



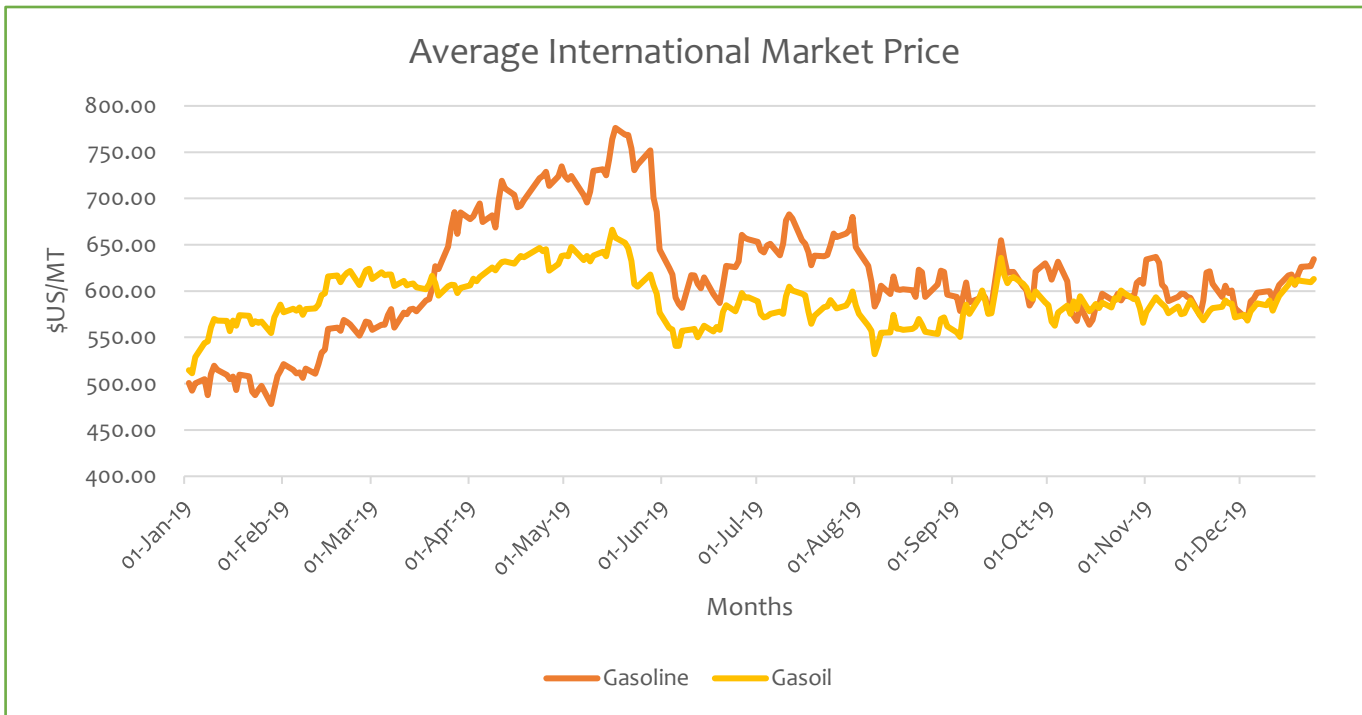
## **CBOD PETROLEUM PRICE OUTLOOK**

**1<sup>st</sup> to 15<sup>th</sup> January 2020**

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

The international market prices of gasoline and gasoil for the first pricing window of January 2020 (12<sup>th</sup> to 26<sup>th</sup> December) averaged \$616.92/mt and \$606.08/mt respectively from the previous average window price of \$590.32/mt and \$580.70/mt for gasoline and gasoil respectively. Average gasoline and gasoil prices for the current pricing window increased by 4.51% and 4.37% respectively relative to the previous pricing window. Average prices of gasoline and gasoil experienced a year-on-year increase of about 22% and 11% respectively.

Average prices of gasoline and gasoil started the year at \$504.09/mt and \$543.63/mt respectively. Prices peaked in the first pricing window of June 2019 (12<sup>th</sup> -26<sup>th</sup> May) reaching a year high of \$749.68/mt for gasoline and \$639.88/mt for gasoil. The lowest prices observed during the year was in the second pricing window of January 2019 where gasoline was sold at an average of \$498.48/mt and gasoil was sold at an average of \$532.09/mt



**Fufex**

The Fufex30<sup>1</sup> which is a 30-day forward GHS/USD FX rate for the petroleum downstream industry is estimated at **GHS5.90/USD** for the first pricing window of January 2020 (12<sup>th</sup> to 26<sup>th</sup> December). 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*.

