

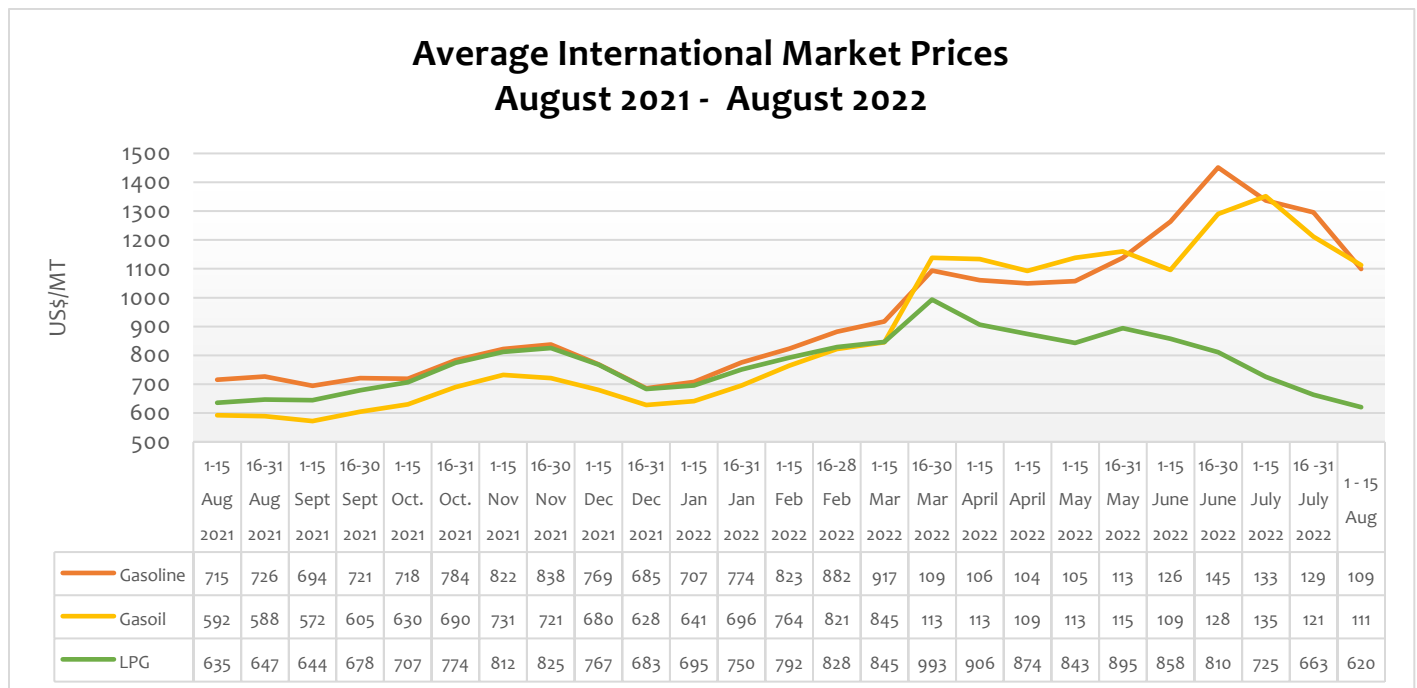


# CBOD MARKET OUTLOOK

## 1<sup>st</sup> – 15<sup>th</sup> August 2022 Pricing Window

### Refined Products Review and Outlook

The international market prices of gasoline, gasoil, and LPG in the 12<sup>th</sup> to 26<sup>th</sup> July 2022 international pricing window which are premiums applicable to the selling window of 1<sup>st</sup> – 15<sup>th</sup> August 2022, declined by 15%, 8%, and 6% respectively relative to the previous window of 27<sup>th</sup> June to 11<sup>th</sup> July 2022. In absolute terms, the international market prices for gasoline and LPG plummet from US\$1,295.50/mt and US\$662.93/kg in the previous window to US\$1,099.36/mt and US\$620.25/kg, being an average change of US\$196.14/mt and US\$42.68/kg respectively. Gasoil prices at the international market for the period also dipped by an average of US\$98.82/mt relative to the previous window, from US\$1,211.48/mt to US\$1112.66/mt. This is an indication that year-to-date gasoline and gasoil prices at the international market rose by 55% and 73% respectively, while that of LPG fell by 11%.



