

Crude Oil



Crude inventories grew unexpectedly by 1.1 million barrels this week. Declines in production and in imports were offset by an even larger fall in crude flowing to refineries as the refinery utilization percent fell by 2.9 points. The increase was in sharp contrast to the expected decline of 1.3 million and the 5-year average decline of 0.7 million barrels. Inventories have worsened to 5.9% above last year and 10.5% above the 5-year average but they are still at a record high for this date.

Expectations of expansive European economic policies coupled with speculation that prices will rise pushed prices up this week. Spot prices and futures prices rose by \$3.57 and \$2.46 for the week. The spot price settled at \$86.73, \$8.35 (10.7%) higher than a year ago. Futures prices were at \$88.28, \$5.18 (6.2%) higher than last year. Both prices are about 40% below their 2008 peak prices.



Natural Gas



Inventories fell this week by 23 BCF. The decline was 28% smaller than the expected decline of 32 BCF and 37% less than the 5-year average decline of 37 BCF. At 3,814 BCF, this week's inventory level is the second highest ever for the time period. It trails last year's record high by only 0.6% and it is 10.0% above the 5-year average.

Futures prices rose yesterday with colder weather and expectations of an inventory draw of between 25 and 40 BCF. Prices settled at \$4.407 per million BTU. They were down 2.7 cents for the week but rose 6.0 cents yesterday. Prices are down \$0.846 (16.1%) from a year ago. They are at levels of eight years ago. At \$4.200 per million BTU, spot prices were up 37 cents for the week because of increases in heating demand. Spot prices are 11.0 cents (2.6%) lower than a year ago.

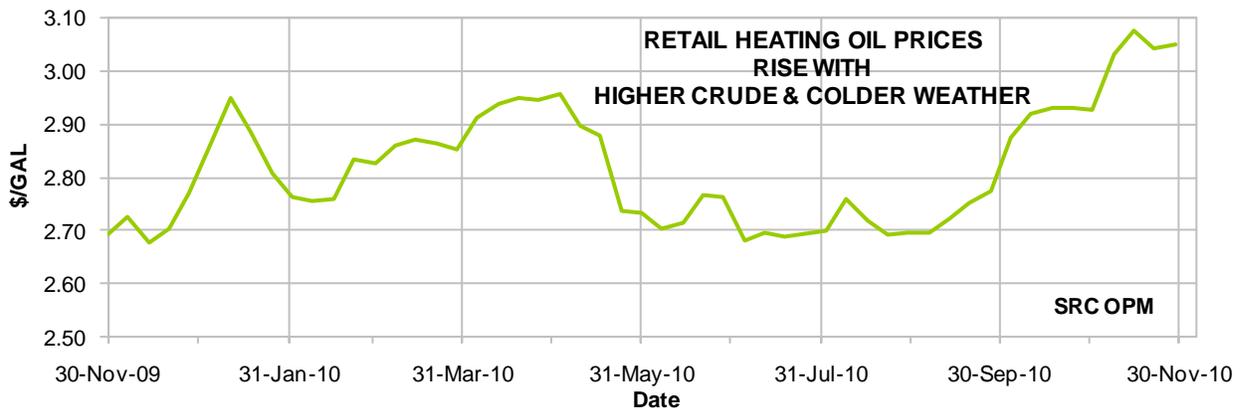


Heating oil



Distillate stocks fell by only 0.2 million barrels this week compared to an anticipated decline of 1.1 million and the 5-year average gain of 0.1 million. Stocks are 4.7% below last year but they are the 3rd highest ever for this date, 15.6% above the five-year average.

Futures prices and spot prices have been following crude. They rose by about 14 cents over the past 2 weeks after falling by about 18 cents three weeks ago. Futures prices settled at \$2.425/gal, 24.1 cents (11.0%) above last year but \$1.770 (42.2%) below 2008's peak. Spot prices were at \$2.380/gal, 35.9 cents (17.8%) above last year but \$1.699 (41.6%) below the 2008 peak. Retail prices are now at \$3.050/gal, 35.9 cents (13.3%) above a year ago but \$1.717 (36.0%) below their 2008 peak. Prices have risen by 12.1 cents over the past 4 weeks. The highest price in this week's survey was \$3.599 and the lowest was \$2.659. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

