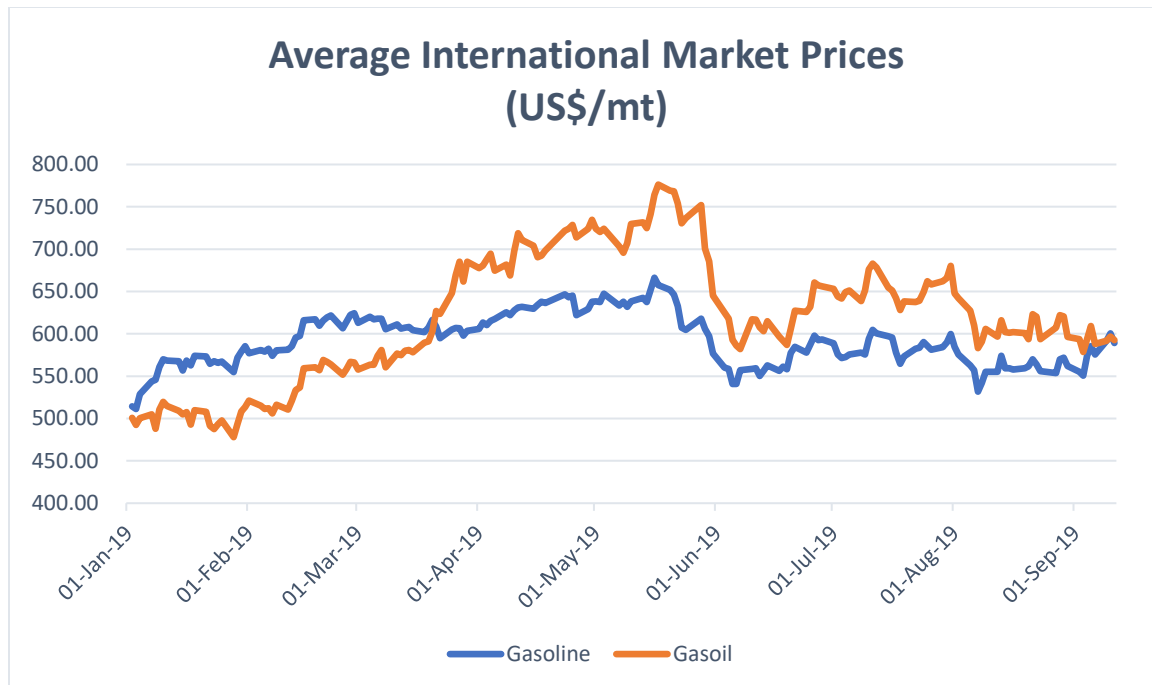


## **CBOD PETROLEUM PRICE OUTLOOK**

### **Refined Products Review and Outlook**

The international market prices of gasoline and gasoil for the second pricing window of August (27<sup>th</sup> August to 11<sup>th</sup> September) averaged \$599.25/mt and \$573.31/mt respectively. This was -0.95% (\$5.75/mt) lower for gasoline and 2.07% (\$11.64/mt) higher for gasoil relative to the previous pricing window. Decreases observed in gasoline prices rides on the back of an increase in the supply of gasoline due to the expected switch from the use of the relatively expensive summer blend to a cheaper winter blend in the next window. Average international prices for the window were 20% and 16% lower year-on-year for both gasoline and gasoil respectively. Average prices for gasoline for the second pricing window of August have been the lowest since March this year. Prices for the second pricing window (27<sup>th</sup> August to 11<sup>th</sup> September) were 19% and 5% higher than average prices observed in the beginning pricing window of the year.



### FuFeX

The forward FX rate (FuFeX) used is the average of the quoted indicative forward forex rate from major oil financing banks adjusted by the covered-interest parity pricing model and the CBOD internal research outlook. The Fufex30 to be applied for the second selling window of August (27<sup>th</sup> August to 11<sup>th</sup> September 2019) is **Ghs5.63/USD**

