

## Crude Oil



Crude oil inventories rose another 4.1 million barrels this past week, twice as high as the expected increase of 1.8 to 2.1 million barrels and much greater than the normal increase of 2.6 million. The decline in the refinery utilization rate, from 83.4% to a 19 year low of 82.7%, contributed to the large inventory growth. Crude oil stocks have grown by 84.5 million barrels (29.1%) over the past 31 weeks. Inventories are 15.3% above the five-year average and exceed year ago levels by 17.3%. Crude inventories are at their highest level since 1990.

Fears of the impact of swine flu on the world's economies added to the already gloomy economic news facing world oil markets. But prices have been reacting to the growth in equity markets rather than following market fundamentals and spot prices rose by \$2.78/bbl this past week. Futures prices closed at \$56.44 yesterday, 50% lower than a year ago. The spot price was \$50.09, 57% less than last year. Prices remain more than 60% below July 2008 peaks.



## Natural gas



Natural gas inventories grew by 82 BCF this past week, the largest increase ever for this time of year and 19% greater than the five-year average growth. Current inventory levels are the second highest ever for this time of year, only 2.7% (51 BCF) below the record high. Inventories are 34.2% higher than a year ago and 22.5% above the five-year average. This is despite the gas rig count being 50% lower than a year ago.

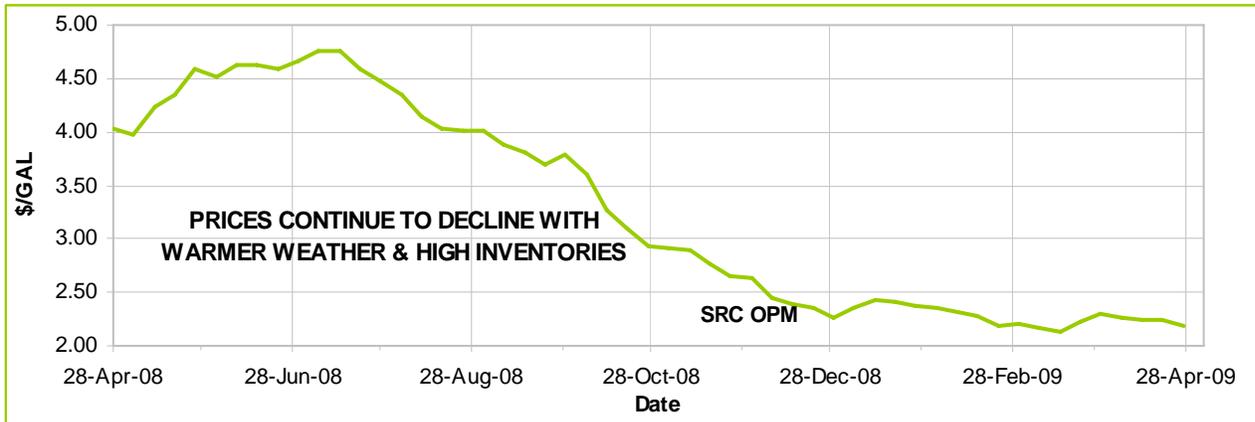
Prices reached record highs in July of 2008. Futures prices have since fallen by 65% and spot prices are down by 74%. Futures prices fell 7 cents this past week and the spot price fell by 5 cents. Hot weather in the South and cool temperatures in the North kept the decline from being even steeper. The 12-month strip is now at \$4.637 per million BTU, 58% lower than a year ago. The spot price has fallen to \$3.430, 69% lower than a year ago. The spot price is at September, 2002 levels and the 12-month strip is at January 2003, levels.



# Heating oil



Rising distillate production and falling heating demand resulted in a robust 1.8 million barrel gain in inventories this past week compared to the five-year average growth of only 28,000 barrels for this time of year. Distillate inventories are 36.4% above year ago levels and are 32.0% above the five-year average. After setting record highs on July 3<sup>rd</sup>, futures prices have fallen by 65%. The 12 month strip is now \$1.485/gal, \$1.77 (54%) lower than a year ago. The spot price is now \$1.308/gal, \$1.94 (60%) 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 11.3 cents during April. At \$2.181/gal, this week's average price is \$2.58 (54%) below the July 14<sup>th</sup> peak price. Prices are now 46% (\$1.85) lower than a year ago. Prices are also 13% and 16% lower than in 2007 and 2006. The highest price in this week's survey was \$2.699 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
28-Apr-08	4.240	4.499	3.949	3.994	4.190	3.699	3.963	4.090	3.799
13-Apr-09	2.507	2.799	2.199	2.230	2.990	1.899	2.223	2.399	1.979
20-Apr-09	2.509	2.799	2.199	2.216	2.990	1.899	2.217	2.399	1.949
27-Apr-09	2.439	2.699	2.149	2.140	2.690	1.799	2.149	2.399	1.919
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
28-Apr-08	4.027	4.199	3.890	4.069	4.199	3.950	3.951	3.999	3.890
13-Apr-09	2.241	2.299	2.099	2.269	2.399	2.099	2.139	2.399	2.000
20-Apr-09	2.237	2.299	2.099	2.269	2.399	2.099	2.128	2.399	2.000
27-Apr-09	2.167	2.269	2.019	2.239	2.399	2.049	2.074	2.349	1.950
	NEW HAVEN								
	AVG	HIGH	LOW						
28-Apr-08	3.958	4.100	3.739						
13-Apr-09	2.144	2.399	1.759						
20-Apr-09	2.139	2.399	1.759						
27-Apr-09	2.085	2.299	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 27, 2009. Figures reflect per gallon prices without discount.

For more information, see [www.ct.gov/OPM](http://www.ct.gov/OPM) > Energy Management > Energy Price and Supply Information

# Propane



Propane inventories rose by 1.7 million barrels in this week's inventory report. It is the largest increase of the year and is 10.5% above the normal gain of 1.5 million for this time of year. This was the sixth weekly increase in inventories. The EIA inventory report showed current storage levels exceeding last year by 51.8%. Inventories are now 43.4% above the five-year average compared to only 31.3% six weeks ago.

Spot propane prices were 63.0 cents per gallon yesterday, 61% lower than a year ago and 68% lower than their peak price of \$1.979/gal this past July. Spot prices rose by 0.5 cents/gal this past week after falling by 2 cents/gal the previous week.

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



# Gasoline



Gasoline inventories fell by 4.7 million barrels this past week compared to a normal decline in inventories for this time of year of 0.4 million. Declines in imports and production cutbacks more than offset falling demand. Inventories are still 0.6% above last year and 4.3% above the five-year average.

Spot prices and futures prices are about 60% below their July 2008 peaks. The spot price is at \$1.377/gal, \$1.46 (51%) less than a year ago. The 12-month strip, at \$1.447/gal, is 49% (\$1.37) less than last year. Connecticut retail prices were up one cent this past week. After peaking at \$4.390/gal on July 9<sup>th</sup> they have fallen by \$2.20 (50%) to \$2.185/gal. Current retail prices are \$1.60 (42%) lower than a year ago. Retail prices are now at December 2005 levels. Since bottoming out on January 2, 2009 at \$1.729/gal, Connecticut retail prices have risen by 46 cents, about 26%.

