



GHANA CHAMBER OF BULK OIL DISTRIBUTORS
1st Floor, Right Wing, C127/21Saflo Link Abelemkpe, Accra

**JANUARY
EDITION**

NEWSLETTER

GOVERNMENT TO ISSUE LICENSES FOR CYLINDER RECIRCULATION PROJECT

The Chief Executive Officer of the National Petroleum Authority (NPA), Mr. Hassan Tampuli, said the Authority is set to issue licenses to some Liquefied Petroleum Gas (LPG) companies and distributors that will be at the forefront of the cylinder recirculation module.

The move, he noted, will provide jobs to over 4,500 people in the downstream petroleum sector.

According to him, fuel stations located at high risk areas will be converted into distribution outlets for filled cylinders.

Mr. Tampuli indicated that this new mechanism will help customers go and exchange with an initial deposit to secure a cylinder, while the low-risk refilling plant will supply auto-gas under safety measures.

He added that the Authority will introduce LPG cylinder trucks that will be moving around with filled cylinders to supply gas to household consumers.

Mr. Tampuli who expressed concern about the rampant fuel explosions in the country advised fuel stations to observe the safety measures and desist from discharging fuel after 6pm.



NPA TO BEGIN CYLINDER RE-CIRCULATION PILOT PROJECT IN KUMASI

The Deputy Energy Minister, Dr. Mohammed Amin Adam, has directed the National Petroleum Authority (NPA), to use Kumasi as the first point for the implementation of the Cylinder Recirculation Model (CRM).

He said the decision was based on the increasing number of high risks liquefied petroleum gas (LPG) stations identified by the NPA in the densely populated Kumasi Metropolis in 2018.

The directive, therefore, means that all high-risk stations will be converted to cylinder distribution points, where consumers can go and exchange their empty cylinders for filled ones.

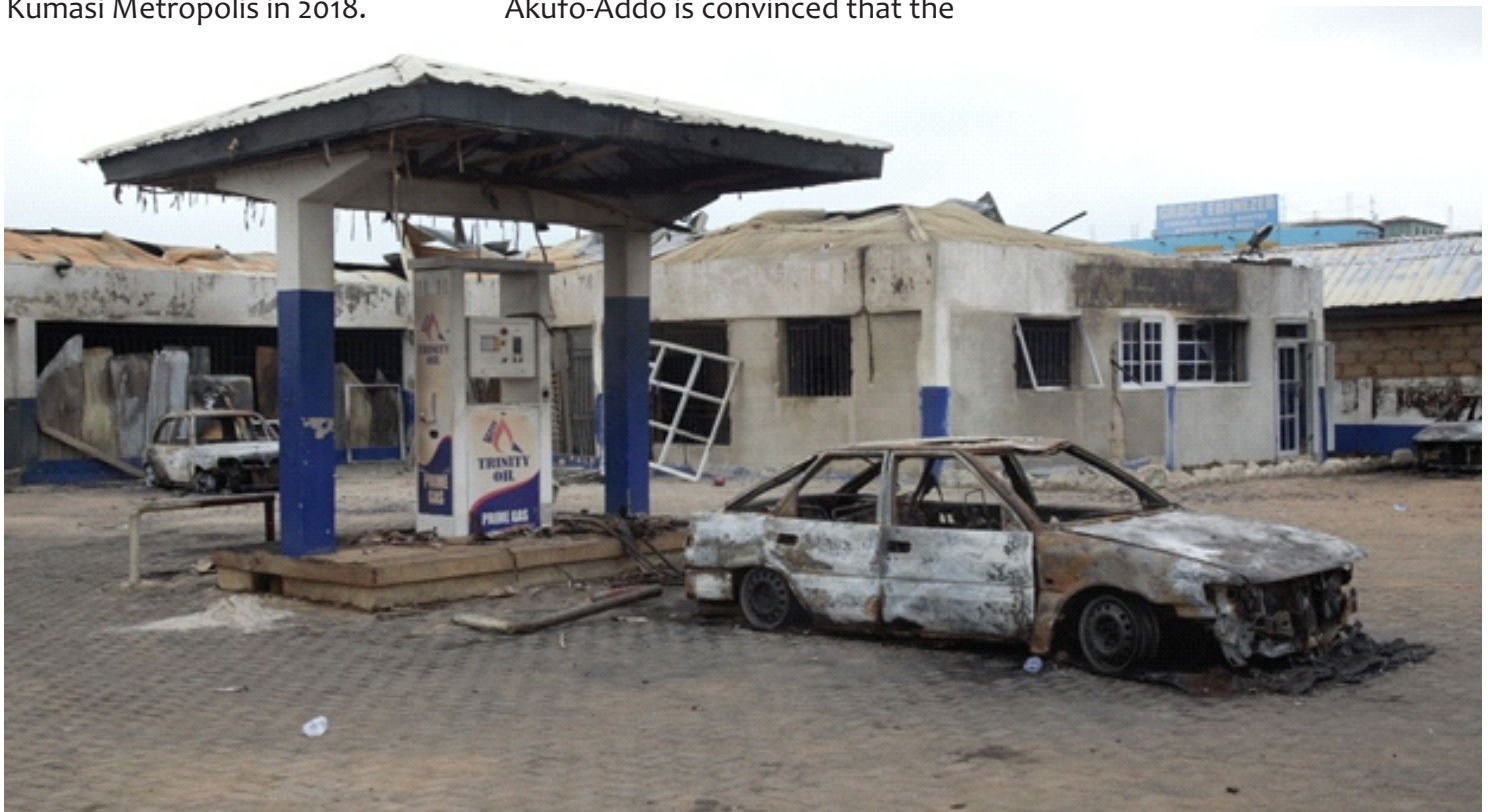
According to Dr. Adam, the President Nana Addo Dankwa Akufo-Addo was concerned about the gas station explosions.