Compared to the same period last year (1<sup>st</sup> to 15<sup>th</sup> August 2021), the international prices of gasoline and gasoil have increased by 54% and 88%, while that of LPG has tumbled by 3%. The recent tumbling in fuel prices can be attributed to concerns about global economic slowdowns and the growing Covid-19 cases in parts of China.

## FuFeX

The Fufex30<sup>1</sup> is a 30-day forward GHS/USD FX rate for the petroleum downstream industry. It is estimated using the average quoted indicative forward forex rate from major oil financing banks adjusted by the covered-interest parity pricing model. The Fufex30 for the first pricing window of July (1<sup>st</sup> – 15<sup>th</sup> August 2022) is estimated at GHS10.5000/USD, which is the average quoted indicative 30-day forward forex rate from major oil financing banks as monitored on the market.

## The Ex-refinery Price Indicator (Xpi)

The Ex-ref price indicator (Xpi) is computed using the referenced international market prices usually adopted by BIDECS, factoring the CBOD economic breakeven benchmark premium for a given window and converted from USD/mt to Ghs/ltr using the *FuFex30*.

$$XPI = \frac{(\text{International Market Price} + \text{CBOD Benchmark Premium}) \times \text{Fufex30}}{\text{Conversion Factor}}$$

## Ex-ref Price Effective 1<sup>st</sup> – 15<sup>th</sup> August 2022

PRICE COMPONENT	PMS	AGO	LPG
Average World Market Price (US\$/MT)	1,099.36	1,112.66	620.25
CBOD Benchmark Breakeven Premium (US\$/MT)	120	250	170
FuFex30 (GHS/USD)	10.5000	10.5000	10.5000
Volume Conversion Factor (ltr/mt)	1324.50	1183.43	1000
Ex-ref Price (Ghs/ltr)	<b>9.6665</b>	<b>12.0902</b>	<b>8.2976/kg</b>
Price Tolerance	+1%/-1%	+1%/-1%	+1%/-1%

<sup>1</sup> The Fufex30 is a 30-day Ghs/USD forward fx rate used as a benchmark rate for BIDECS ex-ref price estimations.

## Taxes, Levies, and Regulatory Margins

Total taxes, levies, and regulatory margins for the 16<sup>th</sup> – 31<sup>st</sup> July 2022 selling window remained the same as the previous window. The NPA in the previous window restored the UPPF back to Ghp29/ltr, which increased the TRM on petroleum on gasoline, gasoil, LPG, and kerosene by Ghp9/ltr effective 1<sup>st</sup> July 2022. This restoration became necessary after the government through the NPA reduced the margins on the petroleum price build-up by Ghp15/ltr for a 3-month period (1<sup>st</sup> April to 30<sup>th</sup> June) to contain the rising cost of petroleum products at the pumps. The restoration of the UPPF back to Ghp29/ltr means that the reduction of the petroleum margins which was Gho15/ltr from 1 April has now been reduced to Ghp6/ltr effective 1<sup>st</sup> July. Therefore, total taxes, levies, and regulatory margins for the window under consideration stood at Ghp237/ltr for gasoline, Ghp235/ltr for gasoil and Ghp153/kg for LPG, accounting for 21% and 17% of ex-pump prices of gasoline and gasoil respectively.