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

<sup>1</sup> The FufeX30 is a 30-day Ghs/USD forward fx rate used as a benchmark rate for BDC ex-ref price estimations.

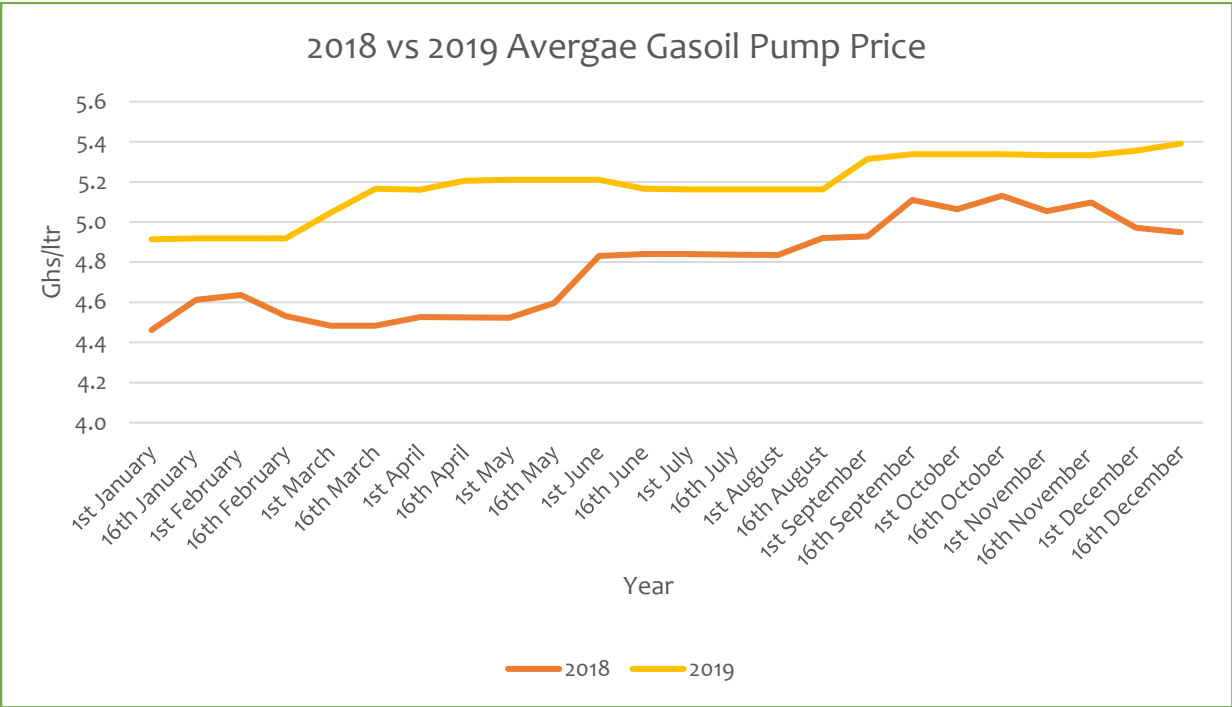
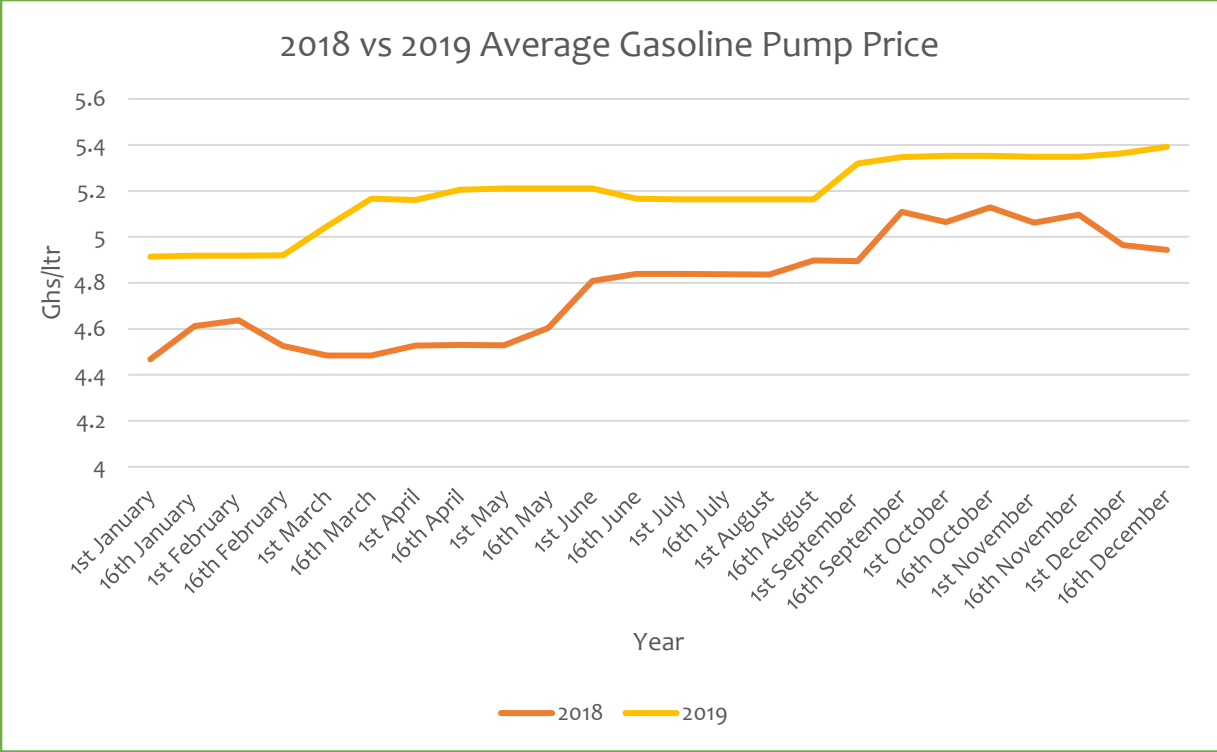
## Ex-ref Price for 12<sup>th</sup> to 26<sup>th</sup> December

