	2.399	2.119
6-Apr-09	2.532	2.879	2.199	2.227	2.990	1.799	2.263	2.399	2.079
13-Apr-09	2.507	2.799	2.199	2.230	2.990	1.899	2.223	2.399	1.979
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
14-Apr-08	4.011	4.199	3.799	4.029	4.199	3.900	3.889	3.949	3.800
30-Mar-09	2.277	2.399	2.099	2.329	2.549	2.199	2.154	2.399	1.999
6-Apr-09	2.257	2.349	2.099	2.309	2.499	2.199	2.149	2.399	2.000
13-Apr-09	2.241	2.299	2.099	2.269	2.399	2.099	2.139	2.399	2.000
	NEW HAVEN								
	AVG	HIGH	LOW						
14-Apr-08	3.911	4.100	3.699						
30-Mar-09	2.183	2.499	1.759						
6-Apr-09	2.147	2.399	1.799						
13-Apr-09	2.144	2.399	1.759						

OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning April 13, 2009. Figures reflect per gallon prices without discount.

For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information

Propane



Propane inventories rose by 1.1 million barrels in this week's inventory report, 76% higher than the normal gain of 0.6 million for this time of year. This was the fourth weekly increase in inventories. The EIA inventory report showed current storage levels exceeding last year by 60.8%. Inventories are now 48.0% above the five-year average compared to only 31.3% four weeks ago.

Spot propane prices were 64.5 cents per gallon yesterday, 59% lower than a year ago and 67% lower than their peak price this past July. Spot prices were relatively stable over the past week, gaining only 0.3 cents/gal. Over the past two weeks they have only risen by 2.5 cents.

According to census data, 2% of homes in Connecticut are heated by propane.



Gasoline



Gasoline inventories fell by 0.9 million barrels this past week, close to the anticipated decline of 1.0 million. The normal decline in inventories for this time of year is 3.1 million. Weak demand and increased imports offset the effect of lower production as refineries close to switch over to more expensive summer grades of gasoline. Inventories are now approximately equal to last year. Last week they were 1.9% lower and the week before they were 3.8% less. They have improved to 5.0% above the five-year average. Spot prices and futures prices are still about 60% below their July 2008 peaks. The spot price is at \$1.392/gal, \$1.39 (50%) less than a year ago. The 12-month strip, at \$1.476/gal, is 47% (\$1.29) less than last year. Connecticut retail prices were little changed over the past week. After peaking at \$4.390/gal on July 9th they have fallen by \$2.25 (51%) to \$2.136/gal. Current retail prices are \$1.34 (39%) lower than a year ago. Retail prices are now at March 2005 levels. Since bottoming out on January 2, 2009 at \$1.729/gal, Connecticut retail prices have risen by 41 cents, about 24%.