President Nana Addo Dankwa Akufo-Addo is convinced that the

CRM is the answer to stopping these explosions.”

The deputy Minister urged Ghanaians to support the government to implement the policy.

He also appealed to the public to bear with the NPA when the exercise begins.



PRICING ANALYSIS

INTERNATIONAL MARKET PRICE REVIEW

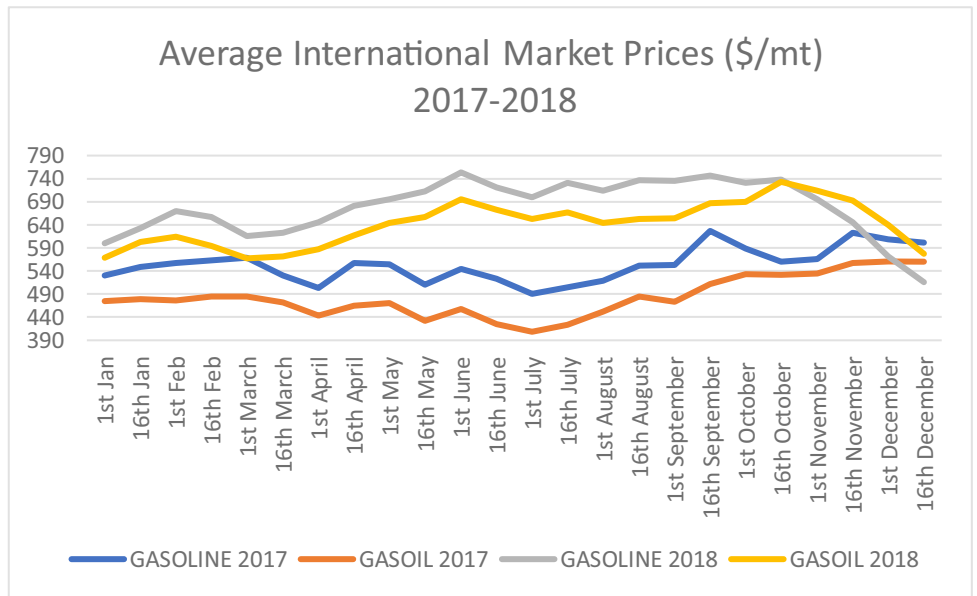
Average international market prices (IMP) of Gasoline and Gasoil fell from the 2nd window of November from USD646.03/mt and USD691.88/mt to USD571.41/mt and USD 639.68/mt in the 1st window of December, representing a decrease of 12%

and 8% respectively.

Prices of Gasoline and Gasoil fell further in December closing the year at USD515.86/mt and USD 576.7/mt respectively as predicted by the previous CBOD newsletter. The fall in price of gasoline was the lowest observed since the 1st

window of November 2017. The fall was on the back of an over supply of gasoline in December. The Energy Information Administration reported an increase in US stocks of over 10mn bbls over the Christmas period.

As the average international market price of gasoline experienced a year-to-date decrease at a rate of 14%, the average price of gasoil rather experienced a marginal increase of 1% in 2018. International market prices of gasoline and gasoil experienced a year-to-date increase of 13% and 18% respectively in 2017. The average monthly price of gasoline in December 2018 decreased by 10% relative to the same period 2017.