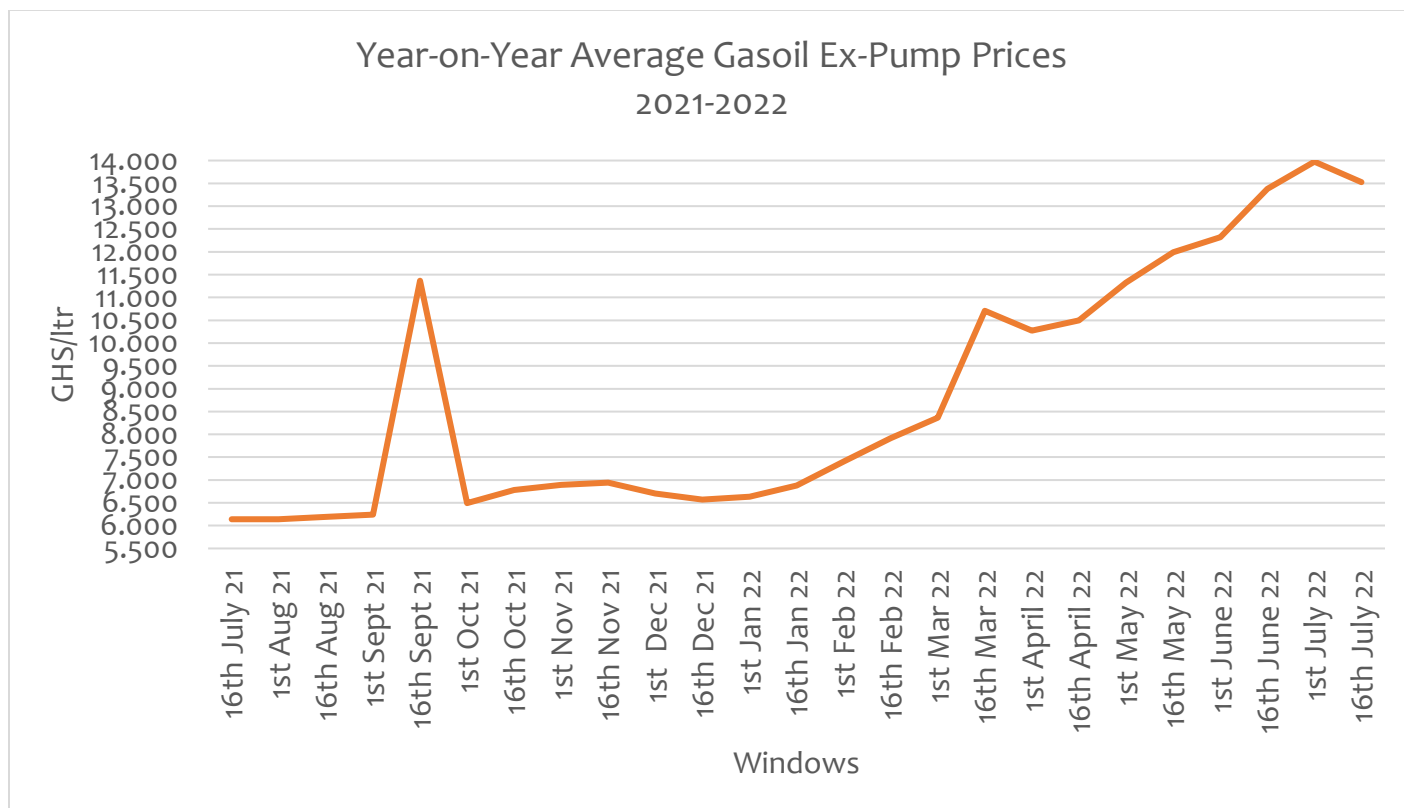
### Window 1<sup>st</sup> – 15<sup>th</sup> August 2022

