

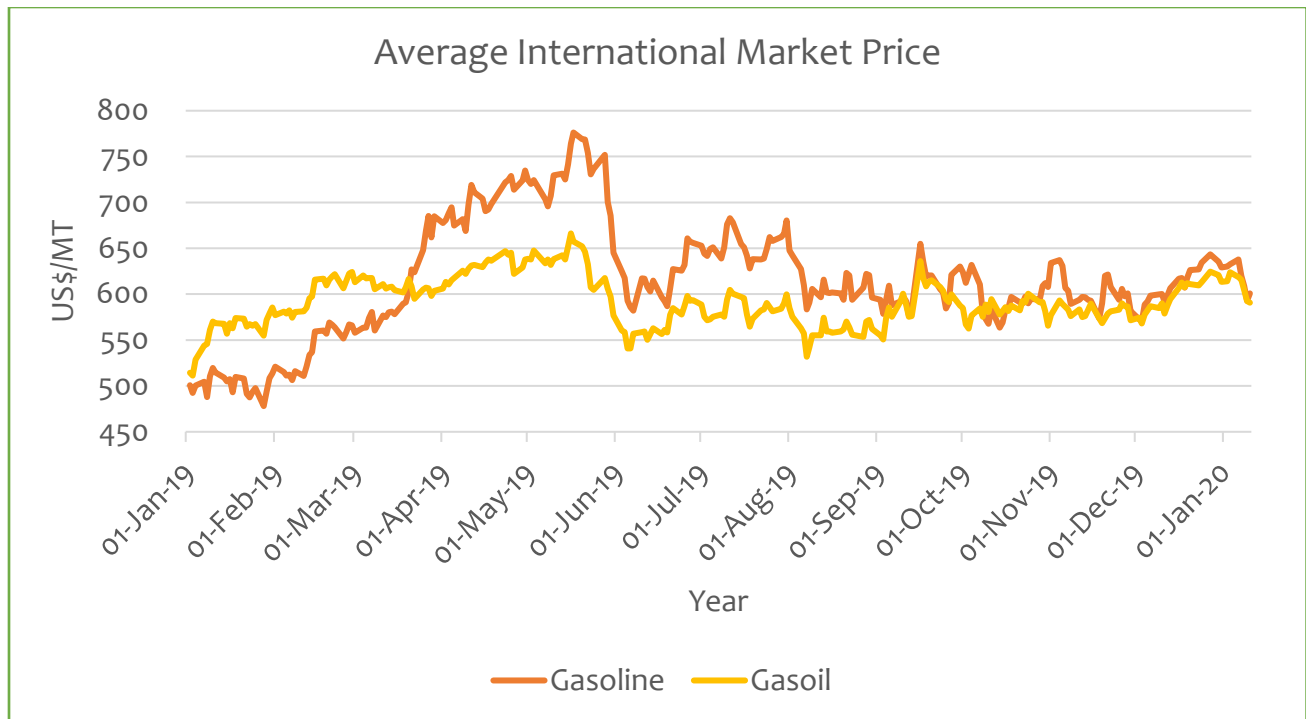


CBOD PETROLEUM PRICE OUTLOOK

16th to 31st January 2020

Refined Products Review and Outlook

The international market prices of gasoline and gasoil for the second pricing window of January 2020 (27th December to 11th January) averaged \$623.13/mt and \$611.85/mt respectively from the previous average window price of \$616.92/mt and \$606.08/mt for gasoline and gasoil respectively. Average gasoline and gasoil prices for the current pricing window increased by about 1% relative to the previous pricing window. Average prices of gasoline and gasoil experienced a year-on-year increase of about 25% and 15% respectively.



Fufex

The Fufex30¹ which is a 30-day forward GHS/USD FX rate for the petroleum downstream industry is estimated at **GHS5.89/USD** for the second pricing window of January 2020 (27th December to 11th January). The Fufex30 is estimated using the average 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 Ex-refinery Price Indicator (Xpi)

The Ex-ref price indicator (Xpi) is computed using the referenced international market prices 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*.