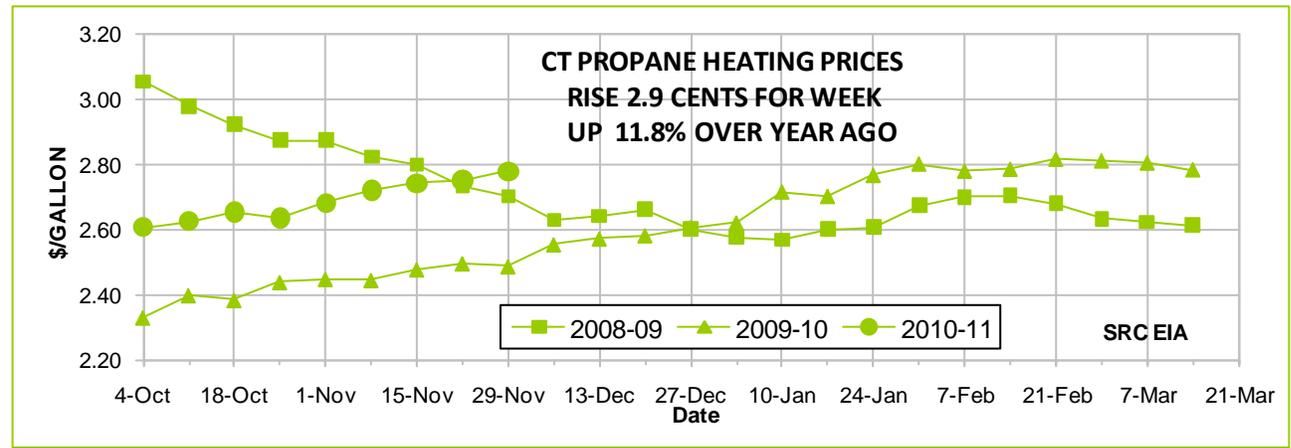
	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
30-Nov-09	2.807	3.199	2.390	2.685	2.999	2.489	2.709	2.899	2.449
15-Nov-10	3.195	3.679	2.840	3.080	3.390	2.899	3.065	3.250	2.880
22-Nov-10	3.152	3.599	2.690	3.058	3.399	2.869	3.000	3.099	2.840
29-Nov-10	3.175	3.599	2.740	3.052	3.399	2.849	3.003	3.099	2.840
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
30-Nov-09	2.697	2.869	2.599	2.726	2.899	2.600	2.621	2.749	2.499
15-Nov-10	3.075	3.199	2.899	3.103	3.299	2.940	3.033	3.169	2.899
22-Nov-10	2.999	3.099	2.839	3.084	3.249	2.890	2.989	3.049	2.899
29-Nov-10	3.005	3.099	2.869	3.091	3.249	2.890	3.018	3.099	2.899
	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 November 29, 2010. Figures reflect per gallon prices without discount. For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information					
	AVG	HIGH	LOW						
30-Nov-09	2.609	2.890	2.359						
15-Nov-10	2.997	3.249	2.790						
22-Nov-10	2.975	3.249	2.690						
29-Nov-10	2.972	3.249	2.659						

Propane



Propane inventories grew by 1.1 million barrels this week. This compares to a 5-year average decline for the week of 34,000 barrels. Current storage levels have improved to 4.0% above last year. Nine weeks ago they trailed by 12.8%. Inventories have also improved to 0.6% above the 5-year average compared to 4.6% below it only 6 weeks ago.

Spot propane prices generally track crude oil prices. They have risen by 6.6 cents over the past 2 weeks, offsetting a 9.8 cents decline 3 weeks ago. At \$1.247 per gallon yesterday, spot prices were 8.3 cents (7.1%) higher than a year ago but 37.0% lower than their peak 2008 price. The average Connecticut retail price for home heating was \$2.780/gal in this week's survey. This is 2.9 cents higher than last week and 29.3 cents (11.8%) higher than a year ago. According to census data, propane is used to heat 2.7% of homes in Connecticut.



Gasoline



Gasoline inventories rose by 0.6 million barrels this week. This was greater than the expected gain of 0.4 million but lower than the 5-year average gain of 0.9 million barrels. Inventories levels have worsened to 1.6% below last year and to only 3.8% above the 5-year average.

Futures prices rose by 8 cents this past week. At \$2.316/gal, futures prices are 15.3 cents (7.1%) higher than last year. They are \$1.296 (35.9%) below their 2008 peak. Spot prices rose by 8.6 cents this week and by 25.5 cents over the past 5 weeks reflecting the effects of refineries closed due to maintenance and strikes at French refineries. At \$2.372/gal, the spot price is 33.8 cents (16.6%) higher than a year ago. Spot prices are 30.5% (\$1.04) below its 2008 peak. After rising by 36.6 cents over the previous 11 weeks the Connecticut retail price was flat this past week. At \$3.149, it is 34.8 cents (12.4%) higher than a year ago but 28.3% (\$1.241) below 2008's peak.