PRICE COMPONENT	PMS	AGO
Average World Market Price (US\$/MT)	616.92	606.08
CBOD Benchmark Breakeven Premium (US\$/MT)	100	90
FuFex30 (GHS/USD)	5.90	5.90
Volume Conversion Factor (ltrs/mt)	1324.50	1183.43
<b>Ex-ref Price (Ghs/ltr)</b>	<b>3.194</b>	<b>3.520</b>
Price Tolerance	+1%/-1%	+1%/-1%

## OMC Pricing Performance

The average ex-pump prices for gasoline and gasoil for the second selling window of December (16<sup>th</sup> to 31<sup>st</sup>December) increased by 1% each. Average prices of gasoline and gasoil increased from Ghs5.364/ltr and Ghs5.356/ltr to Ghs5.392/ltr and Ghs5.391/ltr respectively, the highest prices recorded this year. Average ex-pump prices of gasoline and gasoil have increased by 10% year-to-date, compared to the 11% increase same period last year and a year-on-year increase of about 9% for gasoline and gasoil respectively.

Ex-pump prices for gasoline and gasoil are expected to increase between 2% and 5% for the next selling window (1<sup>st</sup> to 15<sup>th</sup> January 2020) mainly due to the depreciation of the cedi against the dollar and the increase in the international market price.



Out of the top 10 OMCs, Vivo Energy-Shell, Goil, Total and Puma Energy displayed the highest prices at their pumps. For the second selling window of December (16<sup>th</sup> to 31<sup>st</sup> December), the

top four highest selling OMCs sold both gasoline and gasoil at an average price of Ghs5.410/ltr. Allied Oil replaced Frimps Oil as the lowest priced OMC out of the top 10 OMCs. It sold gasoline and gasoil at its pumps for Ghs5.340/ltr and Ghs5.330/ltr respectively.

**Average Ex-Pump prices for 16<sup>th</sup> to 31<sup>st</sup> December 2019 (Ghs/ltr)**

<b>OMCs</b>	<b>Gasoline</b>	<b>Gasoil</b>
<b>Vivo Energy Shell</b>	5.410	5.410
<b>Total</b>	5.410	5.410
<b>Goil</b>	5.410	5.410
<b>Puma Energy</b>	5.410	5.410
<b>Glory Oil</b>	5.409	5.409
<b>Star Oil</b>	5.390	5.390
<b>Petrosol</b>	5.390	5.390
<b>Frimps Oil</b>	5.380	5.380
<b>Radiance Petroleum</b>	5.370	5.370
<b>Allied Oil</b>	5.340	5.330

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