TRM Components	Gasoline (GHP/ltr)	Gasoil (GHP/ltr)	LPG (GHP/KG)
ENERGY DEBT RECOVERY LEVY	49	49	41
ROAD FUND LEVY	48	48	-
ENERGY FUND LEVY	1	1	-
PRICE STABILISATION & RECOVERY LEVY	16	14	14
SANITATION & POLLUTION LEVY	10	10	-
ENERGY SECTOR RECOVERY LEVY	20	20	18
PRIMARY DISTRIBUTION MARGIN	7	7	-
BOST MARGIN	7	7	-
FUEL MARKING MARGIN	4	4	-
SPECIAL PETROLEUM TAX	46	46	48
UPPF	29	29	27
DISTRIBUTION/PROMOTION MARGIN	-	-	5
TOTAL	237	235	153

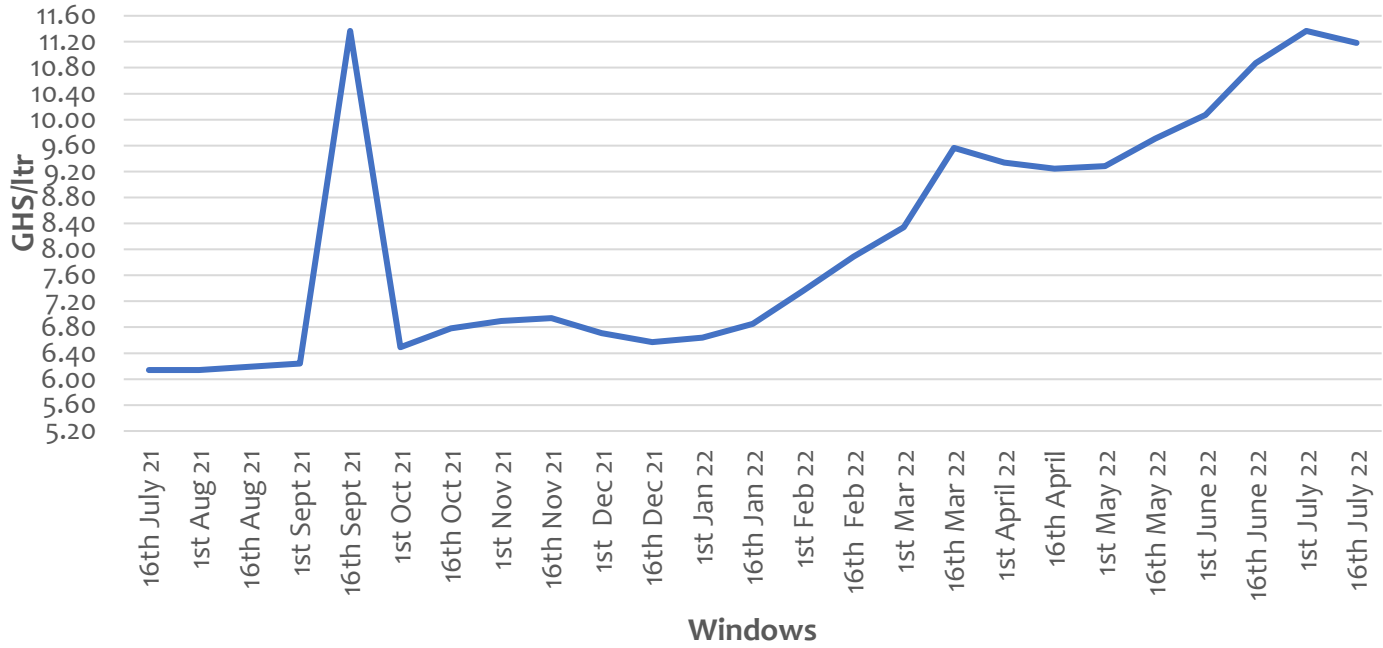
### OMC Pricing Performance: 16<sup>th</sup> to 31<sup>st</sup> July 2022

Pump prices for gasoline and gasoil within the 16<sup>th</sup> to 31<sup>st</sup> July 2022 selling window plummet marginally by an average of 2.5 % and 3.2% respectively relative to the previous window (1<sup>st</sup> to 15<sup>th</sup> July 2022) pump prices. The decline in the pump prices was attributable to the decline in the international prices of petroleum products due to the growing concerns about the recent Covid-19 lockdowns in some provinces in China. Although the prices of the products in the international market declined by a larger margin, a proportional decline in margins was not witnessed at the pumps in Ghana due to the sharp depreciation of the Cedi, which is a major determinant of pump prices in the country.

