

## Crude Oil



Crude oil inventories rose another 2.8 million barrels this past week, right in the middle of the anticipated increase of 2.2 to 3.5 million barrels, as crude oil imports grew and the refinery utilization rate for this time of year fell to another 18 year low. Crude oil stocks have shown an increase of 69.2 million barrels (23.9%) over the past 27 weeks. Inventories are 12.3% above the five-year average and exceed year ago levels by 13%. Crude inventories are the highest for this time period since 1990.

Although spot crude prices had been rising, they fell over the past week in response to the strong inventory growth, a stronger dollar, and continued economic woes. Spot prices are at \$48.43/bbl, \$3.73 lower than a week ago. Prices are \$52.55 (52%) lower than last year at this time. Futures prices fell yesterday to \$54.79/bbl, 44% (\$43.72) less than last year. Prices are more than 60% lower than the record highs set in July of 2008.

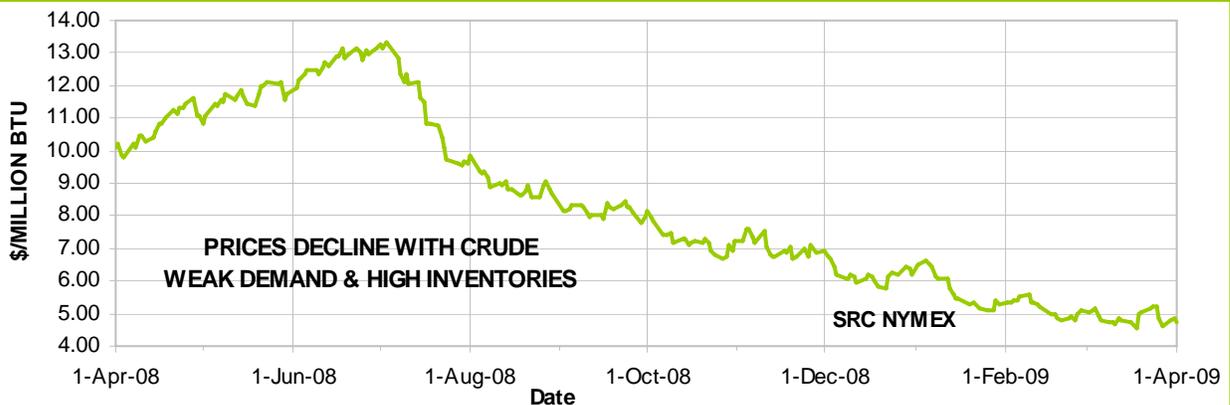


## Natural gas



Natural gas inventories were unchanged from last week. This was in line with the expected change of minus one to plus two BCF. Current inventory levels are the second highest ever for this time of year. Inventories have improved to 32% higher than a year ago and to 22% 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 but have since fallen by more than 60%. Declining heating demand, continued weak commercial and manufacturing demand, and robust inventory growth have caused the 12-month strip to fall 9.0% over the past week and the spot price to fall by 13.8%. Yesterday's futures prices closed at \$4.742 per million BTU, 53% lower than a year ago. The spot price has fallen to \$3.56, 64% lower than a year ago. The spot price is at September of 2002 levels and the 12-month strip is at November 2003 levels.