### The Ex-refinery Price Indicator (Xpi)

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

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

**Ex-ref Price for 27<sup>th</sup> August to 11<sup>th</sup> September 2019**

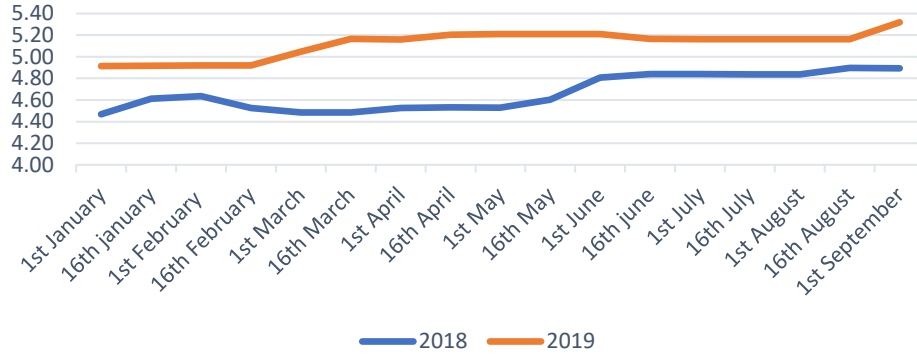
<b>PRICE COMPONENT</b>	<b>PMS</b>	<b>AGO</b>
Average World Market Price (US\$/MT) 27 <sup>th</sup> August-11 <sup>th</sup> September Pricing window	599.25	573.31
<b>CBOD Benchmark Breakeven Premium (US\$/MT)</b>	70	90
FuFex30 (GHS/USD)	5.63	5.63
Volume Conversion Factor (Itrs/mt)	1324.50	1183.43
<b>Ex-ref Price (Ghs/ltr)</b>	2.845	3.156
Price Tolerance	+1%/-1%	+1%/-1%

## OMC Pricing Performance

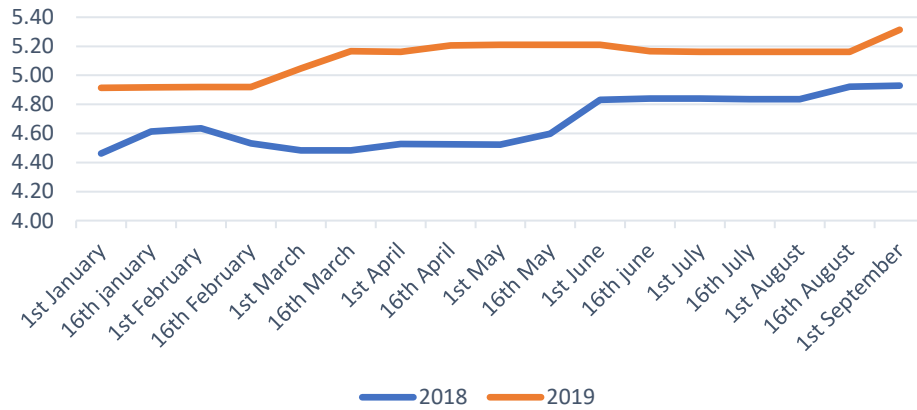
Average ex-pump prices for gasoline and gasoil for the first selling window of September (1<sup>st</sup> to 15<sup>th</sup> September) were up by 3% from Ghs5.163/ltr to Ghs5.320/ltr and Ghs5.314/ltr for gasoline and gasoil respectively. This marks the highest price observed in the year. The increases in price was as a result of the upward revision in taxes and levies by a cumulative Ghp20/ltr following the amendment of the Energy Sector Levies Act 2015(Act 899) to the Energy Sector Levies (Amendment) Act 2019 (Act 997). The Energy Debt Recovery Levy(EDRL) was increased from Ghp41/ltr to Ghp49/ltr, the Road Fund Levy (RFL) was also increased from Ghp40/ltr to Ghp48/ltr, while the Price Stabilisation and Recovery levy (PSRL) was increased from Ghp12/ltr and Ghp10/ltr to Ghp16/ltr and Ghp14/ltr for gasoline and gasoil respectively. Average ex-pump prices of gasoline and gasoil have increased by 8% year-to-date, compared to the 10% increase same period last year and a year-on-year increase of about 9% and 8% for gasoline and gasoil respectively.

Ex-pump prices for gasoline is expected to fall by between Ghp2/ltr- Gh5p/ltr while gasoil is expected to increase by about Ghp5/ltr in the next selling window (16<sup>th</sup> to 30<sup>th</sup> September) all other things being equal as a result of the changes in the international market prices of gasoline and gasoil.

### 2018 v 2019 Gasoline Average Ex-pump price (Ghs/ltr)



### 2018 v 2019 Gasoil Average Ex-pump price (Ghs/ltr)



## OMC Pricing Performance

Out of the top 10 OMCs, Vivo Energy Shell, Goil and Total displayed the highest prices at their pumps. For the first selling window of September (1<sup>st</sup> to 15<sup>th</sup> September) the top three highest selling OMCs sold gasoline and gasoil at an average price of GHS 5.385/ltr and Ghs5.370/ltr respectively. Radiance Petroleum displayed the least price at the pump for both gasoline and gasoil, with a price of Ghs 5.130/ltr at its pumps for both gasoline gasoil respectively.

### Average Ex-Pump prices for 1<sup>st</sup> September to 15<sup>th</sup> September 2019 (Ghs/ltr)

OMCs	Gasoline	Gasoil
Vivo Energy Shell	5.385	5.385
Total	5.385	5.385
Goil	5.385	5.340
Star Oil	5.360	5.300
Petrosol	5.350	5.385
Allied Oil	5.340	5.330
Glory Oil	5.339	5.379
Frimps Oil	5.320	5.300
Puma Energy	5.203	5.203
Radiance	5.130	5.130

**NB: Table is arranged in descending order, from highest priced OMC to lowest priced OMC**