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

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

Ex-ref Price for 27th December to 11th January

PRICE COMPONENT	PMS	AGO
Average World Market Price (US\$/MT)	623.13	611.85
CBOD Benchmark Breakeven Premium (US\$/MT)	100	90
FuFex30 (GHS/USD)	5.89	5.89
Volume Conversion Factor (ltrs/mt)	1324.50	1183.43
Ex-ref Price (Ghs/ltr)	3.216	3.493
Price Tolerance	+1%/-1%	+1%/-1%

OMC Pricing Performance

The average ex-pump prices for gasoline and gasoil for the first selling window of January (1st to 15th January) increased marginally by less than 0.06% increasing from Ghs5.3919/ltr in the last window of December 2019 to Ghs 5.395/ltr in the first selling window of January 2020, average gasoil prices, however, remained the same at Ghs 5.391/ltr.

Average ex-pump prices of gasoline and gasoil for the first selling window of 2020 witnessed a year-on-year increase of about 10%.

Ex-pump prices for gasoline and gasoil are expected to remain the same in the next selling window (16th to 31st January 2020) following the removal of the Price Stabilisation and Recovery Levy of Ghp16/ltr by the NPA. This is to cushion the increases observed in the international market price of both products.

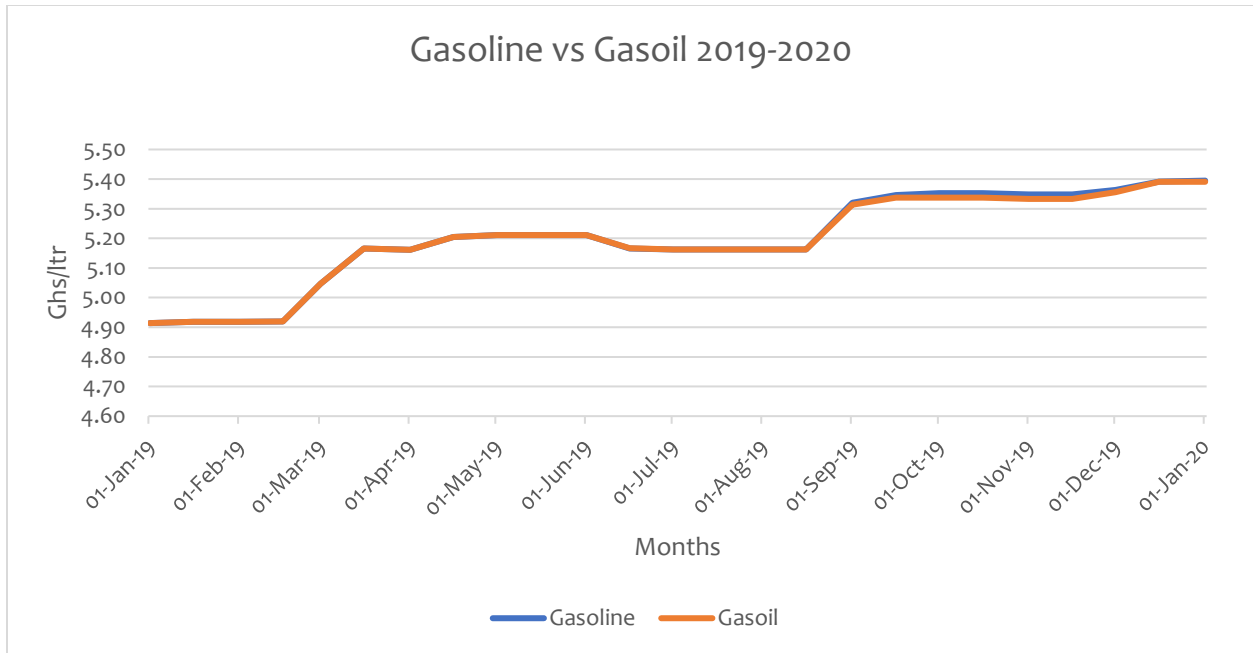
Taxes, Levies and Regulatory Margins

For the first selling window of January 2020, the Price Stabilisation and Recovery Levy of Ghp 16/ltr was removed. This is intended to manage the impact of prices of international petroleum products on local ex-pump prices. Currently, taxes, levies and regulatory margins account for 33% of the ex-pump price.