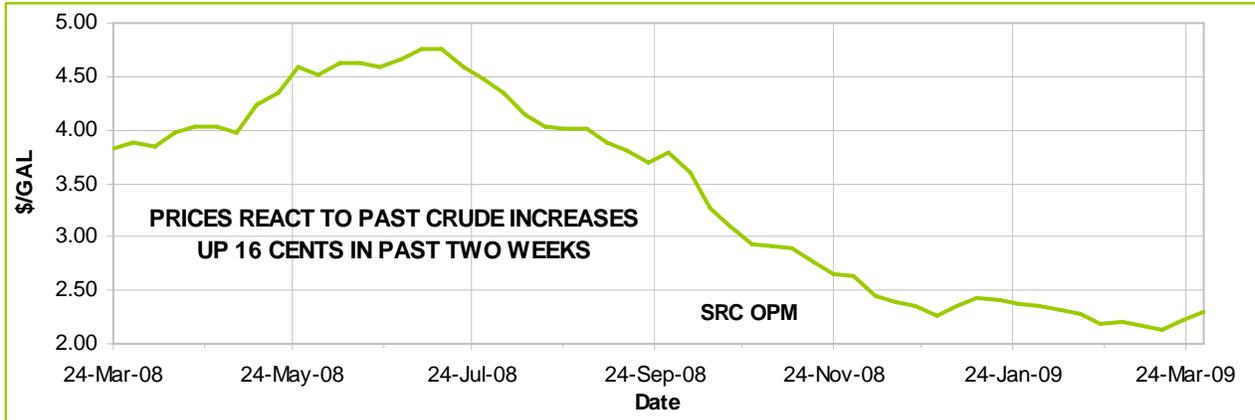


# Heating oil



Distillate inventories rose by 0.2 million barrels compared to the average decline of 1.3 million barrels for this time of year. Distillate inventories have risen to 31.1% above year ago levels and 27.9% above the five-year average. After setting record highs on July 3<sup>rd</sup>, futures prices have fallen by 64%. The 12 month strip is now \$1.496/gal, \$1.36 (48%) lower than a year ago. The spot price is now \$1.321/gal, \$1.66 (56%) below this time last year.

Reacting to the earlier rise in crude oil prices, Connecticut retail heating oil prices were up another 7.3 cents this past week and by 15.8 cents over the past two. At \$2.294/gal, this week's average price is \$2.47 (52%) below the July 14<sup>th</sup> peak price. Prices are now 41% (\$1.59) lower than a year ago. Prices are also 8% and 5% lower than in 2007 and 2006. The highest price in this week's survey was \$3.490 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
31-Mar-08	4.058	4.249	3.799	3.868	4.190	3.649	3.835	4.010	3.629
16-Mar-09	2.429	2.799	2.199	2.145	3.490	1.740	2.059	2.199	1.909
23-Mar-09	2.507	2.819	2.199	2.241	3.490	1.899	2.177	2.299	2.029
30-Mar-09	2.551	2.899	2.190	2.286	3.490	1.899	2.285	2.399	2.119
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
31-Mar-08	3.885	3.999	3.690	3.942	3.999	3.800	3.843	3.919	3.780
16-Mar-09	1.997	2.099	1.850	2.189	2.399	1.999	1.964	2.149	1.860
23-Mar-09	2.149	2.239	2.059	2.229	2.399	2.099	2.058	2.299	1.949
30-Mar-09	2.277	2.399	2.099	2.329	2.549	2.199	2.154	2.399	1.999
	NEW HAVEN			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 March 30, 2009. Figures reflect per gallon prices without discount.  For more information, see <a href="http://www.ct.gov/OPM">www.ct.gov/OPM</a> > Energy Management > Energy Price and Supply Information					
	AVG	HIGH	LOW						
31-Mar-08	3.795	3.999	3.000						
16-Mar-09	2.048	2.299	1.690						
23-Mar-09	2.110	2.399	1.759						
30-Mar-09	2.183	2.499	1.759						

# Propane



Propane inventories rose by 0.7 million barrels in this week's inventory report compared to a normal decline of 0.4 million for this time of year. This was the second weekly increase since January 2<sup>nd</sup>. The EIA inventory report showed current storage levels exceeding last year by 53.8%. Inventories are now 43.7% above the five-year average compared to only 31.3% two weeks ago.

Spot propane prices were 61.9 cents per gallon yesterday, 57% lower than a year ago and 69% lower than their peak price this past July. Following the decline in crude oil prices over the past week, spot propane prices also fell by 11 cents per gallon, a decline of 14.5%.

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



# Gasoline



Gasoline inventories rose unexpectedly by 2.2 million barrels this past week compared to an anticipated decline of 1.4 million. A decline in demand offset the effect of the closure of refineries which are switching over to more expensive summer grades of gasoline. Inventories have improved to 3.8% less than a year ago and they are now 1.8% above the five-year average.

Spot prices and futures prices are still more than 60% below their July 2008 peaks. The spot price is at \$1.277/gal, \$1.15 (47%) less than a year ago. The 12-month strip, at \$1.391/gal, is 45% (\$1.13) less than last year. Connecticut retail prices peaked at \$4.390/gal on July 9<sup>th</sup>. They have since fallen by \$2.26 (52%) to \$2.128/gal. Current retail prices are \$1.24 (37%) 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 40 cents, about 23%.