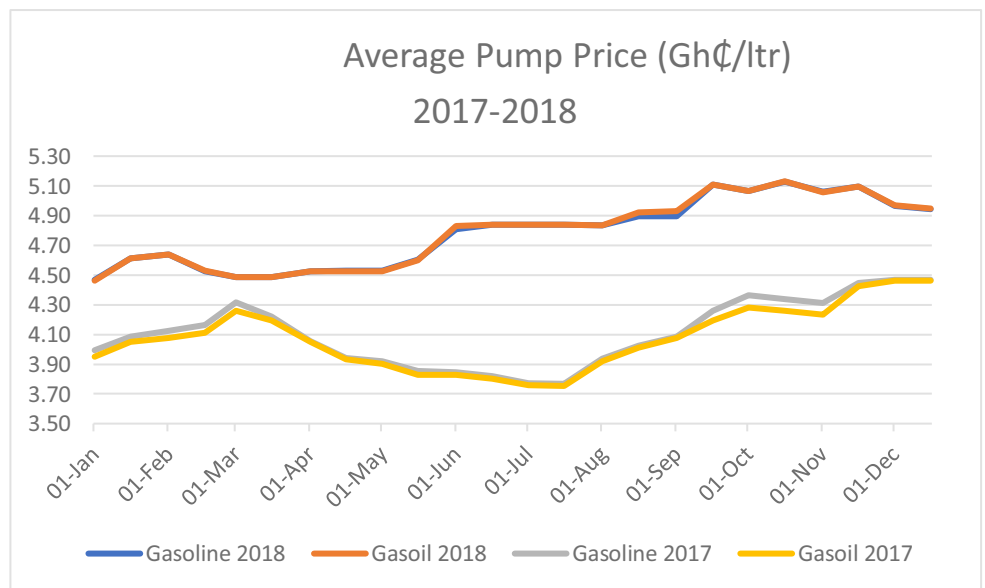


AVERAGE EX-PUMP PRICES REVIEW

Average ex-pump prices of gasoline and gasoil declined by 2.60% and 2.49% respectively in the 1st window of December, 2018 from the 2nd window of November. Ex-pump prices further declined by 0.41% and 0.46% respectively for gasoline and gasoil in the 2nd window of December, 2018. The decline in prices is in line with the predictions of the previous CBOD newsletter.

Prices of gasoline and gasoil at the pump remained below Gh¢5/ltr until the second window September, 2018. It started increasing to a record high at Gh¢5.13/ltr in the 2nd window of October. Prices fell from October closing the year at GH¢4.94/ltr.

The Ghana Cedi appreciated marginally against the US dollar in November by 0.02% month-on-



month. This, together with the fall in Platt prices in the last two months, caused the decline in average pump prices in December.

Both the average ex-pump prices of gasoline and gasoil experienced a year-to-date increase of 11% in

2018 compared to 12% and 13% experienced respectively in 2017. It could be seen that the prices of white products at the pump is not able to experience a full and direct pass through effect from the Platt prices.

OMC PERFORMANCE

The prices of gasoline and gasoil of Total averaged the highest in 2018 at Gh¢ 4.779 /ltr. Total, Vivo Energy, Goil and Petrosol remained the Top four (4) OMCs that displayed the highest prices for both gasoline and gasoil in 2018. Petrosol charged higher price for Gasoil relative to Vivo Energy and Goil in same year.

The Top four (4) OMCs together displayed an average pump price of Gh¢ 4.979 /ltr in both 1st and 2nd windows of December, 2018 for both gasoil and gasoline. Radiance displayed the lowest price for both gasoil and gasoline at the pump in 2018.

Average top 10 Pump Prices January -December 2018

OMC	Petrol (Gh¢/ltr)	Diesel (Gh¢/ltr)
Total	4.779	4.779
Vivo Energy	4.778	4.767
Goil	4.775	4.773
Petrosol	4.766	4.776
Puma Energy	4.764	4.759
Allied Oil	4.758	4.762
Star Oil	4.751	4.754
Glory Oil	4.744	4.748
Frimps Oil	4.737	4.748
Radiance	4.709	4.716
AVERAGE	4.756	4.758



GHANA CHAMBER OF BULK OIL DISTRIBUTORS

1st Floor, Right Wing, C127/21 Saflo Link Abelemkpe, Accra

For further information and assistance,
kindly reach us on cbod@cbodghana.com
or call + (233) 30 279 7871.

© 2019 Ghana Chamber of Bulk Oil Distributors