While the pump price of gasoline declined from an average of GHS11.367/ltr to GHS11.080/ltr, that of gasoil declined from GHS13.975/ltr to GHS13.525/ltr from the previous selling window of 1<sup>st</sup> to 15<sup>th</sup> July 2022. On a year-on-year basis, gasoline and gasoil ex-pump prices experienced about 82% and 120% increases over the period. This is also an indication that from the beginning of the year until now, the ex-pump prices of gasoline and gasoil recorded an average of 68% and 104% increases in price respectively, with gasoline and gasoil prices both increasing from GHS6.637/ltr in the first pricing window of the year 2022 (1<sup>st</sup>-15<sup>th</sup> January) to GHS11.080/ltr and GHS13.525/ltr respectively in the second selling window of July 2022.



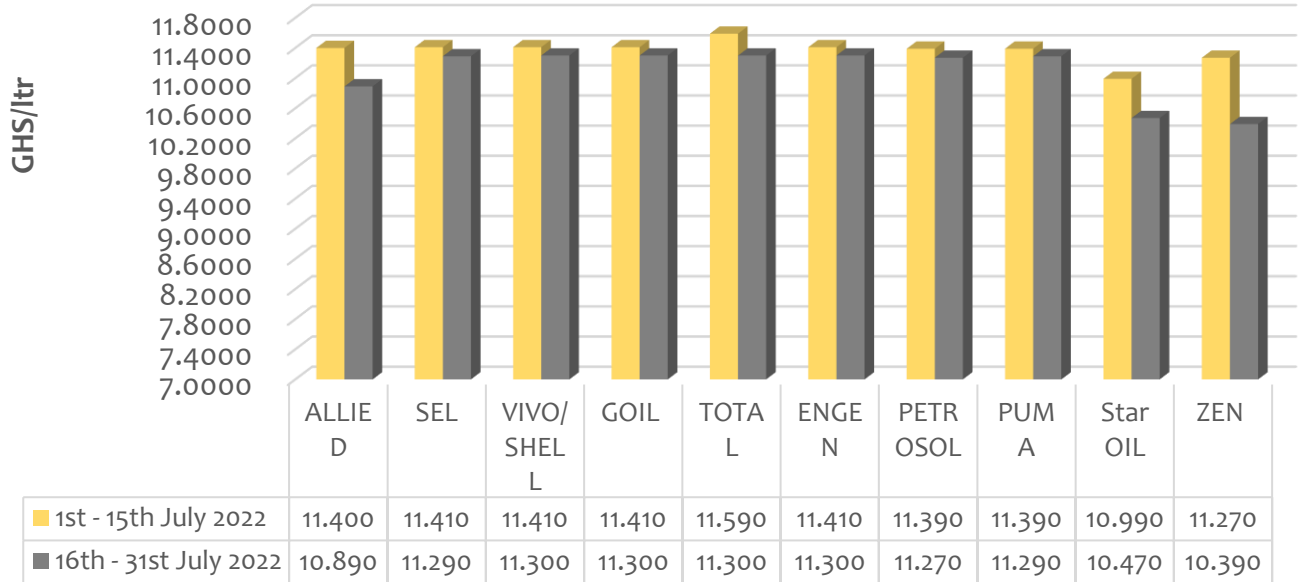
### Year-on-Year Average Gasoline Prices 2021-2022