	Gasoline (GHp/Lt)	Gasoil (GHp/Lt)
ENERGY DEBT RECOVERY LEVY	49.00	49.00
ROAD FUND LEVY	48.00	48.00
ENERGY FUND LEVY	1.00	1.00
PRICE STABILISATION AND RECOVERY LEVY	0.00	0.00
PRIMARY DISTRIBUTION MARGIN	6.50	6.50
BOST MARGIN	3.00	3.00
FUEL MARKING MARGIN	3.00	3.00
SPECIAL PETROLEUM TAX	46.00	46.00
UPPF	22.00	22.00
Total	178.50	178.50

Taxes, levies and regulatory margins as at 4th January 2020.

Source : National Petroleum Authority

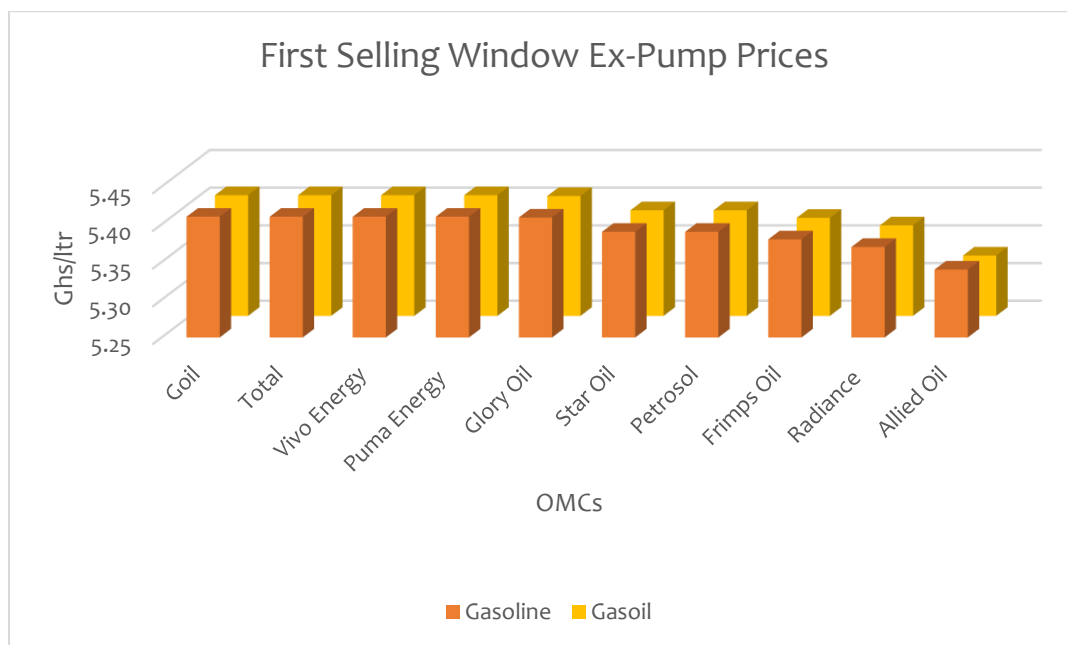


For the first window of 2020, as many as 5 OMCs out of the top 10 OMCs, displayed the same prices. This includes Goil, Total, Vivo Energy-Shell, Puma Energy and Allied Oil. For the first selling window of January (1st to 15th January), the top five highest selling OMCs sold both gasoline and gasoil at an average price of Ghs5.410/ltr. Petrosol displayed the lowest prices at its pumps for the first selling window of January, selling at Ghs 5.350/ltr and Ghs 5.320/ltr for gasoline and gasoil respectively.

Average Ex-Pump prices for 1st to 15th January (Ghs/ltr)

OMCs	Gasoline	Gasoil
<i>Puma Energy</i>	5.410	5.410
<i>Total</i>	5.410	5.410
<i>Goil</i>	5.410	5.410
<i>Allied Oil</i>	5.410	5.410

Vivo Energy-Shell	5.410	5.410
Glory Oil	5.409	5.409
Star Oil	5.390	5.390
Frimps Oil	5.380	5.380
Radiance Petroleum	5.370	5.370
Petrosol	5.350	5.320



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