### Average Gasoline Ex-pump prices (GHS/ltr)

OMC	1 <sup>st</sup> – 15 <sup>th</sup> July 2022	16 <sup>th</sup> – 31 <sup>st</sup> July 2022	% Change
ALLIED	11.4000	10.8900	-4.5%
SEL	11.4100	11.2900	-1.1%
VIVO/SHELL	11.4100	11.3000	-1.0%
GOIL	11.4100	11.3000	-1.0%
TOTAL	11.5900	11.3000	-2.5%
ENGEN	11.4100	11.3000	-1.0%
PETROSOL	11.3900	11.2700	-1.1%
PUMA	11.3900	11.2900	-0.9%
Star OIL	10.9900	10.4700	-4.7%
ZEN	11.2700	10.3900	-7.8%
<b>AVERAGE</b>	<b>11.367</b>	<b>11.080</b>	<b>-2.5%</b>

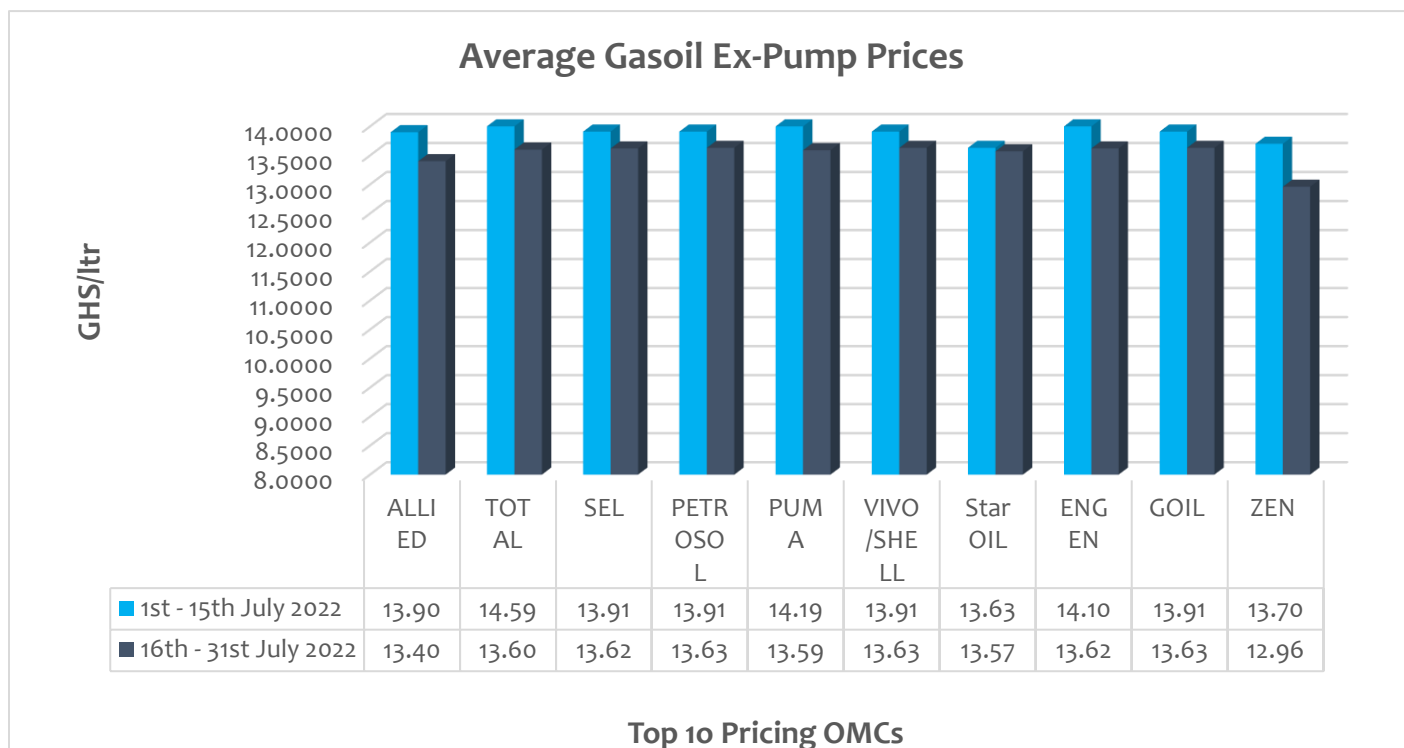
### Average Gasoline Ex-Pump Prices



Top 10 Pricing OMCs

### Average Gasoil Ex-pump prices (GHS/ltr)

OMC	1st - 15th July 2022	16th - 31st July 2022	% Change
ALLIED	13.9000	13.4000	-3.6%
TOTAL	14.5900	13.6000	-6.8%
SEL	13.9100	13.6200	-2.1%
PETROSOL	13.9100	13.6300	-2.0%
PUMA	14.1900	13.5900	-4.2%
VIVO/SHELL	13.9100	13.6300	-2.0%
Star OIL	13.6300	13.5700	-0.4%
ENGEN	14.1000	13.6200	-3.4%
GOIL	13.9100	13.6300	-2.0%
ZEN	13.7000	12.9600	-5.4%
<b>AVERAGE</b>	<b>13.9750</b>	<b>13.5250</b>	<b>-3.2%</b>



## Weekly Petroleum Stock

The total petroleum stocks available in the country at the beginning of the week, Monday 25<sup>th</sup> July 2022, comprised of Gasoline, Gasoil, LPG, ATK, Kerosene, Premix and RFO. The breakdown of the total stocks and expected weekly consumption in the country is presented below.

Product	Total Stocks (Million Lts)	Forecasted Weekly Consumption (Million Lts)	Week-to-Last	Cargoes at anchorage (Million Lts)	Week-to-Last including cargoes at anchorage
Diesel	186.8	53.0	3 weeks 3 days	51.5	4 weeks 3 days
Petrol	182.8	49.0	4 weeks	27.8	4 weeks 2 days
LPG*	15.9	7.5	2 weeks	5.0	3 weeks
ATK	24.1	5.0	5 weeks	0	5 weeks
Kero**	7.8	0.15	32 weeks	0	32 weeks
Premix	0.8	2.1	2 days	0	2 days
RFO	3.5	1.7	2 weeks	0	2 weeks

**\*LPG figures are in million kilograms \*High Kerosene stocks are from previous productions by TOR / Woodfields**

## Expected Cargoes This Week (25<sup>th</sup> to 31<sup>st</sup> July 2022)

A total of about 79.294 million liters of petroleum products comprising gasoline and gasoil are expected to be imported within the period. An expected volume of about 51,479,205 litres of Gasoil and 27,814,500 litres of Gasoline are to be imported within the reporting period. A total of about two (2) BDCs are importing these products for the period under consideration. Currently, two (2) vessels are at anchorage.

### Atuabo Gas Processing Plant

The Gas Processing Plant (GPP) at Atuabo is currently producing LPG at an average rate of about 380MT/day.

### Tema Oil Refinery

The RFCC unit at TOR remains shutdown due to reconstruction whiles CDU is also shut down due to lack of Crude Oil.

### Liquefied Petroleum Gas (LPG) Imports

Verrazane is discharging 5000mt on behalf of Matrix, Sage, and Fueltrade.

### Aviation Turbine Kerosene (ATK) Imports

There is no ATK cargo expected within the period.

## Expected Cargoes this Week (25<sup>th</sup> to 31<sup>st</sup> July 2022)

NO.	BIDEC	Laycan	Volume Diesel (Lts)	Volume Petrol (Lts)	Vessel Name	Status
1	Glencore		-	27,814,500	British Captain	Anchorage
2	BP		51,479,205		Doric Breeze	Anchorage
<b>Total</b>			<b>51,479,205</b>	<b>27,814,500</b>		
<b>Expected weeks to last</b>			<b>1 Week</b>	<b>3 Days</b>		

Source: National Petroleum Authority